

**Kent Invicta Chamber of Commerce**  
**North Kent Economic Development Group Meeting**  
**26<sup>th</sup> August 2014**  
**Medway Innovation Centre**

**Minutes**

**Attendees:**

Richard Lavender (RLC) acting Chair- Kent Invicta Chamber of Commerce  
Peter Cooper (PC)- Penshurst Planning  
Wayne Saunders (WS)- Medway Council  
Katie Jones (KJ)- Medway Council  
Steve Boxall (SB)- Regeneration X  
Deborah Shell (DS)- Hatten Wyatt  
Suzanne Wood (SW)- Medway Fibreglass  
Wendy Brazil- Hannam (WBH) - Ramada Encore, Chatham  
In attendance, Louisa Felstead (LAF)- Kent Invicta Chamber of Commerce

**Apologies:**

Jo James- Kent Invicta Chamber of Commerce  
Steve Gerring- UK HSE  
Leslie Fernandez- North West Kent College  
Richard Longman – Thames Gateway (Kent) Partnership  
David Liston-Jones – Thames Gateway (Kent) Partnership  
Clare Clark- Facts & Figures  
Debbie Townrow- Swale BC  
Lewis Kirnon- Dartford BC  
Clare Creighton- Dartford BC  
Janet Robinson- SET Training  
Chris Inwood- Gravesham BC  
Rosemary Williams- RW Coaching  
Martin Garside- Port of London Authority  
Alastair Gale- Port of London Authority  
Stephen Parker- Willmott Dixon  
Robert Goodman- Bluewater/Lendlease  
Charlotte Bland- Caxtons

**Aviation debate**

RLC- the Chamber has recently sent out an e mail poll to members in regard to the business view on aviation airport expansion. The Chamber had not given public support to any of the schemes up to this point, but after being pressed by the three option operators decided sufficient information was now in the public domain to carry out a survey of members.

The poll results were:

In favour of-

Expansion at Heathrow- 13.64%

Expansion at Gatwick- 25.65%

A hub airport on the Isle of Grain- 41.56%

Other- 19.16%

350 responses were received. Many of those opting for “other” were in favour of a revival of an airport at Manston. It has already been made clear that this is not an option. KICC is the only Chamber to have conducted a poll. RLC- said detail of the survey has been given to Transport for London with the express understanding that those opting for “other” should not be linked as thereby supporting the Isle of Grain option. The distribution of survey detail is prior to

the announcement next week by the Davies Enquiry when he will announce if the Thames Estuary option will be included in the final submission to Government. RLC said that this was not against any earlier proposals made by KCC i.e Heathrow, Manston and the Ashford fast link to Gatwick, but as two of those options were excluded from the Davies Report and the Thames Estuary was now being reconsidered The Chamber thought it the right time to survey our members for their views.

SW- concerned that politicians came out against a hub airport at Grain without a proper debate and did not ask for public opinion.SB- agreed. SW- decision should be what is right for the UK

RLC- post next week's decision on the final options, there may very well be presentations on the subject to be sponsored by TFL, Heathrow and Gatwick. Delegates were advised to expect much more information in this via the Chamber in the next few months.

RLC- ran over the purpose of the NKEDG, saying that this group was representative of businesses in North Kent area and we should be addressing all issues that come to the table via members of the group or business members who wish to bring something to our attention. We as a group must not be frightened of putting our head above the parapet at times if it is for the good of our local businesses.

### **1. Minutes of previous meeting**

Approved

### **2. Matters arising**

RLC- currently talking to Paramount. DS- any feedback from Paramount on their recent public exhibitions? WBH- post event publicity was that Paramount was pleased with the events. SB commented that the events were more of a consultation on how locals wish to be consulted

### **3. Action List Review**

Completed

### **4. Group Reports**

#### **• Environment**

SB to take portfolio. Spotted recently that English Heritage are reviewing whether to list 20<sup>th</sup> Century offices such as Gunn Wharf. RLC- any further news re Nightengales at Lodge Hill? WS- revised plans to be submitted re Lodge Hill

#### **• Transport & Infrastructure**

PC- Further movement re Third Thames Crossing. Options A & C being looked at for further consultation in late 2014/early 2015. SW- Dartford is a bottle neck traffic wise. PC- is there a need for a third crossing or is it a case of better traffic management? RLC- does option C still include a tunnel rather than a bridge? PC- option C is probably twice as costly as option A. SB- TFL are currently consulting on an East London Crossing. The Woolwich Ferry is also being looked at as regards future plans. Additional crossings are considered necessary for local traffic rather than for strategic reasons and would result in a transference of existing traffic.

The Ebbsfleet Development Corporation consultation is about to begin. This would cover areas such as Eastern Quarry and includes the Paramount area

#### **• Planning**

SB- Possible relaxation of planning constraints. RLC- against any lessening of regulation and agreed that Local Authorities must keep control of planning issues as they represent the community..

- **Commercial Property**

Report by CB - apologies for meeting sent

### **The Residential Market**

- Tighter lending criteria introduced as part of the Mortgage Market Review appeared to have an impact on borrowing initially, but the Bank of England claims that the dampening effect of the new rules on the housing market was transitional and is wearing now that lenders are acclimatising to the new regime.
- Despite the growth in the number of sales slowing slightly across the last few months Halifax reported that house prices increased by 1.4% in July from June, rising 3.6% in the 3 months to the end of July and 10.2% on the same period a year ago, with housing shortage, a buoyant economy and low borrowing costs still driving prices.

### **The Office Market**

- A large number of older, obsolete offices are being sold for conversion to residential following the introduction of the change in permitted development rights which seems to be reducing the levels of supply significantly.
- London suburbs such as Bromley are seeing a commercial property boom as buyers who are priced out of the centre of London look for cheaper offices.

### **The Industrial Market**

- Growth in the UK manufacturing base has led to increased demand for space whilst severe supply constraints mean build to suit deals reached the highest level seen since before the downturn.
- The Midlands was the main focus of this activity followed by the wider South East region.
- Prices have continued to harden for both prime and good secondary assets throughout 2014, reflecting the sheer weight of money in the market and competition for limited product.
- Examples of key large format developments to commence this year included Invicta Riverside in Aylesford and (Roxhill Developments Ltd) and Tower, West Thurrock (Blackrock & Bericote)

### **The Retail Market**

- This market is still underperforming in contrast to the office and industrial sectors with the divide between the best and worst high street widening further.
- However consumer confidence has improved significantly in the last year and this has translated through to sales which is a positive sign.
- Online sales continue to grow and consequently traditional bricks and mortar stores in less desirable locations will continue to struggle.

**Some focus points for discussion:-**

- Business Rates – has the deferment of the revaluation of properties for the purposes of business rates left many business paying disproportionately high rates in comparison to market rents, and the level at which they should be? Is this inhibiting the revival of the retail market?
- Should High Streets seek to move away from a solely retail offering and incorporate a leisure element in order to create a bigger pull effect on the local community?
- Should car parking be free and more conveniently located in town centres (as it is with many out of town retail centres) to encourage more shoppers to use their local High Street?

RLC- modular building seen as the way forward. Government grant has already been given in the North of the UK for an overseas business to have a site producing modular “kits”.

SB- prefabs have been popular in the past. Perhaps they have a bad reputation which came from the building of tower blocks? WS- builders that he has spoken with say that buyers have no wish to purchase pre-constructed houses. MHS Homes have recently built 100 pre- fabricated homes in Medway. PC- the energy efficiency of this type of building will be a popular feature.

*What would the effect be if the total amount taken from Business Rates wasn't capped? Has any research been done on this?*

### **ACTION- RLC to report back**

RLC/SB- mixed use of town centres is vital. Local authorities have abandoned pushing town centre employers to either provide transport or parking for all employees. SW- Swale BC is looking into providing a bus from Sittingbourne train station to Eurolink. WS- Medway BC has previously given four days of free parking at Christmas in town centres. In 2014 this will increase to eight, with four being in November and four in December.

- **Business Legal**

DS- Flexible working came into force on 30<sup>th</sup> June. Any employee, after a working period of 26 weeks, can apply for flexible working. Businesses will need to have a procedure in place for this. Automatic flexible working is not compulsory. SW- could an employee take an employer to a tribunal on these grounds if permission is not granted? WBH- could be difficult in the hospitality industry.

E –Cigarettes in the workplace. After 2016 e-cigarettes will be classed as a licensed medicine. What are the implications for employers? WS asked WBH about e-cigarettes in hotels. WBH- designated rooms are allocated for smoking.

One to watch (Obesity, a disability): Recent reports of a case taken to the European Court of Justice is currently being considered, the outcome of this decision may suggest changes to the law.

- **Retail & Tourism**

WBH- local hotels report increased occupancy in the Medway area of 13% over the past year. The Ramada Encore is due for a record year sales wise. RLC asked about a bedroom tax as a way of raising local taxes. SB- there has been talk of authorities being able to impose these. WBH- these could possibly skew local markets

- **KCFG**

SW- will report NK EDG detail to KCFG .

KICC construction exhibition is to held at the County showground on the 8<sup>th</sup> October

RLC- does anyone receive the KCFG barometer?

**ACTION- RLC to send barometer to LAF for distribution to the group**

- **Local Authority updates**

### **Medway**

WS- coming into a quiet period prior to elections. Contentious issues tend not to be raised at such times. Interested to hear about airport debate in relation to KCC.

Regeneration locally continuing with the next phase of the Riverside development just released

Chatham Waters has begun including the new UTC which opens in September 2015. The head of this has just been appointed and comes from private industry.

A masterplan re Chatham Waterfront is currently being drawn up. The development of Rochester airfield is also going ahead. WBH asked which part of the waterfront. WS- this is the area in front of the Pentagon Centre and bus terminus. The next area for consideration will be the area around Staples. WBH- would there be two new hotels within such a small area? WS- yes, if there is demand. Permission has already been given for a hotel at the Gillingham waterfront. WBH- believes that this would be saturation in the market within a small area. What are the implications for out of town centre hotels?

Katie Jones introduced as part of the European support team at Medway BC

### **Gravesham**

Report sent on by CI in his absence

In March 2014, as part of the Budget, the Government announced ambitious plans to create a new garden city for the 21st Century at Ebbsfleet, capable of providing up to 15,000 new homes based predominantly on existing brownfield land.

As part of this Government has proposed an Ebbsfleet Development Corporation to act as the driver behind new development opportunities in the area and is currently seeking the views of business and residents through a consultation paper published by the Department for Communities and Local Government.

The consultation paper seeks views on:

- the creation of a new statutory body, to be known as the Ebbsfleet Development Corporation, to drive forward development at Ebbsfleet;
- the geographical area in which the Ebbsfleet Development Corporation will operate;
- the planning powers it will be granted; and
- the composition of its Board.

This is **not** a consultation on the details of the development that will come forward as part of the garden city. It would be for the Ebbsfleet Development Corporation, once established, to work with local communities and other partners on how to take forward the development of the area, consistent with the local plans developed by the local authorities.

To access the consultation papers please visit - [www.gov.uk/government/consultations/ebbsfleet-development](http://www.gov.uk/government/consultations/ebbsfleet-development)

RLC- what representation does the group want in respect of the Corporation?

**ACTION- All to respond to RLC**

**AOB**

SW- Asked about future NK EDG dates. Could meetings be moved to not include August and December?  
LAF- these have not yet been set.

**ACTION- All to give preferred dates/times for 2015 meetings**

SB- requested feedback on the SE LEP. RLC- JJ sits on the SE LEP and does usually attend EDG meetings. JJ will feed back at the next meeting.

**Date of next meeting:** Tuesday 21<sup>st</sup> October, 10.00am -12.00 noon at Medway Innovation Centre