

Kent Invicta Chamber of Commerce Maidstone Economic Development Group

Minutes of Meeting held on Tuesday 15th January 2013
The Gatehouse, Archbishops Palace, Mill Street, Maidstone, ME15 6YE

Present: John Taylor(JMT, Chair); Keith Grimley(KG), Nick Rowell(NR), Colin Davies(CD), Steve Goulette(SG), Heather Nowak(HN), Roland Nowak(RN), John Foster(JF), Anna Bloomfield(AB).

1.	<p>APOLOGIES FOR ABSENCE Jo James(JJ), Cllr Malcolm Greer(MG), Alan Reading(AR), Bill Moss(BM), Victoria Wallace(VW), Chris Blundell(CB), Mandy Bearne(MB), Rob Edwards(RE), Allis Beasley(ABE), Julie Anderson(JA).</p>	
2.	<p>MINUTES OF LAST MEETING Approved.</p>	
3.	<p>MATTERS ARISING Nil.</p>	
4.	<p>MAIDSTONE WORKLESSNESS FORUM Nothing to report.</p>	
5.	<p>MAIDSTONE CORE STRATEGY JF said that this was now back to square one. Having looked at other Authorities' Core Strategies it had been determined that the major issues for the Maidstone Core Strategy were Housing and Employment and the call for submissions would close on 25th January. This would go to Cabinet in March and may result in new sites and targets for Housing and Employment. It may be that Maidstone may revert to a Framework rather than a Core Strategy. AB asked about the impact of the NPPF on this Framework and SG responded that MBC would do as much as it could. NR asked if the Government knew what it was doing in this context.</p>	
6.	<p>MAIDSTONE INTEGRATED TRANSPORT STRATEGY This is related to the previous item and a framework will be provided as part of the Core Strategy. AB said that the current approach was simply tinkering around the edges while Maidstone was grinding to a halt. JF said that the Transport strategy would be affected by choice of locations for future Housing development. JMT said that this also depended on the actual Housing target, was it to remain at around 11,000 or increase to nearer 17,000. If the larger target were adopted then a major rethink would be needed. SG said that this highlighted the difficulty in making a sound plan. JMT commented that planning decisions ought to be based on economic areas not local authority areas, The recent approval of the Preston Hall development had highlighted this issue. AB commented that the current river crossings were a limiting fact but JMT disagreed.</p>	
7.	<p>LOCAL ECONOMY UPDATE JMT said that the latest Survey had yielded interesting results. NR posed the question of why the Government wanted more housing in the South East. JMT responded that it was demand and supply. NR asked if people were really wishing to move to the South East or was there less cash chasing property in other parts of the Country and thus distorting the figures. JMT noted the influx of European workers into the South East and into Maidstone in particular. This</p>	

	<p>was having a significant impact on the Rented Sector.</p> <p>NR gave an overview of the latest Survey results as follows. From an economic standpoint 2012 had been flat across the Country but the South East had not suffered a recession and there was no reason to believe that it would have one in the future. Banks were not lending but the demand for credit was not very strong. Businesses were reluctant to invest because of low growth rates. He noted that although KICC is one of nine Chambers in the South East that it provided 25% of total responses and 30% of responses from Exporters. The survey had shown a distinct polarisation between those businesses doing well (31%) and those who were struggling(25%). Cash flow appeared to be a problem for the majority of respondents. While 62% were expected sales to improve only 55% were expecting a growth in profit.</p> <p>Employment appears to be holding up although there is a shift to using temporary staff. Surprisingly businesses appeared to have difficulty in recruiting unskilled and semi-skilled staff.</p> <p>Inflation remains the main pressure on businesses and 75% have unused capacity. The main strategic issue for the Government is the lack of funding for those businesses with real growth potential.</p> <p>When asked to summarise the situation in a single sentence NR said that in a flat economy, funding is the major issue for those businesses that are thriving.</p> <p>NR said that from an historic point of view that strong economic growth is the exception rather than the norm. Is it realistic to expect strong growth in the future and what can be done in order to ensure that it does.</p> <p>NR said that “Other Services” were a major growth area and businesses in this category were involved in exporting and were also investing in technology. CD noted that the apparent increase in export activity may be due to KICC taking on exporters from the former Medway Chamber.</p> <p>NR raise the question of Apprenticeships and felt that it was largely a scheme to mask youth unemployment. CD said that Apprenticeships were often seen by candidates as a way of avoiding “real” work and many potential candidates were often unsuitable. He noted that Apprenticeships now bore little resemblance to the traditional Apprenticeships involving a Craft or Trade. NR said that current schemes did not engage people in the right way and most were simply exercises in box ticking. JMT it was necessary to determine Employers requirements and then identify and train potential Apprentices. His experience was that the best results were obtained by going direct to 6th Form Colleges. RN said that small companies do not have the time to train Apprentices and that to take on an Apprentice required a huge investment in time, effort and money.</p> <p>JMT said that there was an issue of encouraging employers to take on Apprentices and that ignorance of Apprenticeships was widespread. JF said that this should be fed back to JJ and information circulated to Chamber Members. JMT said that he would also feed back the comments to Gary Cook at KCC. KG noted that many schools said Apprenticeship <u>or</u> 6th Form and that this attitude was an obstacle. CD said that Apprenticeships had been watered down and impacted by Government box-ticking mentality.</p> <p>NR said that there was no reason to foresee any growth in the next quarter or even the foreseeable future.</p>	
8.	<p>ROAD WORKS/CLOSURES WITHIN MAIDSTONE</p> <p>SG said that the gas main works were currently ahead of schedule and completion was expected in March. The Bearsted Road from M20 J7 would be</p>	

	closing again shortly.	
9.	LOCALITY BOARD UPDATE JMT said that the issues had been covered in Item 7.	
10.	LEP UPDATE JMT said that the LEP Chairman was very enthusiastic about Enterprise Zones and asked for any comments or experience. He also asked for any potential Enterprise Zone sites in addition to the existing Pfizer site. JMT felt that sector specific sites might be a better approach and quoted the KIMS development as a potential Medical sector. It was important to add to existing businesses and not to cannibalise businesses from other areas as is often the case. There was general agreement on the above and CD pointed out that Enterprise Zones were traditionally schemes to bring businesses to areas which had lost a major industry such as coalmining. JF said that KIMS phase 2 would be a good candidate but stressed that submissions had to be made by 4 th March. SG said that KIMS was an Enterprise Zone in all but name and was the most exciting development in Maidstone for many years. CD said that the proposed development of Maidstone Studios had been a similar concept that didn't work out. JF said that this was now know as Creative Kent.	
11.	CHAMBER UPDATE CD said that GML had now gone into liquidation. He had signed up a new Member, Duncan Lawrie Ltd, who planned to get involved with SMEs. Since the beginning of January he had held meetings with 15 potential new Members although there was still a reluctance for businesses to spend the money to join. He said that the Chamber had now employed a Events Manager and three B2B exhibitions were planned in the next year although none of these covered the Maidstone/West Kent area. Business Incubation Centres – JMT said that there was nothing to report.	
12.	AOB KG said that Locate in Kent had generated 201 jobs last year in the Maidstone area. 26 were new, 168 retained and 7 other. HN said that cashflow problems were deterring businesses from spending. CD said that the MBC Breakfast dates had been decided. JMT said that Maidstone had signed up to the Armed Forces Covenant and that any action taken by businesses to support the Armed Forces, particularly with regard to Royal Engineers and Gurkhas, is welcome. The Chamber needs to help in getting the message out.	
	The meeting closed at 16:40.	

Date of Next Meeting: Tuesday 12th March 2013.