



**English Partnerships/SEEDA**

**Coalfields Programme  
Regional Review 2001-2004**

Working document

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Appendix 1: Coalfields Programme Sites and Linked Programmes map

# 1 Introduction

## 1.1 Purpose of the review

This document presents a strategic review of SEEDA's coalfields regeneration activities. It addresses the activities of the agency under the National Coalfields Programme and also identifies the other linked activities promoted by the RDA in pursuit of coalfield regeneration objectives. It also identifies the range of other public sector programmes that operate alongside the Coalfields Programme and play an integrated role in the coalfield regeneration process.

This review is a working document covering the period 2001-2004. The details of the expenditure profile and outputs for individual coalfield sites are under review and are recorded in a separate working document. It is intended that the profiles will be kept under review and rolled forward annually as part of the budgetary process associated with the National Coalfields Programme.

The review forms an input to the formulation of regional and national business plans for the Coalfields Programme which will bring together expenditure and outputs profiles for individual sites with the wider contextual issues addressed in the review.

The preparation of the review is a response to changing policy and socio-economic conditions in the areas affected by the coalfield closure programme in East Kent. The process of economic and community adjustment has been ongoing during the course of the Coalfields Programme since 1997 and this document seeks to both highlight the changing operational context and set out the anticipated milestones under the programme. The review is also a response to the changing direction of the Programme, which is now increasingly focused on integration with other policies and programmes in light of the findings of the interim evaluation.

In particular, the review provides the first opportunity to document the current strategies in respect of individual sites, which, in many cases, have been adjusted from the original strategies put forward on transfer from the British Coal Corporation and the Coal Authority.

## 1.2 Coalfields regeneration objectives

The former Kent Coalfield sites were not included for regeneration under the original National Coalfield Regeneration Programme but were identified as a priority for action in the Coalfield Task Force Report (1997). The report highlighted lack of activity to help regenerate the former colliery sites and communities since closure during the late 1980's. As a result of the report, and the campaigning by local Coalfield Community representatives, the Kent sites were subsequently included in the National Programme in 1998.

SEEDA took responsibility for preparing a programme of strategic intervention jointly with English Partnerships in April 1999. The key objectives, identified at that time and which have subsequently driven the programme with some refinement and adjustment, are:

- ensure that the Kent Coalfield Regeneration Strategy is identified as a key initiative in SEEDA's Regional Economic Strategy and Corporate Plan.
- establish a framework for partnership with all other coalfield related regeneration work in the East Kent Coalfield SRB Programme.
- identify the most efficient method of intervention in respect of each site in terms of the type of regeneration required and how this would integrate with and boost growth prospects in the East Kent economy.
- set up local community representation in respect of each site, (Tilmanstone, Betteshanger and Snowdown) to ensure that SEEDA, English Partnerships and its other regeneration partners have a direct line of communication with the local community.

- the local community representation to be set up in respect of each site should include a place for representatives from Parish, District and County Councils.
- ensure adoption of best practice and principles in terms of strategic objectives and site specific delivery frameworks.
- ensure strategic integration with other major business expansion initiatives in East Kent, in particular, the expansion of Pfizer at Sandwich and the development of a broader business base at the Port of Dover.
- ensure that the Coalfield Regeneration objectives are sufficiently flexible to adapt to the changing needs of the local community, the East Kent economy and the requirements of local business.
- ensure that the Coalfield Regeneration objectives fit with Government, European, County and District regional priority programmes in terms of regeneration policy, social inclusion etc.

### 1.3 Promoting an integrated approach

The operation of the Coalfields Programme has brought coalfield issues and opportunities in the regions into sharp relief. More detailed site investigations and increased partnership working with other stakeholders has highlighted the need for effective integration with linked programmes and strategies. Site strategies will invariably be more effective and efficient if they are advanced in collaboration with non-site interventions. This more integrated approach to the delivery of the Programme has led to a range of potential new initiatives (PNIs) being identified that point to the need for a more integrated approach to utilisation of the Programme – put simply the Programme needs to facilitate coalfield *area* not coalfield *site* regeneration.

On this basis, the review identifies projects within the coalfields which could serve to underpin or provide added value within the site programme but which have no current funding commitment. PNIs could relate to additional sites offering better regeneration prospects for coalfield areas or to other physical regeneration opportunities, which would integrate effectively with the coalfield sites programme.

A more flexible approach to the Programme could, if approved by DTLR, improve responsiveness to changes in local policy and market circumstances and enable more effective integration between site and community regeneration objectives.

## 2 The East Kent Coalfield in context

### 2.1 Area definition

#### 2.1.1 Site distribution

The East Kent Coalfield is located in the eastern fringe of Kent (see Plan 1 in Appendix 1). It is made up of 9 contiguous wards within Dover District, located to the west of Deal, some 5 miles away. The wards are set out in Table 1.

Aylesham	Shepherdswell with Coldred
Noninstone	Cornilo
Eastry	Mongeham
Eythorne	Mill Hill

The area contains three former collieries:

- Betteshanger,
- Tilmanstone, and
- Snowdown.

These collieries were all closed by 1989. A further non-contiguous ward in Canterbury district to the north also has a mining history but is remote from the main coalfield area. The colliery in this area, Chislet, closed in 1969. Chislet is not within the EP Coalfields Programme but is included in a schedule of additional sites put forward by the Coalfields Community Campaign for consideration should additional funding be identified.

Betteshanger colliery is located in Cornilo ward, Tilmanstone in Eythorne and Snowdown in Aylesham. There are possible ward changes within the district to become effective in 2003 following the electoral review.

#### 2.1.2 Working with communities

The Coalfield Task Force Report makes it quite clear that coalfield regeneration strategy and delivery proposals must be community based with the community needs driving the most appropriate physical reconstruction solutions for the sites themselves. It was therefore essential for SEEDA to establish precisely how its regeneration of the colliery sites would directly benefit the former mining communities at Elvington (Tilmanstone), Aylesham (Snowdown) and Mill Hill, Deal (Betteshanger). Although Local Plan policy generally supported the economic regeneration of the sites for employment uses, many former Kent miners had secured valuable alternative jobs or retired and did not necessarily welcome the prospect of major new industrial development on the former colliery sites. Many local residents living adjacent to the sites had learned to live with the site dereliction and the lack of economic activity on the sites, which had been closed for over 10 years. In addition, during this period, the area had attracted new residents who had not known the former mining activities, but were attracted by the high quality rural environment and village life in East Kent and by the relative low house prices compared with the west of the County.

These issues became clear to SEEDA and its regeneration partners at a series of initial meetings with local community groups in advance of setting out the key Coalfield regeneration objectives. Prior to making any assumptions about the form and capacity of development which could be accommodated on each site SEEDA needed to review the following issues to clarify how the individual site strategies could link and complement existing and proposed community initiatives:

- Is the local community broadly supportive of comprehensive regeneration of the sites to encourage new economic activity and create new jobs?
- How has the social fabric of the local community changed since closure of the pits in 1988/89?
- What percentage of local residents are former miners and their families?
- What percentage of former miners have secured new full-time jobs (or retired) during the 10 year period since closure?
- Does East Kent actually have a persistent, structural unemployment problem among former miners?
- Would the sort of jobs that could be created on the sites be suitable for the locally based unemployed on the basis that some new training would be provided?
- In the absence of any site reclamation strategy in the last 10 years, should SEEDA concentrate on working up and funding the existing community based SRB programme (which had delivered some successful employment and community projects) rather than the sites themselves?
- On the basis that the sites themselves are not located in the heart of the former mining communities, should SEEDA lobby English Partnerships for flexibility to fund site reclamation projects for community uses in these locations but outside the mining communities that are geographically dispersed. If so, would there be community support for a reduced site regeneration strategy on the basis that the cost savings could be diverted away from the site to directly support priority community schemes?
- What is the best framework for SEEDA to work with local community groups to ensure it receives properly balanced community views and opinions and, in return, is able to communicate its site specific and community based regeneration proposals?

In the event, the redevelopment of Tilmanstone has progressed quickly for employment use with SEEDA liaising directly with the Parish Council on regeneration strategy and community issues.

Betteshanger and Snowdown are significantly larger schemes and have required a more formal and structured arrangement to enable thorough local public consultation as each stage of the regeneration strategy progresses. These groups are:

- *Betteshanger* – The Betteshanger Regeneration Team, comprising Parish Councillors from Northbourne, Betteshanger and Sholden, and District Councillor from Dover, a local business leader and landowner and two independent members from the local community.
- *Snowdown* – The Snowdown Regeneration Forum, comprising Councillors from Aylesham and Nonington Parish Councils, a District Councillor from Dover, a Kent County Councillor, a local business leader and two members from the local community.

Each group is tasked with co-ordinating local community views, arranging public meetings and commenting generally from the community perspective at each stage of the regeneration strategy.

## 2.2 Coalfield adjustment process

Since the coalfield closures, the process of economic, public transport provision and social adjustment in East Kent has been ongoing, driven to a large extent by the local authorities and other local agencies which have developed wide ranging programmes to tackle the severe impacts that have occurred. The following sections consider the extent to which the adjustment process in the East Kent coalfields has advanced and the extent to which the site investments under the Coalfields Programme are helping in that process.

The indicators used provide a basis for considering the extent of the adjustment process to date and for ongoing monitoring of conditions in the coalfield areas. The data is presented primarily at district level for these purposes, but it is acknowledged that ward level analysis would be required to provide a more refined assessment.

### 2.2.1 Employment change

The economic position of the coalfield districts in East Kent remains a major problem. The Coalfields Task Force report (1999) identified that:

*“The East Kent coalfield suffered a substantial decline in employment over the 1980s and 1990s as mining activity in the area reduced and with little by way of increased alternative employment opportunities in the area. The primary adjustment mechanism had, therefore, taken place outside of the area with an increase in net out-commuting.*

*The decline in employment was coupled with a lack of regeneration activity in the area directed at increasing alternative sources of employment.”*

The following table provides a summary of the change in employees in employment by sector during the course of the Programme providing the current picture of adjustment following the loss of mining employment. The information contained in the tables demonstrates the unimportance of mining as an employment sector across the region's coalfield area in the modern era. The analysis clearly shows that there is an on-going shift away from the primary and secondary production sectors to new growth sectors in the service sector, including hotels and restaurants, transport and communications banking and finance, public administration and other services.

**Table 2: Employment structure in coalfields districts, South East and Great Britain, 1999**

Sector	DOVER	THANET	KENT	SOUTH EAST	GB
Agriculture and fishing	386	37	14,095	12,856	262,214
Energy and water	*	*	4,063	19,240	187,189
Mining	0	0	*	*	12,242
Manufacturing	6,211	5,153	86,755	438,190	3,895,882
Construction	1,702	1,952	34,162	151,152	1,118,715
Distribution, hotels and restaurants	7,858	9,534	157,054	915,637	5,980,874
Transport and communications	5,697	1,596	47,370	245,874	1,500,888
Banking, finance and insurance	5,241	2,876	102,686	819,744	4,709,717
Public administration, education and health	9,094	11,122	142,193	796,766	5,871,847
Other services	1,368	1,729	25,779	169,531	1,228,122
<b>TOTALS</b>	<b>37,582</b>	<b>34,048</b>	<b>614,158</b>	<b>3,568,990</b>	<b>24,755,449</b>

\* Information withheld

Source: Office for National Statistics (2001)

Colour Key

- White: Sector does not make a significant contribution to employment of area
- Yellow: Sector makes an important contribution to the areas employment
- Orange: Key employment sectors in an area

**Table 3: Growth and Decline Patterns in Employment Sectors in South East coalfields, Kent county, region and the UK (1996-1999)**

Sector	Dover	Thanet	Kent	South East	UK
Agriculture and fishing	*	*	DECLINE -6%	GROWTH +17%	DECLINE -9%
Energy and water	*	*	DECLINE -1%	DECLINE -29%	DECLINE -17%
Mining	*	*	*	*	DECLINE -13%
Manufacturing	GROWTH +20%	GROWTH +5%	GROWTH +12%	MARGINAL GROWTH	DECLINE -4%
Construction	GROWTH +64%	GROWTH +80%	GROWTH +46%	GROWTH +38%	GROWTH +28%
Distribution, hotels and restaurants	GROWTH +22%	GROWTH +13%	GROWTH +14%	GROWTH +12%	GROWTH +9%
Transport and communications	DECLINE -18%	DECLINE -9%	GROWTH +16%	GROWTH +24%	GROWTH +11%
Banking, finance and insurance	GROWTH +20%	GROWTH +14%	GROWTH +22%	GROWTH +25%	GROWTH +16%
Public administration, education and health	NO CHANGE	DECLINE -10%	DECLINE -5%	GROWTH +3%	GROWTH +4%
Other services	GROWTH +10%	GROWTH +33%	GROWTH +9%	GROWTH +12%	GROWTH +9%
TOTALS	GROWTH +9%	GROWTH +5%	GROWTH +11%	GROWTH +12%	GROWTH +7%

Source: Office for National Statistics (2001)

**Colour Key**

- White: Sector does not make a significant contribution to employment of area
- Yellow: Sector makes an important contribution to the areas employment
- Orange: Key employment sectors in an area

<i>Key findings</i>
<ul style="list-style-type: none"> <li>■ The top performing sectors in the coalfields districts, GB, the South East region and Kent are: public administration; distribution, hotels and restaurants; and manufacturing.</li> <li>■ Primary industrial sectors of agriculture, energy and mining are not key employment sectors in the coalfield districts reflecting a similar situation to that in Kent county, South East region or GB level.</li> <li>■ Manufacturing is a key employment sector in the coalfields districts and at GB, regional and Kent county level. This sector in the coalfields districts and Kent is experiencing growth in comparison to the decline experienced in the UK.</li> </ul>

- The construction sector is not a key employment sector but is showing significant levels of employment increase in the coalfields districts and at the UK, South East and Kent level, and shows particularly strong growth in the coalfields districts over the 1996-99 period;
- The distribution, hotels and restaurant sector is a key employment sector and shows consistent growth across the coalfields districts. Dover shows particular strong performance.
- Banking, finance and insurance is becoming a strong sector in the coalfields districts, Kent and South East, although it is not yet a key employment sector.
- Public administration, education and health is also a key employment sector, growing at regional and national level, however, this sector is in decline in Kent and the Thanet district.

### 2.2.2 Unemployment

The district unemployment rates in the Kent Coalfield districts (as at January 1996-2001) are set out below:

<b>Table 4: Unemployment Rates 1996-2001</b>						
	Male		Female		Total	
1996	Number	%	Number	%	Number	%
Dover	3,436	12.3	939	4.8	4,375	9.2
Thanet	5,435	16.8	1,444	6.1	6,879	12.3
Kent	36,728	10.4	10,561	4.1	47,289	7.8
South East	529,882	9.8	177,311	4.0	707,193	7.2
UK	1,599,514	9.8	496,812	3.7	2,096,326	7.1
	Male		Female		Total	
1999	Number	%	Number	%	Number	%
Dover	2,067	7.4	530	2.7	2,597	5.5
Thanet	3,420	11.5	929	4.3	4,349	8.4
Kent	19,552	5.6	5,829	2.3	25,381	4.2
South East	278,942	5.0	93,770	2.0	372,712	3.6
UK	956,536	5.8	288,173	2.1	1,244,709	4.1
	Male		Female		Total	
2001	Number	%	Number	%	Number	%
Dover	1,481	5.3	439	2.2	1,920	4.0
Thanet	2,600	8.8	686	3.1	3,286	6.4
Kent	19,552	5.6	5,828	2.3	25,381	4.2
South East	201,978	3.5	67,950	1.4	269,928	2.6
UK	722,940	4.4	224,988	1.6	947,928	3.1

Source: NOMIS (2001)

<i>Key findings</i>	
■	Levels of unemployment across the region have fallen consistently in line with the national trend since 1996. Overall, regional unemployment has reduced by nearly 60% over the 1996-2001 period.
■	Unemployment rates in both coalfield districts remain above the regional and national average between 1996 and 2001. However, they remain low compared with many other coalfield districts nationally.
■	In 2001, Dover district has now reached a lower level of unemployment than Kent county.
■	Male and female unemployment rates continue to remain high in the coalfield districts, particularly in Thanet.

### 2.2.3 *Economic activity*

Economic activity is the proportion of the total number of residents over the age of 16, who are either in work or unemployed but looking for work. It is a measure of the ability of the population to provide a workforce, and reflects the general ageing of the population and the changing nature of employment. The following table provides a summary of economic activity rates in the Kent Coalfield district compared with UK, South East region and Kent county between 1996 and 1999.

<b>Table 5: Economic Activity Rates 1996-1999</b>						
	Male		Female		Total	
	Number	%	Number	%	Number	%
1996						
Dover	30,000	73.2	21,000	51.2	52,000	63.4
Thanet	30,000	66.7	26,000	49.1	56,000	57.1
Kent	372,000	74.4	295,000	55	667,000	64.4
South East	2,259,000	75.5	1,806,000	56.8	4,065,500	65.9
UK	-	-	-	-	-	-
Dover	32,000	72.7	22,000	51.2	54,000	62.1
Thanet	24,000	54.5	25,000	44.6	49,000	49.5
Kent	382,000	74.3	300,000	55.9	683,000	65
South East	2,347,000	76.2	1,892,000	58.4	4,238,000	67.1
UK	16,312,000	71.7	13,031,000	54.7	2,934,300	63

Source: NOMIS (2001)

<i>Key findings</i>	
■	The economic activity rates for the region as a whole have increased in the period 1996-1999, improving by 1.2% and above the national average by 4.1%. This regional stability has however, not been mirrored across the coalfield districts, with quite marked variations over the period and between male/female;
■	In Dover the economic activity rates have remained fairly static in the period 1996-1999 falling by just over 1%, with activity rates in the district at 62.1%, just below the national average of 63%;
■	Thanet local authority area shows a marked worsening position over the 1996-99 period with rates falling by over 7 percentage points – with male activity rates falling by 12%.

#### **2.2.4 Recent economic development**

There is some evidence that East Kent's economy is beginning to diversify and improve, not least through public investments to improve accessibility in the area. There has been significant investment in transport infrastructure, including the completion of the A299, reducing journey times to London and the M25 and completion of the Eastry by-pass.

Further improvements are promoted in the East Kent Access proposals in the Local Transport Plan, which includes proposals to ease congestion in the Thanet and Dover areas and to assist the continued expansion of the Pfizer plant, a major industrial operation located at Sandwich, 3-4 miles north of Betteshanger. Pfizer currently employs around 4,000 staff and around 2,000 further consultants and contractors and is anticipated to recruit a further 3,000 over the next 5-10 years. On this basis, Pfizer is likely to increasingly become a key economic driver of the East Kent economy. Clearly, this is encouraging in one sense, but equally points to the need to continue to diversify the economic base to avoid an over-reliance on a single major industry, as was the case with coal.

The improvements to facilities at Manston airport to the north of the coalfield area provide a further indication of growing confidence on the part of the private sector in the prospects for East Kent, and the proximity of the International Passenger Station at Ashford is a further potential driver for new economic activity in the sub-region.

There have been recent expansions of companies in the former coalfield area, including an investment by East Kent Salads (Tilmanstone Salads) in a major production facility on the former Tilmanstone colliery site.

#### **2.2.5 Potential growth sectors**

If employment sector trends are projected, future areas of economic growth can be identified which help build a picture of what will drive future demand for land and premises. Work recently undertaken by the Kent County Council as part of its update of Kent Prospects, the county's economic strategy, suggests areas of growth in the sectors outlined in Table 6 below.

**Table 6 : Kent Prospects key sectors: latest position**

	Employee s 1991	Employee s 1996	Employee s 1998	Change 1991-98	Change 1996-98	% Change 1991-98	% Change 1996-98
Paper, Packaging, Printing	17,101	16,200	17,293	192	1,093	1.1	6.7
Pharmaceuticals & Chemicals	9,357	6,341	9,892	535	3,551	5.7	56.0
Food Processing	4,189	5,265	5,510	1,321	245	31.5	4.7
Land-based Industries	17,100	15,000	17,500	400	2,500	2.3	16.7
Telecommunications	11,141	10,348	10,848	-293	500	-2.6	4.8
Business Services	37,514	47,898	51,972	14,458	4,074	38.5	8.5
Transport & Distribution	73,142	70,567	69,806	-3,336	-761	-4.6	-1.1
Health & Social Care	59,379	64,386	68,661	9,282	4,275	15.6	6.6
Retail	53,514	56,617	61,468	7,954	4,851	14.9	8.6
Construction	28,830	23,029	31,237	2,407	8,208	8.3	35.6
Tourism	25,292	27,154	27,656	2,364	502	9.3	1.8
High Tech Engineering	1,844	2,468	1,495	-349	-973	-18.9	-39.4

Source: Census of Employment 1991; Annual Employment Survey 1996, 1998

The table above shows the updated position with regard to the key growth sectors identified in the Kent Prospects Strategy document produced in 1996. Noted shortcomings in the official data notwithstanding, an analysis of the Kent Prospects key sectors reveals a generally encouraging picture across the county, with 10 out of the 12 sectors having experienced employment growth over the period 1996-98. The scale of new jobs growth has been most pronounced in the Construction, Retail, Health Care, Business Services and Pharmaceuticals and Chemicals sectors.

### 2.2.6 **Business start-ups**

The level of new business start ups and de-registrations is a measure of entrepreneurship within the local economy, reflected against the national picture. Many new businesses also tend to be high technology growth sector based and, thus a good level of business start up could also suggest an economy that is adapting and embracing growth sectors. The information in table 7 below compares the changes between 1996 and 1999.

<b>Table 7: VAT Stocks, Registrations and Deregistrations 1996-1999</b>				
1996	Stock	Registrations	Deregistrations	Stock/1000 pop.
Dover	2,160	250	265	20.1
Thanet	2,165	235	265	17.2
Kent	40,360	4,265	4,440	-
South East	240,435	27,055	25,675	30.4
UK	1,600,070	168,220	165,060	28
1999				
Dover	2,255	215	215	20.6
Thanet	2,200	245	225	17.2
Kent	41,750	4,630	4,225	-
South East	253,035	28,325	25,900	31.3
UK	1,651,665	178,460	171,970	28.5

Source: NOMIS (2001)

<i>Key findings</i>
<ul style="list-style-type: none"> <li>■ At around 31 businesses per 1,000 population, the South East performs above the average national figure of around 28 businesses per 1,000 population indicating a higher than average level of entrepreneurship;</li> <li>■ No coalfield district in Kent mirrors the regional picture, with Dover at 20.6 per 1,000 population, and Thanet, at around 17 per 1,000 indicating a low level of entrepreneurialism; and</li> <li>■ The level of overall stock in the region shows a marginal increase on 1996 levels, with the increase in new registrations outpacing the increase in the number of deregistrations at regional level. However, in the coalfield districts, Thanet reflects this regional picture in 1999, with Dover showing the same levels of registrations and deregistrations in 1999. The business stock in the South East region has increased from 1996 to 1999 by 5% and in Kent County by 3.5%.</li> </ul>

## 2.2.7 Demographic change

### **Total population**

A measure of the structural difficulties faced by an area can often be identified by a decline in the population, suggesting residents are leaving to secure employment elsewhere or that environmental and social conditions are reducing the attractiveness of the area for investment. Traditional industrial and coalfield areas, particularly those in peripheral locations, often demonstrate population loss. The following tables summarise the population change and age profile in the UK, South East region, county of Kent and the coalfields districts between 1991-1999.

<b>Table 8: Population Changes 1991-1999</b>			
	Year		
	1991	1996	1999
Dover	105,355	107,398	109,426
Thanet	126,929	125,543	127,685
Kent	1,536,111	-	-
South East	7,678,916	7,895,314	8,077,583
UK	56,206,521	57,138,160	57,809,091

Source: NOMIS (2001)

<i>Key findings</i>
<ul style="list-style-type: none"> <li>■ The demographic change that has occurred in East Kent is consistent with the pattern of change at regional level.</li> <li>■ Between 1996-99 the population of the coalfield districts has increased inline with the regional picture.</li> <li>■ Both coalfield districts have experienced growth in population from 1991 to 1999, Dover where the population has increased by 1.9% and in Thanet by 1.7%.</li> </ul>

### **Population structure**

Table 9 below provides a breakdown of population by age structure from 1991-1999. This can identify whether the reduction in population at a district level is as a result of a fall in the key age groups of 16-64, the sector of the population necessary to provide the workforce.

Table 9: Population By Age			
	Year		
	1991	1996	1999
Dover			
0-15	19,511 (18.5%)	20,343 (18.9%)	20,758 (19%)
16-64	66,094 (62.8%)	66,803 (62.3%)	68,272 (62.5%)
65+	19,750 (18.8%)	20,252 (18.7%)	20,396 (18.6%)
Thanet			
0-15	22,838 (18%)	22,783 (18.1%)	23,877 (18.7%)
16-64	73,479 (57.8%)	73,647 (58.6%)	75,517 (59.2%)
65+	30,612 (24.1%)	29,114 (23.2%)	28,291 (22.2%)
Kent			
0-15	294,214 (19.1%)	-	-
16-64	988,967 (64.4%)	-	-
65+	252,930 (16.5%)	-	-
South East			
0-15	1,434,637 (18.6%)	1,489,527 (18.9%)	1,523,496 (18.9%)
16-64	4,990,209 (64.9%)	5,122,220 (65%)	5,251,364 (65.2%)
65+	1,254,070 (16.3%)	1,283,567 (16.3%)	1,296,723 (16.1%)
UK			
0-15	14,281,775 (25.4%)	10,969,020 (19.2%)	11,002,271 (19%)
16-64	33,029,295 (58.8%)	37,130,805 (65%)	37,733,823 (65.4%)
65+	8,895,451 (15.8%)	9,038,335 (15.7%)	9,072,997 (15.7%)

Source: NOMIS (2001)

Key findings
<ul style="list-style-type: none"> <li>■ The 16-64 age group has remained relatively static in percentage terms but has seen an increase in absolute numbers between 1996 and 1999. This position remains markedly below the national trend which shows a significant increase (+14.2%) at UK level for this age group between 1991 and 1999;</li> <li>■ the 0-15 age groups have increased both in terms of numbers and percentage from 1991 to 1999.</li> <li>■ the 65+ age groups have fallen in percentage terms across each coalfield district. The 65+ age group however shows actual number increase in Dover, and reduction in Thanet district; and</li> <li>■ on a more positive note, neither the region or the coalfield local authority areas are showing the scale of population reduction in the 0-15 age band shown at national level (-23%) over the 1991-99 period.</li> </ul>

## 2.2.8 Social change

### Index of Deprivation

An important indicator of social difficulties within an area is the Indices of Deprivation. These were prepared in 2000 and are a measure of deprivation for each of the 8414

wards and 354 local authorities in England. It combines a number of indicators covering a range of domains such as employment, health, education and training, housing and access to services. For the Kent coalfield districts, the following table indicates the overall position of both districts and wards within the index of deprivation, with a rank of one representing the most deprived district/ward.

<b>Table 10: Indices of Deprivation 2000</b>
<p><i>Dover</i></p> <ul style="list-style-type: none"> <li>■ Dover district is ranked 115 out of 354.</li> <li>■ 3 of 31 wards are identified as experiencing levels of deprivation within the worst 10% of national wards – Buckland; St Radigunds; and, Town and Pier.</li> <li>■ 9 further wards are ranked within the worst 30% of national wards – Aylesham; Barton; Capel-le-Ferne; Castle; Middle Deal; Mongeham; North Deal; Priory; and, Tower Hamlets..</li> </ul>
<p><i>Thanet</i></p> <ul style="list-style-type: none"> <li>■ Thanet district is ranked 69 out of 354.</li> <li>■ 7 of 27 wards are identified as experiencing levels of deprivation within the worst 10% of national wards – Cecil; Central Eastcliff; Ethelbert; Marine; Newington; Northdown Park; and, Pier.</li> <li>■ 10 further wards are ranked within the worst 30% of national wards – Beacon Road; Birchington East; Central Westcliff; Cliftonville; Dane Park; Northwood; St Lawrence; Salmestone; Sir Moses Montefiore; and, Westgate-on-Sea.</li> </ul>

Source: Index of Multiple Deprivation (2000)

The table above depicts the Department of the Environment, Transport and the Regions' Index of Multiple Deprivation (2000) for those local authorities in the Kent coalfield. This table indicates that a number of wards within the coalfield districts of Kent can be found within the most deprived 30% of wards in England.

<i>Key findings</i>
<ul style="list-style-type: none"> <li>■ 12 of 31 wards in Dover are within the worst 30% of wards in England.</li> <li>■ 17 of 27 wards in Thanet are within the worst 30% of wards in England.</li> </ul>

### Health

A standard measure of health is the 'standardised mortality ratio (SMR)'. This is a ratio of the level of observed deaths to those expected by applying a standard death rate to the regional population. The following table provides a summary of the standardised mortality ratio (SMR) which compares overall mortality in a region with that for the UK.

<b>Table 11: Standardised Mortality Ratios, 1998</b>	
	Standardised Mortality Ratios
Dover	90
Kent	94
South East	91
Thanet	103
United Kingdom	100

Source: Regional Trends (2000)

<i>Key findings</i>
<ul style="list-style-type: none"> <li>■ South East has a lower SMR than the UK as a whole at 91 in 1998 (UK=100).</li> <li>■ The SMR in Kent stands at 94.</li> <li>■ Within the Kent coalfield districts the SMR exceeds the UK average in Thanet.</li> </ul>

### *Education*

The standard indicator for educational attainment is the number of pupils attaining 5 or more GCSE Grade A\*-C. The following table provides a summary of educational attainment in the coalfields districts between 1996 and 2000 for pupils attaining 5 or more GCSE Grade A\*-C.

<b>Table 12: Pupils attaining 5 or more GCSEs Grade A*-C 1996-2000</b>		
	1996	2000
	5+A*-C (%)	%+A*-C
Dover	N/A	N/A
Thanet	N/A	N/A
Kent	43.7	51.3
England average	44.5	49.2

Source: DfEE (2001)

<i>Key findings</i>
<ul style="list-style-type: none"> <li>■ Attainment has increased in Kent between 1996 and 2000 to reach a level above the national average.</li> <li>■ Data is not available at coalfield district level.</li> </ul>

### *Crime and Safety*

The level of crime within an area can be indicative of a range of social problems, often stemming from the loss of employment, high levels of joblessness and low levels of training and educational attainment. The Home Office publish regular data<sup>1</sup> on the level and type of crime recorded across the country, based on police force area, and the rate at which this has changed over the preceding years. Table 13 provides a regional and national comparison against the figures for the area.

<sup>1</sup> Recorded crime in England and Wales, 12 months to March 2001

<b>Table 13: Recorded crime levels 1995/96- 2000/01</b>	
<b>Region</b>	<b>% Change</b>
South East	-11.4
Kent Force	-30.3
Hampshire Force	-12.4
Surrey Force	-11.1
Sussex Force	4.6
Thames Valley Force	-4.1
North East	-33.1
North West	-9.2
Yorkshire & Humber	-22.3
East Midlands	-17.1
West Midlands	-3.8
East of England	-9.2
London	2.9
South West	-17.2
Total - England and Wales	-11.7

Source: Home Office (2001)

This indicates that the South East region has experienced a reduction in crime levels, at a level close to the average for England and Wales. The Kent Force area has seen a significantly higher level in crime reduction when compared with other forces in the South East region and regional levels. Social and economic policy, including initiatives such as SRB, are likely to have contributed to this fall through creating safer neighbourhoods and providing employment and training initiatives.

### **2.2.9 Environmental change**

As the former East Kent Coalfield was a late participant to the National Programme, SEEDA needed to establish a series of early actions which would have an immediate impact in terms of improving local outlook on the derelict sites and enhance the quality of the landscape and environment. In order to prioritise these actions, in early consultation with each former colliery community, SEEDA asked local residents what landscape and environmental improvements would immediately improve their quality of life and begin to build confidence that action was taking place in terms of site reclamation and renewal. The response to this initiative was:

- Tilmanstone – Remove the remaining concrete structures (the former coal-stocking platforms) and recover from dereliction as soon as possible. Remove dumped and burnt out vehicles (cars and vans) and improve site security to avoid the trespass and illegal use by motorcycles.
- Betteshanger – Demolish all remaining brick and concrete structures which have been an “appalling eyesore” for local residents during the last 12 years since pit closure. The immediate priority was to demolish the former bathhouse which was an ugly concrete and brick building sited immediately adjacent to the existing housing at Betteshanger. This work has been completed.

- Snowdown – Improve site security to restrict access by trespassers and illegal use by noisy motorcyclists, particularly at weekends. Carry out demolition works and environmental improvement once the site ownership situation has been resolved.

In response to these requests from local community groups, SEEDA carried out the following actions:

- Tilmanstone – Reclamation programme to recover the site and create a new serviced development platform with enhanced landscape buffer and newly planted boundaries with mature trees and shrubs. Site works commenced in May 2000 and completed in June 2001. Role is to actively market and support acquisition by local employers.
- Betteshanger – All demolition work completed by May 2001 with exception of former colliery administrative office building which is being retained and refurbished under Health and Safety legislation to provide accommodation on flexible terms for small business expansion. The other landscape and environmental enhancements were discussed with the local community at a public meeting to outline the preferred masterplan for the site in August 2001.
- Snowdown – The ownership constraint at Snowdown has meant that SEEDA has been unable to take any action on site at present. This situation was explained to the local community in a briefing paper prepared in May 2001 and subsequently discussed in open forum at a public meeting. SEEDA is, however, exploring the legal position in detail with a view to identifying a range of regeneration options including what environmental improvements could be carried out on site (or to improve screening on the boundaries to the site) in agreement with the landowner and the Coal Authority as lessee.

### **2.2.10 Property market change**

A recent report by Cluttons (January 2001) has provided a detailed property market assessment of East Kent to inform EP/SEEDA's coalfield regeneration strategy. The report considers both opportunities and constraints presented by the sites from a property development perspective. Demand and supply factors are analysed in the report covering a range of potential end uses covering employment, residential, retail and leisure. The main findings are summarised below:

- Commercial property development in East Kent has historically been slow compared to the South East overall. Development has been suppressed by an over-supply of employment land which has constrained values, with an under supply of serviced land and private sector speculative building;
- Much of the East Kent property market is characterised by poor tenant covenants, with low rents offering little prospect for growth, resulting in lack of 'prime' property. Despite recent improvements in infrastructure, investment institutions still regard East Kent as a peripheral location;
- There is little evidence of 'clustering' around Kent's universities and few significant spin off developments (Science Parks etc.). Pfizer could present major opportunities for supply chain related development but currently sources most of its products globally;
- Outside East Kent there has been a continuing supply of commercial development land closer to motorway corridors and with better access to London. To date the proximity of East Kent to Europe has had no discernible impact on commercial property demand;
- There is a shortage of serviced employment land in Dover District. While there are significant levels of land supply, both serviced and unserviced in the wider East Kent

sub-region, there remains an acute shortage of available floorspace, particularly for start-ups and small/medium sized enterprises. Historically, local companies seeking expansion space either have to carry out their own development, enter a pre-let arrangement or relocate.

- There is very limited evidence of speculative development activity in East Kent and virtually nil in the coalfield area. However, there has been some limited speculative development in Thanet and Dover which is letting to a mix of inward investors and local companies.
- There is evidence of significant demand from local SMEs looking to expand. However, the shortage of serviced land in Dover district is hampering growth. This points to a clear market gap in terms of plots for local companies to expand upon and to attract inward investment.

Cluttons has recently undertaken some bespoke property research to test the proposition that there is latent demand from B1, B2 and B8 occupiers in the Dover area that is being suppressed through lack of supply. 227 local B1, B2 and B8 occupiers (from total stock of all occupiers of 2130, which included all sectors) were asked to complete a survey form in respect of their future property requirements.

The research and analysis is not yet complete, but 28 responses have so far been received. In summary, the responses indicate that of the 28, 11 stated that within the next 2-3 years they would expect to take on additional/alternative space within Kent. 10 indicated specific requirements totalling just under 100 000 sq ft, and these are outlined in Table 14, together with an additional 3 requirements of which SEEDA was aware through other sources.

The property requirements themselves varied roughly equally between those requiring freehold second hand and freehold new build, which indicates that for a number of companies low costs remain a premium. Historically, rent levels in Dover district are low. No clear pattern of unit size has yet emerged, with requirements ranging from 3 000 sq ft to 25 000 sq ft. Occupier sector and requirement also varied, from B1, B2 and B8 uses.

Of particular interest is that of the 28 respondents, 25 completed the section relating to where the new property would be sought, and 20 indicated that they would be looking for sites and premises within the Dover area. The remaining five would be seeking property outside of Dover, but within Kent. This confirms the view that the other available sites beyond Dover District would not be viewed as suitable by these companies, primarily due to the proximity to staff. Finally, of the 28 respondents, 14 anticipated that their staffing levels would increase by 10% over the next 2-3 years, 11 indicated that staffing would stay the same, and only 1 company forecasted a decrease in staffing.

**Table 14: Local companies with current expansion needs (as per market survey Jan 01)**

Current location	Company	Use class	Requirement	Unit type	Short / medium / long term	Date
Ash village	Manufacturer	B2	Not known	New build	Short	Dec 2000
Dover town	Manufacturer	B1/B2	Not known	Not known	Medium	Dec 2000
Sandwich Industrial Est	Print/marketing company	B1/B8	1 acre	New build	Short	Aug 2000
Ash village	Distribution company	B1/B8	3 000 sq ft	New build	Medium	Jan 2001
Eythorne	Distribution company	B1/B8	15 000 sq ft	Second hand	Medium	Jan 2001
Aylesham	Manufacturing/distribution	B1/B2/B8	5-10 000 sq ft	No pref	Medium	Jan 2001
Wingham	Distribution	B8	10 000 sq ft	Second hand	Medium	Jan 2001
Sandwich Ind Est	Manufacturing/distribution	B2/B8	4 000 sq ft	New build	Medium	Jan 2001
Dover	Manufacturer	B1	20 000 sq ft	New build	Medium	Jan 2001
Dover	Manufacturer	B1/B2/B8	5 000 sq ft	Second hand	Medium	Jan 2001
Sandwich	Manufacturer	B1	4 000 sq ft	Second hand	Medium	Jan 2001
Dover	Printer	B1	2 000 sq ft	Second hand	Medium	Jan 2001
Dover	Office/distribution	B1/B8	Not specified	Second hand	Medium	Jan 2001
Dover	Warehousing	B8	25 000 sq ft	Second hand	Medium	Jan 2001

Source: Cluttons Research 2000

The key conclusions of Cluttons property market report in relation to the potential future roles of the East Kent Coalfield site are as follows:

- Market demand for commercial accommodation in East Kent has improved significantly in the last 18 months or so, and particularly since GVA Grimley carried out its broad preliminary analysis of market demand over two years ago.
- Given the accessibility constraints on the colliery sites and the existence of better located sites elsewhere in East Kent, the sites cannot compete as a strategic opportunity to attract inward investment.
- The sites could continue to play a key role in providing small scale serviced land parcels to meet the needs of expanding local companies in use classes B1/B2. While other sites are better located, land ownership and other constraints will inhibit their availability in the short/medium term. Servicing of sites is the key requirement to address market failures.
- There is clear evidence that growth of local companies is being constrained by a shortage of readily available, serviced land. These companies are seeking to remain within Dover District to retain existing staff as well as expanding their employment levels.

The East Kent area has been the subject of extensive market assessment. The conclusion is that the former colliery sites do have some limited potential for employment related development but that 'soft end' uses and environmental upgrades are also important to improve appearance and amenity for the local communities. The off-site reinforcement works in relation to services and new road connections will increase the appeal of these sites to a range of business occupiers.

The most recent evidence produced by Cluttons provides a compelling profile of occupier demand from firms in the Dover area seeking to expand locally but constrained by a lack of readily available serviced land and good quality premises. On this basis, any future development strategy 'should take a positive stance' on the prospects for attracting employment generating investment from the private sector. Moreover, the evidence suggests that by facilitating local company expansion, investment in the provision of employment land could generate additional economic activity in East Kent rather than simply displace existing activity.

### **2.2.11 Institutional change**

A range of new institutional arrangements have been established to drive forward coalfield regeneration. Local community representation in respect of each site has been established to ensure that SEEDA, English Partnerships and its other regeneration partners have a direct line of communication with the local community.

In addition, a Kent Coalfield Regeneration Working Group was established in May 2000 to co-ordinate strategic direction and site delivery proposals. The working group includes representation from:

- SEEDA
- English Partnerships
- Kent County Council Economic Development
- Dover District Council Economic Development
- Thanet District Council Economic Development
- Canterbury City Council Economic Development

- East Kent Coalfield SRB Team
- Coalfield Regeneration Trust
- Government Office for the South East
- DETR (DTLR)
- Community regeneration managers
- Local business leaders.

## 2.3 Policy and strategy drivers

### 2.3.1 National policy and coalfields regeneration

#### *Urban White Paper*

The Urban White Paper – ‘Our Towns and Cities: The Future’ was published in November 2000 setting out the Government’s commitment to urban renaissance in the country’s towns and cities:

*“Our vision is of towns, cities and suburbs which offer a high quality of life and opportunity for all, not just the few.”*

The Urban White Paper attempts to bring together and expand on the many initiatives and programmes that are currently in place in order to make urban areas better places to live and work. This includes in the coalfields areas: Coalfields Programme, Coalfields Enterprise Fund, Coalfields Regeneration Trust, Networkspace, Education Action Zones, Health Action Zones, Sports Action Zones, Employment Zones, Neighbourhood Renewal Fund, English Cities Fund, SRB. The key issues specific to the Urban White Paper are:

- *Getting the design and quality of the urban fabric right* – through the provision of attractive homes, good quality public spaces in which people feel safe, allow people easy access to local shops, schools, health and leisure facilities, sustainable and well served by public transport, help in the reuse of brownfield sites and vacant buildings and maintenance of a clean, safe, people-friendly and attractive urban environment.
- *Enabling all towns and cities to create and share prosperity* – to ensure that everyone has access to the education and training they need and access to jobs, to promote a culture of enterprise and innovation and to allow urban areas to identify its future role in the regional and national economy and develop and implement a strategy that builds on its strengths and tackles its weaknesses.
- *Providing the quality services people need* - to improve key services – education, health care, policing, housing and transport, as well as making opportunities available to enjoy culture, leisure and sport.
- *Equipping people to participate in developing their communities* – attempts to engage and enable local people to participate in improving their own communities, partnership working and the introduction of Local Strategic Partnerships to develop Community Plans and Urban Regeneration Companies in the largest cities.

The Coalfield Programme sites have the potential to contribute strongly to the principles of the Urban White paper. Good examples in the Kent Coalfield include Tilmanstone and Betteshanger.

### *Rural White Paper*

The 'Rural' White Paper – "Our Countryside: The Future" was published in November 2000 setting out the Government's policies for rural areas. It states that the Government seeks to promote:

*"... a living, working, protected and vibrant countryside... one where people have access to the jobs and services they require. We want...to support a diverse and successful rural economy...."*

The White Paper recognises the serious economic difficulties facing many rural areas, including former coalfield areas, such as loss of younger people, high unemployment, low wages and low investment. It also recognises the barriers to growth for firms in rural areas, including poor access markets, transport of materials, obtaining skilled labour as well as business support and advice.

The policies seek to establish thriving economies in all rural areas by the provision of good quality employment opportunities, exploiting the versatility and entrepreneurial tradition, and, increasingly, local green business potential. It is recognised that tourism is an increasingly important business sector as leisure spending on enjoying the countryside increases. Land based businesses such as forestry and horse enterprises and demand for distinctive rural products and services are identified as key factors in continued rural prosperity.

The White Paper encourages RDAs to work with local and regional partners to help rural business through:

- working to remove barriers to business creation and survival;
- raising the level of new business formation in remote rural areas and diversifying the economic base by stimulating innovation and competitiveness;
- increasing the number of rural product and speciality food businesses;
- stimulating rural tourism and adding value to rural products and services through further processing or via regional and sub-regional branding, marketing and promotion;
- developing better business to business links by stimulating the use of Information and Communications Technology.
- ensuring that the Small Business Service (SBS) providers are equipped to respond to the specific needs of rural small business;
- recognising the value of the environment as an economic asset to be used sustainably;
- ensuring development is appropriate and occurs in areas which are able to support it;
- supporting sustainable best practice through funding, example and guidance.

Providing employment opportunities for all is identified as the single most effective means of tackling poverty and social exclusion in rural areas.

### 2.3.2 **Regional policy and coalfields regeneration**

The relatively poor economic performance and limited prospect for growth in East Kent were recognised by the County Council in the early 1980's, some time before it became clear that mining activity in Kent would be rapidly brought to a close. In view of this, the County Council, in close partnership with Dover and Thanet District Councils, established East Kent as a priority area with a need for strategic public sector intervention to assist pocket of market failure and to encourage to prospect for economic growth in line with the forecasts for the rest of the County (and the South East).

In the early 1990's Kent County Council lobbied for European Objective 2 Strategy for Dover and Thanet and this resulted in significant European Structural Funds flowing into East Kent to assist with major regeneration projects and infrastructure upgrades. However, the Kent Colliery sites were not included in the European RECHAR Programme and no regeneration funding was available until the sites were finally included in the UK National Coalfield Programme.

Once it became clear that the sites had the potential to be funded and delivered, they were included in a number of East Kent Regeneration studies from 1997 onwards. The most significant studies in terms of subsequently creating the framework for funding regeneration activity were as follows:

- Kent Prospects – A comprehensive audit of the economic potential for Kent with baseline forecasts for a 10 year period from 1997. Prepared by Business Strategies Ltd.
- The Sandwich Corridor Regeneration Study – prepared in 1997 by Ove Arup and the first strategic assessment of the economic potential of all the East Kent employment sites.
- The Canterbury Triangle Vision, 1998 – Building on the Ove Arup report, and extending the area of site potential to include Canterbury.
- SEEDA Regional Economic Strategy and Corporate Plan – Identified the economic sub-regions of under-performance in the South East (with specific emphasis on the continuing problem of structural unemployment in north and east Kent) and suggested the establishment of sub-regional Area Investment Frameworks (AIF). The AIF for East Kent is being prepared and co-ordinated by Ove Arup and comprises a detailed audit to identify the main pockets of failure in the East Kent economy to assess how the public sector agencies should deal with the issues both strategically and locally.

The reports commissioned specifically to help inform the best method of tackling coalfield regeneration are set out in this document in Section 1.2. In the light of the comments in relation to the Kent Coalfield set out in the Coalfield Task Force Report, SEEDA needed to quickly establish a framework for regenerating the sites with English Partnerships. The key objectives for this strategy are set out in Section 1.2 and broadly these objectives still provide the key criteria guiding the regeneration strategy two years into the programme itself.

#### **Regional Economic Strategy**

SEEDA's Regional Economic Strategy identifies the former East Kent coalfield as displaying "particular circumstances of deprivation and exclusion" requiring specific intervention measures in the broader context of a strategic regeneration programme for east Kent.

The central theme of the strategy is to promote and improve the South East's economic competitiveness in pursuit of 'World Class' status. The vision is to make the South East one of the top performing regions in Europe and beyond, through enhanced economic

prosperity, removal of deprivation and social exclusion and enhancement of environmental quality.

The strategy acknowledges the marginalisation of rural communities in parts of the South East and the need to regenerate the physical and social fabric of deprived rural areas. The need to link rural communities through technology and enhanced job opportunities and training is highlighted in the strategy.

SEEDA's Corporate Plan refers specifically to a package of strategic measures which, when linked and delivered in partnership with the relevant local authorities, the SRB Programme and by way of joint ventures with local businesses, will lift East Kent GDP and overall economic performance. These measures are currently being developed into a working draft 'Area Investment Framework' for East Kent and the former coalfield area. This is outlined in more detail below.

### ***East Kent Area Investment Framework (AIF)***

SEEDA is currently preparing details of measures which it should adopt to create the maximum potential for lifting the economic performance of East Kent. This strategy is anchored in a clear framework for intervention, which SEEDA has identified as its 'blueprint' for marginalised and under-performing locations.

The principal elements of this strategy, which is subject to further refinement and positioning within the East Kent regional economic structure, are as follows:

- Establish a model to capture and monitor the total investment (public, private and voluntary sector) being planned and programmed in East Kent during the next five to ten years. Identify potential gaps in this investment programme to guide SEEDA to target its spending priorities to address the greatest sector, community or infrastructure needs shortfall.
- Develop close links with key East Kent business sectors, for example, pharmaceutical research and product manufacture, food production, packaging and distribution, logistics and value added freight forwarding (particularly in relation to the Port of Dover and the new Dover Harbour Board logistics facility recently constructed near the Port) and the tourism and leisure sector, to understand the constraints which are preventing more rapid indigenous economic growth.
- Work with local authorities to enable local businesses to expand in the locations best suited to their business needs rather than on sites which may reduce their competitiveness.
- Create opportunities for new 'live/work' developments in locations where there is a clear, sustainable case for such schemes to improve competitiveness and reduce the need to travel.
- Encourage all businesses to become 'electronically orientated' as part of SEEDA's strategy to promote the South East as a 'wired' region.
- Encourage the establishment of new incubator centres and enterprise hubs to support entrepreneurs from East Kent and the wider sub-region to invest in new young businesses with the potential for high survival rates and sustainable growth targets. The enterprise hubs are designed specifically to provide good quality, flexible business space for small, growing businesses.
- Develop strong links with higher education establishments to encourage a higher percentage of school leavers to attend university, to recognise the problems of access

to Further and higher education for those in deprived areas, to develop the potential for increased employment opportunities in East Kent following higher education and to enable East Kent to unlock the potential of the 'knowledge economy' more effectively.

- Encourage local authorities to work actively in partnership with local businesses to help diversify the East Kent economy away from its reliance on a small number of large corporate organisations at one extreme and the high percentage of small businesses employing less than 5 staff at the other.

SEEDA's proposal to establish an Area Investment Framework, currently in draft format and expected to be adopted by early 2002, provides a clear policy context and rationale for its intervention in East Kent. Once adopted as policy, an action plan will follow to target SEEDA and public sector partners investment decisions.

### **2.3.3 Local policy and coalfields regeneration**

#### ***Strategic Planning Guidance***

The Kent County Council Structure Plan (1996) identifies the former East Kent colliery sites as providing an opportunity for new commercial floorspace and jobs in the future, following a period of industrial decline and job losses during the 1980s and early 1990s. There are a number of policy references supporting the regeneration of the former East Kent coalfield sites as follows:

*Paragraph 3.17* – “The particular focus of attention for employment-creating activity and associated infrastructure should, within the context of regional guidance, be at East Kent to mitigate the immediate and persistent economic problems there.”

*Paragraph 3.18, Policy S4* – “The strategic policy for East Kent is to stimulate economic activity and create new employment opportunities, whilst recognising the environmental constraints which apply. Long term protection will be afforded to areas and sites of international, national, or other strategic importance for nature conservation, landscape, agriculture, or heritage.”

*Paragraph 3.62* – “... the closure of the East Kent coalfield has added to the adverse economic conditions of Dover and Deal. The area requires measures to improve its local economy and opportunities exist for the reclamation and development of the derelict and despoiled land of the former collieries themselves – Snowdown, Tilmanstone and Betteshanger. Between them there is over 200ha of damaged land, part of which may be suitable for new employment development, and recreation uses. Such investment at the East Kent Coalfield could be of substantial benefit not only to the regeneration of the coalfield settlements but also the East Kent coastal towns in attracting new jobs and enhancing the economic base of the area.”

*Paragraph 3.64, Policy EK3* – “As a priority, measures will be taken to ameliorate the economic problems of Dover, Deal, the former East Kent Coalfield. Such measures should include the provision of economic development opportunities well related to improved public and private transport facilities, together with sites for new tourism accommodation and attractions.”

The Structure Plan also identifies the need to build on the potential of high visitor and tourist numbers to East Kent. This potential is also identified in the Dover District Local Plan (described in Section 2.4 below).

#### ***Dover District Local Plan***

The Dover District Local Plan Deposit Draft was published in 1996 and the Public Inquiry Inspector's report was issued in July 1999. Modifications to the Deposit Draft are to be

the subject of a further Public Inquiry later this year. The Plan is expected to be adopted by late 2001.

The Plan identifies the need to diversify the local economy in the district following the coalfield closures and the relatively narrow economic base. Pfizer is identified as a key economic strength alongside the visitor potential of the area, given strong historical links and high quality natural environment.

The Plan seeks to achieve a balance between the release of development sites for employment and housing and the protection of the natural environment and to achieve a more sustainable pattern of development through promotion of development linked to public transport routes.

#### **2.3.4 Other policies and programmes linked to Kent coalfield regeneration**

There are a number of other important strategic linkages to the Area Investment Framework that have a bearing on future options for the colliery sites and these are identified below.

- **East Kent Triangle Vision Statement** – a partnership comprising Kent County Council, Thanet District Council, Dover District Council, Canterbury City Council, Pfizer Limited and SEEDA was established in 1999 “to take an integrated cross-border view of development across the three districts recognising that many economic, social and physical problems do not fall within one administrative area and that opportunities cannot be maximised simply by a local response.” This partnership has worked together to generate valuable strategic data to underpin the case for the Area Investment Framework and has also produced, in conjunction with Llewelyn-Davies and Vantagepoint, a short report and published ‘Vision’ which outlines the key principles for boosting East Kent GDP to a level which could be considered comparable to the rest of the south-east. This vision statement acknowledges the value that the regeneration of the colliery sites could bring to East Kent.
- **The East Kent Spatial Development Programme** – Kent County Council has been working with SEEDA and the Districts of Dover, Thanet and Canterbury to identify key infrastructure shortfalls (electricity, gas, water drainage, flood defences), which are constraining business growth in East Kent. This initiative has been driven in response to clear signals from the deregulated utilities companies that they are unwilling to risk the high levels of capital investment necessary to provide power and water to expanding East Kent businesses without some form of risk sharing strategy or upfront contribution from the public sector. This partnership has therefore proposed the pooling of private and public sector capital into a new regeneration company which will inject capital and part share in the risk of providing new primary infrastructure. The legal mechanism and structure of the regeneration company is currently under discussion and the vehicle is expected to become operational by the end of 2001. This project aims to assist with bringing forward a total of 575 ha’s of development land, generating up to 10,300 net additional jobs over the next 20 years in East Kent.
- **Off site Infrastructure reinforcement** – in preparing its Coalfield Regeneration programme for East Kent, SEEDA carefully analysed the potential for site and infrastructure related linkages which could spread the outputs and benefit in relation to the capital investment in off-site infrastructure reinforcement, road and traffic management upgrades (as required under Section 278 Agreements, for example) and environmental enhancement, particularly adjacent to site boundaries. For example, it became clear at an early stage that the former Tilmanstone Colliery, although the smallest in terms of development capacity at 8 hectares, was the best located for major commercial development and employment potential. However,

Tilmanstone had to be subject to complete decommissioning of its power supply on closure of the colliery, creating the need for major off-site reinforcement. The nearest available substation to provide sufficient power is located at Betteshanger and new cables have been laid to reinforce Tilmanstone from this source. This work involved capital investment in two new transformers at Betteshanger, which will have sufficient capacity to also service a range of new commercial, leisure and recreational uses which could be accommodated at Betteshanger.

- **Links to promote visitor spend in East Kent** – both the Kent County Council Structure Plan and the Dover District Local Plan emphasise the need to establish clear links between the key visitor destinations in East Kent capitalising on the unique value which each adds to the total area visitor network. The consideration of options for the sites needs to take account of how the location, topography, ecological interest and situation between the major visitor centres of Dover, Canterbury, the rural hinterland and the marine and coastal environment can be developed as part of the wider tourism and leisure strategy for East Kent.
- **Single Regeneration Budget programmes** - The East Kent Coalfield area is the subject of SRB Round 3 and 5 programmes. Principally, these programmes have focused on community capacity building, training etc.. A range of projects has been assisted including Aylesham Community and District Workshop Trust, Betteshanger Sports and Social Club and Elvington Community Centre. Future investments are proposed for Betteshanger Social Club and a Coalfields Heritage Initiative at Tilmanstone Colliery. Both SRB programmes promote the redevelopment of the former East Kent colliery sites to provide new employment opportunities. Related objectives include the improvement of educational attainment, encourage innovation and enterprise amongst young people and the provision of new sport and recreation facilities.
- **Coalfields Regeneration Trust** - The Coalfield Regeneration Trust, for operational reasons, combines its geographical coverage of Kent with the East Midlands area. However, this has not prevented the Trust from taking an active interest in potential projects in the former Kent Coalfield area. The Trust has confirmed that it will receive funding for a further three-year period from April 2002 and will continue to actively support suitable Kent projects.

*EP is seeking to identify specific sites with CRT where there is a potential to target CRT grant support to coincide with EP/RDA investment in reclamation, site infrastructure and development. An important part of this process will be the identification of local partners and potential initiatives that may help to maximise the local gain and secure a broader range of outcomes. Initiatives that promote closer local liaison, help develop local skills, involve trainees and the local labour force with the contractors and potential environmental works, and secure local ownership and a potential role in long-term stewardship are examples of the type of project that could be developed alongside the programme. The involvement of the local partnerships in Options Appraisals would also be encouraged.*

Work being carried out by CRT in identifying Coalfield Heritage projects would also provide a strong link to the Programme. For example, the use of locally identified themes and designed signature elements in the infrastructure and environmental works could be taken on board as part of the site based works. This could assist greatly in providing a 'special' character to the sites in helping to position them for new investment.

- **Networkspace** – Networkspace is a joint venture between Langtree Group plc and English Partnerships to deliver a programme that develops and manages small workspace premises to meet the needs of small and expanding businesses in the English coalfield areas. It is planned to build up to 12 network centres between 2001

and 2004. Betteshanger has been inspected for inclusion in the second phase of sites for development.

- **Priority Sites** - The Priority Sites programme was launched in October 1997 as a joint venture between the Royal Bank of Scotland and EP with the objective of developing speculative B1, B2 and B8 schemes in economic priority areas. The remit of Priority Sites is to undertake projects on sites where private sector developers are or have been previously reluctant to undertake speculative development. There are five strategic objectives attached to Priority Sites:
  1. To develop around 92,900 sq m, (1 million sq ft) of speculative workspace in economic priority areas. This was recently increased to 139,350 sq m (1.5 million sqft);
  2. To achieve national impact through an effective geographic spread of development;
  3. To maximise external funding contributions to the development programme;
  4. To contribute directly to economic regeneration in priority areas in England;
  5. Achieve maximum returns on its investments both in commercial and regeneration terms.

Priority Sites will shortly complete the purchase of a 1 hectare site at Tilmanstone for the development of approximately 2,000 sq m of speculative industrial units and this will complement earlier investment in the Dover area at Whitfield Court.

- **England Rural Development Programme** – In October 2000, the England Rural Development Programme was launched by the Government with a commitment to redress some of the economic and social polarities that have emerged within rural areas. The aim of the Rural Development Area programme is to create a sustainable countryside in which economic, social and environmental concerns are addressed and resolved in an integrated manner.

## 3 Achievements to date

### 3.1 Site progress

SEEDA inherited its 4 sites (Betteshanger was originally transferred as 2 sites, the tip directly from English Partnerships freehold and the former colliery by way of the existing lease to the local Authority) in September 1999. In the Programme, Snowdown currently remains in private ownership with the lease to the Coal Authority in place.

At Tilmanstone, all site reclamation works, infrastructure reinforcement, road improvements and landscaping and environment enhancement have been completed. Sales have been agreed or completed on all the development land at Tilmanstone. The adjoining spoil tip which is currently in the ownership of Hanson Bricks and a source of minerals for their production process continues to have a visual impact on the adjoining community. In the longer term this land may have a number of potential uses including employment generating uses.

At Betteshanger, SEEDA has retained a former Coal Authority employee as site manager to look after site security and deal with local enquiries during the recently completed programme of preliminary demolition works, including the removal of the former bathhouse structure. SEEDA has attended 5 public meetings organised by the Betteshanger Community Regeneration Team to explain the details of the regeneration programme and, most recently (August) to outline the favoured masterplan option for the site. The masterplanning consultative work will be completed by the end of 2001 and SEEDA will apply for planning permission for comprehensive regeneration in March 2002 subject to EP/DTLR approval of the funding for the preferred option. It is likely that major site reconstruction works will commence in mid 2002 with completion due at the end of 2003.

Ownership constraints at Snowdown have required a thorough investigation of land ownership, title and the possibility of SEEDA taking some form of remedial action whilst not being in a position of ownership or control. This work will be completed by the end of 2001 and will include an options analysis and consideration of the need for Compulsory Purchase.

The time frame for these various site specific strategies and programmes were set out in SEEDA's original objectives and regeneration strategy and, to date, the milestones and dates for completing the various actions have been achieved.

### 3.2 Programme linkages and match funding

The commitment to comprehensive regeneration of the former colliery sites by SEEDA has stimulated a broad review of the various existing regeneration programmes for East Kent prepared previously by Kent County Council and the three relevant District Councils, Dover, Thanet and Canterbury. A key priority for this review has been to ensure that all the current and planned programmes have the proper strategic and delivery links to avoid duplication and generate proper value for money.

SEEDA has played a central role in this process in close partnership with Kent County Council in the preparation of the emerging Area Investment Framework, described earlier. The data produced from the research to inform the AIF will provide the most comprehensive audit of investment in business, goods, services and the community in East Kent which will identify key areas of continuing market failure and persistent shortfall in service provision compared with broad county baseline figures and targets. The completion of this work by the end of 2001 will enable SEEDA to adjust and refine the key



components in the Coalfield programme to help to close the gaps identified in the AIF analysis.

## 4 Future strategy and three year plan

The preparation of the review in respect of the Kent Coalfield Regeneration Programme has provided SEEDA with the opportunity to reflect on progress achieved so far at a relatively early stage in its leadership role and site delivery programme.

### 4.1 Adjusting strategy objectives

As a latecomer to the National Programme, SEEDA has been obliged to ensure that the full regeneration potential of the East Kent sites will play an important part in lifting the economic development potential of the still relatively under-performing East Kent economy compared with the rest of the county and, crucially for SEEDA, the rest of the South East. SEEDA has worked hard to ensure that the regeneration potential of the sites is thoroughly investigated and assessed and that the investment, outputs and value for money in other complementary initiatives is refined and adjusted to take account of the new timeframe for delivery of the former colliery sites.

This has meant that, for example, the 10 hectares of new development land at Tilmanstone could be offered on the market for sale several years ahead of other competing employment sites in the area. This resulted in several East Kent companies with expansion needs targeting their interest on Tilmanstone rather than other sites where the timeframe for delivery remained uncertain.

Similarly, the provisional timetable for the marketing of serviced development land at Betteshanger on the completion of site works at the end of 2003 has stimulated a number of genuine occupier enquiries and site inspections from both East Kent companies with expansion needs and businesses outside the region considering East Kent as a potentially suitable location. Several of these enquiries are identified earlier in the plan.

The individual site strategies will be kept under review and adjusted where appropriate to take account of the timing of other investments in the area and site density and capacity levels will be refined to take account of comments received from the various local regeneration community groups. The precise content of the different uses on the various sites will also be adjusted once it is clear how the site delivery programme can make the best overall contribution to the regeneration of East Kent once the results of the AIF research and analysis are known. The AIF is in draft form and will be adopted by early 2002.

The outcomes to be delivered over the course of the Programme will address and provide solutions to a range of key coalfield issues including:

**Environmental enhancement** – during the course of the Programme, some 170 hectares of former colliery land will be reclaimed and enhanced assuming that SEEDA is successful in acquiring and remediating the Snowdown site. Major environmental improvements for communities will be achieved at Elvington, Eythorne (Tilmanstone), Betteshanger, Northbourne, Sholden (Betteshanger) and at Aylesham and Nonington (Snowdown);

**Increased employment opportunity for coalfield communities** – 30 hectares of land is being earmarked for employment uses. 10 hectares of serviced development land has already been created and sold at Tilmanstone and Betteshanger and Snowdown could generate a further 20 hectares of development land during the next four to five years subject to completion of development strategies, approval funding and resolution of land ownership issues. The total projected floorspace is approximately 25,500 sq m at Tilmanstone (of which 13,935 sq m has already been completed) and a further 25,000 sq m at Betteshanger (building conversion scheme currently under way to create small scale workspace) and Snowdown respectively. The job projections are approximately 1,000 for

Tilmanstone (of which 750 have already been created and safeguarded), 500 for Betteshanger and up to 500 at Snowdown.

**Improved leisure opportunities** – approximately 110 hectares of land is to be laid out as public open space (80 hectares at Betteshanger and 30 hectares at Snowdown). The former tip at Betteshanger will be subject to special treatment enabling use as a regional recreation, activity, education and field study centre for both the local community and schools and further education establishments more widely across mid and east Kent. Elsewhere at Betteshanger and Snowdown, the site reclamation proposals will include the construction of new footpaths to encourage public access to the local countryside. It is also a key priority for SEEDA to encourage sustainable forms of transport in the rural areas around the former collieries and a network of new cycle tracks will be constructed to connect with existing cycle routes in the area and the key sustrans cycle route which passes along the coast close to Betteshanger. SEEDA will discuss with local bus operators how these cycling routes can be conveniently and reliably connected to local bus services with provision for cycle carriage where appropriate.

**Enhanced housing choice** – at present, the Local Planning Authority has no residential allocation in respect of the former colliery sites. However, SEEDA has been advised that, in the interests of future sustainable development, mixed use and reducing traffic along country lanes, some residential development should be considered to complement the employment allocations at both Betteshanger and Snowdown. This is supported by regional planning policy in the south east which sets a target of at least 60% of new housing being developed on previously used "brownfield" sites. It is ironic that, because of only modest growth in the need for housing in east Kent, most new residential schemes are still being developed on greenfield sites which conflicts with current central and local government policy. Clearly, this situation is likely to change during the next four to five years as Local Plan reviews target brownfield sites for development. **Active private sector property market** – the structure and key influences on the property market in east Kent is analysed earlier. At present, there is no private sector speculative development in east Kent as the relatively high risk profile of achieving pre-lets within a reasonable period means that funding for such schemes cannot be secured. However, where public sector agencies have intervened to stimulate the market or service development land, take-up has been fairly rapid, i.e. occupier deals being completed within six months of land or new speculative public/private sector funded accommodation being finished on site, e.g. Priority Sites scheme at Whitfield Court, Dover.

It is likely, therefore, that further publicly stimulated speculative development on the former colliery sites will let relatively quickly and this will generate confidence and reduce the risk for private developers on schemes where they hold development options and which could then come forward.

At present, approximately £15 million has been invested by Geest at Tilmanstone with a further £2 million of private sector investment expected as a result of the other land sales to Priority Sites and Britland Engineering.

It is reasonable to expect that a further £10 million will be invested by the private sector at both Betteshanger and Snowdown once SEEDA has completed its enabling site reclamation and infrastructure works.

## 4.2 Adjusting the site strategy

SEEDA's regeneration strategy for the Kent sites was agreed with English Partnerships in January 2000 following confirmation of the transfer of Tilmanstone, Betteshanger and Snowdown to the National Programme.

The individual site strategies contained in a separate working document have remained unchanged during the subsequent period of detailed site analysis but remain the subject of regular testing and the commissioning of various works on site at Tilmanstone and Betteshanger. However, each site reclamation programme retains a high degree of flexibility enabling the speculation of works, development capacities, mix of uses to be altered or refined as the programme unfolds.

### 4.3 Three year action plan

The key milestones over the next three years in respect of the delivery of the Coalfields Programme in Kent are summarised below. Where development strategies are not yet finalised provisional assumptions regarding milestones are presented.

Site	Action milestones		
	2001/02	2002/03	2003/04
1. Betteshanger	Complete economic appraisal Commence site work	Ongoing site works	Complete site works Commence marketing
2. Snowdown	Agree development strategy	To be determined	To be determined
3. Tilmanstone	Complete site disposals		

### 4.4 The need for an integrated approach

In considering its key objectives for the regeneration of the Kent Coalfield, SEEDA, in consultation with its partners at County and District level, agreed the need for built-in flexibility as the implications of reclaiming and delivering the sites became clear. This process does, however, require flexibility in other related programmes with shared objectives, particularly in relation to timing. For example, at this relatively early stage in the delivery of the Kent Programme, it has already been necessary to make adjustments to the timing of some capital and revenue drawdown in the Kent Coalfield SRB Programme to direct further investment to Tilmanstone (where it is now required) and from Snowdown where site delivery will be delayed until the ownership issues are resolved.

It is clear, however, that the sites programme so far has not been capable of delivering impacts other than in the locations where the sites occur which may not be in the heart of the former mining community originally responsible for working that particular pit. Research carried out by SEEDA in close consultation with Dover District Council SRB Programme Managers has, for example, identified a persistent shortfall in the provision of community facilities in north Deal where the majority of former Betteshanger miners and their families live.

The key objective is to integrate the redevelopment of the colliery sites into the economic development 'mainstream' of East Kent. For that reason, a strategic view needs to be taken of future activities, making the connection with sub-regional initiatives such as the East Kent Spatial Development Company Project.

The regeneration of the Betteshanger site (approximately 2 miles west of Deal) will provide serviced development land for expanding businesses with associated job creation together with public access to a range of new countryside and recreation amenities. However, this site-specific strategy will, at present, make no contribution to help close the community "needs gap" in Deal itself.

In consultation with Kent County Council, and Thanet, Dover and Canterbury District Councils, SEEDA has identified a number of further investment initiatives which would improve the effectiveness and overall regeneration impact of the programme from both a strategic and community perspective rather than judged on the relatively narrow physical renewal outputs in the programme at present. A further 2 sites have been put forward by the Coalfields Communities Campaign (C.C.C.) as potential candidates for the Programme in Kent which may offer further opportunities to deliver benefits to communities. These are being considered by SEEDA and EP but at this stage no prioritisation has been agreed with the East Kent Spatial Development Project the main priority. This will need to be considered as the Programme moves forward and further sites may be considered for inclusion where resources allow and where the economic justification is clear. The justification will need to relate specifically to the potential contribution to the RES, the sub regional Action Plan for East Kent and the emerging AIF. The sites put forward by C.C.C. are listed below:

<b>Additional C.C.C. identified sites</b>	<b>District</b>
Chislet	Canterbury
Central Island and Sandwich Corridor	Thanet and Dover

It is also clear that other related community needs will continue to come forward during the life of the Programme and these will need to be addressed and resolved to ensure that the coalfield regeneration programme is as comprehensive as possible. In reviewing site strategies a range of PNIs relative to specific existing Coalfield Programme sites have been highlighted that could serve to underpin site strategies but which have limited or no committed funding at present. These PNIs are considered by SEEDA and its regeneration partners to be important additional projects that could be introduced to the programme if resources could be made available. The PNIs identified are set out below:

<b>Site</b>	<b>PNI</b>	<b>Potential Cost</b>
Betteshanger	Acquisition of derelict former gas-works site in north Deal for major new community and family support project and associated new recreation/sport and social housing.	Site valued by SEEDA, but clean up and new infrastructure costs not known.
Betteshanger	Acquisition of derelict former power station at Richborough to generate comprehensive employment opportunities for expanding business too large to be accommodated at Betteshanger.	Site valued by SEEDA, but clean up costs and new infrastructure costs not known.
Betteshanger	Gap funding to help regenerate	Site valued by SEEDA and

	Sandwich Industrial Estate to provide some low cost housing for deprived local families.	preliminary discussion with site owner on potential development programme.
Snowdown	Funding to assist with Phase 4 of Aylesham and District Community Workshop Trust Scheme in absence of immediate site delivery programme at Snowdown.	Approximately £2 million.
Snowdown	Acquisition of former Chislet Colliery site for servicing and sale of development plots.	To be determined
Tilmanstone	15 hectare site of former spoil tip now owned freehold by Hanson Brick. Site used for spoil recovery for brick manufacturing process.	Approximately £5 million.
All	North East Kent spatial infrastructure project to unlock up to 18 development sites with significant infrastructure shortfalls.	Approximately £4 million.

## 5 Programme management and resources

### 5.1 Staffing arrangements

#### RDA

East Kent is a priority area for action for SEEDA and the context for this intervention is clearly set out in the RES and accompanying documents. The focus for specific action will be identified more clearly once the total investment audit for the sub-region has been completed as a key component of the emerging Area Investment Framework.

In view of this SEEDA has appointed an area based team to concentrate on the delivery of strategy objectives in this part of the region. This team comprises five full time SEEDA staff with the following background and experience:

- SRB regeneration project manager
- Community development manager
- Two chartered surveyors with extensive experience of planning and delivering major regeneration projects
- Rural and sustainable development programme manager.

In addition to this team, SEEDA generates further specific input from sector experts in pharmaceuticals/bio-technology, learning and skills and enterprise hub/e-commerce. This team will be responsible for co-ordinating the regeneration strategy and practical delivery arrangements for the Kent Coalfield sites with specialist legal, development feasibility and engineering project management advice from time to time as required.

The site works planned at Betteshanger and Snowdown will be managed on the basis established to deliver Tilmanstone. This comprised the appointment of an independent project manager (Engineer or Quantity Surveyor) responsible for directing, in turn, the site works engineering design team and individual works contractors. The project manager is also responsible for signing off valuation certificates on completion of each appropriate phase of project works.

#### EP Coalfield Team

The Coalfield team sits within the Coalfields and Joint Ventures Division under a Divisional Director. This Division also contains overlapping teams devoted to Joint Ventures, such as Priority Sites and Networkspace, and the Land Stabilisation Programme. Dedicated Coalfield team members are two Senior Development Managers, a Project Manager, and team Secretary reporting to the Head of Coalfields. Currently, one of the SDM posts is vacant, but this role is met through the full support of the Joint Venture team SDMs. In addition to the above, the Land Stabilisation team leader acts as a Programme Manager to the Division, Financial Management is carried out through the Gateshead finance team, and a dedicated Marketing Manager has been appointed to maintain a high profile for the Programme.

As part of its Risk Management strategy EP monitors all projects, and seeks a closer involvement with the RDAs for specific projects where the risks are perceived to be highest, such as Avenue Coking Works and Shirebrook. This is managed through the attendance of the Project Manager at key meetings to review progress and provide assistance where required. EP is also committing its planning and regeneration staff in relation to key projects to assist in the preparation of Context Plans and Planning Briefs where these can ensure that the maximum wider outcomes can be achieved through the

reclamation and development process. Furthermore, EP also works with the RDAs to bring about timely preparation of Options and Economic Appraisals for those projects that exceed £5 million thus requiring DTLR or Treasury approvals.

Through effective communication, the intention is to work closely with the RDAs and help where required in the delivery process through the expertise of the team or through bringing to bear appropriate consultancy support.

## 5.2 Financial management and reporting

The management of the Coalfields Programme requires close financial monitoring and control of each site, both for expenditure and receipts. The RDAs submit monthly grant-in-aid forms, which confirm actual spend and receipts and net spend, together with a monthly forecast for the remainder of the year. Quarterly meetings are held with each RDA to review forecasts against budgets for both in year and future years. Any revisions to the forecasts are agreed and the Coalfields Report and Monitoring System (CRaMS) is updated to confirm the position at the quarter date. It is important to ensure that the grant-in-aid forms and CraMS are up to date and consistent.

The CRaMS includes financial, physical and output information for each site in the Programme. This assists EP and the RDA coalfields case officers in assessing on-site progress, where delays have occurred and what action, if any, needs to be taken. All agreed actions are noted on CraMS and progress reviewed at the quarterly meetings.

The information contained in the CRaMS has many applications. The detail contained therein is able to be reported by region and by site, such as;

- financial – in year; lifetime outturn; variances against budget
- outputs – in year, lifetime outturn, variances against budget
- agreed actions and milestones
- site details, for example, areas, site starts, site completions, investment approved, programme linkages and key partners etc

For CraMS to be a useful monitoring tool, it requires both EP and the RDAs to be committed to using it and to monitor it.

## 5.3 Operational arrangements

The implementation of the Coalfields Programme is based on a joint arrangement between EP and the Regional Development Agencies (RDAs). The basis of the arrangement is set out in a Service Level Agreement (SLA). The SLA currently remains in existence but is considered in need of review in the light of changing processes, particularly for securing expenditure authority and the introduction of more rigorous monitoring of the Programme.

The revised SLA with Yorkshire Forward will seek to streamline the approval process and achieve more effective joint working between EP and the RDA. The overall objective will be to improve project delivery timescales and efficiencies. The improved reporting system introduced by EP will enable this to be achieved.

Increasingly, the EP Coalfields team has sought proactive involvement in the management and delivery process alongside the RDAs in order to identify and bring forward the Programme's most significant and complex projects as early as possible.

Projects that require in excess of £5m public sector investment are subject to Treasury Green Book appraisal and as such require a rigorous options assessment and economic appraisal that assesses the extent to which the project proposals deliver value for money.

Delivery of the Programme's major investment sites is clearly critical, not only to the overall delivery of the Programme, but also to the delivery of regeneration and economic benefits at the local level. Recognition of this issue, has encouraged active involvement between the Coalfields Team and the RDAs to assist the identification of site development strategy, and to introduce the DTLR as early as possible in the project approval process.

Clearly, a key aim for these major projects is to ensure that delays in the project approval process are kept to a minimum, and as such, EP has put in place a two stage site appraisal process that firstly investigates the case for intervention, identifying potential development options for discussion with the Department, and secondly, follows this up with a full economic appraisal that assesses value for money enabling the identification of the preferred site development strategy.

#### **5.4 Monitoring and evaluation arrangements**

The Programme is monitored through regular internal team meetings and a quarterly meeting with EP. Financial management issues are reviewed prior to and through the quarterly meetings and output data is monitored as part of this process.



## **APPENDIX 1**

### **SEEDA**

#### **Coalfields Programme Sites and Linked Programmes**