



## Kendal Futures Board Meeting Minutes

Wednesday 27<sup>th</sup> February 2019  
3.00 to 5.00 pm, The MintWorks

### Present:

Martyn Nicholson, Chair  
Paula Scott, Kendal Futures  
Susanne Long, Kendal Town Council  
Brian Harrison, Kendal BID  
Graham Vincent, SLDC  
Mark Cropper, Large Employers  
Geoff Cook, South Lakeland Local Committee  
Julie Chapman, Cumbria Tourism  
Jamie Allison, Young Professionals Group  
Matt Williams, SLDC  
Mandy Dixon, K Village

### Apologies:

Louise Shrapnel, Kendal College  
Spencer Hannah, FSB (Member)  
Derek Armstrong, Cumbria Chamber  
Jim Bland, NFU

### 1. Apologies and membership

### 2. Declarations of interest

None declared.

### 3. Minutes & matters arising

The minutes of the meeting held on 16<sup>th</sup> January were agreed as a true record.

**Coach parking: ACTION: P Scott to write again to SLLC about the need for additional coach parking in the town and request they reconsider the use of County Offices.** B Harrison reported that Kendal BID are offering incentives, including a Kendal Gift Card and taxi into the town centre, to coach drivers who park at Kendal Leisure Centre. The KFB thanked the BID for this proactive initiative.

**Community Interest Company:** The Company will be formed with M Nicholson, M Cropper and S Hannah as initial directors. J Allison will join later if compliance matters can be agreed with his firm.

## 4. A banker's view of local business

Jason Bain and Sara Turnbull, both Director of Commercial Banking at NatWest, discussed the needs and aspirations of local businesses in Kendal, north Lancashire and Cumbria.

NatWest has a 37% market share and Cumbria is an important area for the bank. The team have a good understanding of local business needs. Their main sectors are leisure (50% of the lending book is across hotels and caravan parks) and agriculture, and other specialisms include manufacturing and health care. There are no lending exclusions at NatWest with all businesses assessed on their individual merits. They aren't a loan to value lender and consider affordability plus important non-financial indicators such as owner expertise, experience and transferable skills.

2018 was a buoyant year with strong demand and Kendal's bank managers have seen an appetite for smaller property investment borrowing at levels of £3 - 5,000,000 for residential investments plus lending for tourism and hotel refurbishments to improve quality levels. Caravan parks are a high premium, buoyant sector with more buyers than sellers in the market place.

Early indications for 2019 give a mixed picture. Brexit uncertainty has impacted business confidence. Some businesses are delaying any spend or investments as the 29<sup>th</sup> March approaches. Others, however, are ploughing on regardless with their business plans. Opportunities could be created as some EU firms will withdraw from the UK, enabling national companies to pick up the work. There are also lots of foreign investors moving into the hotels sector currently.

Challenges for businesses include staff costs, food costs (40% increase possible with Brexit), green energy and investment in biomass. The Annual Investment Allowance has increased to £1m which could be advantageous for capital expenditure although the bank hasn't seen a big uptake yet. Dairy farmers have had a difficult time due to the milk price but things are now improving.

They are seeing lots of emerging opportunities in franchises, such as Costa Coffee, KFC, McDonalds and Subway, reflecting customer demand and good levels of business support from the owner companies. There has been a growth in business start-ups and entrepreneurs, and self-employment is seen as very attractive.

There is a trend for business owners, particularly the younger demographic, to look online for finance options before approaching their bank. In order to compete, NatWest has set up an arm called ESME offering online loans. They have also developed the Bay Angel Network, with Moore and Smalley, Baines Wilson and Barclays, to better support local businesses and create opportunities to access finance.

The NW Entrepreneur Hub provides workspaces for young businesses, and supports them with fully funded access to mentors and professionals. **ACTION: M Williams to keep in touch about the potential to involve The MintWorks or MintWorks 2 in future.**

The KFB thanked Jason and Sara for attending and decided a similar update every 12-18 months would be useful.

## 5. EA Flood Risk Management Scheme

Craig Cowperthwaite and Glyn Vaughan from the Environment Agency (EA) discussed the updated Flood Risk Management Scheme proposals for Kendal and addressed the specific concerns identified in the KFB letter (December-18) to SLDC regarding the planning application.

The number of trees to be felled as a result of the proposed flood walls has been reduced, and, while still a work in progress, the EA now believe 545 trees may need to be removed. Others have been saved and 3666 trees will be replanted in the ground, a ratio of 6:1. Many will be of a considerable size and at least 10 years maturity. Hedges and shrubbery to screen and soften the walls will also be planted, and it was stressed that the EA will consider other options too. Local groups and organisations, including KTC, will help to decide where future planting should take place, and the KFB will also aim to influence this.

Many objections have been raised about the need for flood walls on Aynam Road, including from a local residents group who believe groundwater flooding makes the walls ineffective. The KFB agreed that the historic heart of the town was their area of main concern, particularly Stramongate Bridge to Nether Bridge as on Aynam Road and New Road walls 1.2 – 1.5m high would dramatically alter the look and feel of Kendal. Craig reminded the group that Keswick and Cockermouth are vibrant towns despite their flood walls which the EA has built considerably. He stressed that the walls are necessary to protect other properties beyond that frontage. The group asked questions about alternative solutions. Temporary barriers would not be suitable for a fast response in Kendal. Self-closing barriers or self-raising walls aren't possible due to the significant increase in cost to install and their ongoing maintenance costs.

Craig emphasised that the same scheme would be presented, even if there were no funding or time constraints. A different solution for Kendal isn't possible. This is one scheme which will only work as a whole. This one business case encompasses the 3 phases which require at least 3 separate planning permissions. If planning permission is refused then there is no business case and Kendal risks losing the entire scheme.

Phase 1 will increase the flood risk to 20 properties and those owners have been informed and local intervention measures will be completed. The scheme will protect 1151 local businesses who are currently at risk of flooding.

The KFB were very concerned that phase 1 will be less effective, without the phase 3 storage areas and with discussions with landowners at a very early stage, there is a risk the project won't be delivered. Craig reassured the meeting that while any project carries a risk, it can be managed to mitigate the risks and ensure successful delivery.

The group thanked Craig and Glyn for their time and for sharing their expertise once again. Having discussed the issues, they agreed to submit a further response to the planning authority ahead of the deadline.

There is a need to see properties in the town meaningfully protected and the EAs statement that the scheme will reduce the risk of flooding for 1151 businesses can't be ignored. The need to ensure protection for the most vulnerable Mintsfeet and Sandylands areas is also vital. The concern over the future delivery of phases 2 and 3 should be reiterated with the need for all partners to work together to ensure the storage areas are created. While the earlier objection still stands, the KFB agreed that Kendal can't be allowed to flood again due to no flood prevention measures being taken.

Concerns were expressed surrounding the detrimental effect on the public realm of the river corridor, particularly in the Conservation Area and the planning conditions (if permission is granted) must ensure this is mitigated through the use of additional glass panels for increased numbers of viewpoints, facing treatments and greenery, particularly in areas of Aynam Road and other important stretches.

It is essential to also ensure future resources are found for additional protection and resilience measures in the Local Plan, to consider the role of the town's bridges in flood risk and to continue investigations into the causes of groundwater flooding. **ACTION: P Scott to draft a response and circulate to the KFB for comments, before submitting to SLDC by Friday 1st March.**

## 6. Business meeting update

## 7. Project updates

## 8. Partner updates

Due to the importance of the Flood Risk Management Scheme discussion, the KFB agreed to postpone all later agenda items until the next meeting.

## 9. Any other business

G Vincent announced that as he isn't standing in the May elections, the April meeting will be his last as a SLDC Councillor.

10. Date of next meeting

Wednesday 3<sup>rd</sup> April – Kendal Town Hall – 3 pm.