

## **MAIDSTONE BOROUGH COUNCIL**

### **AMENDED RECORD OF DECISION OF THE CABINET**

Original Decision Made: 28 June 2013

Amended Decision Made: 3 July 2013

#### **CULTURE AND LEISURE SERVICES**

##### **Issue for Decision**

To consider the possible establishment of a new business team to be known as Maidstone Culture and Leisure (MCL).

##### **Decision Made**

1. That the staffing structure changes identified in the Exempt Appendix to the report of the Director of Regeneration and Communities, subject to the appropriate consultation, be agreed and delegated authority be given to the Chief Executive to make minor changes, in consultation with the Leader.
2. That the establishment of a new business team called Maidstone Culture and Leisure(MCL) under the Head of Commercial and Economic Development be agreed.
3. That the principle of reducing the net cost of cultural and leisure services to the Council be agreed and delegated authority be given to the Director of Regeneration and Communities to progress the projects identified in paragraphs 1.3.7 – 1.3.9 of the report of the Director of Regeneration and Communities and, in particular, agree:-
  - (i) The adaption of the current business plan for the Council's museums, developing new ways to generate income.
  - (ii) The establishment of a consolidated events programme with new and varied entertainment.
  - (iii) The introduction of a leisure card to offer a range of discounts and promotions to both residents and visitors.
  - (iv) The principle of a Mote Park adventure zone, subject to the necessary approvals and consents being achieved.
  - (v) The possible provision of a new café and retail outlet for Mote Park to be considered as part of the Council's capital programme.
  - (vi) A review of parking demand and traffic management inside and outside Mote Park be undertaken including consultation with residents living adjacent to the park and park users regarding both day to day arrangements and those put in place when events are held in the park.

4. That full details of the various projects, with supporting business cases, for Maidstone Culture and Leisure be provided in future reports to the relevant Cabinet Member.

### **Reasons for Decision**

In October 2010 the Council considered, as part of the strategic planning process, a service prioritisation which identified services with high, medium and low priority to reflect the Council's strategic priorities. This highlighted the need for investment in economic development but also concluded that recreation, sport and open spaces would have a medium priority and culture and heritage would have a low priority. In both cases the decision was to deliver these services to the same standard but at lower cost.

Since that time, ways to achieve this have been considered with the aim of reducing cost or increasing income and this has recently resulted in the decision to award the contract of the management of the Hazlitt Arts Centre to Park Wood Leisure, significantly reducing the cost to the Council.

In the Chief Executive's report on the future shape of the organisation considered by Cabinet in February this year, recognising the continued pressure on the Council's revenue budgets, proposals were brought forward regarding the way the Council's cultural facilities would operate and following the consultation process and the recognised synergies between culture and leisure, changes were made that would bring together the Council's cultural and leisure facilities under one head of service for commercial and economic development.

All of these elements have combined to confirm the need for changes in the way that cultural services are provided.

In September 2012, Cabinet agreed to undertake business modelling for commercial opportunities, including potentially new and existing activity. Since that time, work has been undertaken in two specific areas. The first is a commercial waste collection service, which is now established and operating in and around the borough. The second is venues and events. This project considered ways in which three services, parks and leisure, Hazlitt arts centre and the Council's museums could operate together in a commercial way to generate income for the Council, reduce net cost and achieve the strategic aim identified above.

Having regard to these various needs, changes to the establishment were provided in the Exempt Appendix to the report of the Director of Regeneration and Communities, together with a brief explanation for the reason for the changes together with the existing structures. These proposals also impact on the structure of the economic development team. Cabinet was asked to consider these changes and if supportive agree them subject to the appropriate consultation being undertaken and delegated authority being given to the Chief Executive to make minor changes in consultation with the Leader.

The proposals for venues and events bring together the Council's Hazlitt Arts Centre, via Parkwood Leisure, the museums, indirectly Mote Hall via Maidstone Leisure Trust and the Council's parks into one new business team called Maidstone Culture and Leisure. This new team will manage the Council's assets on a day to day basis but will seek to use the various venues to generate income for the Council.

It was proposed that:-

- (i) This new team will adopt and adapt the current museum business plan and will seek new and innovative ways to raise income. This will involve using the Council's venues for new and exciting events.
- (ii) Three major events planned for Mote Park and others in Whatman Park and Mote Hall. These will be carried out in a way to protect the character and heritage of the venues.

There will also be links to the Council's conference bureau and the establishment of a leisure card linked to existing and extended databases to offer benefits and incentives to local residents and visitors.

Mote Park is a major asset for the town and is already very popular with hundreds of thousands of visitors each year. However the costs of maintaining the park are considerable and there is a need to identify ways to generate some income to offset these costs. Two possible suggestions are identified below:-

- (i) An adventure zone in the area adjacent to the leisure centre could be established. This would take up less than 1% of the parks area but could generate a significant income. However such a proposal will require a number of different approvals, including planning permission and a further detailed report will be made as these processes are undertaken. A plan showing a potential location for the adventure zone is shown in Appendix A. Initial discussions with planning officers have not generated any objections in principle.
- (ii) A new café and retail opportunity is proposed in Mote Park, potentially to be funded through the Council's capital programme, subject to the necessary consents being agreed and a separate decision by Cabinet. This will also generate significant income and provide an important building adjacent to the lake.

Significant work needs to be undertaken to bring these various proposals together and detailed financial plans can only be finalised as the projects are worked up so it will be necessary to consider the detailed arrangements in due course. These will be provided to the appropriate Cabinet Member. However, it is expected that these new initiatives will generate significant income. At this stage, cabinet was asked to agree the establishment of MCL and to agree to move forward to develop the events and initiatives. A summary of the key proposals was provided in the exempt appendix to the report of the Director of Regeneration and Communities.

The current usage of Mote Park, particularly on event days can generate traffic management and parking issues inside and outside the park. This could be potentially increased with more events and the establishment of the adventure zone. It is therefore proposed to undertake a review of parking and traffic management, consulting with users and local residents on the impact from previous events to identify issues of concern and possible solutions. It is anticipated that this will lead to a new parking strategy for the park.

It was raised by a Visiting Member as to whether business plans would be undertaken for the Mote Park project before any decision made and, the Cabinet, confirmed that business plans would be undertaken for all projects and agreed to amend Decision 4 above to reflect this.

### **Alternatives considered and why rejected**

The Cabinet could have determined to adopt a different staff establishment for the delivery of cultural and leisure services. However, this was not thought appropriate as it would not provide the best arrangements for meeting the Council's priorities.

The Cabinet could have decided not to establish the new MCL team but this would mean the opportunity to generate new income for the Council would be lost.

The Cabinet could also have decided not to agree the further development of the proposals for the adventure zone or fund the new café and retail facilities in Mote Park but failure to agree and fund this development work would result in a potential significant loss of income.

The Cabinet could have determined to not agree to the development of the events and proposals in the outline business plan but again this would mean that opportunities to increase income would be lost making the Council's priorities difficult to achieve.

### **Background Papers**

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: <b>10 July 2013</b>
---

**MAIDSTONE BOROUGH COUNCIL**

**RECORD OF DECISION OF THE CABINET**

**CORPORATE LEADERSHIP TEAM**

Decision Made: 28 June 2013

**ECONOMIC DEVELOPMENT TEAM STRUCTURE**

**Issue for Decision**

To consider the case to expand the Economic Development Service in order to deliver the Council's Corporate Objective to having growing economy.

**Decision Made**

1. That the proposals set out in the Exempt Appendix to the report of the Director of Regeneration and Communities, subject to consultation with staff and the trade unions.
2. That delegated authority to make changes to the proposals following the staff consultation, be given to the Chief Executive, in consultation with the Head of Human Resources and the Leader of the Council.
3. That the growth in base budget for the additional posts, on a phased basis during the period 2013/14 to 2015/16, with the use of growth point revenue grant to cover the gap in the base budget to 2015/16 be agreed.

**Reasons for Decision**

In 2010, the Cabinet undertook a comprehensive prioritisation exercise that covered all the council's services, in order to inform the Strategic Plan and the Medium Term Financial Strategy. The Cabinet prioritisation concluded that economic prosperity was the council's overarching priority and Economic Development was identified as the only council service in which growth and investment would be considered.

The Council's Strategic Plan states that its number one priority is for Maidstone to have a Growing Economy. Whilst this is a corporate objective, and as such, all services share in delivering the outcomes, the non-regulatory focus for this work is the Economic Development Team in the Regeneration and Communities Directorate.

The specific outcomes relating to Economic Development set out in the Strategic Plan to be delivered by 2015 are:

- a transport network that supports the local economy, with a focus on the delivery of an integrated transport strategy in conjunction with Kent County Council and other stakeholders.

- a growing economy with rising employment, catering for a range of skill sets to meet the demands of the local economy, with a focus on the following areas;
  - Creating the right planning environment
  - Developing key infrastructure
  - Business expansion
  - Inward investment
  - Developing stronger business relationships
  - Tackling worklessness”

In late 2012, Shared Intelligence was commissioned to produce a Regeneration and Economic Development Plan (REDP) for the borough to update the Council’s Economic Development Strategy that had been adopted in 2008. The purpose of the document is to address some of the new economic challenges facing the borough and consolidate the 2008 Economic Development Strategy (EDS), the Council's Regeneration Statement, and the draft Tourism Strategy.

The REDP identifies the main challenges as:

- A need for more export oriented businesses;
- Responding to the challenge of jobs lost during the recession;
- Dealing with public sector restructuring;
- Increasing the rate of enterprise formation;
- Addressing youth unemployment;
- Building on rises in economic activity; and
- Addressing persistent pockets of deprivation.

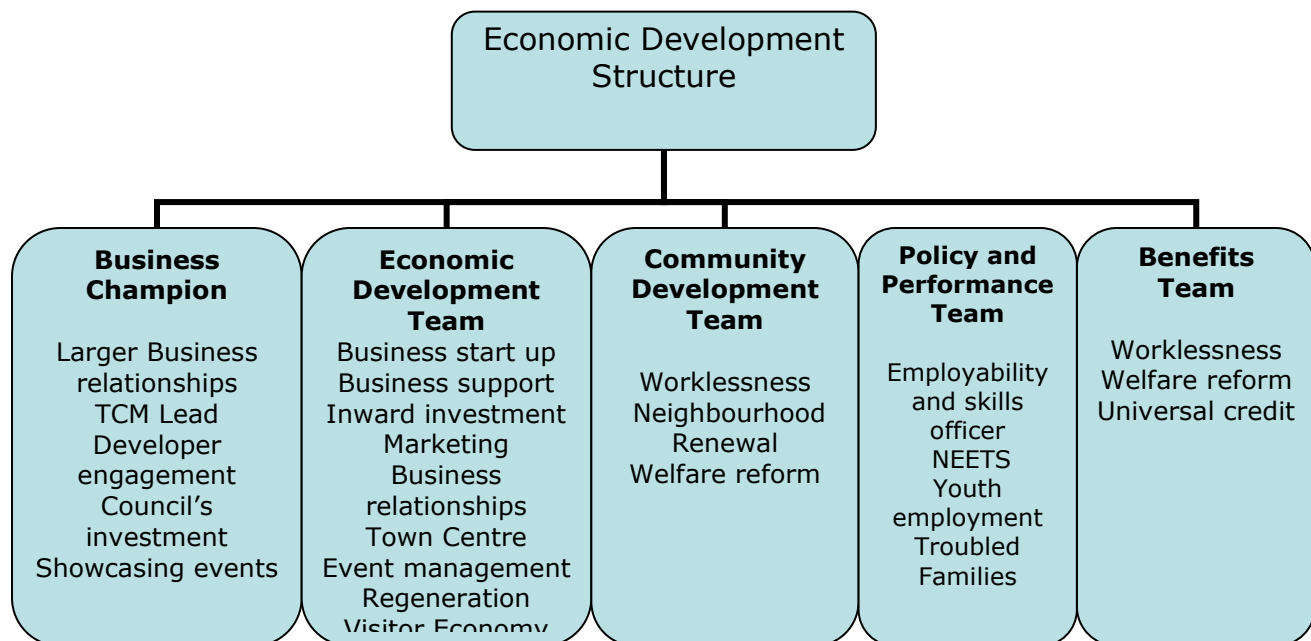
The long-term economic vision and core principles for Maidstone's economic development remain broadly in line with the 2008 Strategy. However, the timing and means by which they can be achieved have changed. The REDP focuses on the Council's programme of activities and actions for the next five years and seeks to address new challenges presented by the recession to enable the Council to achieve its vision and objectives.

Within this context and in order to respond to the economic challenges facing the Borough, it is proposed that the Economic Development Team needs to be refocused (particularly with regard to marketing the Borough as the location of choice for businesses) and have sufficient capacity to deliver the Economic Development Strategy and Regeneration and Economic Development Plan (REDP).

### Current and Proposed Structures

The current structure was set out in Appendix 1 to the report of the Director of Regeneration and Communities. Unless annotated all are permanent posts for which provision is made in the base budget.

The delivery of economic development functions within the Council has evolved over the last 12 months and is now spread across Council services. The chart below sets out the roles that currently have an ED focus.



The structure set out in the chart above has provided a level of resource to undertake some of the actions set out in the REDP. However, ensuring effective communication and coordination has been challenging and it has been difficult to ensure there is no duplication of effort.

In addition, a number of changes across the council have a direct impact on the current Economic Development structure. These include the corporate senior management restructure, the decision to offer the management and operation of the Theatre to Parkwood Leisure and the resultant TUPE transfer of affected staff and the proposal to create the Culture and Leisure Unit.

Taking account of the wider changes and the limited resources of the Economic Development Team the new structure, as set out in the exempt appendix to the report of the Director of Regeneration and Communities, was proposed to ensure the REDP is delivered and the strategic priorities relating to economic development are achieved.

The need to increase the resources in the Economic Development Team is immediate due to the reasons already set out. However, this has to be balanced with the council's challenging financial position and it was therefore proposed that the base budget increases required are made over a two year period, phasing the increase in equal amounts. This will be supplemented by using Growth Point revenue grant funding to cover the remaining resource requirement.

### **Alternatives considered and why rejected**

1. Do nothing

As previously stated the Council's corporate priority is to have a growing economy. The do nothing option would prevent the Council

achieving its objectives under this priority and was therefore not thought appropriate.

2. Reduce scope of REDP

Reducing the scope and therefore impact of economic development interventions was an option but this would have limited the ability to deliver on the Council's economic prosperity priority.

3. Buy in consultants time

This option, whilst offering flexibility is usually much more expensive and does not achieve sustainability and was therefore not recommended.

### **Background Papers**

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: <b>5 July 2013</b>
--