

Should you wish to refer any decisions contained in these minutes to **Policy and Resources Committee**, please submit a Decision Referral Form, signed by **three** Councillors, to the **Head of Policy, Communications and Governance** by: **9 December 2020**.

Please note that the decision from Minute 185 was referred to the Policy and Resources Committee meeting held on 25 November 2020.

MAIDSTONE BOROUGH COUNCIL

ECONOMIC REGENERATION AND LEISURE COMMITTEE

MINUTES OF THE MEETING HELD ON THURSDAY 12 NOVEMBER 2020

Present: Councillors Cox, Fort, Mrs Gooch, Harper, Hinder, Lewins, Perry, Round and Webb

Also Present: Councillor Naghi

169. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Bartlett.

170. NOTIFICATION OF SUBSTITUTE MEMBERS

Councillor Perry was present as Substitute Member for Councillor Bartlett.

171. URGENT ITEMS

The Chairman stated that, in his opinion Item 15a – Review of Maidstone Museum should be taken as an urgent item because it had allowed for a staff briefing to take prior to the report's publication. This item would be taken before Item 14 – Evidence Base for the Revised Economic Development Strategy.

172. NOTIFICATION OF VISITING MEMBERS

Councillor Naghi was present as a Visiting Member for Item 12 – Committee Work Programme and Item 15a – Review of Maidstone Museum.

173. DISCLOSURES BY MEMBERS AND OFFICERS

Councillor Harper informed the Committee that as Chairman of the Committee, he had been appointed to the Board of Trustees for Maidstone Museum Foundation. The Council's Monitoring Officer had granted Councillor Harper a dispensation and he would approach Item 15a – Review of Maidstone Museum with an open mind.

174. DISCLOSURES OF LOBBYING

Councillors Cox, Mrs Gooch and Harper had been lobbied on Item 15a – Review of Maidstone Museum.

Councillors Cox and Harper had been lobbied on Item 16 – Hazlitt Theatre Options.

175. EXEMPT ITEMS

RESOLVED: That Item 16 – Hazlitt Theatre Options be taken in closed session due to the possible disclosure of exempt information.

176. MINUTES OF THE MEETING HELD ON 20 OCTOBER 2020

RESOLVED: That the Minutes of the meeting held on 20 October 2020 be approved as a correct record and signed at a later date.

177. PRESENTATION OF PETITIONS

There were no petitions.

178. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were no questions from members of the public.

179. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman.

180. COMMITTEE WORK PROGRAMME

The Head of Regeneration and Economic Development informed the Committee that the Economic Development Team was focused on providing Business Grants to eligible businesses through the second lockdown period. As a result, the draft Economic Development Strategy (EDS) would be delayed until January 2021 and the EDS until April 2021.

It was requested that an update be given on the innovation centre in the near future.

RESOLVED: That the Committee Work Programme be noted.

181. REPORTS OF OUTSIDE BODIES

There were no reports of Outside Bodies.

182. MAIDSTONE MUSEUM REVIEW

Prior to the report's introduction, Mark Baker addressed the Committee as Chairman of the Board of Trustees of the Maidstone Museum Foundation (MMF).

The Head of Regeneration and Economic Development introduced the report which had been produced following the consideration of the Council's Strategic Priorities by the Policy and Resources Committee in September 2020. The work of the MMF was acknowledged. Of the

£609,150 museum's annual expenditure, approximately £500,000 was attributed to staffing costs, with the majority of income generated through the shop and room hire.

The options to deliver savings were highlighted, which included a reduction in opening hours to four days week and annualised hours. The latter would allow the museum to respond more easily to busier and quieter business periods. The introduction of admissions charges was referenced, with customer research to be conducted into the feasibility and likely payment options. The options presented were outlined in the appendices to the report. The museum's use of virtual tours and animations was referenced.

The Committee referenced the significance of the Museum to the Borough and the importance of assessing all available options and stakeholder consultation. The success of room hire was mentioned, with the Museum Director having confirmed that the full capacity was reached most weekends during the Summer of 2019. This facility had been advertised over the past few years with leaflets and online through social media.

It was confirmed that the Museum's staff had been made aware of the proposals in relation to opening hours.

RESOLVED: That

1. The objectives for securing the future service provision for Maidstone Museums in paragraph 1.2 be agreed, including a revenue savings target of a minimum of £152,000;
2. The savings proposals set out in Option 4 table 2 with respect to reduced opening hours and a saving of a minimum of £138,000 be agreed in principle, to take effect no later than April 2021 and the Committee be regularly updated to provide assurance that risks identified in designing and implementing changes in the operational model for the museums are mitigated appropriately;
3. A further report be presented to this Committee with respect to an additional savings package to achieve the minimum target of £152,000 to take effect no later than April 2022;
4. The Council engages with key and prospective stakeholders including the Maidstone Museum Foundation with respect to the service delivery outcomes to be achieved while working within these parameters;
5. A further report be presented to the committee setting out how the existing capital allocation to the Museum can be used to make the best use of our existing spaces, address accessibility to the collections and reduce the net revenue costs of the museum;
6. The following be added to the objectives in paragraph 1.2:

- a. The Museum's Accreditation Status is maintained; and
- b. Volunteers be at the heart of Maidstone Museum's in conjunction with professional officers, along the lines of the National Trust Model.

183. EVIDENCE BASE FOR THE REVISED ECONOMIC DEVELOPMENT STRATEGY

The Regeneration and Economic Development Manager introduced the report prepared by Lichfields, Planning and Development Consultancy. The evidence base would assist in the shaping and support provided from the revised Economic Development Strategy (EDS).

Ms Lucie Bailey, the Economic Director at Lichfields, gave a presentation to the Committee based on the information provided in Appendix 1 to the report. Specific reference was made to the Borough's performance in terms of workforce size and productivity, business start-up rate, socio-economic deprivation rates and commuting patterns.

The growth in job rates was slower than in other areas of the County and wider regions, with a focus on public sector and support services roles, rather than professional employment. The working age population had been declining which would pressurise the labour supply in its ability to garner employment opportunities.

Ms Bailey highlighted the continuing effects of the Covid-19 pandemic on the local economy, with a quarter of the working residents furloughed during the first lockdown period. The EDS would need to focus on short-term recovery whilst addressing long-term priorities.

In response to questions, Ms Bailey stated that diversification could be achieved through project initiatives to improve local workforce productivity. The Committee expressed support for the improvements necessary to increase the borough's economic performance.

The Economic Development and Communications Teams had been in discussion to create an economics data dashboard to provide up-to-date data to Members, when available, in response to a request for this information.

RESOLVED: That the report be noted.

184. 2ND QUARTER FINANCIAL UPDATE & PERFORMANCE MONITORING REPORT 2020/21

The Head of Finance introduced the financial update and highlighted the £124k current projected overspend. This would likely increase due to the ongoing legal claim from Serco, with the £500k reported at the first quarter to remain as a provisional cost. The majority of the Committee's adverse variances arose from the closure of facilities due to the Covid-19 pandemic.

The Government had recently announced funding to support Councils as leisure providers, with an application to be submitted to attempt to offset the Council's overspend. The first instalment of funding from the Sales, Fees and Charges scheme would be received by the end of the November 2020.

In response to questions, the Head of Finance confirmed that there was an average of 252 stalls at the Market between mid-June to early November 2019. For the same period this year there had been 616, which would have been further increased if not for the essential goods sales requirement currently in force. The Head of Finance would provide information on the feedback received from stallholders to the Committee via email.

The Equalities and Corporate Policy Officer introduced the performance monitoring information for quarter two and noted that two of the five targeted indicators had met the target set, with the remaining three indicators achieving within 10% of their target. The Museum had re-opened with social distancing measures, with online learning resources created by the learning team for use across social media platforms. By September 2020, 5275 views were achieved across Facebook and Twitter. A correction was made to the number of visitors to the museum from quarter four, which was 15,417 instead of 35,702.

The Committee expressed thanks to the Officers involved for the work undertaken.

RESOLVED: That

1. The Revenue position as at the end of Quarter 2 for 2020/21, including the actions being taken or proposed to improve the position, where significant variances have been identified, be noted;
2. The Capital position at the end of Quarter 2, be noted: and
3. The Performance position as at Quarter 2 for 2020/21, including the actions being taken or proposed to improve the position, where significant issues have been identified, be noted.

185. HAZLITT THEATRE OPTIONS

The Leisure Manager introduced the report which had been produced following a consideration of the Council's Strategic Plan by the Policy and Resources Committee in September from which flowed several actions to inform the prioritisation required to enable the council to deliver services within budgetary constraints and respond to recovery from the COVID-19 pandemic. These included a review of the Hazlitt theatre.

The Theatre had been closed since the March 2020 lockdown period. It was hoped that the theatre would have reopened, with performances having been rescheduled to accommodate this. However, this had not been possible.

The Council and Parkwood Theatres, who hold the contract for the theatre, had entered into a 6-month interim arrangement, between April 2020 to September 2020, whereby the Council's monthly payments to Parkwood Theatres increased by £3.1k to allow the Theatre to re-open when feasible. Half of the additional funding had been used, with the remainder to be returned to the Council.

The company's funding bid to the Cultural Recovery Fund had been denied and was in the process of appeal. The Council would be obliged to make the originally agreed monthly payments irrespective of whether the appeal was successful.

The Leisure Manager highlighted the issues of staff and building management in considering the contract's suspension or termination. It would be more cost effective for the Council to manage the building itself and re-examine the service provision in the future. The Head of Regeneration and Economic Development confirmed that discussions had taken place with different organisations concerning continued use of the building.

The Committee recognised that opportunities to resume services from the Hazlitt Theatre Complex would be considered in the future, given its importance to the Borough.

RESOLVED: That

1. It be recognised that subsidy paid to Parkwood Theatres to operate the Hazlitt Theatre is not sustainable under the Council's new Medium-Term Financial Strategy;
2. The council should seek to reduce its monthly expenditure on the Hazlitt Theatre complex to a maximum of £8,630, that being the amount it would cost for the Council to mothball the building;
3. The Head of Regeneration and Economic Development enter into discussions with Parkwood Theatres and terminate the Hazlitt Theatre contract; and
4. Alternative uses, in the short and medium term, be looked into.

186. DURATION OF MEETING

6.30 p.m. to 9.07 p.m.