

ECONOMIC REGENERATION AND LEISURE COMMITTEE MEETING

Date: Tuesday 26 January 2021

Time: 6.30 pm

Venue: Remote Meeting: The public proceedings of the meeting will be broadcast live and recorded for playback on the Maidstone Borough Council Website.

Membership:

Councillors Cox, Fort, Mrs Gooch, Harper (Chairman), Hinder, Lewins, Purle, Round and Webb

The Chairman will assume that all Members will read the reports before attending the meeting. Officers are asked to assume the same when introducing reports.

AGENDA

Page No.

1. Apologies for Absence
2. Notification of Substitute Members
3. Urgent Items
4. Notification of Visiting Members
5. Disclosures by Members and Officers
6. Disclosures of Lobbying
7. To consider whether any items should be taken in private because of the possible disclosure of exempt information.
8. Minutes of the Meeting Held on 15 December 2020 1 - 4
9. Presentation of Petitions
10. Question and Answer Session for Members of the Public
11. Questions from Members to the Chairman (if any)
12. Committee Work Programme 5
13. Reports of Outside Bodies
14. Report of the Licensing Committee held on 14 January 2021 -
Draft Busking Guidelines 6 - 19

Issued on Monday 18 January 2021

Continued Over/:

Alison Broom

Alison Broom, Chief Executive

15. Strategic Plan – Proposed Areas for Focus 2021-2026 and Key Performance Indicators for Covid-19 Recovery	20 - 49
16. Medium Term Financial Strategy and Budget Proposals	50 - 62
17. Hazlitt Arts Centre Options	63 - 75

PART II

To move that the public be excluded for the items set out in Part II of the Agenda because of the likely disclosure of exempt information for the reasons specified having applied the Public Interest Test.

Head of Schedule 12 A and Brief Description

18. Exempt Appendix - Hazlitt Arts Centre Options	Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)	76 - 81
	Paragraph 5 – Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings	

INFORMATION FOR THE PUBLIC

In order to ask a question at this remote meeting, please call **01622 602899** or email committee@maidstone.gov.uk by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Friday 22 January 2021). You will need to provide the full text in writing.

If your question is accepted, you will be provided with instructions as to how you can access the meeting.

In order to make a statement in relation to an item on the agenda, please call **01622 602899** or email committee@maidstone.gov.uk by 5 p.m. one clear working day before the meeting (i.e. by 5 p.m. on Friday 22 January 2021). You will need to tell us which agenda item you wish to speak on.

If you require this information in an alternative format please contact us, call **01622**

602899 or email committee@maidstone.gov.uk.

To find out more about the work of the Committee, please visit www.maidstone.gov.uk.

Should you wish to refer any decisions contained in these minutes to the **Policy and Resources Committee**, please submit a Decision Referral Form, signed by **three** Councillors, to the **Head of Policy, Communications and Governance** by: **19 January 2021**

MAIDSTONE BOROUGH COUNCIL

ECONOMIC REGENERATION AND LEISURE COMMITTEE

MINUTES OF THE MEETING HELD ON TUESDAY 15 DECEMBER 2020

Present: Councillors Cox, Fort, Mrs Gooch, Harper (Chairman), Hinder, Lewins, Purle, Round and Webb

187. APOLOGIES FOR ABSENCE

There were no apologies for absence.

188. NOTIFICATION OF SUBSTITUTE MEMBERS

There were no Substitute Members.

189. URGENT ITEMS

The Chairman agreed to take a verbal update on the provision of Business Grants as an urgent item, as the information was not available at the time of publication of the agenda. This update would be provided by the Head of Regeneration and Economic Development, and would be taken before Item 13 – Reports of Outside Bodies.

190. NOTIFICATION OF VISITING MEMBERS

There were no Visiting Members.

191. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members or Officers.

192. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

193. EXEMPT ITEMS

RESOLVED: That all items be taken in public as proposed.

194. MINUTES OF THE MEETING HELD ON 12 NOVEMBER 2020

RESOLVED: That the Minutes of the meeting held on 12 November 2020 be approved as a correct record and signed at a later date.

195. PRESENTATION OF PETITIONS

There were no petitions.

196. QUESTION AND ANSWER SESSION FOR MEMBERS OF THE PUBLIC

There were no questions from members of the public.

197. COMMITTEE WORK PROGRAMME

The Head of Regeneration and Economic Development informed the Committee that the draft Economic Development Strategy (EDS) would be delayed until February 2021 and the EDS until June 2021, due to the team's focus being on the design and administration of business grants throughout the second lock-down and the tier 3 restrictions. Additional burden funding would be used to recruit temporary staff, enabling the draft EDS to be produced.

It was requested that an additional Member briefing be scheduled for late May 2021, prior to the EDS presentation in June 2021.

An additional request for a report outlining the possible capital expenditure works on Maidstone Museum was made, to be presented in either February or March 2021.

RESOLVED: That the Committee Work Programme be noted.

198. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman.

199. REPORTS OF OUTSIDE BODIES

There were no reports of Outside Bodies.

200. BUSINESS GRANT UPDATE

The Head of Regeneration and Economic Development referenced the business grants administered throughout the first and second lock-down periods.

A suite of grants had been designed for tier 3 restrictions, consisting of a local restrictions support grant for businesses still required to close; a local restrictions support grant for businesses within the hospitality and leisure sector that were open, to be introduced in the near future; a Christmas wet pub grant consisting of a one-off payment in December; and a new additional restrictions discretionary grant that consisted of a one-off payment.

The additional restrictions discretionary grant had been designed to support businesses that had not yet benefited from any other support, for example micro-businesses, and businesses that were not required to close but had closed due to inability to open in a Covid-secure way.

The Committee were informed that the time limits for the grants varied and that different grants would be available if Maidstone was placed within Tier 2 restrictions.

RESOLVED: That the update provided be noted.

201. MEDIUM TERM FINANCIAL STRATEGY 2021/22 - 2025/26

The Head of Finance introduced the report, which had been prepared in the context of the continued impact of the Covid-19 pandemic and the proposed re-prioritisation of the Strategic Plan objectives as reported to the Policy and Resources Committee in July 2020.

The Committee were informed that Council Tax charge would likely increase by 2% and that the same level of income would be retained under the business rates retention scheme as in the previous year. It was noted that the Local Government Finance Settlement was to be released in the near future.

The cost of borrowing for the capital programme would be reduced by around 1%, providing that the Council was not investing solely for yield.

The results of the resident's survey were highlighted, with the two most important services identified as waste collection and parks and open spaces. The proportion of residents that believed the Council's services represented value for money remained similar to previous years, with a smaller proportion reporting dissatisfaction in Maidstone as a place to live.

The strategic revenue projections would be updated to reflect the announcement of the spending review and the local government finance settlement, with further detailed budget proposals to be presented to the Committee in January 2021.

In response to questions, the Head of Finance confirmed that the projected reduction in business rate income arose from the projected reduce growth in the monies retained through the business rates pool and retention scheme. It was likely that the Council would enter the business rates pool for the next financial year. The use of the New Homes Bonus to bridge the Council's budget gap over the next few years was referenced.

RESOLVED: That the Medium-Term Financial Strategy be noted and the Committee's comments be taken into account.

202. FEES & CHARGES 2021-22

The Head of Finance introduced the report which set out the outcomes of the annual review of fees and charges. It had been considered inappropriate for any of the fees and charges to be increased at this point.

It was highlighted that the Maidstone Museum works would be reported separately and were therefore not incorporated into this report.

Members expressed agreement regarding the fees and charges freeze. The Committee expressed support for the fees and charges freeze

proposed and thanked officers for their hard work in response to the Covid-19 pandemic.

The Committee observed a period of reflection for those that had been affected by the Covid-19 pandemic.

RESOLVED: That the proposed discretionary fees and charges set out in Appendix 1 to the report be agreed.

203. DURATION OF MEETING

6.30 p.m. to 7.27 p.m.

2020/21 WORK PROGRAMME

	Committee	Month	Origin	CLT to clear	Lead	Report Author
Draft Economic Development Strategy	ERL	16-Feb-21	Officer Update	Yes	John Foster	Chris Inwood
Q3 Budget and Performance Monitoring 2020/21	ERL	16-Feb-21	Officer Update	No	Mark Green	Ellie Dunnet
Economic Development Strategy	ERL	June 2021 - Date TBC	Officer Update	Yes	John Foster	Chris Inwood
Capital Expenditure Proposals - Maidstone Museum (title tbc)	ERL	TBC	Officer Update	Yes	William Cornall	Victoria Barlow
Making Maidstone More Active - Update	ERL	TBC	Officer Update	?	John Foster	Mike Evans
Tour of the Business Terrace	ERL	TBC	Briefing		John Foster	John Foster
Town Centre Opportunity Sites Delivery Strategies	ERL	TBC	Officer Update	Yes	William Cornall	John Foster

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Agenda Item 14

MAIDSTONE BOROUGH COUNCIL

ECONOMIC REGENERATION AND LEISURE COMMITTEE

26 JANUARY 2021

REPORT OF THE LICENSING COMMITTEE HELD ON 14 JANUARY 2021

BUSKING GUIDELINES CONSULTATION RESULTS 2020

Issue for Decision

The proposed draft Busking Guidelines were subject to a public consultation process between 9 September 2020 to 1 November 2020. The consultation results were presented to the Licensing Committee on 14 January 2021.

Whilst the Licensing Committee recommended that the Communities, Housing and Environment Committee approve the draft Busking Guidelines, it also requested the Economic Regeneration and Leisure Committee to comment on the use of the Bandstand in Brenchley Gardens, for Buskers.

Recommendation Made

That the Economic Regeneration and Leisure Committee be recommended to ask the Communities, Housing and Environment Committee to approve the draft Busking Guidelines, with comments on the use of the Bandstand to be provided as appropriate.

Reasons for Recommendation

The Council recognises the contribution that busking and street entertainment brings to the vibrancy and character of our town but there must be a balance with the needs and rights of local residents and workers so they are not adversely impacted by it, especially for those near to popular busking locations.

On 18 June 2020, the Licensing Committee heard the Council's proposal to adopt new Busking Guidelines which are intended to encourage good community practice in shared spaces for performers, business and residents alike. The draft Busking Guidelines were consulted on from 9 September to the 1 November 2020.

The consultation sought feedback on the whether they were in favour of the introduction of Busking Guidelines, out of a total 93 responses, 79 (84.9%) answered yes. They were also asked if the proposed Guidelines were proportionate, again out of 93 responses, 67 (72.0%) answered yes.

The Council does not take the introduction of regulating busking and street entertainment lightly, but considers it necessary due to complaints received about some buskers and the detrimental impact it can have on the daily lives of our residents and workers. Our current lack of licensing enforcement powers over buskers and not having a dedicated resource to respond to any impact effectively needs to be considered if we make the Guidelines too

prescriptive.

Currently there is nothing in place to regulate street entertainment in Maidstone and the Guidelines are considered the starting point and will be kept under review.

Alternatives Considered and Why Not Recommended

None.

Background Documents

None.

Appendices

Appendix 1 – Consultation Response Summary

Appendix 2 – Draft Busking Guidelines

Busking Guidelines Consultation

Methodology

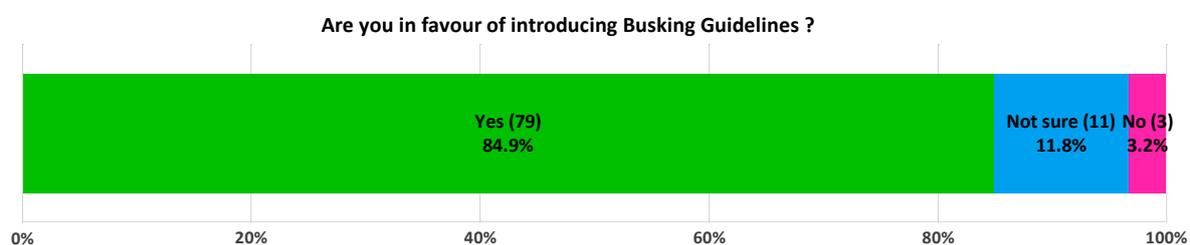
The consultation on the draft busking guidelines was open from 9 September until 1 November. It was promoted online through the Council’s website and social media channels. Residents who have signed up for consultation reminders were also notified about the consultation. In addition, residents in receipt of Council Tax Support were emailed and notified of the consultation (as part of a reminder about Council Tax Support Consultation taking place within the same time period).

Participants in the consultation were invited to view the draft guidelines for busking in Maidstone and asked for feedback on them. An online survey is a self-selection methodology, with residents free to choose whether to participate or not. Due to the sample size results have not been weighted.

There was a total of 93 responses. Based on Maidstone’s population, aged 18 years and over, overall results are accurate to approximately $\pm 8.5\%$ at the 90% confidence level. This means that if the same survey was repeated 100 times, 90 times out of 100 the results would be between $\pm 8.5\%$ of the calculated response. Therefore the ‘true’ response could be 8.5% above or below the figures reported (i.e. a 50% agreement rate could in reality lie within the range of 41.5% to 58.5%).

Introduction of Busking Guidelines

Survey respondents were asked if they were in favour of introducing guidelines for Busking in Maidstone. A total of 93 respondents answered this question.



The most common response was ‘Yes’ with 79 respondents answering this way.

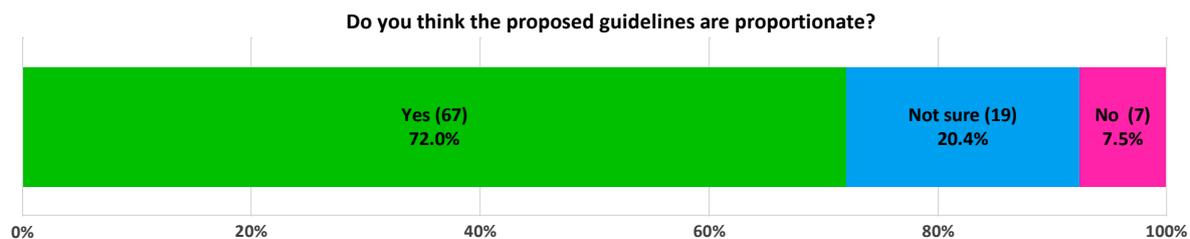
Just over one in ten respondents said they were not sure about introducing guidelines for busking.

Economically active respondents were significantly more likely to agree with the introduction of Busking guidelines. 97.5% ($\pm 4.8\%$) responding ‘Yes’ to this question compared to 76.6% ($\pm 12.1\%$) of economically inactive respondents answering the same.

Proposed Guidelines

Survey respondents were next asked if they thought the guidelines being proposed were proportionate. A total of 93 respondents answered this question.

Busking Guidelines Consultation



The most common response was 'Yes' with 67 answering this way.

One in five respondents said there were not sure the proposed guidelines were proportionate.

Female respondents were significantly more likely to respond 'Not sure' with 32.6% ($\pm 14.0\%$) answering this way compared to 8.9% ($\pm 8.3\%$) of male respondents.

Comments

Survey respondents were asked if they felt anything was missing from the guidelines and were provided with a free text box to write in their response.

A total of 32 comments were submitted. In addition, direct comments were emailed to the consultation by a local street entertainer.

Ten of these simply said 'No', confirming that they didn't believe that there was anything missing from the guidelines.

Eight comments contained a suggestion. There were two suggestions for set performance spaces, three about buskers competing with each other, with the suggestion that having set distances between performers would help avoid overlapping sound. Two specified limiting the length of performances to 30 minutes. The last comment in this section was a specific addition/amendment to the wording of the introduction (addition in italics) to:

"The Live Music Act 2012 took effect from 1 October 2012 with further amendment on 6 April 2015 and allows for certain types of entertainment. *The changes introduced through the Act were designed to increase the provision of live music without negatively impacting on the 2003 Act's licensing objectives*"

Six respondents commented on amplified music. Two said that it was a problem. One stated that there should be an outright ban on amplified music, Three respondents requested further clarity, expressing that the elements relating to amplification in the guidance was ambiguous, with one stating that it needed to be more specific about volume levels and suggesting that a limit be given in decibels.

Four responders made comments that suggested that they felt the guidelines were too lenient. Two said there was little point in introducing guidelines if they weren't going to be enforced, and another said it was not realistic to expect buskers to follow the guidelines.

Three respondents were positive about busking in generally with one saying they love to hear the music when they go shopping and another stating, they wouldn't want the guidelines to be so restrictive that they prevent busking. One respondent was generally negative, stating that all forms of busking should be prohibited.

Busking Guidelines Consultation

Two respondents made comments that have been classified as 'other' as they do not fit with any of the groupings outlined above. One of these stated that performances should not include 'adult themes' or swearing, the other said buskers should not have animals with them when performing.

Other comments

Survey respondents were given the opportunity to make comments in relation to the guidelines and busking in Maidstone in general. A total of 27 comments were received.

There were five comments that expressed support for having guidelines or were positive about the proposed guidelines, with two respondents stating that the guidelines seemed fair and the remaining three stating that the introduction of guidelines for busking was a good idea.

Five respondents made positive comments about busking generally, stating that they enjoyed music in the town centre and that they add to the atmosphere of the town.

Five comments contained a suggestion:

- Using Benchley Gardens as a performance space (Bandstand)
- Creating set performance spaces in the town centre that are bookable
- Introducing a licensing scheme
- Restricting the numbers of buskers
- Formal programme of street entertainment with different types of entertainment

Three respondents made negative comments about busking in general with these respondents stating that buskers should not be allowed and that they were a nuisance.

Three comments mentioned amplified music, with two respondents stating that it should not be allowed and one stating the guidelines were confusing in this respect, in particular the reference to 'unobtrusive level' regarding pre-recorded backing tracks.

Three respondents made comments about enforcement, stating that adherence to the guidelines should be monitored, and that action should be taken against breaches to the guidelines.

There were two comments that expressed doubt about the guidelines with one stating that they seemed vague and the other that they were 'too reasonable', the implication being that the guidelines should be stricter.

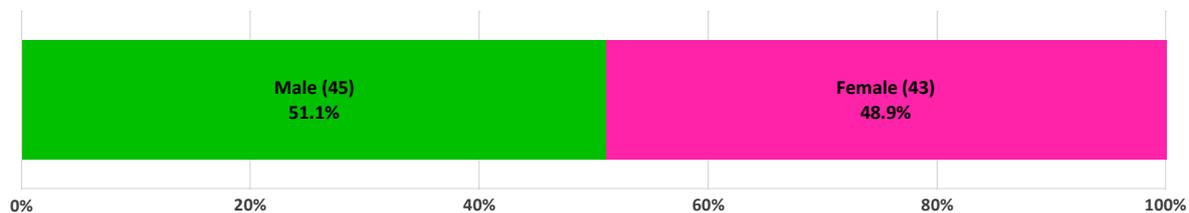
Two comments were categorised as 'other', one referring the busking while Covid-19 restrictions are in place stating that performers can hinder social distancing and the other expressed concern about access, stating that the pavements should be accessible, particularly for people with mobility issues or disabilities.

Busking Guidelines Consultation

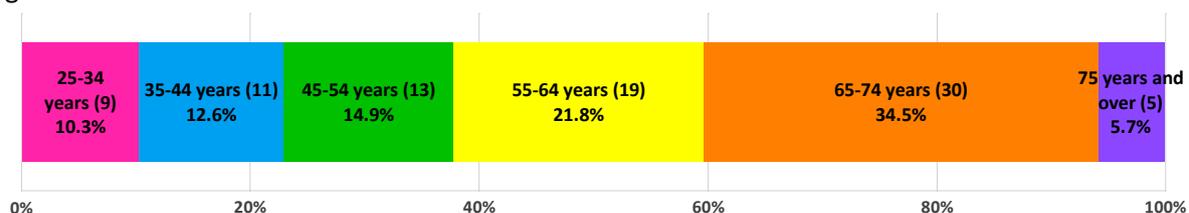
Demographics

The charts below show the proportions of responders across demographic groups.

Gender

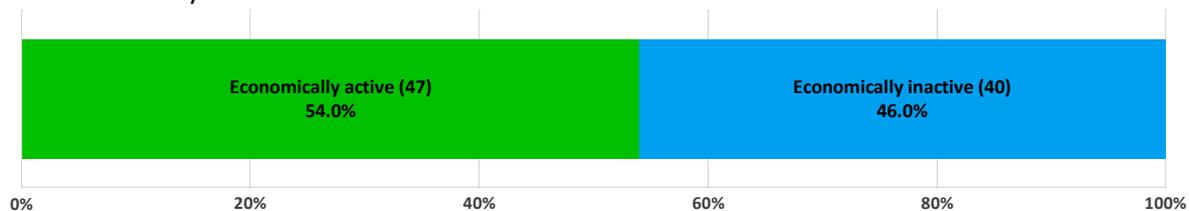


Age



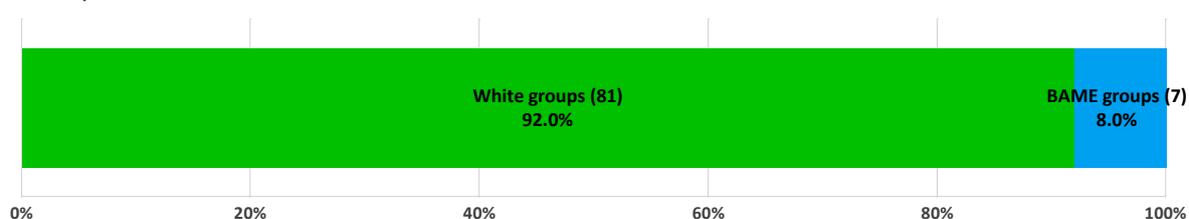
- There were no respondents to the survey that were under 25 years.

Economic Activity



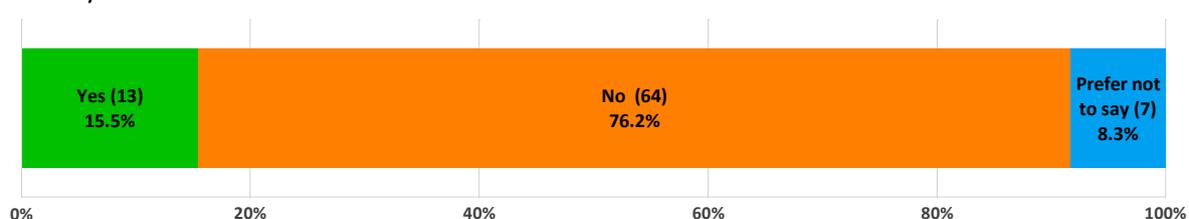
- Economically inactive respondents are over-represented compared to the population of Maidstone overall.

Ethnicity



- 5.9%¹ of Maidstone's population are from a BME background.

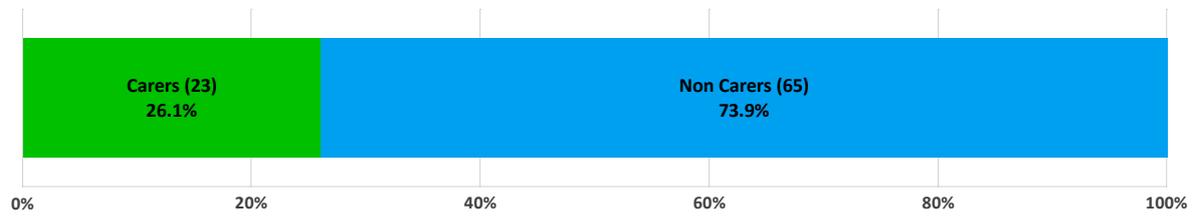
Disability



¹ 2011 Census

Busking Guidelines Consultation

Carers



- Carers are over-represented compared to the population of Maidstone where 10.2%² of the population are providing unpaid care.

² 2011 Census



BUSKING GUIDELINES

www.maidstone.gov.uk

Busking

We categorise 'busking' as any performance of music, dance, street theatre or art in a public space for the purpose of receiving voluntary contributions from members of the public. Busking is an important part of creating a vibrant, exciting, and cosmopolitan atmosphere for residents, visitors, and businesses in Maidstone. As a town we encourage busking and we want to welcome buskers from across the country and beyond. However the council are receiving an increasing number of complaints, often regarding amplified busking, repetitive busking and/or obstructions to highways/access points. This guidance is intended for use by buskers, residents, businesses, the police and the local authority alike. It sets out some key recommendations to promote positive and neighbourly relations between users of shared public spaces in the Town, and will enable the busking community to flourish and exist harmoniously alongside local businesses

These busking guidelines are to be used as a reminder of what the council considers reasonable and neighbourly behaviour. Any behaviour which is deemed to be unreasonable will be investigated and may result in enforcement action.

This best practice guide has been produced collaboratively through engagement and support from a wide range of organisations such as the Musicians' Union, Keep Streets Live Campaign, the Business Improvement District (BID), Kent County Council, Kent County Constabulary, local businesses, residents and Councillors.

For Buskers

No busking pitches are fixed in Maidstone Town Centre and we expect all buskers to take care in their judgement when selecting a pitch from which to perform taking factors such as time of day, the season and the impact of others in the area. Buskers must also work closely with the busking community regarding the swapping/sharing of any pitches as key. The aim is to support a culture of community, consideration and negotiation and encourage constructive dialogue to resolve issues.

There are a range of existing statutory powers relating to noise nuisance, public order and obstruction which is hoped will only be used as a last resort where there are persistent issues. Most issues we hope can be resolved amicably without the need for a formal complaint

There are no fixed times or durations for busking performances. However, please note if amplification is used which requires generators or PA systems then a Temporary Event Notice (TEN) must be applied for and in place at the time of the performance. In the majority of cases it is expected that a small battery powered portable amp will be used as amplification. Material should not be

repeated in the same pitch, and any more than 2 hours in one pitch would be considered unreasonable.

There are no fixed levels for volume, and we would ask all buskers to assess the pitch location and adjust volume accordingly so that it is just

above the level of ambient street noise. If your volume is loud enough to be heard inside buildings in the surrounding area or from the opposite side of a street, it is likely this is too loud and would be considered unreasonable. Wind and percussion instruments will likely need dampers and brushes. Using amplified, (with a TEN in place) piercing or repetitive noise will require buskers to move pitches more regularly to prevent disturbance.

Making a reasonable judgement is key to busking in Maidstone town centre. If your act disturbs the regular day to day lives of any neighbouring resident/visitor or business, it is likely a complaint will be received. If you receive a warning due to complaints being received about your act and fail to respond appropriately (e.g. reduce volume), it is likely enforcement action will be taken.

Most complaints about busking apply to a small number of performers and usually relates to noise levels. Buskers are encouraged to make themselves known to those in the vicinity of their performance as a matter of courtesy before they start their performance.

All buskers must be courteous to those around them and must be prepared to adjust out of consideration to others when necessary. Making the appropriate adjustments following a complaint means enforcement would not be necessary.

Acts that include prerecorded backing tracks as a secondary aspect to a performance should be set at an unobtrusive level to avoid causing issues and should not be left running when the performer is not performing.

Regular breaks between performances are encouraged as continuous noise however pleasant can be regarded as intrusive.

As a guide a maximum 45 minutes of performance is appropriate before having a significant break and should not include repeat performances. If you have a limited repertoire of material, then consider moving location instead of repeating your material in the same places.

Buskers should never set up on top of each other and we foster cooperation with each other through negotiation and collaboration encouraging the sharing and swapping of pitches as this build's community, avoids repetition and adds variety to street performances

Enquiries for busking are predominantly for the Town Centre and specifically the following areas: -

Week Street

The area is a key thoroughfare and the most popular area with buskers. It has retail outlets and food establishments along its entire length. Performances must be positioned to one side to allow free access to the public along its length.

Jubilee Square

Jubilee Square is a popular location for street entertainers and circle shows. This area is managed by Maidstone Borough Council and permission is required by any performer that wishes to locate themselves here. It is key to work in conjunction with other buskers to ensure there are regular breaks between performances to allow for access to nearby buildings/businesses.

Fremlin Walk & The Mall (previously Chequers)

These areas are private, and permission would be required from the landowner to busk here. Any performance terms would be imposed by the relevant management companies.

Brenchley Gardens

This area is surrounded by businesses, residences and places of worship and therefore has greater potential for busking disturbances.

Gabriels Hill

This is an area of mainly retail outlets. Performances must be positioned to one side to allow free access to the public along its length.

OTHER MATTERS

Busking does not involve a formal sales transaction, but donations are given to buskers by members of the public on a voluntary basis.

The formal sale of goods and services on the street is covered by Schedule 4 of the Local Government (Miscellaneous Provisions) Act 1982 and if you intend to sell items such as CD's at a fixed price then you will need to apply for Street trading consent

Where the provision of goods or services are clearly a secondary aspect of any busking act i.e. art/portraiture, photographs taken with performers, balloon sculptures CD's containing a performers music then it must be made clear to the

public that they are offered on a voluntary basis. This means the public can engage with any act/performance without any obligation to donate and under this guidance can take an item or request a service without contribution. It is suggested that this be made clear with an appropriate sign and the following wording used

“In order to comply with street trading legislation these CD's (balloons, Pictures etc.) are not being offered for sale, any contribution you make is voluntary and at your discretion. Suggested contribution £???”

Charitable Collections -Requests for donations will require a permit from Maidstone Borough Council

It is recommended that all entertainers carry suitable Public Liability insurance

FOR BUSINESSES AND RESIDENTS

When issues arise the first step should always be to speak directly with the busker regarding your concerns – explain the impact their busking is having on you,

You may draw their attention to this guidance at any point. If this does not resolve the matter please contact ???? on 01622 ???? and an Officer will assist.

It is worth noting that Busking is a lawful activity and if they are following this guidance, they are unlikely to be in breach of any national or local legislation.

Try to find a suitable interval/natural break in their act to make yourself known and have a discussion, they may not be aware they have caused you an issue and may want to resolve it quickly and amicably. Always try to reach a compromise if possible. Suggest a location change, volume adjustment or agree a time period for the duration of their performance that suits you both. Try to remain calm and polite as this will help promote communication and cooperation.

Making a formal complaint should not normally be your first step but a last resort Where attempts at communication have been unsuccessful and a compromise not reached then please contact the Council Offices on the number above.

An Officer will assess the situation at the earliest opportunity and will enquire. as to what attempts have been made to resolve the issue. If it is considered appropriate the Council will ask the busker to amend their performance. Equally if they do not consider there to be an issue, they will let you know this.

Enforcement

Enforcement action will always be a last resort after all other avenues have failed and will be considered on the individual circumstances of each case

If it is assessed that a Buskers is operating outside of the guide the relevant Maidstone Borough Council Officer will ask them to take appropriate action (i.e. reduce volume, move ~~location~~location, or cease performance) If the busker refuses to comply a verbal warning will be given

If a further incident is reported where it is possible the Maidstone Borough Council Officer will ask the buskers representatives e.g. other buskers to get involved and try to resolve the issue before issuing a written warning notice/letter

Once a warning notice/letter has been issued to a busker, any further reports will be investigated by a Maidstone Council Enforcement Officer? and a decision will be made as to whether enforcement action will be necessary under the following legislation:

- Environmental Protection Act 1990 states that noise in the street from musical instruments may be a statutory nuisance and the local authority can take action to abate the problem – including issuing a notice and the seizing any equipment being used to create the noise
- Highways Act 1980 forbids buskers to obstruct roads and pavements. ... Children under 14 are not permitted to busk. A street collection licence will be required if busking for charity and street trading laws regulate buskers who sell CDs and other merchandise.
- Public Order Act 1986 allows the Police to act if anyone is seen to be breaching the peace or intimidating others
- The Noise and Statutory Nuisance Act 1993 empowers local authorities to take statutory nuisance action in relation to equipment, including amplified musical instruments used in the streets. We are able to take legal action to abate the nuisance and prohibit its recurrence; this may include the seizure of musical instruments.
- The Anti-Social Behaviour Crime and Policing Act 2014 states that unreasonable and persistent/continuing behaviour which has a detrimental impact can be dealt with by way of a warning, notice, fixed penalty, and a prosecution in the magistrate's court.

- The Control of Pollution Act 1974 states that under no circumstances should amplifiers be operated in the street for any purpose between the hours of 9pm and 8am. Failure to comply can result in prosecution in the magistrate's court.

Formal action will only be taken as a last resort where buskers have repeatedly failed to follow this guidance.

If you require assistance in relation to a complaint, please contact [redacted] on 01622 [redacted] and an Officer will assist.

The Licensing Authority can carry out random spot checks to ensure buskers are complying with all guidelines, and enforcement action will follow when necessary.

Further information and contacts for buskers are all available to view online at

www.Maidstone.gov.uk/busking.

Any enquiries following this guidance can be made to the licensing department at licensing@maidstone.gov.uk or 01622 602028.

Enquiries regarding enforcement can be made to [redacted] Enforcement team at [redacted]

Do you have a brilliant act or are you a musician keen to busk in Maidstone?

If you feel you can add something special to Maidstone's street scene and would like advice on where to perform, please do not hesitate to get in touch with Maidstone Borough Council and we will be delighted to help advise you.

Agenda Item 15

**ECONOMIC REGENERATION AND LEISURE
COMMITTEE**

26 January 2021

Strategic Plan – Proposed Areas for Focus 2021-2026 and Key Performance Indicators for Covid-19 Recovery

Final Decision-Maker	Council
Lead Director	Alison Broom Chief Executive
Lead Officer and Report Author	Alison Broom Chief Executive Angela Woodhouse - Head of Policy, Communications and Governance Anna Collier - Policy and Information Manager
Classification	Public
Wards affected	All

Executive Summary

This report proposes refreshed areas of focus for the Council's Strategic Plan for the period 2021-2026 consistent with the Council's Vision and blended with the continued need for response to and recovery from the Covid-19 pandemic.

Feedback is sought from the Economic Regeneration and Leisure Committee especially for areas of focus which are within the scope of the Committee's terms of reference. All feedback will be considered by the Policy and Resources Committee on 10 February and recommendations made to Council on 20 February 2021.

Purpose of Report

Discussion to identify recommendations to Policy and Resources Committee

This report makes the following recommendations to this Committee:

1. That the Committee consider the proposed refreshed areas of focus for the Council's Strategic Plan for the period 2021-2026, set out in Appendix C and feedback and recommendations are provided to Policy and Resources Committee
2. That the proposed Key Performance Indicators for Covid-19 Recovery set out in Appendix D are considered and feedback and recommendations are provided to the Policy and Resources Committee

Timetable	
<i>Meeting</i>	<i>Date</i>
Economic Regeneration and Leisure Committee	26 January 2021
Policy and Resources Committee	10 February 2021
Council	24 February 2021

Strategic Plan – Proposed Areas for Focus 2021-2026 and Key Performance Indicators for Covid-19 Recovery

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p><i>The four Strategic Plan objectives are:</i></p> <ul style="list-style-type: none"> • <i>Embracing Growth and Enabling Infrastructure</i> • <i>Safe, Clean and Green</i> • <i>Homes and Communities</i> • <i>A Thriving Place</i> <p>This report considers the proposed areas of focus for the Strategic Priorities for the next five years and identifies action for progressing the shaping of the areas of focus for 2021-2026.</p>	Chief Executive
Cross Cutting Objectives	<p><i>The four cross-cutting objectives are:</i></p> <ul style="list-style-type: none"> • <i>Heritage is Respected</i> • <i>Health Inequalities are Addressed and Reduced</i> • <i>Deprivation and Social Mobility is Improved</i> • <i>Biodiversity and Environmental Sustainability is respected</i> <p>Consideration has been given to the cross-cutting objectives in formulating the proposed areas of focus for the Strategic Plan</p>	Chief Executive
Risk Management	A review of corporate risk will be undertaken with respect to any changes made to the Strategic Plan areas of focus.	Chief Executive
Financial	The Strategic Plan sets the Council's Priorities and the direction for the Medium-Term Financial Strategy.	Section 151 Officer & Finance Team
Staffing	We will deliver the recommendations with our current staffing.	Chief Executive
Legal	The Council has a statutory duty to make arrangements to secure continuous	[Legal Team]

	<p>improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The Council's Strategic Plan demonstrates compliance with this duty.</p> <p>This review of the Council's priorities within the Strategic Plan will enable the Council to deliver services in an efficient and effective manner which meets the needs of the borough and aspirations of local inhabitants and stakeholders.</p> <p>In reviewing the priorities, the Council is obliged to ensure that its financial obligations are adhered to. The Council has a legal duty to set a balanced budget and continue to monitor the budget during the course of each municipal year and take remedial action if at any time.</p>	
Privacy and Data Protection	The recommendations do not have an impact on privacy and data protection. If as a result of the update to the milestones and the emerging MTFS for 2021-2026 changes are required to services involving personal data, then Data Protection Impact Assessments will be undertaken.	Policy and Information Team
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment. If as a result of the update to the milestones and the emerging MTFS for 2021-2026 changes are required to services, then an Equalities Impact assessment will be undertaken.	Policy & Information Manager
Public Health	One of the Council's cross cutting objectives is that Health Inequalities are addressed and reduced. The recommendations do not propose a change in service therefore will not require an impact assessment. If as a result of the update to the milestones and the emerging MTFS for 2021-2026 changes are required to services, then a Health Impact assessment will be undertaken.	Public Health Officer
Crime and Disorder	The recommendations include reviewing the areas of focus for 2021-26 for the Safe, Clean and Green Priority and the actions proposed are included in Appendix C	Chief Executive

Procurement	No direct implications	Chief Executive
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2. INTRODUCTION AND BACKGROUND

- 2.1. This report proposes refreshed areas of focus for 2021-2026 consistent with the Council's Vision and four priorities; it reflects both the long-term ambitions of the Council blended with the continued need for response to and recovery from the Covid-19 health pandemic. These were considered for consultation with Service Committees by the Policy and Resources Committee on 20 January 2021. Any changes arising from this consideration will be reported to ERL Committee at its meeting (26 January 2021).
- 2.2. In July 2020 the Head of Policy, Communications and Governance presented a report to the Policy and Resources Committee which set out progress made against the 2019-2024 Strategic Plan Outcomes (see Appendix A). The report also included a timetable to refresh the outcomes to ensure they reflected the progress that had been made and to respond to the impact of the Covid-19 pandemic.
- 2.3. The current Strategic Plan was developed involving a wide cross section of Councillors, staff and other stakeholders in 2018 before being adopted in December of that year. The vision and priorities are clear and remain relevant.
- 2.4. In June 2020 the Policy and Resources Committee also considered the Council's approach to recovery from the Covid-19 pandemic and recognised that it was likely that this would be intertwined with episodes of response, and this has proved to be the case.
- 2.5. The Council's approach to recovery is based on four themes: economic recovery, supporting resilience for communities and vulnerable people, adapting the way we work and financial recovery. This has been managed via a core group of officers led by the Chief Executive and both response and the limited work on recovery has been informed by a Member Covid-19 Recovery Consultative Forum chaired by the Leader of the Council.
- 2.6. Work was carried out in the summer of 2020 to enable all Councillors to review our Strategic Plan outcomes for 2019-24 and contribute to production of revised priorities and a refreshed set of outcomes for 2021-26. Over the period August to October 2020 a survey was conducted inviting the public to give feedback on the impact of the Covid-19 pandemic. A summary of the responses is included at Appendix B. The full results can be found here: <https://maidstone.gov.uk/home/primary-services/council-and-democracy/primary-areas/consultations/closed-consultations>
- 2.7. Covid-19 has had a major impact for our communities, our economy and on the Council's financial position. The Covid-19 Recovery Consultative Forum have been regularly briefed on the impacts and the Council's

support for residents and businesses in the borough. The Policy and Resources Committee has been regularly briefed on the review of council priorities. It has also been briefed on the scale of the financial impact, for the current financial year and over the term of the Medium-Term Financial Strategy (MTFS). This Committee has also been regularly briefed concerning the council's current financial position and on-going work to revise the MTFS.

2.7 In September the Policy and Resources Committee agreed the following in relation to shaping the areas of focus:

- There should be further development of the Council's capital strategy and programme including consideration of partnership funding of large-scale projects and infrastructure including consideration of joint ventures and a development corporation.
- A review of planning and economic development services reflecting on the effectiveness of our current services and reconsidering our service delivery model taking into account the changes in the planning system and looking at: expertise, organisational arrangements, including the synergies between planning policy and economic development, our arrangements for delivering/enabling construction projects, and agility.
- A report concerning a protocol for working strategically with the community and voluntary sectors and parishes is progressed initially via the Communities Housing and Environment Committee.
- That the Council initiates dialogue with the Business Improvement District concerning current challenges and future investment in the town centre.
- Officers review the scope of work undertaken and resources allocated to the Community Safety Unit.
- The direction of travel on modernising the arrangements at the museum is now more modest and focuses on making the best use of existing spaces.
- Review of the contribution of the Hazlitt to the town centre economy and consideration of options for its sustainability.
- Reduction of the priority of raising resident satisfaction with cleanliness to maintaining it.
- References to individual projects e.g. Go Green Go Wild are removed from areas of focus in the Strategic Plan; and
- Climate change becomes a cross cutting issue for all services to consider proactively and that an officer is required to lead this work and be proactive in finding funding streams to complement the Council's commitment.

2.8 Since September the ERL Committee has considered future arrangements for both Maidstone Museums and the Hazlitt Arts Centre. Work has also continued on a number of other key projects including refreshing the Economic Development Strategy, management of the contract for Maidstone Leisure given the various requirements to close and re-open the facility (including dialogue with Maidstone Leisure Trust and the provider Serco), preparation for commissioning leisure services from the point at which the current contract ends and with respect to various economic development capital projects including for the Innovation Centre and the town centre bus station.

- 2.9 The draft areas for focus for 2021-26 (Appendix C) and KPIs for Covid19 recovery (Appendix D) endeavour to reflect the current position on these topics and what needs to be achieved over the period to 2026 to bring the Council's vision to fruition.
- 2.10 Feedback is invited from this Committee on the draft areas of focus and the KPIs. The same process is being undertaken with the Communities, Housing and Environment and Strategic Planning and Infrastructure Committees. Feedback will be reported to the Policy and Resources Committee on 12 February before recommendations are made to Full Council on 20 February 2021.
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3. AVAILABLE OPTIONS

- 3.1 Option 1 - The Committee can consider and provide feedback with respect to proposed areas of focus arising from the Strategic Plan, for the period 2021-2026 and the proposed KPIs for monitoring Covid-19 recovery. This is the preferred option to ensure that the work of the council reflects both the Council's overall ambitions, what has been achieved to date and the changed operational and financial environment arising from the Covid-19 pandemic.
- 3.2 Option 2 - The alternative is that no feedback is given or change contemplated. This option is not recommended as it would produce a situation which is the antithesis of refreshing actions in the Strategic Plan and which would fail to recognise the significantly changed operational and financial environment which in turn would not respond to changed needs and result in sub-optimal use of resources.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Option 1 is recommended for the reasons set out above.
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5. RISK

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework.
- 5.2 A review of corporate risk will be undertaken with respect to any changes made to the Strategic Plan areas of focus.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Councillors have been consulted concerning priorities for the Strategic Plan areas of focus from July 2020 onwards and have taken a range of subsequent decisions which are also reflected in the proposed areas of focus set out in Appendix C. The member Covid-19 Recovery Forum has been consulted on the draft KPIs set out in Appendix D.
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Further consultation concerning proposed areas of focus for 2021– 2026 and KPIs for Covid-19 recovery is currently in progress with service committees with a subsequent report will be presented to the Policy and Resources Committee which will make recommendations for adoption to Full Council in February 2021.
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8. REPORT APPENDICES

- Appendix A: Progress against outcomes in the Strategic Plan 2019-24
 - Appendix B: Results from the Residents Survey – Impact of Covid-19
 - Appendix C: Strategic Plan Proposed Areas of Focus 2021–2026
 - Appendix D: Proposed Covid-19 KPIs for Recovery
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9. BACKGROUND PAPERS

None

Progress against outcomes in the Strategic Plan 2019-45:

Between 2019-24 we will place particular importance on:

Embracing Growth and Enabling Infrastructure	Actions completed to date
Engaging with our communities on the Local Plan Review	<ul style="list-style-type: none"> • A full public consultation on the Local Plan Review took place over a 10-week period between 19th July 2019 and 30th September 2019.
The Council will take a proactive role in creating and consider investing in new places	<ul style="list-style-type: none"> • The Planning service has created Planning Guidelines documents for five town centre opportunity sites. These were approved by the Strategic Planning & Infrastructure Committee and were published in early 2020. The documents have stimulated lots of interest and dialogue with the existing landowners as well as potential investors and developers. The work has also helped stimulate market activity, where by the Len House site was sold to Classicus Estates who have since submitted a Planning application for the site that is consistent with our vision for it. The application is due to be determined in July 2020. • The Planning service has published a Garden Communities prospectus as part of the “call for sites” exercise, early in the Local Plan Review process. This stimulated in the submission of a number of well considered private sector led proposals spanning all four quadrants of the borough, some of which may feature in the Council’s preferred spatial strategy that will become subject to public consultation in the Autumn of 2020. • The Council, acting as master-developer is also promoting its own council-led garden community proposal, Heathlands, which is also gaining traction in the Local Plan Review process, and has attracted Homes England as a partner.
Expanding the Council’s role in the delivery of affordable and market rent housing	<ul style="list-style-type: none"> • A draft Affordable and Local Needs Housing Supplementary Planning Document has been produced and has been subject to full public consultation. The document notes that the Council is considering playing a role in delivering affordable housing in the

	form of social rent on S106 sites. The document also seeks to facilitate delivery of affordable homes in Maidstone Borough.
Working with partners to get infrastructure planned, funded and delivered	<ul style="list-style-type: none"> In addition to taking forward the delivery of projects associated with the adopted Local Plan, the Strategic Planning Team has updated the Infrastructure Delivery Plan and Community Infrastructure Levy Regulation 123 list. In respect of the Local Plan Review, there has been consistent and on-going engagement with infrastructure providers as key milestones have been reached in the production process.
Intervening where necessary in the market, to deliver key employment sites	<ul style="list-style-type: none"> The Council has acquired land at Kent Medical Campus, one of the largest employment allocations in the current Local Plan, and is developing a new Innovation Centre on it that will provide start up accommodation for businesses in the life sciences sector, coupled with wrap around business support. The project is part funded by ERDF monies, and the contractor, Rydon, is on site, with the project due to complete in the summer of 2021. This investment decision has been strengthened by the Council working in partnership with Kent County Council and the Department for Transport to co fund the early provision of road nearby infrastructure improvements.

Safe, Clean and Green	Actions completed to date
Taking action against those who do not respect our public spaces, streets, green spaces and parks	<ul style="list-style-type: none"> Since the launch of the new waste crime team in 2018 there have been 727 FPNs for littering, 20 FPNs for fly tipping, 30 for Duty of Care offences and 4 for dog fouling, 32 vehicle seizures linked to duty of care or fly tipping offences The team have succeeded in 3 prosecutions for fly tipping The number of unauthorised encampments reduced during the year compared to the previous year as a result of a change of approach in the use of community protection notices (6 encampments were dealt with) 2 FPNs issued in relation to the Town Centre PSPO 25 Community Protection Formal Warnings and 6 Community Protection Notices
Improving community safety by working with our partners to make people less vulnerable to crime	<ul style="list-style-type: none"> Between August 2019 and March 20 there were 41 Rural Surgeries held at 4 locations - Staplehurst, Marden, Coxheath and Headcorn. No. of cases assisted through MARAC/Sanctuary/DA One Stop Shop - 195 cases heard at DA MARACs/ 37 Sanctuary referrals / 262 One Stop Shop attendances (Oct 2018 - Sep 2019)

Raising resident satisfaction with the cleanliness of the Borough	<ul style="list-style-type: none"> • Review undertaken into the future provision of the service, including a resident survey to understand customer needs and priorities • Investment in four new sweepers and street washer • Delivery of 3 Blitz Days in the Town Centre funded by the Business Improvement District • New mobile technology and online reporting processes in place to enable full management of responsive street cleansing services
Implementing the “Go Green Go Wild” project to embrace and encourage biodiversity and protect and enhance our green spaces	<ul style="list-style-type: none"> • 7 wildflower meadows planted across the Borough • Tree planting schemes taking place in Allington • 20,000 bulbs planted along A20 • £20k community fund implemented to deliver 10 grants to local groups to support their work on Go Green Go Wild initiatives
Improving air quality	<ul style="list-style-type: none"> • Replacing strimmers and other grounds equipment with battery operated versions • Purchased 2 electric vehicles for Street Cleansing • A20 improvement project has planted 20k bulbs, grasses and trees • Tree planting schemes across several open spaces within the Borough

A Thriving Place	Milestones completed to date
Development and commencement of delivering the new gallery at the museum	<ul style="list-style-type: none"> • National Lottery Heritage Fund bid submitted in November 2019. • Bid unsuccessful February 2020 • Meeting arranged with NLHF to discuss further progress on March 17 2020 • Project Partnership Board met monthly between Sept 2019 and March 2020 • Project Partnership Board leading review of options to offer proposal of future actions to Economic Regeneration and Leisure Committee.
Enabling events which assist people in increasing their pride in communities and our environment	<ul style="list-style-type: none"> • Proms in the Park • Community Mela • Brenchley Garden Bandstand concerts • Mote Park events including Ramblin Man • Series of small PR events in support of Elmer

<p>Reviewing and delivering leisure and cultural services that meet future needs e.g. sports facilities</p>	<ul style="list-style-type: none"> • Launched the Making Maidstone More Active project • Appointed the leisure project officer • Assembled the Making Maidstone More Active project board • Launched the Making Maidstone More Active residents' survey which reached more than 2,000 people and achieved more than 1,250 full responses • Used the survey results to design the Making Maidstone More Active residents' forums • Booked residents on to forums, the first of which is held in late March 2020 • Actively working with The FA on future artificial football provision in Maidstone • Actively working with the LTA on increasing access to tennis courts in Maidstone • Undertaking a feasibility study on providing a larger theatre in Maidstone
<p>Building the innovation centre at Kent Medical Campus, promoting inward investment in the Borough</p>	<ul style="list-style-type: none"> • ERDF funding agreement signed 23.12.2019 • Rydon site possession 06.01.2020 • Completed MHCLG Project Implementation Meeting 30.01.2020 • Business Support Contract signed 31.01.2020 • Turf turning ceremony 04.03.2020 • Contractors, Rydons started on site 23.03.2020
<p>Working with partners to redevelop the Maidstone East site and modernise the bus station in the County Town</p>	<ul style="list-style-type: none"> • Bid for Small Sites Fund submitted and successfully through stage 1. • Savills masterplan unviable and new more viable residential scheme on Maidstone East produced. • Commercial terms with Solum and KCC under review as KCC have announced their requirement to build circa 100,000 sq.ft. on the Maidstone East Site. • Bus Station scope of works redefined September 2019. Designs for public consultation to be approved by ERL 31st March 2019.
<p>Developing and delivering plans for the five opportunity sites in the town centre and the Staplehurst regeneration project</p>	<ul style="list-style-type: none"> • Sites promoted at internal lead and external events; MIPIM Kent Construction Expo, Business Forum, MEBP • Planning Guidance adopted by Committee Oct 2019 • Business Forum held on the 27th January 2020 • All Landowners contacted to understand intentions and scope/appetite for MBC intervention • Staplehurst:

	<ul style="list-style-type: none"> • Identified and engaging with current owners to understand current and future plans – including proposition to change from commercial to residential. • Lobbied Sainsbury's to build their planning permission and successful. • Undertaking research with property services to justify remaining need for commercial space and challenge existing developer research suggesting no commercial demand
Working with parishes and community groups on neighbourhood plans	<ul style="list-style-type: none"> • Between April 2019 and March 2020 only the Loose Neighbourhood Plan was made (adopted) in September 2019 • At the end of 2019/20 a total of 3 neighbourhood plans were made • At the end of 2019/20 a further 13 are in progress (at various stages) • The following have reached significant milestones in the last year <ul style="list-style-type: none"> ○ Marden Neighbourhood Plan = subject to referendum in February 2020 which was successful. A report will be taken to SPI in June 2020 and then Council in July to make the plan. This plan is very near to the end ○ Lenham Neighbourhood Plan = the final stage of public consultation on the plan took place between February and March 2020. The current position of the plan is it that it is at examination.

Homes and Communities	Milestones completed to date
Reducing Rough Sleeping in a sustainable way	<ul style="list-style-type: none"> • Reconfigured outreach service to provide support to clients helped from the street. • Number of rough sleepers fell over the year and last official count in January 2020 was zero. • Discussions with MHCLG to obtain funding for a West Kent support service focused on mental health resulted in successful bid (due to start June 2020).
Reducing the use of temporary accommodation for homeless families	<ul style="list-style-type: none"> • The number of families in temporary accommodation reduced from 107 in March 2019 to 95 in March 2020. • The number of MBC owned temporary accommodation rose during the year to 97 units, reducing the need for nightly paid accommodation. • The number of successful prevention (472) and relief (615) outcomes increased over the financial year compared to the previous year.

Improving housing through use of our statutory powers to promote good health and wellbeing	<ul style="list-style-type: none"> • 618 households were assisted through the helping you home scheme (from hospital). • The number of disabled facilities grants approved was 103 equating to £907,390.00 of grant being committed.
Increasing our interventions with Houses of Multiple Occupation	<ul style="list-style-type: none"> • The number of licences approved was 58 making the total licensed premises to 122, demonstrating compliance with housing standards.
Supporting the health service to improve access to primary care including local care hubs	<ul style="list-style-type: none"> • Contributing through engagement with health colleagues at various levels, both operational and strategic.

APPENDIX B: Results from Residents Survey – Impact of Covid19

Residents Covid Recovery Summary (Weighted Results – October 2020)

- 1261 weighted responses to the survey.
- Note: not every respondent answered every question. N/A responses have been removed from analysis. Confidence levels, error rate and number of respondents are shown in brackets depending on the question type.
- Data was weighted based on gender and age.

Feelings & Impact

- The average score of respondents, when asked how worried they were about Coronavirus, was 6.05 (error 0.07) The scale was 0 to 10, 0 is not worried at all and 10 is extremely worried. Overall, 30.7% ($\pm 2.6\%$) scoring at 8 or above.
- The majority of residents were identifying as following the rules and guidance put in place to prevent the spread of coronavirus with 97.6% ($\pm 0.8\%$) of respondents saying they completely or mostly follow the rules.
- 26.2% ($\pm 2.4\%$) of people said they felt unsafe when outside of their household due to Coronavirus. 52.6% ($\pm 2.4\%$) of people said they felt safe.
- 98.4% ($\pm 0.7\%$) of people said that Coronavirus has had an impact on their life
- Below were the top three concerns about the coronavirus
 - You or your friends and family Catching Coronavirus
 - Other people not following the guidance
 - The economy
- People were asked about the positive and negative impacts of Coronavirus:
 - 53.0% ($\pm 2.8\%$) said it has had a positive impact on buying more locally
 - 62.6% ($\pm 2.8\%$) said it has negatively impacted, or not impacted at all, their ability to travel more sustainably.
 - 52.9% ($\pm 2.8\%$) said it has negatively impacted their mental health
 - 41.2% ($\pm 2.8\%$) said it has negatively impacted the level of loneliness they feel
 - 70.0% ($\pm 2.5\%$) said it has positively impacted their use of technology to keep in touch with family and friends.
- When asked for comments, the respondents overwhelmingly felt that they had been negatively impacted by Coronavirus and/or lockdown. Impacts they stated they have experienced included: impacts on relationships with friends and family; impacts on health; impacts on jobs/work; and impacts of the Coronavirus restrictions.

Economic & Lifestyle

- 17.3% ($\pm 2.1\%$) of the people expect to experience significant financial difficulties in the next few months as a result of disruption from Coronavirus, respondents that said they were retired had the lowest proportion responding 'Yes' to this question at 2.7% ($\pm 2.2\%$) and respondents that told us they had been furloughed had the greatest proportion responding 'Yes' at 45.4% ($\pm 18.1\%$).
- Overall, 2.3% (29 respondents) of all respondents said were currently furloughed and 1.2% (15 respondents) said they were small business owners.
- 60.4% (713) of the respondents said that during lockdown there had been no change to their work circumstances. 11.7% (138) said that they were furloughed at some point during lockdown and 4.4% (52) said they had lost their job (neither furloughed nor made redundant).

APPENDIX B: Results from Residents Survey – Impact of Covid19

Residents Covid Recovery Summary (Weighted Results – October 2020)

- 65.2% ($\pm 2.7\%$) of people said they were going to continue to use technology more to keep in touch with family or friends. 58.1% ($\pm 2.8\%$) said they'd like to keep in touch with their neighbours and community.
- 75.6% ($\pm 2.4\%$) of people said they will keep using local parks and open spaces.

The Council & Support

- The average score of respondents, when asked how well they felt the Council had responded to the pandemic, was 6.28 (error 0.06). The scale was 0 to 10, 0 is not worried at all and 10 is extremely worried.
- When asked what activities people were aware of, most of the answers came out around 50/50. However, 61.8% ($\pm 2.7\%$) of people did not know that we provided phone support for isolated people. 77.6% ($\pm 2.3\%$) of people did not know that we provided a retail, leisure and hospitality fund.
- When asked how well the respondents thought MBC did at keeping residents informed about:
 - Maidstone local issues, 50.4% ($\pm 3.2\%$) said well or very well
 - Covid19, 46.4% ($\pm 3.2\%$) said well or very well
 - Changes to council services during the pandemic, 47.0% ($\pm 3.2\%$) said well or very well
- Of the 20.1% ($\pm 2.2\%$) of respondents who identified that they needed help during the pandemic (253 people), 51.3% ($\pm 6.2\%$) said they didn't know where to go (130 people).
- Support was identified as coming from a mix of places including, government, the council, local volunteers, parish councils, friends and families and support via supermarkets.
- When asked for comments on how we could improve the way we provide information, respondents mentioned email, direct mail, leaflets and social media.
- Respondents also commented that the most important things the Council could do to help life in our borough recover following the lockdown period would be to ensure the Coronavirus rules are followed/enforced and to support the economy and local businesses.

Respondent Profiles

- BME and other ethnic groups are underrepresented in the survey (4.2%)
- 27.4% (343) of respondents are, or live with someone who is, shielded/high risk.
- 45.1% (562) of respondents are in couples without dependent children
- 78.2% (982) of respondents own their home
- 80.9% (834) do not receive any form of benefits

Appendix C

Strategic Plan – proposed areas of focus for 2021 – 2026

Priority: Embracing Growth and Enabling Infrastructure

Areas of Focus 2019-24	Proposed areas of focus 2021 – 2026
Engaging with our communities on the Local Plan Review	Retain focus on <ul style="list-style-type: none"> • progressing the Local Plan Review according to the new timetable agreed by the Strategic Planning and Infrastructure Committee in November 2020 • adapting to the requirements arising from the White Paper “Planning for the Future” and add • working with parishes and community groups on neighbourhood plans
The Council will take a proactive role in creating and consider investing in new places	Retain with the focus on <ul style="list-style-type: none"> • the five town centre opportunity sites • the Council’s proposition for a Garden Community at Heathlands • place shaping role and enabling private sector led developments in accordance with Local Plan allocated sites
Expanding the Council’s role in the delivery of affordable and market rent housing	Retain with the focus on <ul style="list-style-type: none"> • significant investment in housing to meet objectives for managing pressures for housing that people can afford with a greater emphasis on social and affordable rent leveraging investment from Homes England and any other grant providers. This may include further

	<p>investment in Temporary Accommodation too, for those affected by homelessness</p> <ul style="list-style-type: none"> • expanding the council's private rented sector (PRS) portfolio managed by Maidstone Property Holdings in order, amongst other things, to reduce pressure on the housing register.
Working with partners to get infrastructure planned, funded and delivered	<p>Retain and further develop this priority through</p> <ul style="list-style-type: none"> • the Council's Infrastructure Funding Statement and associated actions • alternative forward funding models for more timely investment in transport and other community infrastructure needed to support growth • working with the Clinical Commissioning Group to improve local health care infrastructure • identifying more opportunities for joint funding and "joint venture" arrangements to enable larger scale investment in key priority areas; this would need a greater external focus and redirection of resources to build better partnerships faster. Ie building on the successes being achieved at Brunswick Street and Union Street and more latterly with Homes England at Heathlands • Continuing work agreed in principle by the P&R Committee in December 2020 to pursue a collaboration agreement with Homes England in respect of Heathlands to achieve amongst other things securing infrastructure by means of capturing land value uplift governance/democracy and financial consequences.
Intervening where necessary in the market, to deliver key employment sites	<p>Retain with focus on</p> <ul style="list-style-type: none"> • Key employment sites allocated in the Local Plan

	<ul style="list-style-type: none"> • The Kent Medical Campus Enterprise Zone including the Innovation Centre • Investment to protect employment where appropriate and to develop the council's portfolio of employment generating assets
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Priority: Safe, Clean and Green

Areas of Focus 2019-24	Proposed Areas of focus 2021 – 2026
Taking action against those who do not respect our public spaces, streets, green spaces and parks	Retain
Improving community safety by working with our partners to make people less vulnerable to crime	Retain and add to our existing priorities <ul style="list-style-type: none"> • Take a lead role in the Maidstone Taskforce; the aim is to utilise a multi-agency 'One Team' evidence-based approach to tackle crime, social deprivation and health inequality; ensuring that we implement long term permanent changes that improve the quality of life for the community and keep them safe from harm; the current geographical area of focus is Shepway and Parkwood
Raising resident satisfaction with the cleanliness of the Borough	Amend the area of focus to say To maintain resident satisfaction with cleanliness and waste collection in the borough and include reference to the re-commissioning of our waste collection and recycling services
Implementing the "Go Green Go Wild" project to embrace and	Delete

encourage biodiversity and protect and enhance our green spaces	See also amended area of focus below which includes implementation of the Biodiversity and Climate Change Strategy agreed by Policy and Resources Committee in October 2020
Improving air quality	<p>Amend to reflect the Council's declaration of climate change and biodiversity emergencies and focus on the action plan agreed by the Policy and Resources Committee in October 2020 and the outcomes from the Environment Bill including</p> <ul style="list-style-type: none"> • A carbon neutral Council estate by 2030 • An ambition of a carbon neutral Borough by 2030, if technology and national policy changes allow • Implementation of the Biodiversity and Climate Change Strategy • Ensuring that the Local Plan supports walking, cycling, public transport and the use of electric vehicles where the opportunity arises • Aim to deliver an eco and biodiversity net gain exemplar new community at Heathlands

Priority: A Thriving Place

Areas of Focus 2019-24	Proposed areas of focus 2021 – 2026
Deliver key actions for the refreshed Economic Development Strategy focussing on actions to enable economic recovery from the Covid19 pandemic	<p>Addition</p> <p>With the focus on</p> <ul style="list-style-type: none"> • Delivery of business support in response to the Covid19 pandemic • Supporting the recovery of the Maidstone borough economy in accordance with the principles of the refreshed Economic

	Development Strategy ie – Open for Business, a diverse and productive economic base, a thriving rural economy, opportunities for all, destination Maidstone town centre
Development and commencement of delivering the new gallery at the museum	Replace (see below)
Deliver a sustainable leisure and cultural offer for the Borough	<p>New</p> <ul style="list-style-type: none"> • Reshape the offer from the Hazlitt Arts Centre to match resources available and adapt future service delivery opportunities to improve engagement with the public (subject to further consideration in January 2021 and decisions of the ERL Committee) • Reshape the offer from Maidstone museums to match resources and adapt to future service delivery opportunities to improve access • Reviewing and delivering leisure and cultural services that meet future needs e.g. sports facilities • Invest in Lockmeadow to enhance both the leisure offer to the public and the asset for the council <p>With respect to the Maidstone Museums amend to reflect the decision of the ERL Committee from November 2020 including</p> <ul style="list-style-type: none"> • secure the future service provision for Maidstone Museums within the reduced revenue funding available in the period 2021-2023 • engagement with key and prospective stakeholders including the Maidstone Museum Foundation with respect to the service delivery outcomes to be achieved while working within budget parameters • further consideration of how the existing capital allocation to the Museum can be used to make the best use of our existing spaces,

	<p>address accessibility to the collections and reduce the net revenue costs of the museum</p> <ul style="list-style-type: none"> • maintaining the museum's accreditation status • putting volunteers at the heart of Maidstone Museum in conjunction with professional officers, along the lines of the National Trust Model.
Enabling events which assist people in increasing their pride in communities and our environment	Replace – see Community Engagement objective below
Reviewing and delivering leisure and cultural services that meet future needs e.g. sports facilities	Replace (see sustainable leisure and culture offer above)
Building the innovation centre at Kent Medical Campus, promoting inward investment in the Borough	Retain – broaden the focus to promoting inward investment in the Borough to ensure a diverse employment and business offer
Working with partners to redevelop the Maidstone East site and modernise the bus station in the County Town	<p>Retain including</p> <ul style="list-style-type: none"> • updating actions to reflect the work on implementing agreed changes to modernise the bus station
Developing and delivering plans for the five opportunity sites in the town centre and the Staplehurst regeneration project	Retain
Working with parishes and community groups on neighbourhood plans	Re -locate – see Embracing Growth and Enabling Infrastructure above

<p>Working with community groups and parish councils, to develop more sustainable community resilience</p>	<p>New</p> <p>Proposed actions reflect the experience of the council's response to community needs and the engagement which has occurred as a result of the Covid19 pandemic including decisions of the CHE Committee in November 2020 to</p> <ul style="list-style-type: none">• build on the experience of creating the Community Hub in response to community needs arising from Covid19 develop the strategic relationship by development of a local compact for Maidstone borough and deliver the commitments arising from adoption of the Compassionate Maidstone decision of P&R in January 2020• Expand the Access to Services Review to include building a repository of community organisations across the Borough• Amend the Parish Charter subject to the agreement of Parish Councils to reflect their important role in emergencies• build on the positive working relationship with parish councils enhanced during the covid19 pandemic to provide newsletters and joint webinars with KALC to ensure regular communication and feedback <p>and a specific theme that has been accentuated by this experience to</p> <ul style="list-style-type: none">• support residents in financial difficulty; this is consistent with the decision on the Policy and Resources Committee in February 2020 to adopt the Citizens Advice Bureau/Local Authority protocol for Council Tax debt recovery procedures and support for low income households. To pilot work to identify low income households in financial difficulty and proactively intervene to provide support e.g. maximising income, and through this to both reduce risks around indebtedness and
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	potentially reduce demand for council services or incurring debt with the Council.
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Priority: Homes and Communities

Areas of Focus 2019-24	Proposed areas of focus 2021 – 2026
Reducing Rough Sleeping in a sustainable way	Retain and reflect proactively reducing rough sleeping including using our property company to provide accommodation and multi-agency working around the most complex rough sleepers including local health care
Reducing the use of temporary accommodation for homeless families	Retain
Improving housing through use of our statutory powers to promote good health and wellbeing	Retain and add actions to <ul style="list-style-type: none"> • Increase our interventions with Houses of Multiple Occupation
Increasing our interventions with Houses of Multiple Occupation	Delete but include as an action for the objective above
Supporting the health service to improve access to primary care including local care hubs	Amend <ul style="list-style-type: none"> • working with the Integrated Care Partnership identify opportunities to reduce health inequalities in the borough • See also enabling infrastructure above

Appendix D

Proposed – Covid19 recovery KPIs

Indicator	Frequency	Reason for Monitoring	Level/comparison	What would recovery look like?
ECONOMY				
Unemployment	Monthly	Economic impact for MBC residents	Kent/SE and GB comparisons	When rates hit March 20 percentage:2.2%
Youth unemployment	Monthly	Economic impact for particularly vulnerable MBC residents	Kent/SE and GB comparisons	When rates hit March 20 percentage: 3.7%
Town Centre Footfall	Monthly	Key measure of town centre and overall MBC economy	Compare with previous month and previous years month.	When footfall figures close on pre covid19 levels
Town Centre vacancy rates	Quarterly	Key measure of town centre and overall MBC economy	Maidstone and National average (collected by One Maidstone)	When figures close on pre-covid19 levels
House prices and sales volumes	Quarterly	Key measure of MBC economy and the construction sector	Maidstone and SE	When figures close on pre-covid19 levels
Number of Business Grants awarded to closed businesses	Weekly	Indication of businesses that will be at risk		When businesses that qualify have been awarded the grant and no more applications are coming in.
COMMUNITY				
Homelessness prevention –	Monthly	Key measure of the availability of	Same month in 2019	When figures close on pre-covid19 levels

prevention duty ended as applicant has suitable accommodation		accommodation/success at prevention		
Number of households in temporary accommodation (excluding rough sleepers)	Monthly	Key measure of cumulative need	Same month in 2019	When figures close on pre-covid19 levels
Number of households newly in temporary accommodation broken down by main reason (excluding rough sleepers)	Monthly	Key measure of pressure within the housing system including loss of tenancy and home ownership	Same month in 2019	When figures close on pre-covid19 levels
Number of rough sleepers in temporary accommodation	Monthly	Key measure of pressure within the housing system	Same month in 2019	When figures close on pre-covid19 levels
Number of rough sleepers newly engaged	Monthly	Key measure of the cumulative impacts of economic and other change for our most vulnerable residents	Same month in 2019	When figures close on pre-covid19 levels
Reports of Anti-social behaviour	Monthly	Indicator of community experience of the impacts of lockdown and other restrictions	Same month in 2019	When figures close on pre-covid19 levels

Reports of noise nuisance	Monthly	Indicator of community experience of the impacts of lockdown and other restrictions	Same month in 2019	When figures close on pre-covid19 levels
Number of Community Protection warnings and notices	Monthly	Measure of the council's response to ASB	Same month in 2019	When figures close on pre-covid19 levels
Reports of Domestic Abuse	Monthly	Relevant measure of risk to vulnerable residents	Same month in 2019	When figures close on pre-covid19 levels
Number of new Council Tax Support (CTS) applications received	Monthly	Indicative of trends in households in financial difficulty	Same month in 2019	When figures close on pre-covid19 levels
Number of live CTS cases	Monthly	Indicative of cumulative level of households in financial difficulty	Same month in 2019	When figures close on pre-covid19 levels
* CHE decisions on 3 rd November for Community Resilience implemented	Quarterly	Indicative of further improvement in partnership working with the voluntary and community sector and parish councils		Implementation of Committee decisions completed
COUNCIL'S FINANCIAL POSITION				
Council Tax collection – percentage in year collection Reduction in cash received compared to this time last year	Monthly	Measure of financial resources available to MBC	2020/21 budget	When collection returns to projection for 2020/21

Business Rates collection – percentage in year collection	Monthly	Measure of financial resources available to MBC	2020/21 budget	When collection returns to projection for 2020/21
Council’s collection of other income – percentage in year collection	Monthly	Measure of financial resources available to MBC	2020/21 budget	When collection returns to projection for 2020/21
THE WAY WE WORK – Building on the opportunities and risks created/accentuated by covid19				
Office footprint	Bi annual	Aim to reduce permanently by end of 2023/4	Current floorspace at Maidstone House	New smaller accommodation footprint achieved
Cost of office accommodation	Quarterly	Aim to reduce permanently by end of 2023/4	Current floorspace at Maidstone House	New smaller accommodation footprint achieved
Office running costs (post, print, utilities)	Bi annual	Aim to reduce systematically through different ways of working and carbon reduction initiatives	2019/20 running costs	Running costs reduced
Travel costs	Quarterly	Aim to reduce systematically through different ways of working and carbon reduction initiatives	2019/20 travel costs	Mileage costs reduced
Review of contract provisions and Business Continuity for very significant	Annually	Protection for MBC and our customers where outsourced services fail,	Existing Business Continuity Plans	Business Continuity Plans updated and exercised

change in circumstances including change in law, force majeure		are no longer fit for purpose or affordable		
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* CHE decisions on 3rd November for Community Resilience working with the Voluntary and Community Sector and Parish Councils

1. Local partners are consulted with the intention to develop a local compact for Maidstone which will include representative roles and mutual support in emergencies.
2. The Access to Services Review expand its remit to include building a repository of community organisations across the Borough.
3. The Parish Charter be amended subject to the agreement of Parish Councils to reflect their important role in emergencies.
4. The provision of Parish Council newsletters and joint webinars with KALC to ensure regular communication and feedback, be noted.
5. A short update report be presented to the Committee in February 2021; and
6. A progress update be presented to the Committee in April 2021.

Agenda Item 16

ECONOMIC REGENERATION AND LEISURE COMMITTEE

26 January 2021

Medium Term Financial Strategy and Budget Proposals

Final Decision-Maker	Council
Lead Head of Service/Lead Director	Mark Green, Director of Finance and Business Improvement
Lead Officer and Report Author	Mark Green, Director of Finance and Business Improvement
Classification	Public
Wards affected	All

Executive Summary

This report forms part of the process of agreeing a budget for 2021/22 and setting next year's Council Tax. Following consideration by this Committee at its meeting on 15 December 2020 of the draft Medium Term Finance Strategy for 2021/22 – 2025/26, this report sets out budget proposals for services within the remit of the Committee. These proposals will then be considered by Policy and Resources Committee at its meeting on 10 February 2021, with a view to determining a budget for submission to Council.

This report makes the following recommendations to this Committee:

1. That the revenue budget proposals for services within the remit of this Committee, as set out in Appendix A, be agreed for submission to Policy and Resources Committee.
2. That the capital budget proposals for services within the remit of this Committee, as set out in Appendix B, be agreed for submission to Policy and Resources Committee.

Timetable

Meeting	Date
Economic Regeneration and Leisure Committee	26 January 2021
Policy and Resources Committee	10 February 2021
Council	24 February 2021

Medium Term Financial Strategy and Budget Proposals

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Medium Term Financial Strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. They reflect the Council's decisions on the allocation of resources to all objectives of the strategic plan.	Section 151 Officer & Finance Team
Cross Cutting Objectives	The MTFS supports the cross-cutting objectives in the same way that it supports the Council's other strategic priorities.	Section 151 Officer & Finance Team
Risk Management	This has been addressed in section 5 of the report.	Section 151 Officer & Finance Team
Financial	The budget strategy and the MTFS impact upon all activities of the Council. The future availability of resources to address specific issues is planned through this process. It is important that the committee gives consideration to the strategic financial consequences of the recommendations in this report.	Section 151 Officer & Finance Team
Staffing	The process of developing the budget strategy will identify the level of resources available for staffing over the medium term.	Section 151 Officer & Finance Team
Legal	Under Section 151 of the Local Government Act 1972 (LGA 1972) the Section 151 Officer has statutory duties in relation to the financial administration and stewardship of the authority, including securing effective arrangements for treasury management. The legal implications are detailed within the body of the report which is compliant with statutory and legal regulations such as the CIPFA Code of Practice on Treasury Management in Local Authorities. The Council is required to set a council tax by the 11 March in any year and has a statutory obligation to set a balanced budget. The budget requirements and basic amount of Council Tax must be calculated in accordance	Principal Solicitor Corporate Governance

	<p>with the requirements of sections 31A and 31B to the Local Government Finance Act 1992 (as amended by sections 73-79 of the Localism Act 2011).</p> <p>The Council is required to determine whether the basic amount of council tax is excessive as prescribed in regulations - section 52ZB of the 1992 Act as inserted under Schedule 5 to the Localism Act 2011. The Council is required to hold a referendum of all registered electors in the borough if the prescribed requirements regarding whether the increase is excessive are met.</p> <p>Approval of the budget is a matter reserved for full Council upon recommendation by Policy and Resources Committee on budget and policy matters.</p> <p>Appropriate remedial action should be taken if at any time it appears likely that expenditure will exceed available resources. The S151 Officer has a personal duty under Section 114(3) of the Local Government Finance Act 1988 to report to the Council if it appears that the set budget will be exceeded. Having received a S114 report, members are obliged to take all reasonable practical measures to bring the budget back into balance</p>	
Privacy and Data Protection	Privacy and Data Protection is considered as part of the development of new budget proposals. There are no specific implications arising from this report.	Policy and Information Team
Equalities	The MFTS report scopes the possible impact of the Council's future financial position on service delivery. When a policy, service or function is developed, changed or reviewed, an evidence-based equalities impact assessment will be undertaken. Should an impact be identified appropriate mitigations will be found.	Equalities and Corporate Policy Officer
Public Health	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Public Health Officer
Crime and Disorder	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Section 151 Officer & Finance Team

Procurement	The resources to achieve the Council's objectives are allocated through the development of the Medium Term Financial Strategy.	Section 151 Officer & Finance Team
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2. INTRODUCTION AND BACKGROUND

Medium Term Financial Strategy

- 2.1 At its meeting on 15 December 2020, this Committee considered a draft Medium Term Financial Strategy (MTFS) for the next five years. No material amendments were proposed to the Strategy by this Committee or the other Committees which considered it in December, so it will now go forward to Council for approval at its meeting on 24 February.
- 2.2 The MTFS sets out in financial terms how the Strategic Plan will be delivered, given the resources available. The MTFS builds on the previous year's MTFS, but reflects the impact of Covid-19 by incorporating a re-prioritisation of Strategic Plan objectives, together with proposals for transformational budget savings to address the financial challenges that the Council now faces.
- 2.3 The financial projections underlying the MTFS were prepared under three different scenarios – adverse, neutral and favourable. All three scenarios assumed that budget proposals for future years which have already been agreed by Council will be delivered, and that Council Tax is increased by 2% in 2021/22. Existing budget savings proposals are shown in Appendix A for this Committee and total £1.7 million for all Committees over the MTFS period.

Local Government Finance Settlement 2021/22

- 2.4 The Provisional Local Government Finance Settlement for 2021/22 was announced on 17 December 2020. This confirmed several of the key assumptions incorporated in the MTFS.
- The Council Tax referendum limit will be 2%.
 - The existing Business Rates regime will remain in place. Whilst the business rates multiplier will be frozen for ratepayers, local authorities will be compensated for the consequent loss of an inflationary increase.
 - There will be no negative Revenue Support Grant.
- 2.5 Additionally, the Finance Settlement recognised the likely continuing impact of Covid-19 in 2021/22, and included a number of measures intended to support local government:
- a further £1.55 billion unringfenced grant to manage the immediate and long-term impacts of the pandemic;
 - £670 million to help address the loss of Council income arising from more taxpayers requiring Council Tax Support;

- ongoing compensation for 75% of lost sales, fees and charges for the first three months of 2021/22.

The government expects councils to use the £1.55 billion unringfenced grant for priority pressures such as household waste collection, homelessness and rough sleeping, support for re-opening the country and the additional costs associated with local elections in May 2021. Councils have been told to plan on the basis of not receiving any additional funding for these pressures, so a careful assessment is needed of the financial impact of the pressures before concluding that any of the grant can be released to support general spending.

- 2.6 As announced in the Chancellor’s Spending Review on 25 November, Public Works Loan Board (PWLB) lending terms have been altered to prevent the use of PWLB borrowing for investment property bought primarily for yield. In return lending rates have been reduced by 1%, reducing the cost of borrowing.
- 2.7 There will be a new round of New Homes Bonus (NHB) payments in 2021/22, but there will be no ongoing payments in future years (as envisaged when NHB was introduced originally). In Maidstone’s case, this means that New Homes Bonus will fall from £4.4 million in 2020/21 to £3.8 million in 2021/22. Other authorities have seen much bigger reductions, so to prevent those authorities seeing an overall reduction in their Core Spending Power, the government is using a new grant, the Lower Tier Services Grant (LTSG), to cushion the impact.
- 2.8 The outcomes for the Council’s budget gap of the above measures, before allowing for any further growth or savings, are set out below.

	21/22	21/22	22/23	23/24	24/25
	£m	£m	£m	£m	£m
Budget gap (-) / surplus as reported on 01/12/20	-2.4	0.0	0.2	0.7	0.3
Adjustments:					
Local Council Tax Support grant (note A)	0.3	-0.3			
Sales Fees and Charges compensation (note A)	0.1	-0.1			
Business Rates indexation	0.2				
Reduction in borrowing costs (note B)	0.2	0.1	0.1	0.1	0.1
Updated budget gap (-) / surplus	-1.6	-0.3	0.3	0.8	0.4

Notes:

- A. See para 2.5 above. One-off grants are shown as reversing out in 21/22, to reflect the fact that they will only offset the ongoing budget gap for one year.

- B. The reduction in borrowing costs is assumed to be sustained over the five year MTFS planning period. It benefits every year, reflecting the fact that further borrowing is planned every year.
- C. The above table does not include Maidstone's share of the £1.55 bn unringfenced Covid-19 grant, amounting in our case to £860,000, on the basis that it will be required to deal with Covid-19 related pressures. The position will be monitored carefully during the course of the year to confirm whether this is in fact the case. If not, the Council may decide to release some of the grant to address general budget pressures.
- D. It is assumed that Maidstone's share of the LTSG, amounting to £139,000, is treated in the same way as New Homes Bonus, ie it is ringfenced for capital expenditure unless required to bridge the budget gap over the coming three years.
- E. Final projections for the MTFS planning period will be set out in a Strategic Revenue Projection, to accompany the budget proposals to be considered by P & R Committee on 10 February 2021.

2.9 It can be seen from the table above that the effect of the government's announcements is to reduce the budget gap and to defer some of the impact to future years. It remains the case that the Council needs to continue planning for a significant reduction in resources over the next three years.

2.10 As explained in the draft MTFS, it may take 3 – 4 years to deliver savings to cover the budget gap. It is therefore proposed that any budget gap not covered within the year that it arises will be covered by revenue resources hitherto earmarked for other purposes, starting with New Homes Bonus.

Revenue Budget Proposals

2.11 The MTFS outlined an approach to addressing the budget gap that combined a re-prioritisation of Strategic Plan objectives, together with proposals for transformational budget savings. Members considered at Policy and Resources Committee on 16th September 2020 a number of ways in which the Strategic Plan could be re-prioritised, including:

- A more modest direction of travel in developing the museum
- Reconsidering the sustainability of the Hazlitt Theatre
- Reviewing the scope of our community safety work.

At the same time, a number of lines of inquiry, to include radical initiatives to change the way the Council works, would be explored, as follows:

1. Review of office accommodation
2. Better use of technology
3. Better use of external grant funding
4. Identifying further opportunities for income generation
5. Capital investment to generate revenue savings
6. Service improvements, eg better service commissioning
7. Review of shared service arrangements
8. Review of staff reward packages
9. Review of the structure of democratic representation

10. Exploit synergies between service areas.

In pursuing these lines of inquiry, it was made clear that no service could be exempt from the requirement to consider the need for transformation. Budget savings in relation to 5 have been identified within the remit of this Committee and are described below. Additionally, budget growth needs to be accommodated as described below under the heading 'Other savings and growth'. All proposed revenue budget savings and growth items are also set out in in Appendix A.

2.12 Reprioritisation of Strategic Plan

As reported to this Committee on 12th November 2020, in light of the reprioritisation of the Strategic Plan, options to deliver savings at the museum have been identified. A savings package totalling £152,000 over two years was agreed by the Committee.

2.13 Capital investment to generate revenue savings

Two officers within the Regeneration and Economic Development team spend 80% plus of their time on capital projects. Some of this time is already charged to capital, with the cost recovered over time through the financial return on capital projects. It is proposed that this proportion is increased to 80%, generating a saving of £38,000.

2.14 Other savings and growth

Growth items

- Museum

A budget saving of £119,000 was previously agreed relating to a potential reduction in business rates arising from an appeal about the museum's business rates status. Similar appeals are being challenged by HMRC and it cannot be assumed that this will lead to a saving.

- Mote Park Adventure Zone

Income from the Adventure Zone was originally estimated to be £114,000 per annum plus profit share. However, the agreement actually entered into with the operator is for £36,000 less than this. The operator, Serco, revised their offer downwards before entering into contract.

- Mote Park Café

The Mote Park Café is currently closed, so the income target of £64,000 for 2021/22 will not be reached. Experience with the existing café indicates that the original income target for a new café, due to be open by April 2022, is unsustainable. The potential for the new café will become clearer as an operator is sought and they project likely income levels, but in the meantime the income target has been reduced by £30,000.

- Parks Leisure activities

There has been an historic income budget of £22,000 for leisure activities such as fairs and circuses in the Council's parks. Cultural changes and expectations mean that these types of activity have reduced and the budget is no longer deliverable.

Other savings

- Economic Development team

It is proposed to delete the budgets for two vacant posts within the Economic Development team, saving £72,000.

- Increased digital marketing

As part of our work to support the visitor economy, we produce an annual pocket guide and what's on leaflets. Whilst it is desirable to maintain some printed material, the reach of digital marketing and promotion offers a better use of internal resources and £10,000 can be saved by reducing the production of printed material.

- 2.15 Budget proposals have been developed, following the same principles, for services within the remit of the other Service Committees. Taken in total, it is projected that the savings proposals will allow the budget to be balanced over the three years 2021/22 to 2023/24.

Capital Budget Proposals

- 2.16 Capital investment helps the Council to deliver its strategic priorities. Accordingly, the capital programme includes a number of projects that support the 'Thriving Place' and 'Safe, Clean and Green' priorities that are of particular concern to this Committee. Capital budget proposals were considered by Policy and Resources Committee at its meeting on 20 January. They are also set out in Appendix B to this report and are summarised below.

- 2.17 Mote Park Visitor Centre and Estate Services Building - £2.8 million

The project consists of three parts: 1. The demolition of the existing café and construction of a new larger one nearby 2. The demolition of the existing toilets serving Mote Park and the construction of a new toilet block with more capacity and a changing places facility, 3. The demolition of the existing Parks buildings and construction of a new Estates Services Building behind the Leisure Centre.

All parts of the project have planning permission. An Employers Agent has been appointed. An Invitation to Tender was sent out in late October and contractor prices were expected before Christmas. If costs are within the budget the contractor could start in April 2021 with the aim that the new Café would be open by April 2022.

2.18 Mote Park Dam Works - £682,000

Mote Park Lake is effectively a reservoir retained by a dam at its western end. A review of dam safety under the Reservoirs Act 1975 included a mandatory recommendation that the spillway capacity be increased to reduce the risk of dam failure due to overtopping. This work therefore comes under the first heading set out in paragraph 2.6, 'required for statutory reasons'. These works are now substantially completed.

2.19 Mall Bus Station Redevelopment - £690,000

£400,000 has been allocated for this scheme in 2020/21 and this is the residual budget. The scheme is being progressed with an employer's agent and architect now appointed. Works are planned to commence in February/March 2021 with the bus station being closed for 12 weeks to ensure the works are completed within the agreed timeframe.

2.20 Museum Development Plan - £389,000

The project stems from the work on the Museum's 20 year plan. In 2019 Innes Architect was appointed to set out how this vision could be realised within the building. After extensive consultation, this formed the basis of a National Lottery Heritage Fund bid, which although unsuccessful, is still accepted by ERL Committee as the preferred long term aspiration for the Museum. The vision is achievable in discrete phases. The first phase is estimated to cost £1.5m. Due to Covid, uncertainty over the availability of external funding source and the need to resolve the concerns of the Bentlif Trust, the capital project has been deferred, although a budget is being retained for 2022/23 for any works that are identified.

3. AVAILABLE OPTIONS

- 3.1 Agree the budget proposals relating to this Committee as set out in Appendices A and B for onward submission to the Policy and Resources Committee.
- 3.2 Propose changes to the budget proposals.
- 3.3 Make no comment on the budget proposals.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Policy and Resources Committee must recommend to Council at its meeting on 10 February 2021 a balanced budget and a proposed level of Council Tax for the coming year. The budget proposals included in this report will allow the Policy and Resources Committee to do this. Accordingly, the preferred option is that this Committee agrees the budget proposals at Appendix A.
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5. RISK

- 5.1 The Council's MTFS is subject to a high degree of risk and uncertainty. In order to address this in a structured way and to ensure that appropriate mitigations are developed, the Council has developed a budget risk register. This seeks to capture all known budget risks and to present them in a readily comprehensible way. The budget risk register is updated regularly and is reviewed by the Audit, Governance and Standards Committee at each of its meetings.
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6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 Policy and Resources Committee received an initial report on the MTFS at its meeting on 21 July 2020 and it agreed the approach set out in that report to development of an MTFS for 2021/22 - 2025/26 and a budget for 2021/22.
- 6.2 Service Committees and Policy and Resources Committee then considered a draft MTFS at their meetings in December 2020.
- 6.3 Public consultation on the budget has been carried out. Details were reported to this Committee at its meeting in December 2020.
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7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 The timetable for developing the budget for 2021/22 is set out below.

Date	Meeting	Action
January 2021	All Service Committees	Consider 21/22 budget proposals
10 February 2021	Policy and Resources Committee	Agree 21/22 budget proposals for recommendation to Council
24 February 2021	Council	Approve 21/22 budget

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: Revenue Budget Proposals 2021/22 – 2025/26
 - Appendix B: Capital Budget Proposals 2021/22 – 2025/26
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9. BACKGROUND PAPERS

There are no background papers.

Revenue Budget Proposals 2021/22 - 2025/26

Service	Proposal	21/22	22/23	23/24	24/25	25/26	Total
		£000					
Mote Park Centre	New Café construction deferred	-40					-40
Museum	NNDR saving currently subject to appeal	-119					-119
	Savings shortfall funded from service reserves (reversal of one-off)	159					159
Total Existing Savings		0	0	0	0	0	0

Service	Proposal	21/22	22/23	23/24	24/25	25/26	Total
		£000					
Museum	Reduction in running costs	-138	-14				-152
Regeneration	Capitalisation of staff costs	-38					-38
Museum	Remove existing saving (NNDR)	119					119
Mote Park Adventure Zone	Reduce income target	36					36
Mote Park Café	Adjust income target	64		-30			34
Parks Leisure Activities	Reduce income target	22					22
Economic Development	Delete vacant posts	-72					-72
Visitor Economy	Increased digital marketing	-10					-10
Total Amendments and New Savings		-17	-14	-30	0	0	-61

OVERALL CHANGE IN BUDGET (£000)	-17	-14	-30	0	0	-61
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Negative figures shown above represent a reduction in expenditure budgets, or increased income targets. Positive figures indicate increased expenditure, or a reduction in the income budget.

Capital Budget Proposals 2021/22 - 2025/26

	20/21	Five Year Plan					Total £000
	Projected	21/22	22/23	23/24	24/25	25/26	
	£000	£000	£000	£000	£000	£000	
Mote Park Visitor Centre and Estate Services Building	20	2,773					2,773
Mote Park Lake - Dam Works	1,041	682					682
Mall Bus Station Redevelopment	400	690					690
Museum Development Plan			389				389
	1,461	4,145	389				4,534

Economic Regeneration and Leisure Committee

26 January 2021

Hazlitt Arts Centre Options

Final Decision-Maker	Economic Regeneration and Leisure Committee
Lead Head of Service	John Foster, Head of Regeneration and Economic Development
Lead Officer and Report Author	Mike Evans, Leisure Manager
Classification	<p>Public report (with Exempt Appendix) Exempt Appendix – The information contained within the appendix is considered exempt under the following paragraph of Part I of Schedule 12A to the Local Government Act 1972:-</p> <p>3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>5 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings</p> <p>Public Interest Test The public interest test falls in favour of withholding this information so as not to jeopardise the Council’s commercial position</p>
Wards affected	All wards

Executive Summary

A report exploring the Hazlitt Theatre contract options available to the Council and proposing recommendations for how the Council should manage the contract, which cannot be performed by the operator because of the ongoing Covid-19 restrictions.

Purpose of Report

Decision

This report makes the following recommendations to this Committee:

1. That the Council continues to pay its agreed contract fee to Parkwood Leisure for the provision of services at the Hazlitt Arts Centre.
2. That officers continue to monitor Parkwood Leisure's performance with respect to the delivery of the requirements of the Hazlitt Arts Centre Services Contract as defined by the Key Performance Indicators and make further recommendations in April 2021.

Timetable	
<i>Meeting</i>	<i>Date</i>
Economic Regeneration and Leisure Committee	19 January 2021

Hazlitt Arts Centre Options

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place <p>Accepting the recommendations ensures the Council is in a position to resume the fulfilment of these strategic objectives when Covid-19 restrictions are lifted.</p>	Leisure Manager
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>Accepting the recommendations ensures the Council is in a position to resume the fulfilment of these cross-cutting objectives when Covid-19 restrictions are lifted.</p>	Leisure Manager
Risk Management	Refer to paragraphs 5.1 and 5.2 of the report	Leisure Manager
Financial	Accepting the recommendations will result in continued budgetary pressures in line with the Medium Term Financial Strategy forecasts	Head of Finance
Staffing	The recommendations will be delivered with the current staffing.	Head of Regeneration and Economic Development

Legal	Acting on the recommendations is within the Council's powers as set out in the Hazlitt Theatre services agreement. External legal advice has been obtained on the contract.	Team Leader, Contracts and Commissioning
Privacy and Data Protection	Accepting the recommendations will increase the volume of data held by the council. We will hold that data in line with our retention schedules.	Policy and Information Team
Equalities	The decision could result in a change of service, therefore an equalities impact assessment has been completed.	Policy & Information Manager
Public Health	The closure of the Hazlitt Arts Centre has severely affected the health and wellbeing of the theatre staff and its regular patrons. The effects of this will continue until it can re-open.	Public Health Officer
Crime and Disorder	The recommendation will not impact on crime and disorder.	Leisure Manager
Procurement	On accepting the recommendations, the council will conduct further discussions with Parkwood Leisure in line with procurement law and UK PPN 04/20 principles. We will complete those exercises in line with financial procedure rules.	Head of Regeneration and Economic Development

2. INTRODUCTION AND BACKGROUND

2.1 The contribution that the Hazlitt Arts Centre makes to the borough is being reviewed by the Council because of its sustained closure since March 2020 and the ongoing financial difficulties the Council is facing. The Council is currently forecasting a gap in its 2021/2022 budget of £1.6m. The Council is forecasting it will take three to four years to deliver savings to cover the budget gap and it remains the case that the Council needs to continue planning for a significant reduction in resources over the next three years.

The issues in this report are presented to the Economic Regeneration and Leisure Committee (ERL) following the decision of Policy and Resources Committee on 25 November to substitute the four resolutions of the ERL Committee on 12 November 2020 with the following:

- That the matter be deferred until the ERL Committee meets on 19 January 2021, so as to allow greater clarity on issues such as external

sources of funding and Covid-19-related developments and to facilitate further Member and Stakeholder engagement in determining the best method of retaining the Hazlitt for years to come.

- 2.2 The Hazlitt Arts Centre is the name given to the buildings that comprise the Hazlitt Theatre main auditorium, the Exchange Studio, the Fourth Wall and the Graham Clarke Exhibition Gallery. They are situated on Earl Street with entrances also in Market Buildings and in Rose Yard. They comprise the spaces leased to Parkwood Theatres and the majority of them are situated on the first floor above retail units and restaurants. The arts centre is commonly referred to as the Hazlitt Theatre. Any references in this report to the Hazlitt Theatre are references to the Hazlitt Arts Centre, unless expressly stated otherwise and a more specific part of the building is being referred to.
- 2.3 The Council is the freeholder of the Hazlitt Arts Centre. The Council sold a long lease on the buildings to a third-party property company who has, in turn, sub-leased the Hazlitt Arts Centre footprint back to the Council and leased the ground floor units to other retail and restaurant tenants.
- 2.4 The Council's 125-year lease for the Hazlitt Arts Centre expires in 2116 (95 years time). The Council's lease covenants that the Council will "not use the Demised Premises or any part or parts thereof for any purpose other than as a theatre and as a venue for other forms of public entertainment meetings and private functions and purposes ancillary thereto."
- 2.5 The Council leases the Hazlitt Arts Centre to Parkwood Leisure and contracts them to deliver services from it. Prior to tendering for an operator, the Hazlitt Arts Centre cost the Council approximately £600,000 per year. The contract began in 2013 with a decreasing annual subsidy paid by the Council to Parkwood Leisure over the first two years of the contract in 2013/14 and 2014/2015. From 2015/2016 onwards the contract has a fixed annual sum for all remaining years although that sum is subject to annual inflation. In 2020/2021 the annual contract fee is £244,893. The venue achieves an operational surplus and from that surplus Parkwood Leisure takes its costs and profit.
- 2.6 The contract includes a general review in 2023, which provides both parties with an opportunity to assess and evaluate performance and future ambitions.

This report goes on to consider each of the issues set out in the resolution of P&R on the 25th November 2020.

External Funding Available to the Hazlitt Arts Centre

- 2.7 As reported to ERL and P&R in autumn 2020, the application by Parkwood Leisure to the first Culture Recovery Fund (CRF) for the Hazlitt Theatre was unsuccessful. The fund does not have an appeals process but Parkwood Theatres, with the help of Helen Grant MP, have been pursuing a re-evaluation of the Arts Council's decision who administer the CRF. At the time of writing there is no available update or outcome of this.

- 2.8 Officers have had discussions with Arts Council representatives and Helen Grant MP at which future funding opportunities were discussed. Since that meeting the Arts Council has announced a second round of the Culture Recovery Fund. Councils can apply for this funding, which is to be used to support reactivation costs in arts and cultural venues to make them sustainable for future operations. Only costs incurred between April 2021 and June 2021 are relevant for any funding bid meaning the fund is limited in terms of its ability to provide sustainable relief against the Council's contract payments to Parkwood for the medium term.
- 2.9 Opportunities to bid opened on 6 January and will close on 26 January. With negotiations with Parkwood ongoing, a pragmatic decision has been made, due to the tight timescales, to work with Parkwood Leisure on a joint bid to the second round of the Culture Recovery Fund. If successful the bid will mitigate expenditure at the venue between the period April 2021 to June 2021, which will be of benefit to both parties.
- 2.10 The Arts Council also runs a project grants scheme, which makes grants of up to £100,000 available to regional cultural projects. The Council could make an application to this fund to cover specific projects that take place at the Hazlitt Arts Centre. This fund is open all year round and will be of great benefit to future work at the Hazlitt. The Council will consider a future bid. At present efforts are best directed to the Culture Recovery Fund and the resolving the ongoing impact of Covid-19.

Covid-19 Related Developments

- 2.11 The ERL meeting on 12 November 2020 and the P&R meeting on 25 November were held during the second lockdown. Since those meetings, at the start of December, Maidstone was placed into Tier 3 where the restrictions on live theatre continued. The only permitted activities at the Hazlitt Arts Centre which the public could attend were dance groups for under 18 participants. Parkwood Theatres made plans to resume these activities but the move to Tier 4 announced on 19 December meant that under-18 dance activities also had to cease. A third National Lockdown was then announced starting on the 5th January which will continue to at least the middle of February.
- 2.12 The Furlough scheme, previously extended to the end of December 2020, has now been extended to the end of April 2021.
- 2.13 In December 2020 two vaccines were approved for use in the UK. An LGA webinar on the vaccination programme and how it would be rolled out to communities in the UK informed the Council that the clinically vulnerable population will not be fully vaccinated until the end of May 2021. The government has a target of vaccinating the first groups of vulnerable citizens by the end of February 2021, at a rate of 2 million jabs per week. The exact dates of who will be vaccinated by when are not yet known by the Council but it is expected that everyone in the UK will be vaccinated by the end of 2021.

- 2.14 Since the P&R meeting on 25 November cases of Covid19 nationally have continued to rise. Maidstone consistently featured in the top 10 of most-affected boroughs in the UK with neighbouring boroughs occupying the top spot for a sustained period. At times in the last two months, the UK government has imposed additional measures and restrictions on Kent because of its infection rate.
- 2.15 At the time of writing the country is in its third national lockdown. The impact of Covid-19 is being felt in the NHS where hospitals are under severe pressure. Some county resilience forums (not Kent) have declared major emergencies because of the strain on hospitals and adult social care in their authority areas. Their infection rates are similar to those being experienced in Kent.
- 2.16 Kent schools have had their post-Christmas resumption dates postponed to help limit the spread of Covid-19. Consideration is being given to when face-to-face teaching in secondary school settings will recommence.
- 2.17 The impact of Tier 4 and the national lockdown restrictions on Parkwood and the HAC programme of activities and performances is significant. This will have a knock-on effect on programming and the need to reschedule performances once again. A great deal of uncertainty remains. The Government's timetable for the roll out vaccinations offers hope that social distancing restrictions may begin to ease in the spring, and performances may recommence. This is a significant change to the bleak and uncertain future faced in October and November 2020 when there was no reason to believe there could be any return to normality for short to medium term.

Member Engagement

- 2.18 Since the P&R meeting on 25 November, Council officers have had various meetings and conversations with the group leaders and the Chair and Vice Chair of ERL. These meetings have been used to keep councillors updated and to engage them in the process.
- 2.19 On 7 January, officers delivered a confidential briefing open to all Members to update them on the conversations with representatives from Parkwood Leisure, the information and ideas that have been exchanged, and the emerging options that are now included in this report. It was also open to members to put forward other options and to seek information which has been helpful in identifying what information is needed by the council's decision makers on these issues.

Stakeholder Engagement

- 2.20 Officers have had meetings and discussions with the Arts Council, Kent County Council and some local arts and cultural organisations.
- 2.21 Officers have conducted surveys with the user groups of the Hazlitt Arts Centre and other local arts and cultural groups who have the potential to use the venue, to collect and collate their thoughts and experiences on it. Nine responses were received from 21 groups who regularly use the Hazlitt.

Four responses were received from other local groups who do not use the Hazlitt.

2.22 The majority of the user groups value the venue and wish to see it continue to be available to them for their activities. For many it is the only venue in the borough that meets their technical requirements. The user groups comprise those who attend weekly and others who attend only once per year for productions. The majority of those who responded to the survey are happy with the venue and make repeat bookings.

2.23 The groups who do not use the theatre choose not to do so because the technical aspects or the size of the venue do not meet their needs, because its location does not suit them or because the building configuration does not suit.

Future Sustainability of the Hazlitt Arts Centre

2.24 At the time of the P&R meeting on 25 November 2020, Parkwood Theatres had not submitted their year 8 business plan to the council and their 2019 company accounts had not yet been filed (the deadline was December 2020). The Council has since reviewed these accounts and the 2020 management accounts and we can draw the conclusion that Parkwood Leisure and its family of companies are proving resilient during the Covid-19 pandemic.

2.25 The contract requires that the annual business plan is received in the July of each year, ready for an October implementation. In 2020 this was not achieved, however a first draft of the year 8 (October 2020 to September 2021) business plan was submitted to the Council on 9 December. The year 8 business plan models the best, medium and worst case scenarios for trading between October 2020 and September 2021. The different scenarios all involve remaining closed at the current time and resuming community activities and live theatre performances when they are allowed. The plan was written before the latest lockdown. However, because the theatre was already closed in Tier 4 the repercussions of the lockdown have not altered the business plan scenarios in any great way. The scenarios make different forecast assumptions on when restrictions may be lifted and when those services might resume. In all three scenarios the theatre is forecast to make a monthly deficit because of the impact of social distancing on audience sizes.

2.26 The year 8 business plan is based on the template from previous years, which has been effective at delivering services. In 2019 it achieved weekly opportunities for dance and youth theatre, access for community organisations, an annual pantomime which comprised 62 pantomime performances with an attendance of 91%, and 217 other performances with an average attendance of 44%.

2.27 The year 8 business plan makes some provision for new services and changes to the way services are delivered, for example offering an online broadcast of a Christmas show in 2020 when it was not possible for a live one to be delivered at the venue. A new educational arm to the business is

planned with development in the early stages. The plan currently includes no service delivery in outdoor open-air services, which may be possible in the summer of 2021 while indoor performances are still restricted. This continues to be discussed with Parkwood Leisure.

- 2.28 At the time of writing, Parkwood Leisure is following their year 8 business plan described in 2.27. Services are currently not being delivered and there is no government contract guidance in place to address this situation. The last advice issued by government was the PPN 04/20 advice. That advice had an expiry date of 31 October 2020 and it advised councils to address contracts where “the basic commercial assumptions that underpinned the viability of the original contract can no longer be maintained.” For contracts where this is the case councils should be varying or terminating them.
- 2.29 Council officers are aware of the other common operating models for theatres and other venues in this sector. At present these have not been explored in any great detail because they do not help address the immediate issues at hand, which are detailed in paragraph 2.1.

3. AVAILABLE OPTIONS

- 3.1 In considering the range of options, coming to a conclusion and subsequently a decision about the best way forward the Council needs to balance all the issues at hand. The Hazlitt Arts Centre provides a venue which has and can in the future make a positive contribution to Maidstone as a thriving place. This venue is protected in terms of a covenant and cannot be used for any alternative purpose. The Council has a contract with an operator for delivery of services at this venue; the contract cannot be wholly performed by the operator, at a time when there is uncertainty in the economy and in the leisure and hospitality industry. The Council is contemporaneously managing its own significantly challenged financial position; the impact of the Covid19 pandemic is forecast to challenge the council’s financial position throughout the period of its Medium-Term Financial Strategy.
- 3.2 The options available to the Economic, Regeneration and Leisure Committee at this time are presented below. These have been constructed after discussion and negotiation with Parkwood Leisure. However, it should be highlighted that Parkwood Leisure is in contract and is not obliged to do anything other than follow the requirements set out in the contract.
- 3.3 **Option 1 – Follow the Parkwood Leisure year 8 business plan**
The business plan scenarios forecast that community activities and live theatre will return to the Hazlitt Arts Centre at some point between January 2021 and September 2021. Social distancing restrictions on audience sizes will hamper the profitability of every performance and the theatre is forecast to make a monthly deficit until social distancing restrictions are fully lifted. This option will require the council to pay its full contract subsidy, which does not address the issues described in paragraph 3.1. However, if the roll out of the vaccine goes smoothly there is a greater

prospect that near normal services could be resumed by the summer this year.

3.4 However significant uncertainties remain; these include prevalence of Covid-19 and variants of Covid-19 including as restrictions are varied in their severity and level of freedom for movement etc, the pace and effectiveness of the roll out of vaccinations and seasonality impacts. It is therefore recommended that if this option is taken forward that it would be prudent to monitor the situation closely and not make decisions that in the short to medium term hinder the Council's ability to revisit the other options set out in this report.

3.5 In addition, Parkwood Leisure has agreed to set up an advisory forum to work more closely with Members on the future direction of the entertainment programme, including the identification of project opportunities such as audience development. Parkwood Leisure have also agreed to attend ERL Committee before the start of each year's programme to present their proposals for the year to come and seek Member feedback. **This option is recommended.**

3.6 **Option 2 – Follow an interim contract arrangement**

Through discussion with Parkwood Leisure, officers from both parties have endeavoured to identify an interim contract arrangement that has the potential to suit both organisations. The detail of this option is included in the Exempt Appendix. This interim contract arrangement acceptable to Parkwood Leisure does not fully address the current situation from the Council's perspective and **this option is not recommended.**

3.7 **Option 3 – Follow the Council's alternative proposal for the period of January 2021 to September 2021.**

The Parkwood Leisure business plan identifies that re-opening under social distancing restrictions will create a monthly deficit throughout 2021. The Council has proposed removing the contract requirement for the theatre to re-open immediately and instead facilitate an extended closure, managed by Parkwood Leisure, and enabling it to re-open at a later date when there is more certainty (and avoid the need to continually reschedule performances) and re-opening does not immediately generate losses. In such a seasonal industry, resuming services in winter 2021 enables the recovery to begin at the most profitable time.

Parkwood Leisure does not agree with this approach. The losses set out in their business plan are reduced from ticket sales when performances recommence. If staff are returned from furlough, and no performances are programmed, their losses will be higher. If staff are made redundant at the end of furlough to mitigate these losses, there will be redundancy costs, and challenges to re-employ staff after a few months of closure when it is commercially viable to reopen. Parkwood Leisure would support this option if the Council provides a greater monthly subsidy and an indemnity to Parkwood Leisure. **This option is not recommended.**

3.8 **Option 4 – Continue to pay the full subsidy and seek a future rebate**

The Council has discussed the possibility of a rebate from Parkwood Leisure in future years in return for the Council's continued support during the pandemic. This option would see the Council continue to pay Parkwood Leisure their normal monthly management fee while they are unable to provide services from the venue. In return Parkwood Leisure would accept a reduced monthly management fee in future years when profits have returned. Parkwood Leisure are not in favour of this approach as they cannot be sure how profitable future years will be and so cannot offer this to the Council, so **it cannot be recommended.**

3.9 **Option 5 – Terminate the contract through negotiation**

The discussions with Parkwood Leisure representatives to explore options further have identified that the two organisations do not have a lot of common ground. Negotiating a termination will not be a straight-forward task and is likely to become protracted. **This option is not recommended.**

3.10 **Option 6 – Terminate under the contract**

The PPN 04/20 guidance, although no longer in force, advised that where the basic commercial assumptions that underpinned the viability of the original contract could no longer be maintained, the contract should be varied or terminated. Discussions with Parkwood Leisure have identified some potential variations in 3.4, 3.5 and 3.6, however they are not suitable to one or either party. More information is provided in the Exempt Appendix. **This option is not recommended.**

3.11 The changes to the tiered restrictions, the current lockdown and the news of a vaccine roll out mean things could look very differently in three months. At the current time the Council needs to gather more information and make further assessments on the suitability of option 6. This means the recommended option at the current time is the one at paragraph 3.3.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The Council recognises that it is not the fault of Parkwood Theatres that services cannot be delivered under the contract. However, the question this report seeks to address is how long should the Council accept non-performance of services before termination becomes the more favourable option. Councillors' response to the termination option as proposed in November 2020 indicates that there is a high tolerance level for non-performance of services because of the need to protect activity at the theatre and to ensure the theatre is a feature of the town centre's economic recovery.
- 4.2 At the current time, with the level of tolerance established, Council officers can continue to monitor the situation and make further assessments and recommendations to Members. The further assessments can weigh up the tolerance threshold against the termination threshold.

5. RISK

- 5.1 The risks associated with this proposal, including the risks if the council does not act as recommended, have been considered in line with the council's Risk Management Framework. That consideration is shown in this report at paragraphs 3.3 – 3.8, 4.1 and in the Exempt Appendix. The option in paragraph 3.3 is rated as "RED". However, we are satisfied that the further responses to those risks shown at paragraph 4.1 and 4.2 are sufficient to bring the impact and likelihood within acceptable levels. We will continue to monitor these risks as per the Policy.
- 5.2 The Council is likely to face a lot of media speculation around this issue and decisions and it could cause reputational damage. The Council's Communications Team works closely with the Leisure Team to manage enquiries on this subject. The Council has a responsibility to manage its reputation when presenting options, it also has a responsibility to operate a balanced budget and to achieve value for money for all residents.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

2.30 A summary of the previous decisions is presented below:

Decision of P&R Committee, 16 September 2020

The Economic Regeneration and Leisure Committee review the contribution of the Hazlitt to the town centre economy and consider options for its sustainability, with the findings to be reported to this Committee,

Decision of ERL Committee, 12 November 2020

1. It be recognised that subsidy paid to Parkwood Leisure 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 Leisure and terminate the Hazlitt Theatre contract; and
4. Alternative uses, in the short and medium term, be looked into.

Decision of P&R Committee, 25 November 2020

That the four resolutions of the ERL committee on 12 November 2020 concerning the Hazlitt be substituted with a resolution:

- That the matter be deferred until the ERL Committee meets on 19 January 2021, so as to allow greater clarity on issues such as external sources of funding and Covid-19-related developments and to facilitate

further Member and Stakeholder engagement in determining the best method of retaining the Hazlitt for years to come.

2.31 Officers are required to:

- Provide greater clarity on issues such as external sources of funding than was provided to the ERLC on 12th November
- Provide greater clarity on the impact of Covid-19-related developments
- Facilitate further member & stakeholder engagement in determining the best method of retaining the Hazlitt for years to come
- Consider options to ensure the sustainability of the Hazlitt Arts Centre.
- Report to the ERL Committee in January 2021

6.1 The consultation and engagement that has taken place in the writing of this report is detailed in paragraphs 2.7, 2.8, and 2.18 – 2.23.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

7.1 Once agreed, officers will communicate the outcomes to Parkwood Leisure and continue to work in partnership with them.

7.2 Officers will continue to monitor the contract performance in line with the restrictions caused by the Covid-19 pandemic.

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Exempt Appendix 1

9. BACKGROUND PAPERS

- None