

**MAIDSTONE BOROUGH COUNCIL**

**CABINET**

**16 DECEMBER 2009**

**REPORT OF ASSISTANT DIRECTOR OF DEVELOPMENT AND  
COMMUNITY STRATEGY**

**Report prepared by John Foster**

1. **CONSIDERATION OF GROWTH POINT REVENUE  
EXPENDITURE**

1.1 Issue for Decision

1.1.1 To consider Growth Point funded revenue expenditure.

1.2 Recommendation of the Assistant Director of Development and  
Community Strategy

1.2.1 That the revenue expenditure items set out in Appendix 1 be approved.

1.3 Reasons for Recommendation

1.3.1 Maidstone Borough Council has been awarded revenue Growth Point funding in 2008/09 for three years. The Growth Point capital funding and expenditure proposals were agreed by the Cabinet in May 2009.

1.3.2 The annual amounts of revenue funding are set out in Table 1.

Table 1

	<b>Confirmed</b>	<b>Confirmed</b>	<b>Indicative</b>	
	<b>2008/09</b>	<b>2009/10</b>	<b>2010/11</b>	<b>TOTAL</b>
<b>Revenue</b>	£192,391	£193,900	£193,349	<b>£579,640</b>

1.3.3 In June 2008 The Cabinet Member for Regeneration approved Growth Point Revenue expenditure of £23,400 for Economic Development consultancy services. In January 2009 in the report, Art at the Centre, Phase II Maidstone, Project Appraisal and Future Options, a decision was made to allocate an element of the revenue budget of Growth Point funding to be used to provide

consultancy advice for the delivery of arts projects. In July 2009 delegated authority was given to the Director of Prosperity and Regeneration, in consultation with the Cabinet Member for Regeneration, to fund activity in support of the local economy and regeneration up to a total of £25,000.

1.3.4 To reflect previous decisions and to enable a planned approach to this expenditure to be established, it is proposed to set out areas of revenue expenditure necessary to deliver the Programme of Development (POD), Regeneration Statement and other corporate priorities. Outcomes will include and greater capacity, in terms of staff and financial resources, to undertake physical regeneration i.e. redevelopment of key town centre sites, and also social and economic regeneration and evidence to support planned growth.

1.3.5 Growth Point Revenue funding does not have to be spent in the year it is allocated and has therefore been profiled against likely planned project delivery. Appendix 1 sets out the programme of expenditure which is explained in more detail in the following paragraphs.

#### Staff / Consultant Costs

1.3.6 For the Economic Development Services to be properly resourced and to enable the Regeneration and Economic Development Manager to take forward the Regeneration Statement, an Economic Development Officer will be appointed. The budget line, Revenue in support of Arts Development Strategy, reflects the figure in the Council's draft Arts Development Strategy. Arts Development aim to use Growth Point funding as match funding for a bid to the Arts Council. Other regeneration projects will require from time to time specific project management capacity to deliver them.

#### Develop and Promote sites

1.3.7 This heading provides operational resource to deliver projects which may include site option and development appraisals, valuations, master planning work, consultation and marketing costs leading to the physical redevelopment and transformation of key town centre sites.

#### Regeneration

1.3.8 The development of employment and skills projects includes support for the creative industries, potentially an important key sector for Maidstone. The budget line, Response to the Economic Downturn, refers to the £25,000 to fund activity in support of the local economy and regeneration. The Make it Maidstone, Make it

Independent campaign, the purchase of property data and the development of Maidstone's Future Job's Fund programme has been funded so far from this £25,000. The Neighbourhood Planning expenditure will support the Planning for Real work being carried out in support of the actions contained in the Sustainable Community Strategy. Pump Priming Transport Improvements refers to the need to fund traffic modeling work, test and design proposals that may improve the transportation infrastructure and challenge guidance provided by external agencies.

#### Growth Point Strategies

1.3.9 Expenditure to carry out both the Integrated Water Strategy and Green Infrastructure Strategy has been agreed in previous reports. English Nature and the Environment Agency have strongly advised the Council to produce these strategies and the outcome will be important in informing the content of the Local Development Framework's Infrastructure Delivery Strategy.

#### 1.4 Alternative Action and why not Recommended

1.4.1 An alternative approach could be to continue to seek approval for expenditure on an ad hoc basis. This has not been recommended as it has the potential not to align expenditure with corporate objectives and result in a less strategic approach to project delivery. A programme of expenditure can be monitored and progress tracked.

#### 1.5 Impact on Corporate Objectives

1.5.1 The activity set out in this report supports the Council's Strategic Plan 2009-12 and key objectives regarding the economy and prosperity, sustainable and integrated transport, and homes and communities.

#### 1.6 Risk Management

<b>Risk Description</b>	<b>Likelihood</b>	<b>Seriousness or Impact</b>	<b>Mitigation Measures</b>
2010/11 Revenue funding is indicative	D	2	A letter received from the Secretary of State in July 2009 stated that he had no intention of changing the 2010/11 Revenue allocation.

(Likelihood: A = very high; B = high; C = significant; D = low; E = very low; F = almost impossible)

(Seriousness or Impact: 1= catastrophic; 2 = critical; 3 = marginal; 4 = negligible)

1.7 Other Implications

1.7.1

1.	Financial	X
2.	Staffing	X
3.	Legal	X
4.	Equality Impact Needs Assessment	X
5.	Environmental/Sustainable Development	X
6.	Community Safety	
7.	Human Rights Act	
8.	Procurement	X
9.	Asset Management	X

1.7.2 Financial: Expenditure is contained within the Growth Point revenue grant award.

1.7.3 Staffing: The delivery of the growth programme will require a commitment across all Council services and possibly new ways of working to ensure successful implementation. An Economic Development Officer will be recruited on a 3 year fixed term basis.

1.7.4 Legal: Various legal agreements will be needed in the procurement process.

1.7.5 EINA: Ensuring that the benefits of growth and regeneration are shared by all parts of the community will be a priority.

1.7.6 Environmental/Sustainable Development: The creation of a sustainable community and more sustainable patterns of

living are fundamental to Maidstone's long term vision for the Borough, and will be reflected in all development proposals.

1.7.7 Procurement: There will be resource implications for the procurement team as there will be a need to procure services to deliver regeneration projects and the growth plan.

1.7.8 Asset Management: The disposal of, or new Joint Venture partnership, or sale of Council owned assets will have an impact on how the asset is managed.

1.8 Background Documents

1.8.1 None

**NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED**

Is this a Key Decision?      Yes            No     

If yes, when did it appear in the Forward Plan?  
1 October 2009 – 31 January 2010

Is this an Urgent Key Decision?      Yes            No

## **CONSIDERATION OF GROWTH POINT REVENUE EXPENDITURE**

### **Appendix 1**

<b>GROWTH POINT REVENUE EXPENDITURE:</b>	<b>2009/10</b>		<b>2010/11</b>		<b>2011/12</b>		<b>2012/13</b>	
	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>
<b>Staff/consultant costs</b>								
Economic Development Officer	10		50		50		40	
Revenue in support of Arts Development Strategy	5		15		15		15	
Project Management	20		30		30			
<b>Sub Total</b>		<b>35</b>		<b>95</b>		<b>95</b>		<b>55</b>
<b>Develop and promote sites</b>								
Town Centre (e.g. King Street, Peugeot)	20		20					
Riverside - development plan			30					
<b>Sub Total</b>		<b>20</b>		<b>50</b>		<b>0</b>		<b>0</b>
<b>Regeneration</b>								
Develop employment and skills schemes	5		15		20			
Response to economic downturn	10		15					
Neighbourhood Planning	5		15		20			
Pump priming transport improvements	10		20		20			
<b>Sub Total</b>		<b>30</b>		<b>65</b>		<b>60</b>		<b>0</b>
<b>Growth Point strategies</b>								
Integrated Water Strategy	40							
Green Infrastructure Strategy	10							
<b>Sub Total</b>		<b>50</b>		<b>0</b>		<b>0</b>		<b>0</b>
<b>Overall Total</b>		<b>135</b>		<b>210</b>		<b>155</b>		<b>55</b>

<b>FUNDING AVAILABLE</b>	<b>2009/10</b>		<b>2010/11</b>		<b>2011/12</b>		<b>2012/13</b>	
	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>
<b>Growth Point</b>		135		210		155		55