

# **MAIDSTONE BOROUGH COUNCIL**

## **CABINET**

**12<sup>th</sup> August 2009**

### **REPORT OF DIRECTOR OF PROSPERITY AND REGENERATION**

**Report prepared by John Foster**

#### **1. Regeneration Statement**

##### 1.1 Issue for Decision

1.1.1 To consider the Council's approach to regeneration as set out in the Regeneration Statement appended to this report.

##### 1.2 Recommendation of the Director of Prosperity and Regeneration

1.2.1 That Cabinet endorses the approach set out in the Regeneration Statement.

1.2.2 That Cabinet agrees the new organisational structure set out in the appendix to the Regeneration Statement.

##### 1.3 Reasons for Recommendation

1.3.1 In 2001 Maidstone's approach to regeneration was rated by the Audit Commission as poor, but with promising prospects for improvement. Since that time regeneration policy and activity has been developed in a range of work streams but remains somewhat fragmented. The creation of the Prosperity and Regeneration Department in February 2009 signalled the Council's intention to place greater emphasis on regeneration. This new focus, together with the economic downturn, has prompted the drafting of a Regeneration Statement for the Borough.

1.3.2 The purpose of the Regeneration Statement is to:

- Define what is meant by regeneration.
- Set out the existing Strategies and Policies that promote regeneration.
- Put forward a structured approach to regeneration which suggests initially for the development of public land first
- Identify an organisational structure to bring forward regeneration.

#### 1.4 Alternative Action and why not Recommended

1.4.1 The Council could choose to not to engage in regeneration activities or try to engage in a much broader range of activities than set out in the Regeneration Statement.

1.4.2 The Council has clearly set out in a number of policy documents the importance of regeneration to secure the long term prosperity of the Borough. Sites within the urban area have been vacant or underused for some time and demonstrate that without public intervention positive change will not happen if left to market forces. Some of the Borough's neighbourhoods continue to fall within some of the most deprived areas in country. Intervention at the neighbourhood level is required to begin to tackle the underlining causes of social, physical and economic exclusion. Whilst the Council cannot do this alone and must work in partnership with other agencies, no other organisation is better placed to lead regeneration at the Borough level.

1.4.3 Regeneration requires resources to fund activity and close the funding gap between non viable and viable development. Whilst significant resources are available thanks to Growth Point funding, it is still necessary to prioritise the Council's approach and try to tackle all aspects of regeneration at the same time.

#### 1.5 Impact on Corporate Objectives

1.5.1 The Regeneration Statement supports the corporate priorities to create "A place to achieve, prosper and thrive" and notably to work with the Local Strategic Partnership and other partners to deliver and support key regeneration projects.

#### 1.6 Risk Management

<b>Risk Description</b>	<b>Likelihood</b>	<b>Seriousness or Impact</b>	<b>Mitigation Measures</b>
The main risk is in the delivery of the approach set out in the Statement and later the Regeneration Strategy	D	2	A new organizational structure is proposed to strengthen the Council's capacity to deliver regeneration in the Borough supported by Growth Point funding

(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: Capital funding for Regeneration activities is set out in the Capital programme. Revenue expenditure, including staff, will be met from Growth Point revenue funding. The additional cost over a period of 3 years is estimated at £245,000; this assumes the addition of a limited term (3 year) post to undertake a range of economic development work supporting the Economic Development and Regeneration Manager and provision for additional project management capacity to be achieved according to the skills demanded by the specific projects being progressed through either short term secondment or procurement of specific expertise. The total revenue grant for 2008-11 is £579,640 of which £100k is already spent or committed; hence the proposed staffing arrangements are affordable with headroom for project delivery costs.

Staffing: The delivery of the Regeneration Statement will require a commitment across all Council services and possibly new ways of working to ensure successful implementation. A new organisation structure is proposed as part of the Regeneration Statement. The structure shows the activities to be carried out by the proposed Economic Development and Regeneration Team. The structure is an evolution of the current Economic Development and Tourism teams. It is proposed to change the reporting line for the Community

Engagement post from a direct line to the Assistant Director for Development and Community Services to the team leader for Economic Development and Regeneration and increase capacity for economic development work and project management as described above. Proposals for introducing administrative support will be brought forward as part of overall Business Support within the Prosperity and Regeneration Department. All changes will be achieved through the Council's procedures for Organisational Change.

1.7.3 Legal: Various legal agreements will be needed in the development process.

1.7.4 Equality Impact Needs Assessment: Reducing social and economic inequalities is a key objective of neighbourhood planning, together with creating opportunities for all the Borough's communities to benefit from economic regeneration.

1.7.5 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.

1.7.6 Procurement: There will be resource implications for the procurement team as there will be a need to procure services to deliver projects.

## 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?

Is this an Urgent Key Decision?      Yes            No     

Reason for Urgency