

**MAIDSTONE BOROUGH COUNCIL**

**ECONOMIC REGENERATION AND LEISURE  
POLICY ADVISORY COMMITTEE**

**MINUTES OF THE MEETING HELD ON 6 DECEMBER 2022**

**Present:**

<b>Committee Members:</b>	<b>Councillor Garten (Chairman) and Councillors Brindle, Bryant, Forecast, Mrs Gooch, Harper, Hastie, Hinder and Naghi</b>
<b>Lead Members:</b>	<b>Councillors Burton (Leader of the Council) and Russell (Lead Member for Leisure and Arts)</b>
<b>Visiting Members:</b>	<b>Councillors Cleator and Newton</b>

66. APOLOGIES FOR ABSENCE

It was noted that apologies for absence had been received from Councillor Fort.

67. NOTIFICATION OF SUBSTITUTE MEMBERS

It was noted that Councillor Brindle was substituting for Councillor Fort.

68. URGENT ITEMS

There were no urgent items.

69. NOTIFICATION OF VISITING MEMBERS

Councillor Cleator indicated her wish to speak on the report setting out future options for Maidstone Leisure Centre.

Councillor Newton reserved his right to speak on all items on the agenda.

Note: Councillor Forecast entered the meeting during consideration of this item (6.33 p.m.).

70. DISCLOSURES BY MEMBERS AND OFFICERS

With regard to agenda item 13 (Maidstone Museums' Governance):

Councillor Brindle said that she was a Trustee of the Brenchley Charity; Councillor Harper said that he was a Trustee of the Maidstone Museums' Foundation; and Councillor Mrs Gooch said that she was a Friend of the Maidstone Museums' Foundation

71. DISCLOSURES OF LOBBYING

There were no disclosures of lobbying.

72. EXEMPT ITEMS

**RESOLVED:** That the items on the agenda be taken in public as proposed.

73. MINUTES OF THE MEETING HELD ON 8 NOVEMBER 2022

**RESOLVED:** That the Minutes of the meeting held on 8 November 2022 be approved as a correct record and signed.

74. PRESENTATION OF PETITIONS

There were no petitions.

75. QUESTION AND ANSWER SESSION FOR LOCAL RESIDENTS

There were no questions from local residents.

76. QUESTIONS FROM MEMBERS TO THE CHAIRMAN

There were no questions from Members to the Chairman.

Note: Councillor Bryant entered the meeting during consideration of this item (6.36 p.m.). She said that she had no disclosures of interest or of lobbying.

77. FORWARD PLAN RELATING TO THE COMMITTEE'S TERMS OF REFERENCE

The Chairman advised the Committee that the expected date of decision for the Leisure Centre item was now 8 February 2023.

**RESOLVED:** That the Forward Plan relating to the Committee's Terms of Reference, as amended, be noted.

78. MAIDSTONE MUSEUMS' GOVERNANCE

Councillor Russell, the Lead Member for Leisure and Arts, introduced a report reviewing the governance arrangements in respect of the Maidstone Museums. The Lead Member explained that it was considered that this was not the time for a change in the governance arrangements especially having regard to the new gallery plans. It was therefore proposed that the existing governance arrangements should continue in place, but with some minor modifications and a further review within a timescale to be determined.

In response to a question, the Lead Member said that she had met with the Trustees of the Bently Wing. The Trustees were looking to recruit some new Trustees and that might provide an opportunity to improve relations with them further.

The Committee supported the proposals set out in the report and wished to add a further recommendation that the governance arrangements in respect of the Maidstone Museums be reviewed in three years' time.

**RESOLVED TO RECOMMEND TO THE LEAD MEMBER FOR LEISURE AND ARTS:**

1. That Maidstone Museum and Maidstone Carriage Museum (collectively known as Maidstone Museums) remain as directly provided services within Maidstone Borough Council.
2. That Maidstone Museums continue to work with the Queen's Own Royal West Kent Regiment Trust and the Bently Wing Trust.
3. That Officers ascertain the intention of the Trustees of the Brenchley Trust in relation to the future of this Trust.
4. That arrangements with the Maidstone Museums' Foundation and Kent Archaeological Society be formalised by means of Memoranda of Understanding.
5. That the governance arrangements in respect of the Maidstone Museums be reviewed in three years' time.

79. **FUTURE OPTIONS FOR MAIDSTONE LEISURE CENTRE**

Councillor Russell, the Lead Member for Leisure and Arts, introduced a report setting out future options for Maidstone Leisure Centre given the impending expiry of the current operator's contract, the condition of the building and the Council's commitment to promoting health and well-being. The Lead Member explained that:

- The purpose of the report was to provide an update on the current position and the background to that. She had introduced Option 3D (Minor Practical Improvements to the Existing Leisure Centre) because, in the current economic climate, she did not consider the time was right to embark on what would represent one of the biggest capital projects for the Council.
- In early 2022, cost estimates were obtained for the refurbishment of the existing leisure centre and new facilities and the refurbishment (£30m) was almost as expensive as a new build (£35m). Since being obtained, these estimates would have increased significantly due to inflation and supply chain challenges. Borrowing costs to finance the project had also increased resulting in additional financial challenges.
- The new build and refurbishment figures were based on conventional building methods. A Passivhaus construction would be more expensive initially but would have potential for lower running costs.
- In response to increasing construction costs and interest rates, a menu of minor improvements had also been compiled (Option 3D) which could deliver an uplift in services, increase energy performance and target new business opportunities in the medium term. The changes involved reconfiguring the reception area, the office spaces and the café terrace area to separate the pools from the indoor play areas, create a new space to extend the indoor play offering and improve customer flow. More work was now needed to develop the business case. The thinking behind a new leisure centre, its

location, design and facilities would continue as the cost of maintaining the existing building was escalating.

Councillor Cleator, Visiting Member, addressed the Committee in support of investment in a new centrally located leisure centre (Mote Park) arguing that it would deliver economic, social and environmental benefits. She cautioned against a refurbishment project as this could lead to additional costs being incurred.

In response to comments/questions:

The Lead Member confirmed/explained that:

- The current capital programme had a budget provision of £35m for the leisure centre.
- She could not recommend that the Council proceed with building a new leisure centre without being clear about what it should look like, where it should be and what it would cost because of the need to be responsible with taxpayers' money.
- In terms of the distribution of facilities, the Hub and Spoke was not the favoured model. The favoured model was to keep the leisure centre within the Borough's resident base and 80% of residents were living around the existing facility (Centrally Located model).

The Leisure Manager confirmed that:

- The figures set out in the report would be subject to construction uplift which was estimated to be around 15-20% depending on the type of project/materials etc. The increase in the cost of borrowing also needed to be factored in. The figures were not for a Passivhaus design which would be more expensive.
- Option 3D would not include any solar panels to the roof to provide energy for the leisure centre. It involved internal changes only to reduce the amount of energy used rather than generating any energy on site.
- The current contract for the operation of the leisure centre with Maidstone Leisure Trust which in turn employed Serco Leisure Limited to run the centre would expire in 2024. The Leisure Trust was a voluntary group of Maidstone residents who used the leisure centre. The extension of the contract was possible subject to all parties agreeing terms.

During the discussion, Councillor Burton, the Leader of the Council, explained that it would be necessary to borrow to fund the Leisure Centre project. Interest rates had gone up which meant that the borrowing costs to finance the project had also increased. The Executive was committed to having the very best facilities for Maidstone that were possible and to reducing energy costs and the negative carbon impacts of the leisure centre.

It had been moved by Councillor Harper, seconded by Councillor Naghi:

1. That the report be noted.

2. That the Executive be recommended to adopt Option 1B Hub and Spoke distribution of facilities as set out in paragraph 2.7 of the report.
3. That the Executive be recommended to adopt Option 3C New Facilities, and that work be undertaken to prepare a fully costed proposal.

When put to the vote, the motion was lost.

**RESOLVED:** That the report be noted.

Note: Councillor Hastie entered the meeting during consideration of this item (6.52 p.m.). She said that she had no disclosures of interest or of lobbying.

#### 80. FEES AND CHARGES 2023/24

Councillor Russell, the Lead Member for Leisure and Arts, introduced a report setting out the proposed fees and charges for 2023/24 for the services within the remit of the Committee. The Lead Member wished to highlight that it was proposed that there be a reduction in market charges to encourage the take-up of pitches.

In response to questions by Members, the Director of Finance, Resources and Business Improvement explained that:

- The Leisure Centre was run under a contract with the Maidstone Leisure Trust and Serco Leisure Limited, so the Council did not have any direct control over the charges applied there. This was also the case in respect of the Hazlitt Theatre which was outsourced.
- In accordance with the Council's Charging Policy, Managers were given discretion to propose different levels of charges, but they did seek to maximise income where possible to cover costs. With inflation running at 10%, it was almost inevitable that the Council's costs would increase. Managers had been asked to consider increasing fees and charges by 5% as a default to cover the Council's costs unless there were overriding circumstances as with the market.

During the discussion, it was suggested that the Executive be recommended to look at the collection of mooring fees and the opportunities to further commercialise.

**RESOLVED:**

1. That the report be noted.
2. **TO RECOMMEND TO THE EXECUTIVE:**
  - (i) That the Fees and Charges, as detailed in Appendix 1 to the report, be approved.
  - (ii) That a review be undertaken of the collection of mooring fees and the opportunities to further commercialise.

81. DURATION OF MEETING

6.30 p.m. to 7.50 p.m.