

MAIDSTONE BOROUGH COUNCIL

Economic and Commercial Development Overview & Scrutiny Committee

MINUTES OF THE MEETING HELD ON TUESDAY 29 JULY 2014

Present: Councillor Paterson (Chairman), and
Councillors Butler, Cuming, Fissenden, Mrs Hinder,
Hogg, McKay, Powell and Vizzard

Also Present: Councillors Mrs Gooch, Greer and Round

12. THE COMMITTEE TO CONSIDER WHETHER ALL ITEMS ON THE AGENDA SHOULD BE WEBCAST

RESOLVED: That all items on the agenda be webcast.

13. APOLOGIES

No apologies for absence were received.

14. NOTIFICATION OF SUBSTITUTE MEMBERS

The Chairman provided an update on committee membership, following the full council meeting held on the 23rd July. Councillor Paul Harper had replaced Councillor Fay Gooch on the committee.

It was noted that Councillor Malcolm McKay was substituting for Councillor Paul Harper.

15. NOTIFICATION OF VISITING MEMBERS/WITNESSES

Councillor Malcolm Greer, Cabinet Member for Economic and Commercial Development, was in attendance as a witness for item 8 on the agenda- Cabinet Member Priorities for 2014/2015.

Marcus Lawler, Commercial Projects Manager, was in attendance as a witness for item 9 on the agenda- Draft Commercialisation Strategy.

Councillors Martin Round and Fay Gooch were in attendance as visiting members.

16. DISCLOSURES BY MEMBERS AND OFFICERS

There were no disclosures by Members and Officers.

17. TO CONSIDER WHETHER ANY ITEMS SHOULD BE TAKEN IN PRIVATE BECAUSE OF THE POSSIBLE DISCLOSURE OF EXEMPT INFORMATION

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

18. MINUTES OF THE MEETING HELD ON 1ST JULY 2014

RESOLVED: That the minutes of the meeting held on 1 July 2014 be approved as a correct record and signed.

19. CABINET MEMBER PRIORITIES FOR 2014/2015

Councillor Malcolm Greer, the Cabinet Member for Economic and Commercial Development, was invited to speak on item 8: Cabinet Member Priorities for 2014/2015.

The committee enquired about the relationship between the proposed developments at Maidstone East, The Mall, Springfield and the Powerhub.

Councillor Greer responded that all of these developments were privately owned and were independent of each other. Councillor Greer emphasised that the developments would only be accepted if they were right for Maidstone, and that most of these developments required an enabler in the form of a supermarket.

A member of the committee asked Councillor Greer for a more in depth update on phase 3 of the regeneration of the Town Centre.

Councillor Greer updated the committee on the following areas:

- Board 3 had been set up, in a similar way to which boards 1 and 2 were set up for phase 1 and 2 of the High Street regeneration. The aim of Project Board 3 was to ascertain the financial benefits and construction costs of the proposed projects;
- Consultation had taken place with stakeholders and the general public; and
- No funding was in place, however these schemes needed to be analysed to ascertain their business case and cost to implement. Funding would be from contributions of future developments.

The committee asked Councillor Greer whether there had been any progress in speeding up of the time taken for utility companies to replace the granite paving on the high street, following repairs and maintenance.

Councillor Greer informed the committee that an agreement had been reached between Kent County Council and the utility companies. It was noted that the granite paving would be replaced within 2 weeks of commencement of works. Within this agreement it was specifically stated that there was a ready supply of granite blocks in Maidstone Borough Council's possession that utility companies could use to re-surface areas that had been worked on.

The committee was interested to hear whether Councillor Greer had any plans for introducing a supermarket tax.

In response, Councillor Greer stated that there were no plans for a supermarket tax. Councillor Greer also stated that whilst many of the proposals for redevelopment in the town centre required a supermarket as an enabler, it remained to be seen how many supermarkets would actually decide to invest in these schemes.

In response to a question about any plans for the river area, Councillor Greer explained that this was not currently in his plans. This was because regenerating the river area would require a large funding commitment; not just to design and implement but also to maintain; and that funding wasn't available.

A member of the committee asked Councillor Greer what his priorities for rural areas were for the coming year. Councillor Greer explained that the main barrier in rural areas was transport, particularly for young people, and that he would be working to address this in the coming year.

A visiting member pointed out to Councillor Greer that there were no timescales listed against his priorities, and that some of the pieces of work had implications for other pieces of work (e.g. the local plan).

RESOLVED:

- a) That, where appropriate, timescales be added to the list of cabinet member priorities and circulated to members of the committee; and
- b) That Councillor Greer be invited to report back to the committee at the end of the municipal year on his achievements against his priorities. This should be added to the Future Work Programme.

20. **DRAFT COMMERCIALISATION STRATEGY**

Marcus Lawler, Commercial Projects Manager, was invited to speak on item 9:- Draft Commercialisation Strategy.

Mr Lawler made a presentation to the committee, which covered the following points:

- The Draft Commercialisation Strategy would enable the council to continue to provide services to its residents in the face of continued funding reductions;
- As such, the Draft Commercialisation Strategy was part of the Medium Term Financial Strategy;
- The strategy outlined four activities to be undertaken:
 - Commissioning;
 - Business Improvement;
 - Fees and Charging Reviews; and
 - Trading Activities.
- None of these activities in themselves were new to the council, however this strategy rationalised the council's approach to these activities.

Mr Lawler outlined the following funds that would be available to pursue the strategy:

- £500,000 from the Invest to Save Fund. Any successful projects that used this funding would have a mechanism to claw back some of this money to replenish the fund;
- A £500,000 fund to extricate the council from failed projects; and
- £6 million of prudential borrowing to invest in trading and investment activities.

A member of the committee asked Mr Lawler whether the purpose of this strategy was to turn Maidstone Borough Council into Maidstone PLC. Mr Lawler responded that this strategy was not an end in itself, but a means to deliver savings and profits so that the council could maintain and enhance services for local residents in the face of funding cuts.

Mr Lawler was asked by the committee whether there was any risk in setting up a holding company for the council's commercial activities. Mr Lawler explained that in every business case there was a risk, however these risks would be made clear in any business case that was submitted to Cabinet. Ultimately it would be for Cabinet to decide whether it was worth taking that risk.

The committee enquired whether the result of the commissioning exercise would be that everything would be brought back to in house service delivery. Mr Lawler answered that each service would be treated on its own merits, and that all methods of service delivery would be judged fairly. However it would be for Cabinet to take the final decision on service delivery.

The committee suggested that it may be beneficial to prioritise carrying out a commissioning exercise on the planning and planning enforcement service.

RESOLVED:

- a) That Cabinet be recommended to adopt the Commercialisation Strategy, as part of the medium term financial strategy, on 13 August 2014; and
- b) That the Commercial Projects Manager be recommended to give priority to carry out a commissioning exercise for the planning and planning enforcement services.

21. FUTURE WORK PROGRAMME

Sam Bailey, Research and Performance Officer, introduced the draft future work programme of the committee.

Sam Bailey suggested that a scoping meeting be set up in order to draft a scoping document for the proposed night time economy review.

Sam Bailey corrected the future work programme, stating that under the meeting of the 29th July, the Economic Development Strategy should not have been on as an agenda item.

The Chairman informed the committee that neither herself, nor the Vice Chairman, would be available for the meeting of the 23rd September therefore it was proposed that this meeting be cancelled.

The Chairman reminded the committee that there would be two meetings in October due to the joint meeting with the Planning Transport and Development Overview and Scrutiny Committee to consider the Employment Land Qualitative Report and the Economic Development Strategy.

A visiting member suggested the topic suggestion of 'barriers to rural business' be changed to 'barriers and opportunities for rural businesses'.

RESOLVED:

- a) That a meeting be set up to scope the proposed night time economy review and that a draft scoping document be considered by the committee on the 26th August for comment and approval;
- b) The suggested topic of 'barriers to rural businesses' be changed to 'barriers and opportunities for rural business'; and
- c) That, subject to discussion with the proper officer, the meeting of the 23rd September be cancelled.

22. **DURATION OF MEETING**

19:30hrs to 21:09hrs