

MAIDSTONE BOROUGH COUNCIL

CABINET

REPORT OF THE DIRECTOR OF REGENERATION AND COMMUNITIES

Report Prepared by Steve Goulette

1 CULTURAL AND LEISURE SERVICES

1.1 Issue for Decision

1.1.1 To consider possible changes to the way that Cultural and Leisure Services are provided.

1.2 Recommendation of the Director of Regeneration and Communities

1.2.1 It is recommended that:-

- a. Cabinet agrees the staffing structure changes identified in the Exempt Appendix subject to the appropriate consultation and authority being given to the Chief Executive to make minor changes in consultation with the Leader.
- b. Cabinet agrees to the establishment of a new business team called Maidstone Culture and Leisure(MCL) under the Head of Commercial and Economic Development
- c. Cabinet agrees the principle of reducing the net cost of cultural and leisure services to the Council and gives authority to the Director of Regeneration and Communities to progress the projects identified in paragraphs 1.3 .9 – 13 and in particular agree:-
 - (i) The adaption of the current business plan for the Council's museums, developing new ways to generate income.
 - (ii) The establishment of a consolidated events programme with new and varied entertainment.
 - (iii) The introduction of a leisure card to offer a range of discounts and promotions to both residents and visitors.
 - (iv) The principle of a Mote Park adventure zone, subject to the necessary approvals and consents being achieved.
 - (v) The possible provision of a new café and retail outlet for Mote Park to be considered as part of the Council's capital programme.
 - (vi) A review of parking demand and traffic management inside and outside Mote Park be undertaken including consultation with residents living adjacent to the park and park users regarding both day to day arrangements and those put in place when events are held in the park.

d. Full details of the various projects for MCL be provided in future reports to the relevant cabinet member.

1.3 Reasons for Recommendations

1.3.1 In October 2010 the Council considered, as part of the strategic planning process, a service prioritisation which identified services with high, medium and low priority to reflect the Council's strategic priorities. This highlighted the need for investment in economic development but also concluded that recreation, sport and open spaces would have a medium priority and culture and heritage would have a low priority. In both cases the decision was to deliver these services to the same standard but at lower cost.

1.3.2 Since that time, ways to achieve this have been considered with the aim of reducing cost or increasing income and this has recently resulted in the decision to award the contract of the management of the Hazlitt Arts Centre to Park Wood Leisure, significantly reducing the cost to the Council.

1.3.3 In the Chief Executive's report on the future shape of the organisation considered by Cabinet in February this year, recognising the continued pressure on the Council's revenue budgets, proposals were brought forward regarding the way the Council's cultural facilities would operate and following the consultation process and the recognised synergies between culture and leisure, changes were made that would bring together the Council's cultural and leisure facilities under one head of service for commercial and economic development.

1.3.4 All of these elements have combined to confirm the need for changes in the way that cultural services are provided.

1.3.5 In September 2012, Cabinet agreed to undertake business modelling for commercial opportunities, including potentially new and existing activity. Since that time, work has been undertaken in two specific areas. The first is a commercial waste collection service, which is now established and operating in and around the borough. The second is venues and events. This project has considered ways in which three services, parks and leisure, Hazlitt arts centre and the Council's museums could operate together in a commercial way to generate income for the Council, reduce net cost and achieve the strategic aim identified above.

1.3.6 Having regard to these various needs, changes to the establishment are provided in the Exempt Appendix to this report together with a brief explanation for the reason for the changes together with the existing structures. These proposals also impact on the structure of the economic development team and there is a separate report on the agenda to consider this. Cabinet is asked to consider these changes and if supportive agree them subject to the appropriate consultation

being undertaken and delegated authority being given to the chief executive to make minor changes in consultation with the Leader.

- 1.3.7 The proposals for venues and events bring together the Council's Hazlitt Arts Centre, via Parkwood Leisure, the museums, indirectly Mote Hall via Maidstone Leisure Trust and the Council's parks into one new business team called Maidstone Culture and Leisure. This new team will manage the Council's assets on a day to day basis but will seek to use the various venues to generate income for the Council.

It is proposed that:-

- (i) This new team will adopt and adapt the current museum business plan and will seek new and innovative ways to raise income. This will involve using the Council's venues for new and exciting events.
- (ii) Three major events planned for Mote Park and others in Whatman Park and Mote Hall. These will be carried out in a way to protect the character and heritage of the venues.

- 1.3.8 There will also be links to the Council's conference bureau and the establishment of a leisure card linked to existing and extended databases to offer benefits and incentives to local residents and visitors.

- 1.3.9 Mote Park is a major asset for the town and is already very popular with hundreds of thousands of visitors each year. However the costs of maintaining the park are considerable and there is a need to identify ways to generate some income to offset these costs. Two possible suggestions are identified below:-

- (i) An adventure zone in the area adjacent to the leisure centre could be established. This would take up less than 1% of the parks area but would generate a significant income. However such a proposal will require a number of different approvals, including planning permission and a further detailed report will be made as these processes are undertaken A plan showing a potential location for the adventure zone is shown in appendix A. Initial discussions with planning officers have not generated any objections in principle.
- (ii) A new café and retail opportunity is proposed in Mote Park, potentially to be funded through the Council's capital programme, subject to the necessary consents being agreed and a separate decision by Cabinet. This will also generate significant income and provide an important building adjacent to the lake.

1.3.10 Significant work needs to be undertaken to bring these various proposals together and detailed financial plans can only be finalised as the projects are worked up so it will be necessary to consider the detailed arrangements in due course. These will be provided to the appropriate Cabinet Member. However it is expected that these new initiatives will generate significant income. At this stage cabinet is asked to agree the establishment of MCL and to agree to move forward to develop the events and initiatives. A summary of the key proposals is provided in the exempt appendix to the report.

1.3.11 The current usage of Mote Park, particularly on event days can generate traffic management and parking issues inside and outside the park. This could be potentially increased with more events and the establishment of the adventure zone. It is therefore proposed to undertake a review of parking and traffic management, consulting with users and local residents on the impact from previous events to identify issues of concern and possible solutions. It is anticipated that this will lead to a new parking strategy for the park.

1.4 Alternative Action and why not Recommended

1.4.1 Cabinet could determine to adopt a different staff establishment for the delivery of cultural and leisure services. However, this will not provide the best arrangements for meeting the Council's priorities.

1.4.2 Cabinet could decide not to establish the new MCL team but this would mean the opportunity to generate new income for the Council would be lost.

1.4.3 Cabinet could also decide not to agree the further development of the proposals for the adventure zone or fund the new café and retail facilities in Mote Park but failure to agree and fund this development work would result in a potential significant loss of income.

1.4.4 Cabinet could determine to not agree to the development of the events and proposals in the outline business plan but again this would mean that opportunities to increase income would be lost making the Council's priorities difficult to achieve.

1.5 Impact on Corporate Objectives

1.5.1 The proposals for a different way to deliver cultural and leisure services and generate income, will be in accordance with the Council's priorities set out in 2010.

1.6 Risk Management

1.6.1 This is a new activity for the Council and there are a number of risks, with the primary one relating to loss of income and event failure. To recognise this, regularly reports on progress and business accounts

will be provided to Cabinet.

1.6.2 In the case of events, insurance policies will be put in place in case the artistes do not appear. Such details will be included in the detailed business plan.

1.6.3 Care will be taken to ensure there is minimal impact on the venues due to the event. This could involve specialist equipment to minimise wet weather situations.

1.6.4 In addition, Cabinet set aside £500K, to meet possible commercial failure, as part of the initial September 2012 report.

1.7 Other Implications

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

1.7.1 Financial

1.7.2 The proposed new structure will result in an overall increase in staffing costs through the provision of the new marketing and sales manager post. In addition two of the posts are likely to have a slight increase in grade and it is proposed to fund these changes from the Council's invest to save fund in the first year.

1.7.3 The financial arrangements for the projects will be the subject of detailed reports to the appropriate cabinet member as they are developed. An outline business plan is provided in the Exempt Appendix and it is expected that these new initiatives will generate significant income.

1.7.4 A fund has been established for business failure. However, the proposals brought forward in the business plans will be realistic with risks mitigated. Insurance policies may be required for some events.

1.7.5 Staffing

The establishment of MCL will require staffing changes and these are shown in the Exempt Appendix.

1.7.6 Legal

Legal agreements will be required with third party providers.

- 1.7.7 Procurement
The Council's procurement rules will be used for the provision of the adventure zone and, in some cases, specific events.
- 1.7.8 Equality Impact Assessment
An Equality Impact Assessment has been considered and will be produced as part of the staff changes.
- 1.8 Relevant Documents
- 1.8.1 Appendix A – Adventure Zone
Exempt Appendix – staff changes and outline business plan.

IS THIS A KEY DECISION REPORT?

Yes No

This is a Key Decision because: it involves income in excess of £250,000

Wards/Parishes affected: All