

Budget Working Group

1 October 2013

Informal Minutes

Budget savings Workshop

Present:

Councillor Black
Councillor Barned
Councillor Gooch
Councillor Grigg
Councillor Hotson
Councillor D Mortimer
Councillor Nelson-Gracie
Councillor Pickett
Councillor Yates
Councillor Warner
Councillor Burton
Councillor Mrs Ring
Councillor Hogg
Councillor Newton
Councillor Moss
Councillor Garland
Paul Riley, Head of Finance and Resources.

The Budget Working Group consisting of Councillor Mrs Gooch, Councillor Mortimer, Councillor Nelson-Gracie, Councillor Pickett and Councillor Yates led the discussion on its Budget Savings Proposals with a presentation.

The Leader was invited to set the scene for those present. He explained that the Strategic Picture was that the Council needed to save £1.4 million in the next financial year; £1.2 million of this had been allocated. He was looking for ideas from the Working Group and the evening's discussion to take forward. The following points were made:

- MKIP – was a vehicle for these savings (having achieved £4m).
- Kent County Council (KCC) was under even greater pressure than Maidstone Borough Council (MBC).
- The Park and Ride service – should we be continuing this service, for example?
- The Contract with Parkwood Leisure for the Hazlitt Theatre would be signed that week.
- The local Council Tax discount scheme – 8.5% subsidy from government was to end. There was pressure to put it up to 13% or even further – up to 20%.

- Charging for parking at Mote Park – should we?
- Marketing Mote Park through events and raising revenue in this way rather than charging for car parking was an option?
- Mote Park – balancing financial pressures with public acceptability.
- There was a need to look at what were described as 'big ticket' savings of £100,000 and more.
- The Business rates 'pool' was discussed – it could be a provide a big financial gain but it could provide less than a 'big ticket' value.
- Fees and charges had not yet been considered – a report on the Council's fees and charges would be considered separately by Cabinet to the Budget Strategy.
- Commercialism activities – how do we deliver them?

The Budget Workshop discussion focussed on 3 main areas, the Park and Ride Services, Charging for Car Parking at Mote Park and the future of the Council in terms of its offices and office space requirements.

Park and Ride

- Kingston-upon-Thames – used smaller, 'hopper' buses – would these be cheaper?
- The future of the Park and Ride – integral to the Integrated Transport Strategy (ITS) – i.e. policy making and strategy?
- Possibilities could include an advanced Park and Ride service?
- It was currently receiving a subsidy of 300k/400k?
- What would the impact be of a reduced service?
- Park for £1 and catch the bus? Explore this as an alternative?
- School buses operate at full capacity and Park and Ride buses often pass by empty – this is an issue.
- Options – increase fares?
- Is there a decreased usage?
- Canterbury - the model for Park and Ride at Canterbury is to Park and Pay and catch the bus for free. Members considered whether this option would turn a deficit into an income?
- The Park and Ride Site at Willington Street was discussed - a high percentage of users were believed to have a free bus pass and may not even be parking a car.
- Other issues with the Canterbury model highlighted were the economics – paying for one car was likely to provide less of an income than 4 car passengers each paying a bus fare.
- Also the Park and Ride buses in Maidstone are run by a private company – we rely on a private bus service but the payment would be for parking...
- It was highlighted by the Leader of the Council that there had been an attempt to reduce the Park and Ride service with a view to relying on the private sector. This, the group were informed, had received uproar from member and cross-party resistance.
- The reaction of residents to a reduction in service was also considered to be negative.
- The question was raised 'if MBC aren't making any money from the Park and Ride, why would the private sector take it on?'

- It was highlighted that there was no Park and Ride service along the Tonbridge Road, in an area where the bus service was often operating at capacity (i.e. the hospital buses).
- It was put forward as a recommendation that research be undertaken to establish the feasibility of a Park and Ride model where you paid to park for a £1.
- Some Members warned that consideration must be given to areas where unrestricted parking already exists such as in Shepway and other residential areas – there was a need for a holistic, integrated approach.
- Paul Riley informed Members that the Park and Ride contract was about to go out for procurement. Officers would be therefore considering options at present so it was a good time to look at it.
- Members recommended that officers should be instructed to investigate the options going forward and as well as considering the feasibility of a Park and Ride model where you paid to park for a £1 they should look at the following:
 - Where had Park and Ride been a success?
 - The council were not just subsidising the service they were subsidising the land rental of the sites used, therefore the location of current sites should be reevaluated particularly Sittingbourne Road
 - What were the alternatives to a Park and Ride service? The principle of Park and ride should be challenged - was Park and Ride right for Maidstone? And what was its impact on traffic and congestion?

Mote Park

- Mote Park was being used for commuter parking and the Leisure Centre also. The Leisure Centre were taking action against this which would result in more commuters using the parking facilities at Mote Park (free of charge).
- Possible solutions to this – pay and display? 1st hour free and then a charge for parking.
- There needed to be some method of charging to deter commuters leaving their cars there all day.
- They were difficult decisions but issues need to be faced...
- Charging for car parking could provide an income (it was noted that with regards to residents parking charges – the Council could not make a surplus income – it was under contract to KCC)
- Big events – parking should remain free.
- Weekdays there remained an issue.
- Sainsbury's in the Town Centre – had a parking charge model where the first two hours were free – could this be something to look at further?
- The Invicta Grammar school were using Mote Park for car parking – as a pick up and drop off for students as well as 6th formers parking their cars – it was felt that there would be an impact on surrounding residential areas if car parking charges were made.
- Members recommended that the parking arrangements at Mote Park be investigated and the possible introduction of variable charges to combat all day commuter parking. The impact of school parking and the cost of enforcement were also highlighted as considerations.

Council office accommodation and the lease on Maidstone House

- The skills and expertise that existed within the Council were raised in relation to its changing shape and the services it provided and was capable of providing. What was the impact MKIP and shared services on this, what services could we provide and should we provide (statutory and non-statutory)? How would this impact on office space requirements in the future?
- The current cost of office accommodation was estimated at £800,000 per year.
- The following information had been provided to the Working Group in advance of the Workshop from the Property & Procurement Manager, David Tibbit:
 - There were 2 leases for Maidstone House. One for 1st floor in this building, and one for the rest. They both expired in October 2023, but the one for the 1st floor had a break clause in October 2016.
 - There would be some decision making required over the 2016 break clause, and this is, to an extent, tied up with Kent County Council's decision regarding their continued presence in the Gateway. We would have to give notice of a break (6 months?) we would need to come to a decision by March 2016 at the latest.
 - In terms of space, net floor area of occupation is 4827m². A small area on 1st floor (approx 100m²) is unoccupied. More relevantly, earlier this year there was about 10% spare capacity in workstations, but this appeared to be less now.
- Members considered what could be done with the excess space in the meantime.
- Those present were supportive of the costing viability assessment that they were informed was being undertaken.
- They were also supportive of the Council building its own offices on a site like King Street Car Park.
- Members advocated research on finding a site (owned by the council) for this purpose and it was felt that the time start looking at this/saving was now.
- Members were informed that King Street could not be held for a long period of time to facilitate the proposal of the Council building its own offices and the loss of revenue had to be considered if looking at a car parking site.
- With regards to the Gateway and Gateway programme – the arrangement with KCC was that it could withdraw in 2016 inline with the break clause in the lease on the 1st floor for Maidstone House.
- A review of the Gateway was being undertaken by the Business Improvement team but until they knew what the long term intention was with the rest of Maidstone House it was difficult to establish where that left the Gateway.
- Members raised the question as to whether or not the Council would exist in the same form if did now, in the future.
- A Member referenced free schools in London that had established themselves in existing buildings – posing the questions - was this an

approach the Council could take with its future relocation in the short-term at least? And would Maidstone House be a ideal central location for a free school?

Savings in general

- The Cabinet Member for Corporate Services explained that Cabinet were continually evaluating service areas within their portfolio areas.
- It was suggested that the Working Group have some involvement in this process – a prioritisation exercise of services that should be provided by the Council
- It was suggested that the Working Group looked at every service the provided, statutory and non-statutory and question whether or not it should continue to provide them. Cabinet should be invited to its next meeting to help it undertake this exercise.
- It was agreed that the business of the Budget Working Group should take place at the full Committee meeting of the Strategic Leadership and Corporate Services Overview and Scrutiny Committee from which it was appointed

Recommendations

- a) That Head of Environment and the Public Realm be instructed to investigate the options going forward for the Park and Ride. Evidence should be provided and investigation undertaken of the following:
 - Areas where Park and Ride was a success?
 - The location of current sites should be revaluated particularly Sittingbourne Road
 - The feasibility of a Park and Ride model where you pay to park for a £1?
 - What are the alternatives to a Park and Ride service? The principle of Park and ride should be challenged - Is Park and Ride right for Maidstone and what is its actual impact on traffic and congestion?
- b) That the Head of Commercial & Economic Development investigate the parking arrangements at Mote Park and the possible introduction of variable charges to combat all day commuter parking, the impact of local schools using Mote Park for parking and the cost of enforcement;
- c) That the Head of Finance and Resources begin looking at the options for Council office accommodation in preparation for the end of the lease on Maidstone House in 2023. Options should be considered now (in line with decisions on the Gateway and the 2016 1st floor beak clause) to enable the correct long-term decisions for the Council. The Budget Working Group recommends that the plausibility of the Council building its own offices be given primary consideration;
- d) That Cabinet be invited to the next meeting of the Strategic Leadership & Corporate Services Overview and Scrutiny Committee to undertake a prioritisation exercise of services within each portfolio area. Consideration should be given to both statutory and non-statutory functions; should the Council continue to provide them and could they be commissioned? and
- e) That the business of the Budget Working Group takes place at the full Committee meeting of the Strategic Leadership and Corporate Services Overview and Scrutiny Committee from which it was appointed.

Duration of Meeting

7.30pm to 8.45pm

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