

Runnymede Borough CouncilCORPORATE MANAGEMENT COMMITTEE1 December 2005 at 7.30 p.m.

Members of the Committee present: Councillors G.B. Woodger (Chairman), N. Thewlis (Vice-Chairman), A. Alderson, J.R. Furey, P.A. Greenwood, R.K. Habgood, H.W.V. Meares, C.J. Norman, Ms C.M. Simmons, and P.J. Waddell.

Members of the Committee absent: None.

Councillor Mrs L.M. Gillham also attended.

398. NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

The Conservative Group had notified the Chief Executive Officer of its wish that Councillor J.E. Haas be removed from the membership of the Committee and that Councillor H.W.V. Meares be appointed in his place for a fixed period ending on the day after the meeting. Thereafter Councillor Haas would be re-appointed.

The Chief Executive Officer had given effect to this request in accordance with Section 16(2) of the Local Government and Housing Act 1989.

399. MINUTES

The Minutes of the meeting of the Committee held on 3 November 2005 were confirmed and signed as a correct record.

400. PUBLIC FEEDBACK ON PROPOSED INCREASED OFF-STREET PAY AND DISPLAY CAR PARKING CHARGES

Following the Economic Development Committee's decision in September 2005 to increase off-street car parking charges in the Borough to take effect during January 2006, the Committee noted public comments received following advance publicity.

At its meeting on 15 September 2005 the Economic Development Committee had approved an increase in the off-street car parking charges to take effect in January 2006 in all of the pay and display car parks in the Borough operated by the Council. A copy of the Agenda report to that Committee and a Minute of that Committee's discussion were noted. The Economic Development Committee had decided at that time that advance publicity would be issued and, if appropriate, details of the public feedback would be reported to Members.

The Economic Development Committee on 15 September 2005 had considered a series of options for increase as set out in the table below:-

<b>Time Period</b>	<b>Existing</b>	<b>Option 1 Proposal</b>	<b>Option 2 Proposal</b>	<b>Option 3 Proposal</b>
Up to 2 Hours	50p	60p	70p	80p
2 to 3 hours	60p	80p	90p	£1.00
3 to 4 hours	80p	£1.00	£1.10	£1.20
4 to 5 hours	£1.00	£1.20	£1.30	£1.50
All day (where applicable)	£2.00	£2.50	£2.50	£2.50

Having discussed the matter, the Economic Development Committee agreed the following changes (Option 3 above) to apply in all the pay and display car parks operated by the Council to take effect in January 2006:-

	<b>Current Charges</b>	<b>Charges Agreed by E.D. Committee Sept. 05</b>
Up to 2 hrs	50p	80p
2 to 3 hrs.	60p	£1.00
3 to 4 hrs.	80p	£1.20
4 to 5 hrs.	£1.00	£1.50
All Day	£2.00	£2.50

The Committee noted that the Council carried out regular customer satisfaction surveys, under the Car Park Mark Safer Parking Award Scheme requirements. In the surveys undertaken in May 2004 and March 2005 an average of 66% of respondents had considered that parking charges were either acceptable or very reasonable and an average of 34% considered that they were too expensive. A more recent survey had yet to be completed, but returns received so far suggested that satisfaction levels had fallen.

Following publicity given to the proposed regime, representations had been received from Egham Chamber of Commerce, and by e - mail, letter or phone call, from six members of the public across the Borough. Egham Chamber of Commerce considered that the proposed increase in car parking charges to 80 pence for the first two hours was not appropriate for small towns such as Egham. They did not think that people would travel to Egham and pay more for parking than they did in larger towns such as Staines, who they stated charged 70 pence for the first hour and had a very large selection of retail outlets on offer. The Chamber also suggested that pay and display car parking charges remain the same as they were now but that the times for charging the parking fees be extended up to midnight, because Egham was busy after 6.00 p.m. due to the large amount of restaurants which it had on offer. They also thought that the ticket machines should be altered to give change for people who did not have the correct money.

Regarding the suggestion that the pay and display machines be converted to give change, most of the Borough's pay and display machines were now over seven years old and it was not possible to add this feature. There were no current plans to replace the machines but when this did happen the option to provide change would be considered. Currently the machines could not provide information relating to ticket sales for all timeframes. Installing more flexible machinery to increase the range of data available would have cost implications.

Concerning the suggestion to charge for off-street parking between 6.00 p.m. and midnight, the Council had five parking attendants (4.5 full time equivalents) and they currently worked a shift system between 8.00 a.m. and 6.00 p.m., Monday to Saturday to cover the existing arrangements. They occasionally worked after 6.00 p.m. where there was an on-street parking problem but each attendant was always accompanied by another attendant to avoid lone working in the evening and night. It would be impossible to provide adequate day time enforcement if two attendants were required to enforce evening or night time charges in Egham. There would also be a moderate cost to reprogramme the ticket machines and alter the signs.

Three e-mails had been received on the proposed new rate for parking for up to 2 hours in Egham. None of the senders thought that this was realistic in terms of the needs and uses of Egham shoppers, who visited the town briefly (they suggested for a maximum of 1 hour) for essentials, gifts or quick purchases and they believed this should be reflected in the parking pricing structure. A rate of 80p would not make it worth the visit and people would wait until they went into larger centres such as Staines or Windsor. Various suggestions had been made by them including a one hour charge of 50p (preferably 20p) or free parking in Egham or free for at least the first hour. Other points made were that the Council could not expect to cover the complete cost of car parks from parking fees in a small shopping centre such as Egham and that the new charges would impact disproportionately on those on fixed incomes. Two items of correspondence had been received regarding all day parking seeking an explanation for increasing the charge by 25% while current inflation was at approximately 2.5%. A phone call had also been received objecting generally to the new proposed charges.

Some members of the public had raised the issue of the costs involved in running the car parks. Officers had advised them that the Council aimed to provide car parks that the public felt safe to use. One of the main priorities in the Council's Community Strategy was to improve quality of life and reassurance by improving the local environment. Many of the Council's car parks had been awarded the 'Safe Parking Award', or a 'Park Mark' a scheme operated by the Association of Chief Police Officers to reflect the provision of lighting, CCTV and a well maintained infrastructure. The car parks were inspected annually so the car parks had to be maintained to high standards.

The Committee noted that in assessing the various options open to it on 15 September 2005, the Economic Development Committee had recognised a need to balance the interests of the Council Tax payers, motorists and local traders. Local economic factors were relevant, as was the fact that the operation of the car parks had resulted in a deficit of £136,000 in 2004/05, which fell upon Council Tax payers. The Council had approved a programme of net revenue reductions for 2005/06 and 2006/07 as part of the ongoing savings exercise. The guiding principles set out by the then Leader of the Council, and endorsed by Committee, included a statement that discretionary fees and charges (including car parking charges) needed to at least reflect the cost of provision and/or comparative tariffs elsewhere. The Economic Development Committee had taken into account comparative charges in other Surrey districts. It had also decided that car parking charges would henceforth be reviewed annually and that if more detailed data on parking patterns could be extracted from the Pay and Display machines, consideration would be given at the next review to the introduction of a lower rate of charge for the first hour, to encourage short shopping visits.

Councillor Alderson advised the Committee that in view of the public feedback received, he had lodged Notice of Motion for the Council meeting on 15 December 2005 seeking a suspension of three months in the introduction of the charges, the re-introduction of appropriate hourly charges, the extension of charges in the evening until 8.00 pm and further debate of all issues raised by the public by the Economic Development Committee at its next meeting.

#### 401. PAY AND DISPLAY CAR PARKS IN ENGLEFIELD GREEN

The Committee was informed of the results of the six month trial whereby pay and display parking had been introduced at the St. Jude's Road and Victoria Street car parks in Englefield Green. The Committee considered whether to permanently adopt the pay and display parking systems in these car parks, whether to approve offering contract parking or season tickets if there was a demand, and whether to continue operating the informal arrangements for free short term parking for parents delivering and collecting their children at the local primary schools.

At its meeting on 10 March 2005, the Economic Development Committee had approved the introduction of pay and display parking with charges in the St. Jude's Road and Victoria Street car parks in Englefield Green for a six month trial period, which had started during May 2005. At that time parking in these car parks was free of charge and waiting was limited to 17 hours with no return within 7 hours. The pay and display regime had been introduced as many complaints had been received in the past about the usage of the car parks. They were often full and many of the cars had been parked for excessively long periods. Neighbouring vehicle repair and car sales premises used the car parks as car storage areas, which contributed to the problem. The primary purpose of the car parks was to provide short term parking for local shop and business customers, but due to the long term parking these users had often been unable to find spaces. The situation had deteriorated since November 2004 when the Borough Council's Car Parking Team had assumed responsibility for on-street parking enforcement in the Borough under an Agency Agreement with Surrey County Council. Most of the on-street parking in St. Jude's Road and Victoria Street was subject to a 30-minute waiting limit. For several years Surrey Police had not enforced those restrictions so the public had been able to park on-street for long periods without penalty. When the Borough Parking Attendants started enforcing the on-street waiting restrictions there was even more demand for long-term parking in the two car parks. The shops whose customers only needed to park for a few minutes welcomed the enforcement as their customers were now able to find a parking space outside these shops. However, Surrey County Council received complaints from residents and local business employees who had previously parked on-street for long periods despite the restrictions. There were also complaints from shops whose customers needed to park for more than 30 minutes such as hairdressers, opticians and estate agents.

At its meeting on 9 June 2005 the Economic Development Committee had received details of representations received both for and against the introduction of pay and display parking charges in the St Jude's Road and Victoria Street car parks in Englefield Green, in response to public advertisement of the proposals and had decided to continue the trial. Officers were now reporting on the outcome.

When the pay and display system had been introduced on 23 May 2005, this immediately made spaces available in the car parks for drivers wanting to park for longer than the 30 minutes available on street and willing to pay for the convenience of parking for longer periods. This solved the parking problem for the customers of businesses such as hairdressers, opticians and estate agents and other

longer term parkers that were prepared to pay. St. Jude's Road car park also met the needs of the congregation attending weekday and Saturday services at St. Jude's Church, which had no car park of its own. Other car owners that were not prepared to pay for longer term parking, such as the residents with parking restrictions outside their properties or local business employees, began parking in the neighbouring side roads without parking restrictions.

St. Jude's Road car park had a total of 40 spaces and Victoria Street car park had 32 spaces. The Council's Parking Team had monitored the usage of both car parks twice a day on weekdays between May 2005, when pay and display was introduced, and the end of September 2005. The average occupancy (i.e. parking spaces in use) in St. Jude's Road Car Park was 69% and in Victoria Street Car Park it was 31%. The Committee noted the number of tickets sold at each tariff at each car park between 24 May 2005 and 4 October 2005. These figures showed that the car park users were predominantly either parking for less than 2 hours or for all day. The car parks were therefore meeting a range of needs.

Surrey County Council had carried out an on-street parking review of the area in June 2005, consisting of a detailed survey of on-street parking patterns in St. Jude's Road, Victoria Street and all the other roads in the area where traffic patterns were likely to be related to those in St. Jude's Road and Victoria Street. Surrey County Council's Local Transportation Director for Runnymede had reported to the Surrey County Council Local Committee, (which dealt with on-street parking), at its meeting on 30 September 2005 on the findings of that review, having received a petition of over 500 signatories, including residents and retailers, calling for the extension of the 30 minute limited waiting restrictions in St. Jude's Road and Victoria Street to 1 or 2 hours. The findings were that most of the available on-street parking spaces in St. Jude's Road and Victoria Street had been occupied during the hours that the parking restrictions were in operation (08.00 to 18.00) and it was concluded that there was little spare capacity for extending the 30 minute restriction to 1 or 2 hours. From the information obtained in the other roads it was also concluded that the existing restriction satisfied the balance of the existing demand.

When approving the introduction of the pay and display system at its March 2005 meeting, the Economic Development Committee had also resolved that a parking pass system should be introduced in St. Jude's Road Car Park to enable the parents of children attending the local primary schools to park free for a short time in the morning and afternoon whilst they delivered and collected their children. The Parking Manager had been operating an informal system without the need to issue passes in both car parks. This had worked well and had avoided the expense and the commitment of Council staff time that the introduction and management of a formal pass system would entail.

At its March 2005 meeting the Economic Development Committee had also resolved that Officers should seek expressions of interest in the principle of reserving contract parking spaces in the car parks with the possibility that this be introduced at a later date. Before starting this exercise Officers waited to gauge the demand for parking to see if there was any scope for reserving spaces. When it was found that there were vacant spaces and that contract parking or a non-reserved season ticket system (whereby a permit was displayed in the driver's windscreen) was a possibility notices had been posted at both car parks asking for expressions of interest for either of these. The Borough's standard charges for both would be applied. A total of fifteen expressions of interest had been received since May for contract parking or season tickets.

The Committee noted the estimated annual income from these two car parks with the current parking charges based on the income from charges and Penalty Charge Notices (PCN's) for the first 6 months of pay and display operation from May to October 2005 and also the estimated annual income with the increased pay and display parking charges, which were proposed to be implemented in January 2006. The total annual income with the present charges was £25,500, and with the increased charges was £33,900.

The Committee noted that the proposed increase in pay and display charges from January 2006 could deter some of the existing users from parking there. A decrease in the usage of 10% and 20% would be significant for both car parks. However, even with a 20% reduction (i.e. the worst case scenario) the estimate for combined income for the two car parks still exceeded the estimated income based on the current charges by £1,600.

The report to the Economic Development Committee at its meeting on 10 March 2005 had stated that it was anticipated that the introduction of pay and display parking in these car parks would be

revenue neutral, i.e. income and expenditure would be approximately equal. However, based on the performance of the two car parks after six months of the new charging regime, income was anticipated to exceed expenditure by £13,300.

Surrey County Council's decision to keep the on-street parking restriction at 30 minutes had justified the need for the longer term controlled parking in the car parks. The introduction of pay and display parking had helped alleviate parking problems in Englefield Green and had resulted in increased income.

**RESOLVED that -**

- i) the pay and display systems in the St. Jude's Road and Victoria Street car parks remain in operation permanently;**
- ii) the informal arrangements enabling parents of the local primary schools to park free for up to 30 minutes in the morning and afternoon whilst delivering and collecting their children be continued; and**
- iii) reserved contract parking spaces or non-reserved season tickets be sold if requested.**

402. BEST VALUE PERFORMANCE INDICATORS 2005/06 – SECOND QUARTER PERFORMANCE

The Committee received details of the Council's progress against the Best Value (BV) Performance Indicators for the period 1 July 2005 to 30 September 2005, which was the second quarter of 2005/06. A new format for reporting quarterly outturns had previously been agreed at Corporate Management Committee and outturn figures were shown for the second quarter of 2004/05 with a column which indicated the direction of performance in relation to the 2005/06 target.

The general picture was positive, but there was a need to turn round those areas over which the Council had direct managerial and policy influence. However, the Council had little or no control over certain Performance Indicators (notably in the community safety arena where the Police were essentially the lead agency), and this made it impossible to deliver a solely Council based recovery strategy.

There had been some good performance in a number of areas. Notably, results for recycling Performance Indicators had improved and the target would be met with the introduction of the green waste pilot and by plans to introduce cardboard and mixed paper banks. On Council Tax and Housing Benefit, the average times for processing new claims and for notifications of change of circumstance were well within target. Runnymede's score against a "quality of planning services" checklist (or Pendleton score) had been maintained. Planning applications that were determined within 13 or 8 weeks were all on target and performance had improved significantly. Housing repairs and maintenance Performance Indicators were performing well and had exceeded the target in the second quarter. The target for the number of households who considered themselves as homeless, who approached the local housing authority's housing advice service and for whom housing advice casework intervention had resolved their situation was on course to be met for 2005/06. The method of calculating waste collected per head of population had changed through the inclusion of weights from street cleansing, special collections, clinical and green waste and recycling, in addition to weights of domestic refuse. Runnymede Borough Council performance on these collections was good, when compared to the rest of Surrey.

The Committee was concerned that there had been an increase in violent crime (BV127a) in the borough, although the original base figures were low. It was noted that Runnymede was essentially a supportive agency with regard to crime and was only one of five partners on the Community Incidents Action Group (CIAG). Ultimately increased crime rates were primarily a matter for the police and the youth offending team, but the difficulty of keeping young offenders on the radar of the various agencies was noted.

403. PRIORITY INDICATORS OF PERFORMANCE 2005/06 - SECOND QUARTER PERFORMANCE  
(Ref: Minutes of Corporate Management Committee, September 2005, page 346, para. 221)

The Committee received details of performance in the second quarter of 2005/06 in respect of the Council's 10 priority indicators. The overall picture was positive, with sustained improvements in performance which compared favourably with the challenging targets the Council had set itself.

Concerning the payment of invoices, the next step to drive further improvements would be in the development of the purchase ordering module of the TASK Financials system. Invoices would be logged onto the system on arrival, linked to the purchase order, and then distributed to the relevant service department for checking and authorisation. The process of registering invoices would allow reminders to be sent when it appeared likely that the 30 day processing period would be breached. This would substantially solve the problem of invoice dates not being correctly recorded, and would also help identify other problem areas at an early stage and provide further management information on the habitually late payers.

The Committee had approved a revised savings target of £2.6 million, which was included in the Financial Forecast approved by the Council in October 2005. The Committee noted the timescale for achieving each saving assumed in the Forecast alongside what had been achieved by November 2005 (totalling £308,000 in the current financial year).

404. SERVICE PLAN – HALF YEARLY PERFORMANCE

The Committee noted the current position on existing targets within its Service Plan. It was agreed that the targets for Sundry Debtors should be rephrased to clarify that one of the measures was for the cost per invoice (Runnymede was currently positioned at 4<sup>th</sup> out of 11 Surrey districts on this indicator).

**RESOLVED that -**

**the performance against targets be noted.**

405. STATEMENT OF ACCOUNTS – AUDITOR'S REPORT

The Committee was informed that the external auditor had issued a report following the conclusion of the 2004/05 audit of accounts. The Council's external auditors were the Audit Commission (District Audit). It had been the Auditors' practice in recent years to issue an Audit Management Letter to Members during the November/December Committee cycle. This year the Audit Commission did not plan to issue a Management Letter until they had completed their work on the Comprehensive Performance Assessment (CPA) key lines of enquiry and Value for Money self-assessment. This would delay publication of the Letter until March 2006.

The auditors had concluded their examination of the Council's accounts for the 2004/05 financial year and had produced a Statement of Auditing Standards (SAS) 610 report issued in a letter dated 31 October 2005, which was noted by the Committee. The letter confirmed that the District Auditor had issued an unqualified audit opinion on the accounts. The District Auditor had planned to issue an opinion by the end of September, but there were two matters that had delayed the conclusion of the audit. One related to capital accounting transactions and the auditor had concluded that this was not an issue at Runnymede. The second concerned accounting entries required by FRS17, the financial reporting standard relating to accounting for Pension Fund costs. The Audit Commission were concerned that the actuaries may have misstated the interest costs and the actuarial gain/loss reported to employing bodies like Runnymede. While this meant that the entries in the Council's accounts might be materially misstated, it would not affect the overall balance on the consolidated revenue account because the two entries concerned were self-balancing. For this reason the auditor had stated in the final paragraph of his letter that he did not anticipate that there would be any change to his audit opinion, if subsequent adjustments to the FRS17 entries were required.

406. CALENDAR OF MEETINGS - 2006-2007

The Committee considered the proposed Calendar of Meetings for the Municipal Year May 2006 - May 2007. Corporate Management Committee had been scheduled to meet during the last week in June 2006 to accord with requirements for approving the Statement of Accounts. The Council

Meeting which would set the Council Tax had been arranged for 15 February 2007 so that the Police Authority's budget decision was available prior to setting the Council Tax.

**RECOMMEND that -**

**the Calendar of Meetings for the Municipal Year 2006/2007 (Appendix 'A') be approved.**

407. REFERENCES FROM COMMITTEES

(a) Housing and Community Services Committee - 9 November 2005

Gypsy and Traveller Needs Assessment

At its meeting on 9 November 2005, the Housing and Community Services Committee had recommended funding for a gypsy and traveller accommodation Needs Assessment, having noted that under the provisions in the Housing Act 2004, it was a statutory requirement for local authorities to make such an assessment. The information gathered from the Needs Assessment would be used in the Council's Local Development Framework, which had replaced the former Borough Local Plan. Officers had contacted neighbouring Boroughs to establish if they wished to undertake a joint assessment of needs, which should result in some economies and avoid the double counting that could arise by examining need at a purely district level. Elmbridge, Spelthorne and Woking Councils had indicated a willingness to work on a joint assessment, which it was anticipated would cost each authority approximately £15,000. Officer time would also be needed to manage the process. A sum of £5,000 remained unspent on the budgetary provision made for the recently completed general Housing Needs Assessment, and the Corporate Management Committee agreed that this, together with a sum of £10,000 from the Planning Delivery Grant received in 2005/06, should be used to finance the work.

**RESOLVED that -**

**the sum of £10,000 from the Planning Delivery Grant be set aside in order to finance the Gypsy and Traveller Needs Assessment.**

b) Leisure and Environment Committee - 17 November 2005

i) Chertsey Allotments Capital Scheme

The Corporate Management Committee received a reference from the Leisure and Environment Committee which at its meeting on 17 November 2005, had recommended provision of a capital estimate of £71,100 to cover extra costs on the Chertsey Allotments Capital Scheme. These costs arose from delays in obtaining site access at Barrsbrook, extra statutory services work in connection with the adjacent housing development, and arrangements for a protected species of reptile (slow worms), which had been discovered, to prevent them being harmed by the development. Costs resulting from contamination of Beomonds Allotments which could not be contained within the overall capital budget for that scheme were also included.

The Corporate Management Committee noted that the overall project achieved major improvements in housing, cemetery and leisure services in Chertsey, in the process realising substantial capital receipts. The Committee recommend that provision be made for the extra costs.

**RECOMMEND that -**

**additional capital programme provision and an additional capital estimate be approved in the sum of £71,100 to cover the extra costs of the Chertsey Allotments Capital Scheme, to be financed from capital receipts.**

ii) Egham Leisure Centre - Future Developments

The Corporate Management Committee also received a reference from the Leisure and Environment Committee in respect of proposals for investment in Egham Leisure Centre. These measures would help the Centre improve its financial position and enhance its range of facilities. There were two main elements to the proposals and the Corporate Management Committee noted the detailed report to the Leisure and Environment Committee on this, including costings for various scenarios of usage.

The first element involved refurbishment of the fitness suite and replacement of associated equipment. If membership of the Centre increased by 200, to approximately the level of two years ago, this should result in a £52,000 annual revenue betterment.

The second element was the construction of six all weather 5-a-side football pitches and improvements to the outdoor changing facilities, with anticipated revenue betterment likely to exceed £250,000. This would require planning permission and special circumstances would need to be demonstrated as the site was in the Green Belt.

The proposals were complementary and should increase custom generally, including food sales.

The proposals were intended to improve the trading position of the Centre by offering an up to date standard of provision, and something different to other leisure providers in the same market sector. It was suggested that Officers might consider new information technology tools to monitor customer patterns more closely.

Provision of £756,000 had been made in the Capital Programme for the two projects consisting of £150,000 for the fitness suite (to which was to be added £50,000 from the equipment replacement reserve) and £606,000 for the football pitches. However, based on feedback received from suppliers, an additional £40,000 was now needed for all the proposed fitness suite improvements.

The Leisure and Environment Committee had recommended that £240,000 be spent on the refurbishment of the fitness suite. The Corporate Management Committee accepts the case for investment but prefers that the package of facilities provided be tailored to meet the originally planned fitness suite expenditure of £200,000, so far as possible without fundamentally affecting the range and quality of the product.

**RECOMMEND that –**

- i) revised capital programme provision and a capital estimate in the sum of £200,000 in respect of the fitness suite proposal be approved, to be financed from capital receipts and the equipment replacement reserve; and**
- ii) a capital estimate in the sum of £606,000 in respect of the 5-a-side football pitches proposal be approved, to be financed from capital receipts.**

c) Civic Offices Reprovision Sub-Committee - 21 November 2005Procurement Options for the Construction of The Civic Offices

At its meeting on 21 November 2005, the Civic Offices Reprovision Sub-Committee had given detailed consideration to the appropriate method of procurement for the construction of the new Civic Offices. There were essentially three routes open to the Council, which were traditional lump sum, two stage traditional route and two stage design and build. The traditional lump sum method would entail the full design of the scheme by the design team before the issue of documents to contractors to agree a lump sum cost. With the two-stage procurement strategy, tender documentation was issued at the point in time when a planning

application was made and a detailed cost plan confirmed. The contractors would be invited to confirm their costs of managing the works on site and the provision of pre construction services as well as their overheads and profit on the value of the sub-contracted works. They would also review the detailed cost plan and programme of works and “buy into” the viability of the project. The appointed contractor would then become part of the Design Team. Once the contractor had appointed 80% of the value of the cost plan the lump sum would be agreed. A similar process would be applied in respect of two stage design and build except that responsibility for design was shared with the contractor to a greater extent.

The Council had previously undertaken construction projects by the traditional lump sum method because it was normally considered to reduce risk through strong price certainty and the assumption of responsibility for the building works by the contractor following the costing of the completed drawings, bills of quantities, etc. However, the Sub-Committee was informed that the Design Team was now of the view that the market had changed and a modified two stage route of procurement would best suit the delivery of the project. Many reputable, high quality contractors no longer tendered for traditional lump sum contracts and the Government also now favoured two-stage tenders. The more collaborative two-stage approach gave the opportunity for the Design Team to influence the choice of sub-contractors to enhance quality, and allowed for the commencement of works on site by May/June 2006, some 8 weeks or so earlier than would be the case with a lump sum method. Delay to the third Quarter was otherwise likely to add some £300,000 to the construction costs, albeit partly offset by the later draw down of capital reserves. Greater market interest was also likely to secure better value for money through the compilation of a more effective shortlist and there would be less risk to the contractor through the provision of more time and detail.

The Sub-Committee had expressed some reservations on the grounds that the two-stage process would not provide for the same degree of early cost certainty as the traditional procurement route and budgetary certainty remained the most important feature of the project for the Council. However, this had to be weighed against other factors such as risk ownership, quality of workmanship and time. On balance, the Sub-Committee was of the view that this could most appropriately be achieved through a two stage tender with a contractor designed portion. Safeguards such as an escape clause and a capped price could be built in to the contract so as to enhance cost certainty and share some of the risk. Costs would be managed as the sub-contract packages were progressively returned and the risk would be with the contractor from the point at which agreement was reached on the lump sum. The importance of close dialogue with the contractor at each stage of the construction process was emphasised, thereby minimising misunderstandings on the contractor’s part and allowing for a reduction in the provision for contingencies. It was recognised that much would ultimately depend upon this communication with the contractor, together with the quality of the firm and the nature of the tender market.

The project managers who were represented at the Sub-Committee meeting had assured the Sub-Committee that the two-stage route would not increase professional fees apart from an increase of £30,000 in respect of the Quantity Surveyors and a potentially similar sum for an external legal resource, in view of Officers’ unfamiliarity with this type of contract and general workload pressures.

The Corporate Management Committee concurred that the two-stage route was the best option available.

**RESOLVED that -**

**a two-stage tender with a contractors designed portion be adopted with appropriate safeguards to enhance cost certainty.**

408. SAFETY COMMITTEE - MINUTES

The Minutes of the meeting of the Safety Committee (formerly the Health and Safety Advisory Group) held on 12 October 2005 were noted.

409. WRITE-OFFS

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A(4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 7 of Schedule 12A to Part 1 of the Act.

**RESOLVED that -**

**the Sundry Debt arrears totalling £4,670.00 be written off as irrecoverable.**

410. ABBEY FIT SPORTS CENTRE - SELECTION OF TENDERERS FOR GYMNASIUM EQUIPMENT

By resolution of the Committee, the press and public were excluded from the meeting during the consideration of this matter under Section 100A(4) of the Local Government Act 1972 on the grounds that the discussion would be likely to involve the disclosure of exempt information of the description specified in paragraph 10 of Schedule 12A to Part 1 of the Act.

The Committee considered the approval of a list of contractors to be invited to tender for the supply of new gymnasium equipment for the Abbey Fit Sports Centre, School Lane, Addlestone as part of the capital extension project. The Council had a capital project to extend the health and fitness facilities at Abbey Fit Sports Centre. The building project was being procured separately. The specialist nature of the gym equipment and the need to select it in conjunction with a design for the overall layout of the gym floor space had resulted in the procurement exercise being kept separate from the main construction contract.

Under Standing Order C3.3 contracts estimated to be in excess of £100,000 had to have a list of contractors selected by Committee prior to tender. A number of contractors had responded to an advertisement placed in the Leisure Opportunities magazine. Contractors had been asked to supply copies of their company brochure, latest audited accounts, three reference sites supplied within the last 18 months, a current price list and details of their after sales service including call out times for repairs. After consideration of this information, Officers were satisfied as to the suitability of the contractors reported to the meeting, subject to any detailed information emerging from the tender process.

**RESOLVED that -**

**the list of contractors as reported to the meeting be invited to tender for the supply of gymnasium equipment for Abbey Fit Sports Centre, Addlestone.**

Chairman

(The meeting ended at 9.50 p.m.)