

Runnymede Borough Council

ECONOMIC DEVELOPMENT COMMITTEE

13 January 2005 at 7.30 pm

Members of the Committee present: Councillors J.R. Furey (Chairman), J.E. Haas (Vice-Chairman) A. Alderson, M.J. Brown, Mrs E. Gill, C. Knight, Mrs Y.P. Lay, R.J. Ray, Mrs M. Roberts, and C.J. Ruane

Members of the Committee absent: None

Councillors A.J. Davis, J.M. Edwards, Mrs C.E. Gant, P.A. Greenwood and C.J. Norman also attended for all or part of the meeting.

455. MINUTES

The Minutes of the meeting of the Committee held on 11 November 2004 were confirmed and signed as a correct record.

456. FERNLANDS OPEN SPACE, CHERTSEY – DISPOSAL

(Ref: Minutes of Economic Development Committee June 2002, page 151, para. 76)

The Committee gave detailed consideration to representations received in respect of the proposed sale of land at Fernlands Open Space, Chertsey.

The site, comprising approximately 2.2 acres to the rear of Fernlands Close, had been occupied by a substantial country house until the middle part of the twentieth century. A track provided vehicular access from Bittams Lane to the rear of properties in Fernlands Close but this was not regarded as suitable for development purposes. There was a further pedestrian access to Fernlands Close via the north eastern corner of the site. Although the land had originally been acquired by the Council for housing purposes and was still so held, it had been maintained and managed for many years as a small open space. Apart from one pair of children's swings, it was predominantly used as a dog walking area. The land had been declared surplus to requirements by the Housing and Community Services Committee in September 2002, and the Leisure and Environment Committee had agreed that there was no compelling need for its retention in its present form (whilst offering views as to development requirements). Officers had been authorised to investigate the potential for disposal of the site. The Committee had subsequently approved the principle of disposal, subject to further report. Statutory Notice of the Council's intention to dispose of the open space had been given in the local press on 8 and 15 December 2004 and a marketing brochure published shortly thereafter. The marketing particulars had, however, made it clear that disposal was subject to consideration of representations.

The Committee was informed that those residents most closely affected by the proposals had twice been consulted on the scheme. An initial letter sent to 110 residents adjoining the site in March 2003 had attracted a mixed response, with 16 residents being opposed to the proposal, 8 in favour and 6 not opposed in principle subject to further detail. However, in December 2004, this initial relatively limited opposition to the disposal appeared to have strengthened following publication of the statutory Notice, the circulation in the locality of some factually incorrect and misleading information and a second consultation letter, delivered to 160 residents. In total from both consultations, some 53 residents had now registered their objections to the proposal, 14 were in favour and 10 were not opposed in principle subject to the detailed arrangements. A 278 signature petition against disposal had also been received.

Members noted that many of the objections were principally concerned with access issues and traffic generation, in particular with the fear that vehicles would use Bittams Lane. Of the points relevant to the statutory Notice, the written objections, in descending order of frequency, covered loss of an area for children to play, loss of trees/visual amenity, effect on wildlife, loss of areas for general recreation and distance to alternative children's facilities. The majority of objectors appeared to have been consistent in their views and not unduly influenced by the inaccuracies circulated. Those favouring development tended to do so on the grounds that it would improve an area which attracted litter and some anti-social behaviour.

There was a view expressed by some Members, citing the nature and extent of the objections, that the site was inappropriate for development. The Members concerned felt that the sale should not proceed until there had been a fuller public consultation exercise, particularly given the proximity of the statutory Notice and the second consultation letter to the Christmas holiday period.

However, the Committee felt that the consultations undertaken to date were sufficient to establish resident's views on the issue. Indeed the Council had already exceeded its statutory obligations in this respect. While many of the concerns raised by residents were both genuine and valid there was not necessarily a consensus on the matter locally. In addition to the objections, there was support for the proposals from a significant minority of residents. There was, furthermore, now the prospect of a resolution to the access difficulties, Officers having negotiated an option on a property capable of serving as an access point in the event of development. Surrey County Council had also agreed to re-examine the traffic issues in respect of Bittams Lane.

While Members were mindful of the views expressed by residents, it was emphasised that the Council was under a wider duty to optimise the use of its assets for the benefit of the whole community. It was noted that the disposal of the site for a residential development, consistent with Government preference for new development to be located on previously developed land, would help relieve some of the considerable pressure for housing in the area. The Committee therefore agreed in principle to the sale of the land with restrictions attached to the form of any development that were designed to address the objections received. The new development would be limited to a single building of no more than two storeys, together with ancillaries, thereby preserving the open aspect of the land as far as possible. As part of the conditions of the sale any prospective developer would also be required to retain public pedestrian access, maintain the mature trees in accordance with a tree management scheme and provide a children's play area on the site. By this means it was felt that the Council could both optimise the use of the land and satisfy the principal concerns of residents. Members emphasised that the proposals received from developers, due to be reported to the Committee in March, would be evaluated on the suitability of the development schemes and not simply the size of receipt. The planning approval process would present residents with a further opportunity for comment on the acceptability of the proposed development. No final decision to sell would be made before receipt of the proposals.

RESOLVED that -

- i) Officers be instructed to make arrangements for the disposal of the land indicated at Appendix 'A';**
- ii) any purchaser of the land be required to;**
 - a) provide for public pedestrian access throughout the site**
 - b) provide and equip a children's play area on the site to the satisfaction of the Council, and**
 - c) retain, to the satisfaction of the Council, the mature trees on the site.**
- iii) development of the site be restricted to a single building of not more than two storeys together with ancillaries in order to preserve as far as possible the openness of the site**

(Upon a requisition that the names of those voting in respect of a special motion that 'the disposal of the Fernlands Open Space be deferred pending a more extensive consultation exercise' be recorded, there voted as follows;

In favour of the special motion (3):- Councillors A. Alderson, Mrs E. Gill and R.J. Ray

Against the special motion (7):- Councillors M.J. Brown, J.R. Furey, J.E. Haas, C. Knight, Mrs Y.P. Lay, Mrs M. Roberts and C.J. Ruane.

The special motion was therefore LOST

Upon a requisition that the names of those voting in respect of the substantive motion be recorded, there voted as follows;

In favour of the substantive motion (7): - Councillors M.J. Brown, J.R. Furey, J.E. Haas, C. Knight, Mrs Y.P. Lay, Mrs M. Roberts and C.J. Ruane.

Against the substantive motion (3):- Councillors A. Alderson, Mrs E. Gill and R.J. Ray.

The substantive motion was therefore CARRIED)

457. REVENUE ESTIMATES 2005/06

Members gave consideration to the draft estimates and fees and charges for the Committee's services in 2005/06. In so doing the Committee reaffirmed the pricing structure for car parking permits originally agreed at its meeting in September 2004. While Members recognised that business users made a significant contribution towards the prosperity of the borough, the recent increase in the charge for non residents permits, from £200 to £400 p.a., had been the first for several years. It not only reflected the need to reduce the deficit on the car parks service, but had also served to reintroduce the long standing differential between the prices paid by residents living adjacent to the car parks and others.

The Committee also took the opportunity to recommend the approval of a supplementary revenue estimate of £3,700 in the current financial year in respect of the net additional cost of establishing a new car park at the former Safeway site in Addlestone.

RESOLVED that -

- i) the Corporate Management Committee be requested to approve a supplementary revenue estimate in the sum of £3,700 in 2004/05 for the net additional costs of establishing a new car park at the former Safeway site in Addlestone;**
- ii) the draft Revenue Estimates for 2005/06 be approved as submitted and the Corporate Management Committee be requested to make provision accordingly; and**
- iii) the proposed increases in rents and charges for 2005/06 be approved to be effective either from the first week of April 2005 or 1 April 2005 as appropriate.**

458. BISHOPSGATE ROAD, ENGLEFIELD GREEN - APPLICATION FOR NEW STREET TRADING CONSENT

Consideration of the above matter was deferred to allow for consultation with interested parties following the receipt of late amendments to the application. An evaluation of the revised proposals would be presented to the next meeting of the Committee, in March.

459. PROPERTY SERVICES PERFORMANCE REVIEW

The Committee received details of the performance of key aspects of the Property Services function, particularly in respect of the local performance indicators identified in the Asset Management Plan.

Members noted that activity in the current financial year could be summarised as follows:

Acquisitions	-	nil
Disposals completed	-	£1.892m
Disposals agreed awaiting completion	-	£5.498m
Current Rent Roll	-	£1.419m
Voids	-	£42,000

Although voids amounted to 2.96% of the total rent roll against a target rate of 2% this represented just 2 vacancies and terms had been agreed on one of these which would reduce the figure to 0.56% of rental value. Arrears, at £14,900, amounted to 1.05% against a target rate of 2%. During the

course of the year three tenants had gone into liquidation owing a total of £19,200, amounting to 1.35% of the rent roll which was irrecoverable. These were felt to be reasonably successful figures in difficult market conditions.

The Committee noted that the appointment of an additional post of Assistant Valuer had enabled Officers to be more proactive in the management of the property portfolio. Work was continuing to develop a planned maintenance programme to complement that already in place in respect of the operational portfolio. It was noted that the Property software had been considerably expanded and a rent collection module specifically written for property portfolio management was to be introduced within the next two months with a view to improving rent collection and cash flow.

There had not yet, however, been significant progress in developing service reviews and individual property reviews as envisaged by the Asset Management Plan. Whilst some ad hoc work continued to take place it was important that this became more structured in order to support the next round of CPA, in which it was expected that property, and in particular asset utilisation, would play a significant role. With the additional staff resources now in place, Officers hoped to devote more time to this in the coming year. Meanwhile the tenant survey, planned for Autumn 2004, had been postponed until Spring 2005.

460. URGENT ACTION - STANDING ORDER 42

Members noted details of the following action which had been taken by the Officers shown after consultation with the Chairman of the Committee under Standing Order 42.

<u>Officer</u>	<u>Action Taken</u>	<u>Central Index No.</u>
Director of Administration and Leisure	Agreement to enter into a short term lease of the former Safeway car park, Addlestone.	563
Director of Administration and Leisure	Grant of new lease in respect of 4 Manton Terrace, Victory Park Road, Addlestone.	565
Director of Administration and Leisure	Acquisition of a 12 month option to purchase a property capable of serving as a suitable access point for the Fernlands Open Space in the event of the development of the site.	566
Director of Administration and Leisure	Grant of lease in respect of office premises at 7 High Street, Egham.	567
Director of Administration and Leisure	Amendment of the terms of the lease in respect of the River Bourne Health Club, Heriot Road, Chertsey, so as to enable the club to make further investment in its facilities. The amendment was essentially a technicality and did not prejudice the Council's position.	568

461. ENERGY EFFICIENCY INITIATIVES

The Committee received details of progress in introducing energy efficiency initiatives in the borough and gave consideration to the allocation of grant funds to assist vulnerable private sector households with energy efficiency improvements.

Members recalled that under the Home Energy Conservation Act 1995 and the Sustainable Energy Bill 2003 all local authorities were required to take action to promote and improve the energy efficiency of homes in their area. The Council was also obliged to take a lead role in increasing the number of private sector dwellings which met the Decent Homes Standard. The 2001 Census had

revealed that 6.4% (2,026) of all privately owned and rented properties within the Borough were without central heating and approximately 1,300 temporary structure dwellings (predominantly park/mobile homes) lacked thermal insulation, generally due to inadequate financial resources. A number of these households included children and senior citizens. The Borough's mortality rate rose, on average, by 16% during the winter months. A variety of initiatives, including mail outs to residents, had therefore been taken to vigorously promote the various energy efficiency grants available to some private householders, as well as the discounted insulation scheme offered via all energy suppliers. Further assistance was, however, required by a number of households in need.

The Committee therefore welcomed the receipt by the Council of an Energy Efficiency Commitment grant of £25,862 from the British Gas "Here to Help" scheme managed by the Eaga Partnership (the Energy Action Grants Agency). The funds could be used either to enhance energy efficiency in the existing Council stock or to facilitate improvements in the private sector. Since there would be other opportunities to apply for additional funding for the housing stock, Members concurred with a recommendation from the Housing and Community Services Committee that the money should be used to assist vulnerable households in the private sector. This had the potential of levering in more external funding and represented a positive move towards achieving the Decent Homes Standard, a factor likely to be assessed in any subsequent CPA inspection.

Members proposed that the assistance be offered on a first come first served basis from early in the New Year and adopted the eligibility criteria set out below. Priority would be given to encourage eligible pensioner households to take up the support;

- i) households living in privately rented or owner occupied housing, where they lacked cavity wall insulation and/or loft insulation; and
- ii) households including children, a pregnant woman, a disabled person or a person over 60 years of age; and
- iii) households not currently eligible for similar assistance under the Warm Front grant scheme or the EEC discounted Insulation Scheme, but whose total household income was still less than £18,000 per year.

A maximum of £1,500 was to be made available per property to arrange and pay for the full cost of cavity wall insulation, and/or loft insulation and a hot water cylinder jacket. Assuming likely costs of £5-700 per household it was estimated that between 30-50 homes could be improved by this means, thereby not only generating considerable savings for the occupants and improving their health, but also increasing the overall Borough energy rating. Eaga would administer the scheme on the Council's behalf in return for a percentage fee – currently being negotiated – of the cost of the works. Appropriate safeguards would be built into the agreement with Eaga to ensure that the scheme was properly administered and the Council approved all work. Demand for the programme would be closely monitored so as to substantiate any further grant bids, although it was recognised that the scheme would be strictly cash limited and there was no guarantee the Council would be able to secure additional funds of a similar nature in future.

RESOLVED that –

- i) the Corporate Management Committee be requested to approve a capital estimate in the sum of £25,862 to meet the cost of awarding assistance towards energy efficiency measures as set out above, to be financed from the grant received from the British Gas "Here to Help" scheme; and**
- ii) the grant be used to reduce fuel poverty and in line with the arrangements set out above and priority be given to encourage pensioner households who qualify to take up this support.**

462. NON-OPERATIONAL PROPERTY PORTFOLIO REVIEW

(Ref: Minutes of Economic Development Committee, January 2004, page 1186, para 647)

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 paragraphs 3 and 7 of Schedule 12A to Part 1 of the Act.

In accordance with the requirements of the Asset Management Plan, Members received details of the position regarding a number of non-operational property transactions.

The Committee noted that the completion of the sale of the Stoneylands Club site in Egham had been delayed because of concerns regarding the planning application for the redevelopment of the Egham Working Mens Club, the proceeds from which were to have funded a new merged social club on the Stoneylands site. If the existing proposals did not proceed it was open to the Council to dispose of the land for residential development instead. Elsewhere, Members congratulated Officers for the extensive public consultation exercise currently being undertaken in respect of the proposals for the development of a new park in Egham Hythe. It was anticipated that planning applications would be submitted by the end of the month both for the park itself and the associated development of Barrsbrook Farm as a nature reserve. Construction work was expected to start on the park in the autumn.

The Committee was also informed that no suitable alternative site had been identified for the proposed relocation of the Samaritans from their premises on land at Ledger Drive, Addlestone. It was therefore intended to demolish the existing building and rebuild within the same site. A report would be presented to the Committee on the detailed terms and the implications for the other occupants of the site. Reports were also to be submitted in due course regarding the rationalisation of the electricity sub-station leases, now actively being pursued, and the potential for a mixed use development of the Virginia Water car parks.

RESOLVED that –

the relocation of the Samaritans within the existing Ledger Drive site be approved in principle, subject to detailed terms being reported back to the Committee.

463. COMMERCIAL PROPERTY PORTFOLIO

(Ref; Minutes of Economic Development Committee, January 2003, page 945, para 560 and June 2003, page 125, para 102)

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.

The Committee received details of the results of the annual in-house revaluation of the commercial property portfolio, the current rental levels, individual valuations and the Internal Rate of Return as required by the Asset Management Plan. The portfolio was currently valued at £14,432,000 compared with £14,672,000 in 2003, and produced a total rent roll of £1,060,199.

Members were pleased to note that the portfolio was performing to an encouraging level, continuing to show returns considerably better than could be obtained in the money markets. This was particularly commendable because of the poor quality nature of some of the properties. The potential need for action had, however, been identified in respect of a number of sites, including the strategic holdings at 131-137,153/155 Station Road and 1-5 Manton Terrace, Addlestone. Although it had not been possible to reach agreement with an adjoining landowner regarding the potential redevelopment of the combined site, Members, mindful of the time consuming nature of the units concerned, were of the view that the goal of redevelopment should continue to be pursued. It was noted that preliminary discussions were being held with a substantial development company to this end.

The Committee recommended that an offer received for the properties at 1-23 Station Road, Egham not be accepted since the receipt would produce a revenue stream of little more than half the current rent roll. Officers were, however, instructed to pursue an opportunity for a land swap between Lyne Farm and Ruxborough Farm which, it was felt, would help make the former a more viable unit. A further report on the matter would be submitted to Members in due course. Officers would also continue to monitor the situation in respect of the Sainsbury Centre, Chertsey and, if appropriate, engage in negotiation with a view to securing a favourable outcome.

RESOLVED that -

the Director of Administration and Leisure be authorised to;

- i) pursue the objective of redevelopment of 131-137,153/155 Station Road and 1-5 Manton Terrace, Addlestone;**
- ii) decline the offer received for 1-23 Station Road, Egham;**
- iii) monitor the situation and, if appropriate, engage in negotiations to secure the optimum outcome in respect of the Sainsbury Centre, Chertsey; and**
- iv) pursue the opportunity of a land swap between Lyne Farm and Ruxborough Farm and report to the Committee in due course.**

464. LAND AT WASPE FARM CAR PARK, EGHAM - DISPOSAL
(Ref. Minutes of Economic Development Committee, May 2004, page 1579, para. 898)

By resolution of the Committee the press and public were excluded from the meeting during discussion of the following report under Section 100A(4) of the Local Government Act 1972 on the grounds that the report in question would be likely to involve disclosure of exempt information of the description specified in paragraph 9 of Part I of Schedule 12A of the Act

At its meeting in May 2004 the Committee had declared the overflow section of the Waspe Farm Car Park to be surplus to requirements with a view to its disposal for a mixed tenure residential development, possibly incorporating adjoining land. Members now noted that negotiations with the developers who held the option on the neighbouring site had proved to be unsuccessful. It had, nevertheless, been possible for Apex Housing Association to redraw the proposed scheme to provide for 10 units of social housing for rent entirely within the footprint of the land owned by the Council. This was not dissimilar to the affordable housing provision originally envisaged. Any development would be subject not only to planning consent but also the approval of access arrangements from Stoneylands Road. The receipt provisionally negotiated, which had not been envisaged in the capital programme, was consistent with other comparable disposals.

RESOLVED that -

subject to contract and all necessary consents, the Director of Administration and Leisure be authorised to dispose of the land at Waspe Farm Car Park identified in Appendix 'B' on the terms reported and subject to such other terms and conditions as he sees fit.

Chairman

(The meeting ended at 9.25 p.m.)