

Runnymede Borough Council

ECONOMIC DEVELOPMENT COMMITTEE

11 March 2004 at 7.30 p.m.

Members of the Committee present: Councillors J.R. Furey (Chairman), J.E. Haas (Vice-Chairman), A. Alderson, A.J. Davis, D.P. Easton, J.M. Edwards, R.J. Ray, B.J. Relph, Ms. C.M. Simmons and A.P. Tollett.

Members of the Committee absent: None

Councillors P.A. Greenwood and C. Knight also attended.

770. NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

The Conservative Group had notified the Chief Executive Officer of its wish that the changes listed below be made to the membership of the Committee. The changes were for a fixed period ending on the day after the meeting and thereafter the Councillors removed would be re-appointed.

Remove from Membership	Appoint instead
Councillor M.J. Brown	Councillor A.P. Tollett
Councillor K.J.T. Walmsley	Councillor J.M. Edwards

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

771. MINUTES

The Minutes of the meeting of the Committee held on 15 January 2004 were confirmed and signed as a correct record.

772. DECLARATIONS OF INTEREST

Councillor J.R. Furey declared a personal and prejudicial interest under the Runnymede Code of Conduct for Members in respect of the item concerning 48/48a Station Road, Addlestone owing to the proximity of his business to the premises. Councillor Furey therefore withdrew from the room during the discussion of the report, Councillor J.E. Haas taking the Chair in his absence.

773. SERVICE PLAN 2003/04 - QUARTERLY PERFORMANCE

(Ref: Minutes of Economic Development Committee September 2003, page 633, para. 294)

Members were notified of progress with the Economic Development Service Plan in the third quarter of 2003/04. The Plan served as a basis for monitoring and review of the Committee's objectives as drawn from a variety of sources and set out details of timescales, potential barriers and additional resource requirements, as well as corrective action where it was required to improve performance. It was noted that a report was to be submitted to the next meeting of the Committee examining the scope for different charges to be applied to residents and non residents in respect of car park permits. Meanwhile Officers were to write to all Members, many of whom were School Governors, to highlight the availability of Government grant funding for schools which had completed a travel plan.

The opportunity was also taken to approve two new targets, derived from the Leader's Position Statement 2004/05, which would be incorporated in the Service Plan for the forthcoming municipal year.

RESOLVED that -**the targets highlighted in Appendix 'A', drawn from the new Leaders Position Statement, be included within the Service Plan for 2004/05.**

774. STATION ROAD, ADDLESTONE - ENVIRONMENTAL IMPROVEMENTS SCHEME
(Ref: Minutes of Economic Development Committee, September 2003, page 633, para. 294)

The Committee gave consideration to the detailed design and construction of the proposed environmental improvements in Station Road, Addlestone.

Members recalled that the Committee had previously approved outline proposals for a scheme consisting of highway works and streetscape and lighting improvements. Following further extensive consultation with residents, shoppers and retailers, much of the detailed design had now been completed. This envisaged new kerbs to narrow the carriageway to a width of 6.75m, four new laybys with spaces for 25 cars, the alteration of the bus layby outside Woolworth's to meet the requirements of bus operators, raised road tables which would accommodate two new pelican crossings, the existing crossing near the Tesco roundabout and an uncontrolled crossing point. The kerblines at the vehicular entrance to Tesco was also to be altered in order to make it safer for pedestrians to cross at that point. The possibility of constructing a road table at the same location would also be investigated with a view to the reduction of traffic speeds as a further safety feature for pedestrians.

The Committee noted that the scheme would provide more attractive paved areas, improved street furniture and new trees. New, more attractive, powerful and energy efficient street lamps and columns were also due to be installed from the Station Road/High Street junction to the level crossing. Agreement had been reached to share the cost of the street lighting works with Surrey County Council. The County Council was to contribute £55,000, a sum equivalent to the standard lighting design, with the Borough Council meeting the additional cost of the upgrade.

The total cost to Runnymede of the overall enhancement scheme, including expenditure on both design and construction, was now estimated at £640,000. This figure was within the remaining capital programme provision for the project of £659,100 and, in view of the Council's savings targets, efforts would be made to ensure an underspend on the project. Subject to the approval of the proposals by the Surrey County Council Local Area Committee at its meeting on 12 March, it was intended that the construction works would be completed by the end of October 2004.

RESOLVED that -

- i) the detailed design and construction of the proposed Station Road improvements scheme be approved, subject to the agreement of the Surrey County Council Local Area Committee; and**
- ii) the Corporate Management Committee be asked to approve a Capital Estimate in the sum of £640,000 for construction and the design fees, from the remaining Action Addlestone capital programme provision**

775. MARKETS IN EGHAM

The Committee gave consideration to a request from a market operator to hold a French market in Egham High Street on 14/15 May 2004. The market was expected to comprise approximately 25 stalls serving a variety of French style foodstuffs and goods between the hours of 9 a.m. to 5 p.m.

Members felt that the market was likely to prove attractive to shoppers and would therefore serve to promote the town centre. The normal consultation would be undertaken for the issue of a street trading licence, but Officers had already canvassed the views of interested parties and the proposal had received a positive response. Local traders and residents groups were strongly in favour of the event and neither the Chertsey Market Feoffees nor the organisers of the Egham Farmers Market had any objections. The operator, Marché de France, would not be charged a licence fee so as to ensure that a larger proportion of its limited budget for the event could be utilised for advertising and publicity. It was noted that arrangements would have to be made regarding access to electricity points, the collection of rubbish and the temporary extension of the period during which the High

Street was closed to vehicular traffic. The operator would also have to satisfy the Council that the market could be safely accommodated in the High Street with sufficient room for the passage of emergency vehicles. Officers were asked to give consideration, in consultation with the Chairman, to the feasibility of Pay and Display car parking charges in Egham being subsidised on the days of the market.

The Committee also noted that the Director of Administration and Leisure, acting under delegated powers, had renewed the street trading licence for 2004 in respect of the Egham Farmers Market. The market continued to operate on the morning of the fourth Saturday of each month in the High Street and was still generally regarded as an asset to the town. There had been some absences amongst the regular stallholders during the previous year but the number of stalls was expected to increase again for the March market. Difficulties with motorists ignoring the street closure and driving down the High Street while the market was on appeared to have been partly overcome since a member of the market staff had been placed at the High Street gates.

RESOLVED that -

- i) the request to hold a French Market in Egham High Street on 14 and 15 May 2004 be approved in principle, and the Director of Administration and Leisure be authorised to issue a Street Trading Licence, subject to satisfactory arrangements being made in respect of the legal and practical issues outlined above; and**
- ii) the action of the Director of Administration and Leisure in issuing a Street Trading Licence for 2004 to the Egham Farmers' Market be confirmed.**

776. EGHAM ROYAL SHOW - USE OF MRS CADDEY'S FIELD

(Ref: Minutes of Economic Development Committee, March 2003, page 1141, para. 704)

The Committee gave consideration to a request from the Egham and Thorpe Royal Agricultural and Horticultural Association for the use of Mrs Caddey's Field, Whitehall Lane, Egham for the Egham Royal Show in August 2004.

Members recalled that the Show had now been held for five successive years at the site following its relocation from Runnymede Meadows. Officers and the emergency services had generally been satisfied with the way in which the Show had been conducted, the condition of the field afterwards and the access and diversion arrangements. There had been no adverse feedback from local residents. The organisers would, as before, consult widely with local residents and representatives before finalising proposals for the 2004 Show, although the layout and format of the event were likely to be similar to the previous year. The Association did, however, intend to make improvements to some aspects of the traffic management, both in Whitehall Lane and within the car parking area. This included the provision of additional manpower and signage.

The Committee noted that discussions would also be held with the Association regarding the arrangements for grass cutting. In view of the pressure on staff resources in the Leisure Services Section, it was possible that Officers would not be in a position to undertake the usual ground preparation work on behalf of the organisers. It was agreed that subject to the resolution of this issue, permission should be given on similar terms to previous years. The Director of Administration and Leisure was authorised to grant the annual consent for the Show to be held on Mrs Caddey's field in future, provided that the arrangements continued to prove to be satisfactory.

Nevertheless, Members asked that the organisers continue their efforts to identify an alternative location for the Show. So far, no site had been found which offered all the advantages of Mrs Caddey's Field. While enquiries had been made about a return to the Egham Meads Site, it was not yet believed to be a viable option. However, it was noted that there was the possibility of the land around the Show Ground being used for gravel extraction in future. This would adversely affect the car parking arrangements and make it imperative for the organisers to secure another venue.

RESOLVED that -

- i) the Egham and Thorpe Royal Agricultural and Horticultural Association**

be granted permission to hold the Egham Royal Show at Mrs Caddey's Field for the August Bank Holiday weekend of 2004;

- ii) subject to discussions with the Association with regard to the arrangements for grass cutting, permission be on similar terms and conditions to the event held in 2003;**
- iii) the organisers be requested to continue their efforts to locate an alternative site for the Show; and**
- iv) the Director of Administration and Leisure be authorised to grant consent for the show to be held on Mrs Caddey's Field year by year in future years, subject to being satisfied as to arrangements each year in respect of the matters mentioned above and in the Agenda report and any others he sees fit.**

777. ACTION ADDLESTONE INITIATIVE MEMBER STEERING GROUP - MINUTES

The Minutes of the Meeting of the Action Addlestone Initiative Member Steering Group held on 27 January 2004, attached at Appendix 'B' were received and noted.

778. EGHAM HYTHE PROJECT - PROGRESS REPORT

(Ref: Minutes of Economic Development Committee, November 2003, page 1001, para. 472)

The Committee received a detailed report setting out progress in respect of the proposed Egham Hythe Town Park and Health Centre.

Members were pleased to note that a Friends of Hythe Park group had now been established in order to access funds not available to the Council, assist with the detailed design of the Park and, in the long term, become involved in maintaining the facilities in partnership with the Council. Approval was given to a draft Heads of Terms as the basis for the working relationship with the Group. Officers were, however, asked to give further consideration, in consultation with the Chairman, to the extent of the Group's liability for its actions. The Group was currently consulting local youth organisations on design issues and intended to shortly pursue grant opportunities, in particular an application for landfill tax credit funding. A grant of £1,000 had already been obtained by the local tree warden for the purchase of trees.

The Committee noted that further savings could be obtained from a partnership with Woodland Environmental, a company which specialised in self funded green space regeneration. The company provided a complete design and build service funded from the recycling of inert soil from development sites. The soil was subsequently utilised in the landscaping solutions. The company was keen to work with the Council and had already undertaken some basic ecological and underground services surveys at its own risk. The project was smaller than most of its other schemes and thus unlikely to be 100% self funding. There was, nevertheless, the potential for substantial savings if a design and build contract was let on this basis. It was therefore agreed that Contract Standing Orders should be waived to permit negotiations with the company. The detailed terms would be reported to the Committee for approval.

There would be a need to keep the importation of landscaping material to a minimum as the town park site lay within the floodplain and the Environment Agency would resist the raising of ground levels. It would depend on the scale of operation as to whether planning permission would be required for this in its own right. If it was then the County Council would be the determining planning authority.

The development of the park was also dependant upon the relocation of the Egham Swan Sanctuary. Planning permission for the Sanctuary had expired in 1998 and it had been seeking a new site for some years. Negotiations were underway in respect of a potential replacement site outside the Borough but there was no identifiable timescale for a move. Although the Sanctuary had previously been informed that vacant possession of its present site would be required by 31 March 2004, no formal Notice to Quit had yet been served. The Friends Group, anxious to maintain the momentum for the Park, had expressed concern that the matter had still not been resolved. While it was likely to take a further 12 months to finalise the arrangements for the Park, Members recognised that a solution to the Swan Sanctuary problem needed to be found at the earliest opportunity. Discussions

were to be held with the Sanctuary in the near future and a report on the matter would be presented to the next meeting of the Committee.

Also critical to the development of the Park would be capital receipts from the disposal of land to the rear of the new Hythe Centre, for use as a Health Centre, and land adjoining 97 Pooley Green Road, for an affordable housing scheme. It was recalled that the original proposals for the relocation of the Thorpe Road doctors surgery had been expanded into a scheme for a privately financed Health Centre of 17,000 sq.ft. Negotiations were currently under way between the funders, Community Healthcare Investments Ltd, and the North Surrey Primary Care Trust regarding the content of the facility. Subject to agreement, the Centre was likely to contain two surgeries, a dental practice open to NHS patients, a pharmacy and an Area Social Services team. The revised premises also provided for an additional 55 car parking spaces. A planning application was due to be submitted by the end of March following consultation with residents and Ward Members. In welcoming the concept, the Committee asked that Officers convey to the developers its desire for the dental practice to retain its commitment to NHS work. The terms of the lease to be offered to Community Healthcare Investments Ltd, together with the financial position of the project as a whole, were considered in Part II of the Meeting, following the exclusion of the press and public.

Members noted that the scheme in its present form would enhance local leisure facilities and healthcare arrangements, improve the provision of affordable housing and produce a financial betterment for the Council. However, the sites of both the proposed Health Centre and the housing scheme were located within the floodplain and therefore contrary to Local Plan policies. Despite the community benefits, the Environment Agency was likely to object to the Health Centre, although the applicant would seek to overcome this by raising the building and the provision of a dry escape route. A recent planning application for the affordable housing scheme had been deferred by the Planning Committee pending further discussions to meet the requirement for such an escape route. It was also possible that Sport England would object to the Health Centre proposal as it would result in the loss of part of the adjacent open space. An open space audit had, however, illustrated the considerable amount of open space within the ward and it was hoped that this evidence, together with the proposals for the park, would satisfy any such concerns.

RESOLVED that -

- i) the draft Heads of Terms shown at Appendix 'C' be approved as the basis for an agreement with the Friends of Hythe Park;**
- ii) the Director of Administration and Leisure be instructed to enter into negotiations with Woodland Environmental with a view to securing a design and build contract for the proposed Hythe Park, subject to final approval of the terms of such a contract by this Committee; and**
- iii) Standing Order C2.5 be waived in order to permit negotiations with Woodland Environmental for the reasons stated above.**

779. EGHAM HYTHE PROJECT - FINANCIAL POSITION

(Ref: Minutes of Economic Development Committee, November 2003, page 1001, para. 472)

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.

Having noted details of progress with the Egham Hythe project earlier in the Meeting, the Committee now took the opportunity to review the financial implications of the scheme and set a budget for the Town Park element.

Members were advised that the amended proposals for the Health Centre had significantly increased the anticipated level of capital receipts. The development income in respect of the Health Centre and the affordable housing scheme adjoining 97 Pooley Green Road would be supplemented by an underspend on the Hythe Centre and any grant aid obtained for the Park. In this respect it was hoped that the Friends of Hythe Park might be able to access funding of more than £100,000. Other sources of grant support were being investigated by Officers. By way of example, it was noted that there was the potential for an award of £5,000 from the Home Offices' Safer Community Fund to

assist with the provision of equipment for young people. Significant savings on the Park project might also be expected from the proposed award of a design and build contract to Woodland Environmental.

The final cost of the Park development was estimated at between £500-650,000 dependant upon the design and the nature of the youth provision. It was agreed that the Council would contribute a maximum of £400,000 towards this sum, funded from the Hythe Centre underspend, the value arising from the involvement of Woodland Environmental and the recycling of receipts from the Health Centre. The actual sum to be expended would be dependant upon the scheme costs, the level of sponsorship and grant aid and the value of Woodland Environmental's input. Provided that planning consent was obtained for the Health Centre and affordable housing, it was expected that there would be a welcome net capital betterment to the Council.

RECOMMEND that -

subject to the disposal of land for the proposed Health Centre on the terms reported in the Minute (para. 780) below, the Council make available a maximum sum of £400,000 for the development of the proposed Hythe Park and the capital programme be amended accordingly.

780. EGHAM HYTHE PROJECT - PROPOSED HEALTH CENTRE

(Ref: Minutes of Economic Development Committee, November 2003, page 1001, para. 472)

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 considered the grant of a lease to Community Healthcare Investments Ltd in respect of land adjacent to the Hythe Centre so as to facilitate the proposals for a Health Centre outlined earlier in the meeting.

Members were of the view that the terms of an agreement provisionally reached with the developer on the size of the initial capital receipt and rental arrangements were satisfactory. A 125 year lease would be awarded, in order to allow two life cycles for the development. The District Valuers recent assessment of the recharges to be applied had not led to any alteration of the terms proposed. It was recognised that the settlement was likely to be adversely affected by any reduction in the scale of the scheme in the planning approval process.

RESOLVED that -

subject to contract, all necessary consents, the declaration of the Leisure and Environment Committee that the land in question is surplus to requirements, appropriate advertisement of the proposals and consideration of representations, if any, under Section 120 of the Local Government Act 1972, the Director of Administration and Leisure be authorised to dispose of the land shown on Exempt Appendix '1' of the agenda on the terms reported and subject to such other terms as he sees fit.

781. BARRSBROOK FARM

(Ref: Minutes of Corporate Management Committee, April 2003, page 1224, para. 760)

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 gave consideration to the sale of part of Barrsbrook Farm to a housing association and interim arrangements for the management of the remainder of the site pending a review of its long term future.

Members recalled that part of the Barrsbrook site was to be utilised as a replacement for the Painesfield and Beomonds Allotments in connection with the Roakes Avenue estate redevelopment and Chertsey Allotments rationalisation project. Construction of the allotment site was underway and the plot holders were expected to transfer at the beginning of April. Terms had, however, now also been agreed with Hyde Housing Association for the provision of 17 affordable housing units on the site of the principal farm buildings. The scheme was to comprise a mix of general needs rented accommodation and sub market rents, with one unit being specifically adapted for use by a resident with disabilities who was due to be displaced by the Roakes Avenue redevelopment. The units, which would not require any contribution by the Council, were to incorporate solar heating and some photovoltaic units.

Members noted that the proposed sale price was comparable to other recent deals with housing associations. There were indications that the scheme had been accepted for Housing Corporation funding and formal confirmation was expected by the end of March. It was noted that the disposal would trigger a 'clawback' clause under the terms of which a proportion of the proceeds were due to the estate of the previous owner. Negotiations regarding the 'clawback' were ongoing but there was provision for arbitration proceedings if agreement could not be reached.

The remainder of the site, comprising some 33 acres, had been neglected for many years and hedges, ditches and fences were all in poor condition. Difficulties had recently been experienced with travellers attempting to settle on the site and there was evidence that the northern end was being used as a motorcycle race track. It was therefore agreed to accept a request from a local farmer to cut all dead growth and prepare the land in return for taking off the hay crop later in the year and possibly, at a later stage, grazing cattle. While this would not generate any income, it would reduce the management costs, improve the land and help deter both travellers and motorcyclists.

In the longer term, Members were of the view that a 10 year Countryside Stewardship scheme under the auspices of the Department for the Environment, Food and Rural Affairs (DEFRA) was likely to provide the most cost effective means of improving the land since it offered the possibility of Government grant funding. Initial contacts with DEFRA regarding the potential for such a scheme had been encouraging. Officers were therefore asked to work together with DEFRA and the farmer to draw up a draft scheme and consult interested parties before presenting a report on the implications to the Committee.

RESOLVED that -

- i) subject to contract and all necessary consents, the Director of Administration and Leisure be authorised to dispose of that land shown on the plan at Appendix 'D' to Hyde Housing Association in the sum reported at the meeting;**
- ii) the Borough Valuer be authorised to settle the clawback negotiation on the best terms possible;**
- iii) subject to contract, a 12 month Farm Business Tenancy of the land be agreed with the Farmer identified in the agenda report and suitably documented; and**
- iv) Officers be instructed to bring back a report on the implications of a Countryside Stewardship Scheme and the consultation feedback.**

782. 48/48a STATION ROAD, ADDLESTONE
(Ref: Minutes of Economic Development Committee, January 2004, page 1186, para. 646)

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.

The Committee received details of a breach of the lease in respect of a retail unit and residential accommodation at 48/48a Station Road, Addlestone. Having regard for the circumstances, it was agreed that Officers should seek to negotiate the surrender of the existing lease of the entire premises and grant separate leases of the flat and retail unit to the present tenant and sub-tenant

respectively. If the lessee refused to surrender the lease, possession proceedings could be taken in relation to the whole premises.

RESOLVED that -

- i) subject to contract and to all necessary consents, the Director of Administration and Leisure be authorised to agree terms for the surrender and new leases in respect of 48/48a Station Road, as outlined in the agenda report; and**
- ii) in the event that it is not possible to agree acceptable terms with both parties, the Director of Administration and Leisure be authorised to commence possession proceedings for the whole premises.**

783. ROAKES AVENUE ESTATE - COMPULSORY PURCHASE ORDER

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.

Members considered a request from the Housing and Community Services Committee to authorise a Compulsory Purchase Order in respect of a one bedroom flat on the Roakes Avenue Estate. The property was one of several which the Council had sought to purchase in order to facilitate a comprehensive redevelopment of the estate, but it had not so far been possible to agree terms with the owner. Discussions were continuing but compulsory purchase would be required if the flat could not be acquired by negotiation. The Committee, having regard for the Human Rights considerations, was satisfied that there was sufficient justification to warrant the interference with the rights of the owner.

RESOLVED that -

in the event that such further negotiation as the Borough Valuer considers reasonable is unsuccessful, a Compulsory Purchase Order be made pursuant to Section 17 of the Housing Act 1985 in respect of the property identified in the agenda report for the purposes of redevelopment as a site for the erection of houses, or associated facilities, or both, whether by the Council or by a person intending to provide housing accommodation or associated facilities.

784. SALE OF SURPLUS HOUSING LAND

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 gave consideration to the disposal of parcels of land adjoining several former Council houses in St Ann's Close and a property in Cowper Close Chertsey. The land, which was increasingly being used by residents to supplement off street parking, had been excluded from the original sale of the houses under the Right to Buy scheme, but had now been declared surplus to requirements by the Housing and Community Services Committee. Disposal to the owners of the adjacent properties would reduce the maintenance liability, which was otherwise likely to increase as a result of the usage for car parking, and generate a small capital receipt.

Members noted that it was intended to identify and dispose of other such former housing sites that no longer served a useful purpose in order to reduce the long term maintenance liability. It was therefore agreed that the Director of Administration and Leisure should be authorised to deal with all future requests of a similar nature in consultation with Ward Members and the Chairman of both the Housing and Community Services and Economic Development Committees.

RESOLVED that -**subject to contract and all necessary consents**

- i) the Director of Administration and Leisure be authorised to dispose of that land shown at Exempt Appendix '3' to the agenda and the land adjoining the property identified in Cowper Close, on the terms reported; and**
- ii) the Director of Administration and Leisure be authorised to determine any future similar requests in consultation with Ward Members and the Chairmen of the Housing and Community Services and Economic Development Committees.**

785. ADDLESTONE COMMUNITY ASSOCIATION REPROVISION

(Ref: Minutes of Economic Development Committee, January 2004, page 1185, para. 645)

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.

Members were informed of the satisfactory resolution of taxation issues which had delayed the letting of the building contract for the reprovion of the Addlestone Community Centre.

The construction of a new Community Centre on part of the Garfield Road car park represented the first phase in the redevelopment of the Civic Offices site as a whole. The Council had, however, been unable to commit itself to the project until clarification had been received of the potential Value Added Tax and Stamp Duty Land Tax liabilities. The consequent delay meant that the Authority was out of time in relation to acceptance of the lowest tender for the construction works.

Members were therefore now pleased to note that the specialist advice sought in respect of both the VAT and Stamp Duty Land Tax position had proved to be favourable. Customs and Excise had confirmed that the construction cost would be attributable to the zero rated supply and thus there would be no additional VAT cost implications either for the Council or the Addlestone Community Association. Similarly, specialist tax Counsel had advised that no Stamp Duty Land Tax would be incurred on the surrender of the existing Community Association lease or on the grant of the new one. Meanwhile, confirmation had also been received from Bluestone Plc, the lowest tenderer for the construction works, that provided the formalities were finalised within the next two or three weeks the previously reported contract sum would not be subject to adjustment. This effectively removed the final impediment to the letting of the contract once the documentation with the Community Association was concluded.

786. CHERTSEY REVITALISATION AREA, PHASES 12-14 (GUILDFORD STREET/FOX LANE NORTH)

(Ref: Minutes of Economic Development Committee, November 2003, page 1006, para. 483)

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 7 and 9 of Schedule 12A to Part 1 of the Act.

The Committee received details of the conclusion of negotiations with Countryside Properties Plc, the Council's development partner, in respect of the final phase of the Chertsey Revitalisation Scheme in Guildford Street/Fox Lane North.

Members recalled that the original concept of a predominantly office based development had been replaced with proposals for 93 residential units, 24 of which would be affordable housing, 10,000 square feet of retail and more economic ground level parking. It was now noted that agreement had been reached with Countryside in respect of the overage arrangements that would apply if property prices were to rise significantly between the commencement of construction and completion. The trigger point for the calculation had been set at the agreed purchase price for the land together with an allowance for the abortive costs the developer had incurred as a result of the shift towards a

residential scheme. Any betterment in the land value consequent upon higher purchase prices would be apportioned between the Council and Countryside in accordance with an agreed ratio. The capital receipt arising from the land disposal would, as previously reported, be received in a series of six staged payments, the first being due on completion of the contract. Agreement had also been reached on the ownership of the affordable housing units, all of which would be made available to the Thames Valley Housing Association for a shared ownership initiative. Nomination rights were to be held by the Council.

The Committee also approved a number of minor amendments to the scheme design. These entailed the inclusion of internal rather than external balconies, alterations to the 3rd floor elevation treatment, a modest reduction in building width and smaller bay windows. The proposed changes did not affect the planning consent for the scheme, which was due to be issued shortly following the resolution of various highway and disabled access issues. It was expected that all outstanding contract and other documentation would be finalised in the coming days, with the Countryside and Thames Valley Housing Association agreements being executed simultaneously.

RESOLVED that -

- i) the revised financial terms reported at the meeting be approved; and**
- ii) the minor changes summarised above and detailed in drawings numbered 1132/P/001 A, 1132/P/ 100A to 105A, 110A and 111A, 120A & 121A, 130A and 131A, 140A and 1132/P200A to 203A be approved.**

Chairman

(The Meeting ended at 9.19 pm)