

Runnymede Borough CouncilCORPORATE MANAGEMENT COMMITTEE3 July 2003 at 7.30 p.m.

Members of the Committee present: Councillors J.M. Edwards (Vice-Chairman in the Chair), J.R. Furey, P.A. Greenwood, C.J. Norman, Mrs E.E. Price, Ms. C.M. Simmons, N. Thewlis, P.B. Tuley, P.J. Waddell and G.B. Woodger

Members of the Committee absent: None.

Councillors A. Alderson, M.J. Brown, P.J. Poole and A.P. Tollett also attended.

155. NOTIFICATION OF CHANGE OF COMMITTEE MEMBERSHIP

The Conservative Group had notified the Chief Executive Officer of its wish that the Chairman, Councillor R.K. Habgood, be removed from Membership of the Committee and that Councillor N. Thewlis be appointed in his place for a fixed period ending on the day after the meeting. Thereafter Councillor Habgood would be reappointed.

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

156. MINUTES

The Minutes of the meeting of the Committee held on 5 June 2003 were confirmed and signed as a correct record.

157. DECLARATIONS OF INTEREST

Councillors Ms. C.M. Simmons and G.B. Woodger declared personal interests under the Runnymede Code of Conduct for Members in respect of the Reference from Leisure and Environment Committee on Abbey Fit - Business Plan Evaluation, as they were members of the Abbey Fit Joint Management Committee. They remained in the room, participated in the discussion, and voted thereon. Councillor Mrs Price declared a prejudicial interest in this item which affected a member of her family and left the room for the discussion and voting thereon.

Councillor Mrs Price also declared a prejudicial interest in the item Appointments to Outside Bodies - Local Authority Governor - Strodes College as this affected a member of her family and left the room for the discussion and voting thereon.

158. MINUTES OF EXTERNAL APPOINTMENTS SUB-COMMITTEE

RESOLVED that -

the Minutes of the External Appointments Sub-Committee held on 3 June 2003, attached at Appendix 'A', were received and adopted.

159. EXTERNAL FUND MANAGERS – PERFORMANCE REVIEW

The Committee received presentations from and questioned the Council's two external Fund Managers, Invesco and Investec, which was their normal practice on a six monthly basis. The original estimate for investment income for 2002/03 assumed that the Council's Fund Managers would achieve an overall performance of 5% and £170,000 in investment income. The Fund Managers outperformed this target in 2002/03 to produce income of £1,206,000. The performance of both external Fund Managers had been good and was in contrast to their disappointing results in 2001/02. This followed a good year for both Managers in 2000/01 and another year of disappointing results in 1999/2000.

During the first half of the year Investec had significant holdings in Gilts, while Invesco held more of their portfolio in shorter dated Certificates of Deposit (CD)s. Invesco also used gilts in the year but for relatively shorter periods. Invesco had also reduced their modest holding in Eurosterling Bonds. The net rate of return on the Investec Fund in 2002/03 of 5.83% was significantly higher than the three month LIBID (London Inter Bank Bid Rate) of 3.88%. The trading profits generated by the significant level of holdings in gilts early in the year had been the dominant reason for Investec's performance in 2002/03. The long term performance since the inception of the Fund showed a return of 6.55% against the LIBID benchmark return of 5.83%. The Council's treasury management consultants, Sterling Consultancy Services, reported that Investec were the top performing cash fund manager in 2002/03.

The performance benchmark for the Invesco Fund was the 3 month LIBID rate compounded monthly. Their target was to exceed this benchmark rate by 0.5% a year. The net return on the Fund in 2002/03 of 4.5% was 0.55% points greater than the benchmark rate of 3.90% (and marginally above the target rate of 4.40%). Invesco had had much smaller holdings in fixed interest stock than Investec during the year and instead had taken a significant position in one year CDs. The long term performance since the inception of the Fund was 5.05% compared to the benchmark for the period of 5.11%. The poor performance of the Fund in 1999/2000 along with the recent uncertainty in the markets explained this shortfall. However, Invesco ranked a commendable third in the performance of cash fund managers in 2002/03. Both Managers had expressed caution for 2003/04. Investment income was unlikely to match the Budget because of the recent reductions in short term interest rates. An overall shortfall of around £100,000 was likely.

In the fourth quarter of 2002 the Investec fund's duration was increased through the purchase of 7.5% 2006 and longer dated CDs. Following a downward revision of UK growth prospects (which made a cut in base rates even more likely) a further purchase of short-dated gilts and 1 year CDs was made in January. The fund was well placed to benefit from the February base rate cut. After the substantial rally in late February/early March profits were taken through the sale of half of the holding in 7.5% 2006. Following weaker than expected survey data for both the manufacturing and service sectors in early April the fund's duration was increased through the purchase of 8.5% 2005 at a yield of 3.72%. Later in April the fund's duration was increased further through a purchase of one year CDs yielding 3.57% and 7.25% 2007 at a yield of 3.97%.

Investec had thought that interest rates would stay at 4%. However, the conflict in Iraq had unsettled the equity markets. Global growth in USA, Euroland and Britain was struggling. If interest rates fell, greater holdings of bonds was advisable. The US economy had been struggling for at least the last two years, with 25% spare capacity. US unemployment was high. US interest rates were likely to stay low. There was a real danger that the US was moving towards deflation like Japan. The principal drivers of the continental European economies were struggling, shackled by a uniform interest rate and a stability and growth pact. Property prices would not rise at the same rate and retail sales would not be buoyant. Everything pointed to cuts in interest rates, probably down to 3.25%. Interest rate cuts would assist the housing market and the outlook for the equity markets was bleak. These trends meant that Investec would be increasing holdings in bonds and gilts, reducing exposure to gilts in the late summer. Investec expected to achieve a rate of return of 4% for 2003/04.

Invesco's performance for the three months to 30 June 2003 was 0.95 compared to a LIBID of 0.90. For the year ending 31 March 2003 performance had been 4.45 compared to 3.90. The 3 year annualised return to 31 March 2003 was 5.26 compared to 4.87.

The UK outlook was for sluggish growth. The greatest concern was the total level of outstanding debt as household consumption accounted for almost 70% of Gross Domestic Product. Variables that drove consumption were becoming less favourable through the slowing pace of employment, wage growth, and the housing market. An increased supply of Government Bonds was potentially putting upward pressure on bond yields. Key features were the possibility of deflation in the US, weak growth in Europe, and the amount of spare capacity in the US economy. House price inflation would tail off and retail sales would be disappointing. Bonds would perform well in this climate. Invesco expected to achieve a rate of return of 3.9% for 2003/04.

The Committee thanked the Fund Managers for analysing their performance and future strategy.

160. FINAL ACCOUNTS 2002/03

The Committee received a report on the outturn for the 2002/03 Financial Year. This compared actual income and expenditure for the 2002/03 financial year to the budget, and proposed various determinations relating to the 2002/03 financial year as required under Part IV of the Local Government and Housing Act 1989.

The Committee noted that full details of the outturn were contained within the Service Committee Actuals 2002/03 booklet circulated to all Members. The net General Fund expenditure in 2002/03 was £8,173,359. This was £1,082,241 less than the revised estimate, consisting of major service budget variances (£918,300), other variances of smaller amounts (£108,888), investment income (£15,053 better than estimated) and provision for Position Statement Initiatives (£40,000). The reasons for the betterment were planned underspends, unused provisions, increased income, savings in expenditure and changes in project implementation timescales. The actual Housing Revenue Account (HRA) for 2002/03 showed an increased surplus of £766,684 over the revised projection.

The Committee noted the 2002/03 details of HRA variations, capital receipts, movement in useable capital receipts, capital and revenue grants and contributions received, along with the Direct Services Organisation (DSO) Trading Accounts (which showed a deficit for the year) and DSO General Reserves. The Committee agreed that the accounts disclosed a number of favourable trends and was pleased to note the grants and contributions received during the year. The capital programme for 2002/03 assumed that Safer Runnymede Equipment (£128,574) and IT Renewals (£188,369) would be financed from specific revenue reserves. It was recommended that these works should be financed from capital receipts to preserve the level of revenue reserves, with a sum equal to the amount that they would have financed being transferred to the General Fund Contingency Reserve.

RECOMMEND that -

- i) determinations required under Part IV of the Local Government and Housing Act 1989 be made in the sums set out below:**
 - a) under Section 42 (2) (g) the expenditure for capital purposes which is to be reimbursed, or met out of money provided by any other person which is to be capitalised is £672,629;**
 - b) under Section 60 (2), the use of usable capital receipts which are to be applied to meet expenditure incurred for capital purposes are £1,372,997 on housing account and £8,930,199 on General Fund Account;**
- ii) the capital expenditure in 2002/03 that was to be met from revenue reserves now be financed from capital receipts in hand; and**
- iii) the disposition of the General Fund reserves be approved.**

161. FINANCIAL MONITORING

The Committee noted the latest financial projections for the 2003/04 financial year in the light of the outturn reported for the 2002/03 financial year. The Committee noted the anticipated variations in the current year's budget, which were categorised as supplementary estimates, planned underspendings brought forward and other changes. Implications for the following three years were included for completeness. Financial Regulations allowed planned underspendings in one year to be brought forward to the next. The report on the 2002/03 Final Accounts elsewhere on the agenda identified planned underspendings on General Fund Services totalling £240,300. This amount would increase the approved budget in 2003/04. Most of the other variations were supplementary estimates that had been approved. The most significant variation in income would be the increase in car parking income following the decision of the Economic Development Committee to increase charges from September. Other fluctuations in income, particularly in relation to the significant income areas like Development Control fees, could not be forecast with any certainty at this early stage in the financial year.

162. FLOODING IN RUNNYMEDE - ACQUISITION OF HEAVY GOODS VEHICLE

The Committee considered the purchase of an 18 tonne Heavy Goods Vehicle (HGV) with a heavy lifting attachment, primarily for use in dealing with Civil Emergencies. A report to the Corporate Management Committee on 5 June 2003, on Flooding in Runnymede, had sought approval to acquire an 18 tonne HGV equipped with mounted crane. The decision on the purchase of this vehicle had been deferred until this meeting of the Committee to allow for the preparation of a more detailed justification. The primary purpose of this vehicle would be for use in civil emergencies. Emergency response was not one of the Council's present statutory services but experience had shown that the public expected the Council to respond actively and positively to such events.

The vehicles currently used by the Council's Direct Services Organisation (DSO) for this purpose were 'Transit' type pick-up trucks with a 1 tonne capacity. The lack of a vehicle of sufficient capacity severely limited the efficiency of the Council's emergency response. The health and safety of Council staff and the public in trying to respond to an emergency situation could be jeopardised without the appropriate equipment. The Council currently had an extensive emergency store of equipment in order to assist the public in an emergency and to help restore normality. Flooding was becoming more common and other civil emergencies, such as the results of strong winds, had also badly affected the Borough several times in recent years. Fallen trees and debris resulted and the Council had recently trained and equipped five DSO staff in the safe use of chain saws in order to clear Council land, and highways if requested. The HGV and crane attachment would be a considerable benefit in removing this debris.

Emergencies could occur at any time and it was not always possible to hire a vehicle at short notice. The flooding in January 2003 had occurred over the New Year period, when it was extremely difficult to hire any equipment, with depots being closed. Extensive use had been made of contractors' vehicles in the January 2003 flooding. It was evident that residents did not always appreciate that the Borough Council was providing the help. A bought vehicle would be marked with the Council's name, unlike a short term vehicle. Communication was also important during an emergency and a short-term hire vehicle would not be equipped with Council communications equipment.

The proposed HGV could be used for a variety of other non-emergency purposes including improving the Council's performance in removing fly tipped material and abandoned vehicles in a dangerous state, responding to the public's requests to dispose of bulky items of waste responsibly via the 'Special Collections' service, enhancing speed and efficiency in removing fallen leaves during the autumn, collecting recycled material from the Council's 'bring sites' and bottle banks and dealing with traveller incursions.

The annual costs of running the HGV were estimated to be £10,200 consisting of a capital charge of £7,100 and maintenance and running costs of £3,100. These additional costs would be partially offset by the savings of approximately £5,000 generated by the surrender of an existing 'Transit' type truck, which the HGV would replace. The capital cost of purchasing the vehicle was £58,000. Officers had investigated the option of hiring a vehicle but the annual financing costs were more expensive than the cost of outright acquisition.

The costs of acquiring and running this vehicle would probably outweigh the potential savings. However, it would enhance the Council's emergency response, as required by public expectation. It would also improve efficiency and health and safety in other service areas. The Committee noted that quantification of the use of the vehicle was difficult at this stage, but requested a report after a year showing the uses to which it had been put and savings which had resulted. The Committee recommended that the vehicle be acquired, to enhance the Council's reputation as an authority which responded quickly to major events.

RECOMMEND that -

- i) capital programme provision and a capital estimate of £58,000 be approved for the acquisition of an 18 tonne HGV with a heavy lifting attachment, for the uses described in the preamble to this Recommendation, to be financed from capital receipts;**
- ii) a supplementary estimate of £5,200 be approved for the revenue costs identified in the Capital Project Appraisal form; and**

- iii) **a further report be submitted in a year's time showing the use and cost savings arising from the vehicle.**

163. PRIVATE SECTOR HOUSING RENEWAL ASSISTANCE SCHEME

The Committee considered a new Private Sector Housing Renewal Assistance Scheme as set out in Appendix 'B', recommended revised capital expenditure budgets for both Disabled Facilities Grants and the new Scheme for the financial years 2003/04, 2004/05 and 2005/06, and noted that further consideration would be given to extending the range of the Scheme. The Committee agreed that the interests of the Council and of the Borough would be prejudiced by delay in implementing the decision. The Chairman of the Review Board had agreed to this assessment and this would therefore preclude the possibility of call-in by the Review Board.

The Scheme fell within the terms of reference of the Housing and Community Services Committee. However, the March 2003 meeting of the Housing and Community Services Committee had agreed that the full details of the new Private Sector Housing Renewal Assistance Scheme would be referred to the Corporate Management Committee, for that Committee to consider and recommend the Scheme to the Full Council meeting on 17 July. The Financial Assistance Scheme would form part of the wider Private Sector Renewal Strategy to be submitted to the Housing and Community Services Committee on 23 July, with a proposed date for adoption of the whole package of 1 September 2003.

The Committee noted details of a range of private sector home improvement grants which were currently provided under a statutory framework of mandatory and discretionary grants. From 18 July 2003 this statutory framework would be repealed, save for mandatory Disabled Facilities Grants (DFG's). New legislation enacted in July 2002 and the associated Office of the Deputy Prime Minister (ODPM) Government guidance required the Council to develop a comprehensive Private Sector Renewal Strategy and Assistance Scheme. The Regulatory Reform (Housing Assistance) Order 2002 enabled local authorities to expand their range of policy tools for housing renewal giving broad freedoms to arrange and provide loans (while having regard to the recipient's ability to pay) and grants. The Local Government Association (LGA) had also recently issued guidance on loan schemes following requests from a number of local authorities for help, and the LGA's advice was noted by the Committee.

It was generally accepted that grant aid alone was no longer a cost effective way to tackle poor housing conditions in the private sector. Local authorities were expected to revise their strategies to review where grant aid was still necessary and to consider alternative, more cost effective ways to assist homeowners through loans and equity release. If the Council chose not to introduce any replacement scheme of financial assistance in addition to the mandatory Disabled Facilities Grant, it was likely that the Council would be considered to be failing in its duty to address poor housing conditions and unfitness in the private sector. This would be reflected in the Councils Housing Strategy Assessment, in any Best Value Inspection and in the Comprehensive Performance Assessment.

There was a need to have a new policy in place as close as possible to the date when the statutory scheme expired. No new financial assistance could be offered to applicants after 18 July, until an approved local policy had been published. A period of approximately three months was required for implementation following approval of the scheme, and it was recommended, therefore, that the new scheme took effect from 1 September 2003. Residents would be able to continue to apply for grant assistance under the old regime up until 18 July. Their applications would continue to be dealt with under the old rules throughout the process of their application. Therefore, for a period of time, there would be two schemes of financial assistance overlapping as many grants extended from one year to the next and payments were staged.

A Private Sector stock condition survey had recently been completed in the Borough. The assistance Scheme proposed had been drawn up in the light of the findings of the Stock Condition Survey, the Council's legal obligations regarding private sector stock condition and the need to reduce numbers of unfit homes.

Three types of grant aid were being recommended. The first of these, the Mandatory Disabled Facilities Grant (DFG) remained largely unchanged and demand for these had continued to increase. The other two types of grant aid were similar to the grants operated by the Council under the current statutory grants framework, i.e. the discretionary Home Repairs Assistance

Grant and the discretionary Renovation Grant. These were to be reclassified as Minor Works Assistance and Major Works Assistance. For Minor Works Assistance grants a much simpler system was recommended. Major Works Assistance grants would be similar to Renovation Grants and given the larger grant involved, a detailed financial means test would be required. Such grants would only be available to those who were unable to afford either commercial loans or the proposed Runnymede loan schemes. Officers had set the criteria for these grants in line with the overall priorities for the scheme and the projected demand along with the projected capital requirements was noted. In implementing the scheme, the Council would have to follow underlying principles of mortgage administration, including the need for recipients to receive independent advice.

Officers had considered a variety of options for the provision of secured loans and had also consulted with a registered charity, The Home Improvement Trust and considered their scheme called 'Houseproud'. A number of Surrey Local Authorities had already joined this scheme. However, Officers were not yet convinced that the Houseproud Scheme represented good value for money, in particular in terms of the number of people it was expected to assist, and it was recommended that this option be reviewed further in the light of the experience of other Authorities.

A relatively modest 'in house' loan scheme was recommended initially for disabled and elderly homeowners over 75 years of age, or others in exceptional circumstances. In line with ODPM guidance, Council loans would only be made available to homeowners who were unable to afford commercial loans. The interest rate used would be the "Standard National Rate" set by the Government for the purposes of mortgages on ex-Council properties sold under the Right to Buy arrangements. This rate was broadly an average of the rates charged by major building societies and was currently 5.19%. The Committee agreed that the loan options in the scheme provided a balance between value for money for the Council and an affordable option for low income homeowners with equity within their properties. The loans would ultimately be repaid and the resources would therefore return to the Council with the option of being recycled into further help for Private Sector renewal, or for other purposes as the Council thought fit.

The scheme would be reviewed over the next 12 months to give further consideration to extending it in a number of areas and a further report would be submitted to the Housing and Community Services Committee. Amongst the issues to be looked at were a small programme of "landlord" grants which could be a cost-effective way of encouraging some vacant properties back into use in return for "nomination" rights, as a way of ensuring that resources were used to meet housing needs. Such grants could also be made available for converting properties into good quality Houses in Multiple Occupation or shared housing, again in return for nomination rights. Officers would also consider the findings of the Stock Condition Survey in relation to energy efficiency and consider whether there was a need for a small grants programme to supplement the current "warm front" grants. Officers would also liaise with colleagues in other Authorities to review the operation of the Houseproud Scheme and consider the best way of extending the availability of secured loans and equity release schemes in the Borough, as well as looking at whether the age range of the Scheme could be extended.

The Housing Capital Programme currently provided a total budget of £280,000 for private sector housing grant expenditure including Disabled Facilities Grants, broken down as follows:

Table – Current capital budget for Private Sector Grants			
	Gross Capital budget £	Less 60% Government grant £	Net grant expenditure £
Mandatory Disabled Facilities Grants	180,000	108,000	72,000
Discretionary Renovation Grants	50,000	-	50,000
Home Repairs Assistance & minor Works Assistance	50,000	-	50,000
TOTAL	280,000	108,000	172,000

The recommended capital budgets for the proposed new Scheme were as follows:-

Table – Capital Budgets for Private Sector Renewal Assistance					
	Current Budget	Proposed Budgets (at outturn prices)			
	2003/04	2003/04	2004/05	2005/06	2006/07
	£000	£000	£000	£000	£000
<u>Disabled Facility Grants</u>					
Grants Made	180	330	347	364	385
Government Subsidy	(108)	(198)	(208)	(218)	(231)
Mandatory Grants – Net total	72	132	139	146	154
<u>Discretionary Grants</u>					
Renovation Grants	50	45	-	-	-
Home Repairs Assistance	50	35	-	-	-
Minor Works Grants		5	12	14	16
Major Works Grants		15	28	30	32
Discretionary Grants – Net total	100	100	40	44	48
TOTAL GRANT EXPENDITURE	172	232	179	190	202
LOANS	-	20	65	70	75
TOTAL CAPITAL BUDGET	172	252	244	260	277

The new loan scheme would give rise to a modest increase in the workload to the Land Charges section, the Accountancy Section and the Legal Team. At this stage it was expected that the workload could be absorbed within existing resources. The structure and workload of the private sector housing team would, however, have to be reviewed in the light of the new Private Sector Renewal Strategy and the further proposals set out in the new Housing Bill.

The increase in the capital budget for grants in 2003/04 would lead to a reduction in investment income of about £1,500 in 2003/04 (£3,000 in a full year). A proportion of this was linked to mandatory grants and was unavoidable. In future years the capital budgets for grants would increase slightly over existing capital provisions. In the case of loans granted under £5,000 there would be a loss of investment income as these loans would be interest free. Loans over £5,000 would attract interest and would therefore not require revenue funding. The estimated revenue cost in 2003/04 would be £56,900.

RECOMMEND that –

- i) the Private Sector Renewal Assistance Scheme as set out in Appendix 'B', be approved;**
- ii) a report on the progress of the new scheme and possible revisions and improvements be submitted to the Housing and Community Services Committee within 12 months;**

- iii) **the housing capital programme for Private Sector renewal assistance for 2003/04 and future years be revised as set out in the preamble to this Recommendation; and**
- iv) **the Council determine that the interests of the Council and of the Borough would be prejudiced by a delay in implementing this decision.**

164. NEW CHERTSEY ALLOTMENT SITE ON PART OF BARRSBROOK FARM, GUILDFORD ROAD, CHERTSEY

(Ref: Minutes of Corporate Management Committee, February 2003, page 1057, para. 606 and March 2003, page 1101, para. 664)

Approval was sought to a revised Capital Programme and a Capital Estimate of £700,000 (an additional £225,000) for the new Chertsey allotment site on part of Barrsbrook Farm, Chertsey and the waiving of Standing Orders for Contracts for the construction works.

The Committee had previously noted the difficulties which had arisen in the improvement scheme for the Beomonds allotment site and the consequent delay to the project to provide a replacement allotment and the cemetery extension and new social housing on Painesfield allotments. At the 6 March 2003 Corporate Management Committee meeting the necessity of identifying a new site to replace both the Beomonds and Painesfield allotments within a timescale to allow occupation by April 2004 was acknowledged and the Director of Administration and Leisure authorised to undertake the necessary investigations and surveys, with expenditure being met from the capital estimate provision for the Chertsey Allotment Project. The Committee had been designated the lead Committee for future decisions due to the need to maintain the timetable.

The appointed project manager for the scheme, Calford Seaden, had prepared the Barrsbrook allotment scheme which received planning permission at the Planning Committee on 4 June 2003. The consultants, AEA Technology, had completed a ground contamination and soil investigation and the proposed allotment site had been found to be free of contamination and suitable for allotment cultivation. The conditions attached to the planning permission included the Environment Agency's requirement for a further environmental survey of water voles and other protected rare species, including plants, and this would be undertaken shortly.

The design of the allotment site included an access roadway off Guildford Road, the first part of which would be constructed to highway adoptable standards to serve the seventeen affordable housing dwellings proposed by the Chichester Diocese Housing Association on the Guildford Road frontage. This housing scheme had received the Planning Committee's approval on 4 June and had been notified to the Office of the Deputy Prime Minister (ODPM) as an acceptable departure from the provisions of the Development Plan within the Green Belt. The Housing Scheme was dependent on Housing Corporation approval of the necessary funding, which was awaited.

The total revised capital estimate for the new allotment site and the Chertsey Cemetery extension, including the investigations and costs associated with the Beomonds scheme, was £700,000 of which £52,000 was for the construction of the adoptable road required for the housing development. This was an increase over the estimated cost of the previous scheme which totalled £475,000. Additional capital charges of £10,400 would be incurred.

The timescale required for the design and construction of the allotment site and the adoptable highway for the housing scheme were dependent upon approval being received from GOSE in relation to the closure of the Painesfield allotment site and part of the Beomonds allotment site. The allotment site and roadway had to be completed by January 2004 for occupation by plotters by no later than 30 March 2004. January 2004 was the earliest date that could be achieved and was subject to no adverse weather or ground conditions being experienced during the construction period and to GOSE approval being obtained. The Council's Project Manager, Calford Seaden, had advised that the normal tendering procedures would introduce delays which would result in an earliest completion date of March or April 2004. Officers requested Calford Seaden to explore alternative options, as the risk of non-completion of the allotment site and adoptable highway within the timescale demanded by the project would be unacceptable.

In response, Calford Seaden had advised that an alternative procurement route would be to negotiate with Walker Construction, who were the lowest tenderer for the Beomonds allotment scheme in September 2002. The scope of the allotment scheme work was similar for both projects and costs would be based on the previously tendered rates. Calford Seaden would negotiate the contract on an open book basis and would provide best value judgements and close monitoring of contract costs and outcomes. The Committee agreed that the alternative procurement arrangement would ensure a timely and economic solution, reduce any design or construction delays to a minimum, provide an outcome which was on time and on budget and the construction costs would be very similar to, if not better than, the tendering procedure. It would be necessary to waive contract Standing Orders to allow a negotiated contract with Walker Construction. No commitment to the construction works would be given until all relevant issues, including the GOSE response, were in place. The clawback provision under which a share of development value was payable to the previous owners of Barrsbrook Farm would not apply in the case of use for allotments.

The sale of the land at Barrsbrook Farm to Chichester Diocese Housing Association for the housing scheme would be at less than the full market value. This would bring the cost of the housing scheme within the limits set down by the Housing Corporation's Total Cost Indicators, i.e. so the land value was at residual value arrived at after taking account of build costs. The Committee agreed that the cost of the road should be met from the allotment development capital budget, thus reducing the total build cost for the housing scheme and resulting in a higher residential land value. The allotment re-provision was an element in a set of schemes in the Chertsey area, involving the sale of the Painesfield site for social housing and the redevelopment of the system built Council properties at Roakes Avenue. Proceeds from these land sales would be used to finance the development of the Barrsbrook allotment site.

A separate report was being prepared for a later Leisure and Environment Committee and Economic Development Committee on the remediation costs associated with the contamination found on the Beomonds allotments and costed options for the future use of that site.

RECOMMEND that -

- i) revised Capital Programme provision and a Capital Estimate in the sum of £700,000 be approved for the Chertsey Allotment Scheme including the new Barrsbrook allotment site and Chertsey Cemetery extension;**
- ii) a supplementary revenue estimate in the sum of £10,400 be approved for the increase in associated capital charges; and**
- iii) subject to all necessary approvals and consents, Standing Order C2.5 be waived to permit a negotiated contract for the construction of the Barrsbrook allotment site and adoptable highway element, in view of the need to avoid the delay associated with a tender exercise and the experience of the competitive tender for the previous Scheme.**

165. BEST VALUE – PROGRESS REPORT ON CONTINUOUS IMPROVEMENT PLAN – ELECTORAL SERVICES

(Ref: Minutes of Corporate Management Committee, April 2002, page 1044, para. 682)

The Committee reviewed progress on the implementation of the Electoral Services Best Value Service Review and Continuous Improvement Plan (CIP). The Electoral Services Best Value Service Review and Continuous Improvement Plan had been approved by the Corporate Management Committee on 4 April 2002. In particular twenty targets were identified, and timescales allocated to monitor their achievement. Both the Elections Supervisor and the Elections Assistant had left the Council shortly after completing the Review. This inevitably delayed the implementation of the CIP, but good progress had been made in the meantime. In particular, savings had been made through use of IT.

On 3 June 2003, the Electoral Commission published extensive proposals for the modernisation of electoral law. These proposals would have to be assessed and monitored by the Elections section and might impinge upon the Continuous Improvement Plan. It was also agreed that a

report be submitted outlining the results of e-voting trials in other authorities.

RESOLVED that -

- i) the following matters be considered as on-going and requiring further report**
 - a) confirmation of the required staffing level**
 - b) consideration of telephone registration with a revised target of December 2003**
 - c) review of Polling Stations**
 - d) possibility of achieving ISO accreditation and a Charter Mark by September 2004, depending on Council policy as of that date**
 - e) election pilots as required by the Office of the Deputy Prime Minister**
 - f) standardisation of address database**
 - g) cost comparison of the service; and**
- ii) it be agreed that the remaining targets in the Continuous Improvement Plan have been met or have been incorporated into procedures and therefore require no further report; and**
- iii) a report be submitted to a future Committee meeting on the Electoral Commission review of the outcome of e-voting trials in other authorities.**

166. PROTOCOLS FOR COUNCILLORS' COMPUTING FACILITIES

The Committee considered the Councillors' Computer and Printer Protocol and Internet Usage Protocol. At the meeting of the Corporate Management Committee on 5 December 2002, a Members Computing Facilities proposal had been put forward that included protocols for the use of Computers and Printers and the Internet connections provided for Councillors. That Committee had concurred with the general principle that machines provided by the Council should be used primarily to assist Members to undertake their duties as Councillors, with personal usage permitted provided that it did not interfere with the Council's business. The Committee emphasised, however, the importance of striking a balance between controlling the use of the equipment and the need to encourage Councillors to utilise fully the advantages of electronic working and communication. It was agreed that the draft policies should be referred back to the Information Strategy Member Working Group. The Information Strategy Member Working Group had revised the protocols and their revised versions were submitted for approval.

Some of the matters raised by the proposed protocols also impinged upon Runnymede's Councillors Code of Conduct. The Working Group had discussed at length whether the protocols should contain explicit references to the electronic circulation of material that was offensive and/or illegal and could bring the Council into disrepute and had reached the conclusion that this issue was already adequately covered by the Member Code of Conduct. The Committee concurred with that judgement and also recommended that paragraph 6 of the Internet Connections protocol should be amended to reflect the change of support and this is reflected in the protocol appended. The Standards and Audit Committee indicated at a previous meeting that it wished to consider these protocols, and an appropriate report would be made to that Committee.

RECOMMEND that -

the protocols set out at Appendices 'C' and 'D' be adopted as the Authority's requirement for Councillor's use of the computing facilities provided for them, and the Council consider in due course any further recommendations by the Standards and Audit Committee.

167. INTERNET SERVICE PROVIDER - CHANGE OF

The Committee noted that the use of British Telecom (BT) as the provider of Internet Connectivity for Councillors had not been satisfactory. Working with this company had proved very time consuming for Information and Communications Technology staff in the Council, Councillors had suffered a number of problems in arrangements with BT's technical personnel, there had been periods when the lines had been unreliable and connections lost and BT were quite expensive in providing the services the Council had contracted for, tying every new connection into a 12-month contract period. An investigation had taken place into possible alternatives to BT for the provision of these services and the results presented to the Information Strategy Member Working Group. After having considered comparative statistics showing the charges by each supplier, their level of customer satisfaction, the resilience experienced by existing customers and their stability as a supplier, the Information Strategy Member Working Group had concluded that there was a clear advantage in all categories considered in moving to Pipex for the supply of Councillor connections to the Internet. As the 12 month BT contracts expired over the next year, they would be replaced with contracts with Pipex.

168. IT HARDWARE - REPLACEMENT OF

The Committee noted the computer hardware that was scheduled for replacement during the year on the grounds that it was not able to carry out the tasks required of it or because it was becoming uneconomic to repair and approved procurement of the identified hardware, software and licences.

The proposals being made this year continued to follow the longer life cycle for desktop computers that achieved savings for the Council last year. In all 166 desktop computers with 450, 550 and 700mhz processors were scheduled for replacement this year after a life of 4 years. However, the Council was seeing the benefit of previous purchasing decisions as the initial specification of each PC was allowing its life to be extended, sometimes with an increase in memory to accommodate more recent software. Each personal computer (PC) due for replacement had been considered carefully and only where the nature of the work being performed made a replacement essential had these machines been placed on the list. PC's of this type numbered 33 out of the 50 put forward for replacement.

The main area of PC replacement was in Revenues and Benefits and the Word Processing Centre. In the former, the demands placed on the equipment by running the iWorld application, the Document Management System (DMS) and at least Outlook from the Office set of programs would slow the existing machines to an unacceptable level and in the latter the equipment was already causing problems by running too slowly. Equipment in both these sections was therefore being replaced on schedule and not having its life extended. The policy on the specification of replacements was being continued and it was predicted that the machines specified for this year would have a life of at least four years.

Similarly the need for flat panel monitors identified in the preparatory work conducted prior to the instruction of the DMS, continued to be recognised. The location of the new flat panel monitors continued to be in locations identified as requiring the advantages of this approach and serviceable conventional monitors would be redeployed into the other areas. Provision had been made for a number of the licences purchased from Microsoft two years ago under their previous more advantageous licensing scheme that were now being used.

It was agreed that the following upgrades take place:

- The model of PC selected as the standard would be a 2.6 GHz Pentium IV computer with 1GB of RAM, CD-ROM and industry standard 40GB hard disk.
- 15" monitors that were unserviceable would be replaced with 17" flat panel monitors.

- Hewlett Packard colour printers would be replaced with Deskjet 6127C printers, personal printers with Laserjet 2300dtn and group printers with Laserjet 4200dtn. All of these printers were network ready and were able to duplex, the latter facility allowing the Council to continue to save paper in line with its commitment to energy conservation.
- The operating system in use by the Council on the desktop would continue to be Windows 2000 Professional. Windows XP Professional had been evaluated and was in use on all new notebook computers. However no appreciable benefits over Windows 2000 had been identified that would justify moving into a mixed environment of Windows 2000 and XP on the desktop at this stage.
- Servers being replaced would continue to use Windows 2000 Server (Enterprise and Standard), but Windows 2003 was being evaluated for the Internet and Exchange servers. Linux had been used for some time for the Web Relay server and it was agreed that one of the servers being decommissioned as a production machine would have Linux loaded so that the possible benefits of Open Source software could be kept under review.

Increasingly the mailing system, Microsoft Exchange and the Council's Web server were becoming critical systems where 24 hour availability was essential. In order to reduce the downtime on these two systems it was agreed that the Exchange Server be upgraded to a two server cluster with no shared components. This would allow upgrades to take place to each computer without withdrawing the service and deal with all but the most extreme hardware failures. A similar approach was agreed with the Web site. As the provision of the second servers were upgrades to the infrastructure to enable the Council to move towards its e-Government targets, these would be paid from the £200,000 IEG2 grant from the ODPM.

The recording and retention of information contained in e-mails was becoming vital as an increasing amount of business was conducted by this medium with no supportive paper trail. Introducing an e-mail management and archiving system would allow all e-mail transactions and stored e-mails to be stored in a fully searchable database with full data mining functionality. This kind of facility was vital as the DMS project started to remove paper copies of work and transactions and the Council became dependent on these records. It also enabled the information collected and stored in e-mails to be managed efficiently and effectively and allowed compliance with legal obligations. As this facility was an upgrade to the infrastructure to move the Council towards its e-Government targets, this would be charged against the IEG2 grant.

It was agreed that Suppliers for the equipment should be:

- a) Personal Computers and Servers – The lowest bid from three suppliers who were part of the Government Catalogue (GCAT) scheme. GCAT would carry out the tendering processes on behalf of the Council and ensure that best value was achieved.
- b) Monitors, printers, additional memory and licences - the best of at least three quotations.

It had been found to be financially most advantageous to purchase processors, monitors, printers and licences from separate sources. This practice would continue.

The capital programme included a sum of £310,600 in 2003/04 to provide for the replacement of equipment. Deferring the replacement of a significant number of PC's and extending the life of the older servers by one year would permit a saving of £76,600 to be made on this year's expenditure. Some of this saving would merely move expenditure back 12 months and to ameliorate this effect, it was agreed that 50% of the apparent saving be transferred to help meet next year's replacement spending. Procurement of replacement equipment at Abbey Fit would be dependent on the future of the facility.

RESOLVED that -

- i) the above software, hardware and licences be replaced or upgraded at a sum not exceeding £267,500, as set out in Appendix 'E' attached;**
- ii) this expenditure be met through £260,000 from the Hardware Replacement Programme and £7,500 from the General Information Technology Provision;**

- iii) **the fibre switch and two processors installed to assist in achieving the Council's Implementing Electronic Government Targets should be funded from the 2003/2004 IEG grant;**
- iv) **procurement of the replacement equipment at Abbeyfit of £7,600 (3 PC's at £800 each and a server at £5,200) be dependent on the future of Abbey Fit;**
- v) **procurement of the equipment be made from the sources specified in the preamble to this resolution; and**
- vi) **50% of the savings of £76,600 achieved by these deferments of machine upgrades be carried forward for next years replacements.**

169. GIS SYSTEM UPGRADE, PHASE 2 - CORPORATE GIS PROVISION

The Committee was informed of the next programmed phase of the development of the Geographic Information System (GIS) and considered the means by which the corporate roll-out of the service could be achieved. The next step in the development of GIS was the introduction of ArcIMS on the Intranet. The Council's Implementing Electronic Government Statement (IEG2) set out the plan of action and expenditure intended to meet the targets for E-Government by 31 December 2005. Information and communications technologies would be used to streamline business processes to improve the overall efficiency of the Council. It had already and would continue to require heavy investment which would include the networks and servers that would power the enabling software. The Council's Geographic Information System (GIS) was identified as a key enabler in the process.

A major part of the work of GIS consisted of making the Local Land and Property Gazetteer and GIS data sets available more widely within the Council and this could be achieved by the use of ArcIMS on the Intranet. The software would allow PCs on desktops throughout the Council to look at OS (Ordnance Survey) mapping with information. For example, GIS had interfaces to both the Planning and the (DMS) Document Management System which would allow the Council to place the entire planning process on line. The extension of GIS corporately would enable wider access to this type of property related information held by the Council.

The cost of undertaking the next Phase 2 of the ArcGIS programme was as follows:-

One Off Capital Costs	£
ArcIMS	7,300
ArcSDE	9,100
Training	3,200
Development Work	3,400
Project Management/Consultancy	3,400
Gazetteer Query Tools for ArcIMS	<u>2,400</u>
TOTAL:	<u>28,800</u>
 Annual Revenue Costs	
Software Maintenance	6,600

There was no capital programme provision for this expenditure. Capital programme provision and a capital estimate of £28,800 would need to be approved. However, this was an integral part of the IEG2 Statement programme and it was recommended that this expenditure be financed from the Government grant made available to the Council for its IEG initiatives. This would give rise to an annual revenue budget cost of £6,600, but this could be accommodated within existing budgets by reallocating resources.

It was anticipated that the heaviest workload would be in the initial period, lasting up to 2 years. The staffing needs of the new development affected both the GIS Section and the Information Systems Section (ISS). Setting up the Intranet interface would be an IT function for which training was allocated in the proposal. The GIS Section would be responsible for managing the datasets and ensuring that they were kept up-to-date. The GIS team had developed skills over the years and were not dependent on the software supplier to solve problems. This was

reflected in the reduced draw upon the consultancy budget and provided a more cost effective way of dealing with issues as they arose. It was recommended that an additional post be funded from the consultancy budget for a 2 year period to cope with the temporary increase in workload. The consultancy budget had been introduced to enable GIS to draw upon expertise and experience to develop the system and this would be an appropriate use at this time. The cost of the post would equate to £33,000 (including on-costs) over 2 years. The remainder of the budget would be used to fund the revenue costs associated with the enhancement.

The Committee accordingly

RESOLVED that -

- i) **ESRI's ArcIMS software be developed to deliver GIS information to desktop PCs throughout the Council and selected datasets be made available on the Internet;**
- ii) **ESRI's database manager ArcSDE be used to handle the Council's corporate GIS datasets;**
- iii) **a supplementary revenue estimate in the sum of £3,000 be approved for the associated capital charges in the current year;**
- iv) **provision for the revenue costs associated with these changes be approved; and**
- v) **a temporary post for 2 years (using the GIS Consultancy budget) be established to enable the identified additional work to be accommodated in the GIS Section at a cost of £33,000 (including on-costs);**

and

RECOMMEND that -

provision for these costs totalling £28,800 be made in the capital programme, to be financed from the Implementing Electronic Government grant received from the Government.

170. INFORMATION STRATEGY MEMBER WORKING GROUP - MINUTES

The Minutes of the Information Strategy Member Working Group held on 5 June 2003, attached at Appendix 'F', were noted.

171. APPOINTMENTS TO OUTSIDE BODIES - LOCAL AUTHORITY GOVERNOR – STRODES COLLEGE

The Committee considered an item deferred from its Meeting of 3 June. In December 2001 the Council had appointed Councillor Mrs Jones to the Governing Body of Strodes College for a four year period, following the resignation of Councillor Waddell. Councillor Mrs Jones, who recently became Deputy Mayor, had now resigned, and a replacement was now sought.

It was accordingly

RESOLVED that -

Councillor B.J. Relph be appointed to serve on the Governing Body of Strodes College for a four year period.

172. PROGRESS REPORT ON BEST VALUE CONTINUOUS IMPROVEMENT PLAN - MUNICIPAL STORES AND DEPOT

The Best Value Review on the Municipal Stores and Depot identified targets that were set out in the Continuous Improvement Plan. The Corporate Management Committee approved the targets at its meeting on 3 April 2003, reaffirmed the Council's policy to maintain a depot resource and requested a report to this meeting on progress made on the targets.

It was noted in connection with Target 13, that an additional member of staff had been recruited in Stores to improve the administrative functions, including the handling and payment of invoices. The Committee agreed to revised Target Dates for four of the Targets. Target 6, which entailed drawing up sectional procedures for the Stores Section, to include a statement of service levels, would now have a Target Date of September 2003. Target 7, (the provision of information and guidance on the Intranet about the stores service), would have a completion date of the end of July 2003. A Stores website was currently being prepared which would contain the stores service information. The resurfacing of the depot site (Target 9) had not been completed and now had a revised target date of April 2004, as recent security problems had resulted in the need to use part of the available budget to fund a barrier at the Depot entrance. The extent of the surfacing to be carried out would depend on the amount of the budget remaining. Finally, Target 14, on the review of the Council's disaster recovery plans, had been commenced, with a view to finalising by October 2003.

RESOLVED that -

- i) progress on meeting the targets in the Continuous Improvement Plan be noted; and**
- ii) the revised Target Dates for Targets 6, 7, 9 and 14 be adopted.**

173. COUNCIL'S TEN PRIORITY INDICATORS OF PERFORMANCE – 2002/03 OUTTURN SUMMARY

The Committee considered the outturn position for the Municipal Year 2002/03 on the ten priority indicators of service delivery performance that were to form the basis of more detailed scrutiny from 1 April 2003. From the start of 2003/04, ten priority areas of the Council's services would be analysed on a quarterly basis. To start the process off, this information was presented as an outturn from the year 2002/03. The Council had set itself rigorous targets which were very challenging, to achieve consistent improvement in its service delivery.

The general picture was of sustained and improved performance. The Committee noted the improvements in the processing of benefit claims and that better performance would be sought on the payment of invoices and the prompt answering of the telephones. The Committee was generally content with the results and the bar chart reporting format.

RESOLVED that-

the progress and where appropriate, the proposed corrective action, be approved.

174. SERVICE PLAN FOR 2003/04

Approval was sought to the format and initial content of the Committee's Service Plan. In order to provide a more coherent reporting and monitoring process, both at political and at management levels, Officers had drawn the various objectives and targets together into a single document for each Committee. The format had been modified from the "Aims and Targets" approach to include more detail of timescales, potential barriers and additional resource requirements. The draft Service Plan drew together objectives from the Leader's Position Statement, the Best Value Performance Plan, Best Value Continuous Improvement Plans and Best Value Performance Indicators and other plans and strategies. Substantially similar aims often appeared in two or more different documents, and a degree of rationalisation might be worthwhile in the future. Having a comprehensive Service Plan in this form might also assist those drafting future plans or objectives to avoid further repetition. This initial draft of the Service Plan would need further sharpening and refinement as time progressed. Officers would consider whether any refinements to format should be introduced for future editions.

RESOLVED that -

the format and current content of the draft Corporate Management Committee Service Plan be approved as a basis for the monitoring and review of the Committee's objectives.

175. REFERENCES FROM OTHER COMMITTEESa) HOUSING AND COMMUNITY SERVICES COMMITTEE - 11 JUNE 2003i) Queen Elizabeth House – Installation of Water Discharge Drain

At its meeting on 11 June 2003, the Housing and Community Services Committee approved essential drainage works to allow for the safe discharge of waste hot water from catering equipment located in the kitchen of Queen Elizabeth House, Englefield Green. It was estimated that the drainage works would cost £5,000 and the required supplementary estimate was agreed by the Committee.

RESOLVED that -

a supplementary estimate in the sum of £5,000 be approved to fund essential drainage work required to the kitchen area of Queen Elizabeth House.

ii) Homelessness Review – Proposal for a Private Sector Resettlement Officer

At the same meeting, the Housing and Community Services Committee agreed that Officers should seek Office of the Deputy Prime Minister (ODPM) funding for the creation of a temporary post of "Private Sector Resettlement Officer".

Based on the findings of the Homelessness Review, the Housing and Community Services Committee had agreed that a temporary post should be established for a 12 month period to help a minimum of 25 homeless households (or households at risk of homelessness) to obtain accommodation in the private rented sector. This would particularly apply to families who were not currently covered by the Runnymede Rentstart scheme.

Although the Council's Housing Advice and Homelessness Team already gave some help to homeless households seeking private lettings, this was an addition to the Team's main duties. A Private Sector Resettlement Officer, however, would have the time to take a more pro-active approach by recruiting private landlords and agents, developing a more formalised 'private vacancy register' and actively helping households in need to find accommodation. The salary for this temporary post, including on costs and management costs, would be approximately £24,000. This sum would be fully covered by a grant from the ODPM for tackling homelessness. If the ODPM funding continued in the next two financial years, then the post could be retained for this period, subject to review and evaluation. The Committee authorised the creation of the post.

RESOLVED that -

the creation of a new post of Private Sector Resettlement Officer for an initial 12 month period, subject to review and evaluation, be authorised, to be funded by a grant of £24,245 from the Office of the Deputy Prime Minister.

iii) Temporary Accommodation for the Homeless

At the same meeting, the Housing and Community Services Committee authorised Officers to commission a feasibility study to analyse options for the improvement of the Council's Temporary Accommodation hostels at St Jude's Cottage and Ashdene in Englefield Green. The Council had received reports from the Housing Inspector and from PPCR Associates, (who had undertaken the Council's Homelessness Audit) recommending improvements to the standard of the hostel facilities. There was also a need to consider changes to the current design of the buildings in order to reduce repair and management costs, as well as increase security. The Housing and Community Services Committee had accordingly agreed that a consultant architect should be engaged to undertake a study to review the current use of the buildings and determine the potential to extend or amend both buildings to provide units that were more secure, comfortable and easier to maintain. It was estimated that the feasibility study would cost

in the region of £15,000, which could be met from balances within the Housing Revenue Account. The Committee agreed the required supplementary estimate.

RESOLVED that -

a supplementary estimate in the sum of £15,000 be approved in the Housing Revenue Account to finance a feasibility study into the temporary accommodation hostels in Englefield Green.

iv) Implications of the Comprehensive Performance Assessment (CPA) for Housing

At the same meeting the Housing and Community Services Committee agreed that consultants should be employed to undertake an 'Options Appraisal' for the Council's Housing stock. As part of the Comprehensive Performance Assessment for the Council's Housing Service, Officers were required to undertake a Audit Commission Decent Homes Standard diagnostic assessment. This assessment was used to determine whether the Council was likely to meet the target of ensuring that all Council homes met the Standard by 2010. Officers had carried out a gap analysis against Audit Commission Criteria to identify areas where the Council might not be achieving the performance required. The most significant area that the Council needed to address was the completion of a Stock Options Appraisal, which the Government expected all Local Authorities to have undertaken before July 2005. Since there were insufficient resources to undertake this study in-house, the Housing and Community Services Committee had agreed that consultants should be engaged to conduct the appraisal. It was estimated that the cost of employing the consultants would be £15,000 and the Corporate Management Committee agreed that this supplementary estimate be met from existing balances within the Housing Revenue Account.

RESOLVED that -

a supplementary estimate in the sum of £15,000 be approved from the Housing Revenue Account to fund the employment of consultants to undertake an Options Appraisal for the Council's housing stock.

v) Housing Capital Programme - Developers' Contributions

The Committee considered a report setting out the implications of the Government's decision to introduce the pooling of housing capital receipts and to abolish Local Authority Social Housing Grant (LASHG), along with potential sources of funding and strategies for Runnymede's Housing Capital Programme in future years. This report had been referred to the Committee from the Housing and Community Services Committee on 11 June 2003. The Corporate Management Committee noted that a further detailed report would be submitted on these major issues in the September cycle.

The Housing and Community Services Committee had also referred the specific issue of commuted sums for consideration by the Corporate Management Committee. The Council currently had £654,587 available as commuted sums. These were payments made by developers in lieu of the provision of affordable housing on sites. The Council had to decide how to use these sums.

The following options arose:

- i) To finance any schemes where the Council had supported bids for LASHG but where Social Housing Grant was not forthcoming from the Housing Corporation.
- ii) To continue the Do It Yourself Shared Ownership scheme (DIYSO). This would involve passing the agreed amount of contributions (effectively, the subsidy needed) over to Thames Valley Housing Association (TVHA) as new DIYSO properties were identified. The average subsidy per property was around £50,000, and therefore the developers' contributions would provide for 13 DIYSO units. In the event of staircasing (or onward sale) of the DIYSO property, TVHA would recycle the receipt in support of new units for Runnymede.
- iii) The acquisition of units under the Existing Satisfactory Property scheme. Although rented units from this scheme would be preferred by a larger number of

people in need, this scheme had become very difficult to deliver within the Housing Corporation Total Cost Indicator levels.

The Corporate Management Committee concurred with the Housing and Community Services Committee in recommending that the developers' contributions be used in the first instance to fund any existing new build schemes in the Affordable Housing Programme that had failed to attract funding direct from the Housing Corporation. If the funds were not needed for this purpose, or were in themselves insufficient to enable the scheme to proceed, it was recommended that they be used for the DIYSO scheme.

RECOMMEND that -

taking into account the implications for the Council's Housing Capital Programme, developers' contributions of £654,587 be used in the first instance to finance existing new build schemes that fail to receive Social Housing Grant, and in the event that these funds are not needed for new build schemes, or are insufficient to enable the schemes to proceed, the developers' contributions be used to continue the DIYSO scheme.

vi) Redevelopment of Roakes Avenue Estate

At its meeting on 11 June 2003 the Housing and Community Services Committee agreed to recommend that part of the Roakes Avenue estate be sold to the APEX Housing Group and that a part-time caretaker/warden be appointed to assist with the management of the estate.

In the event that the proposed housing development at Painesfield Allotment site could proceed, Officers had considered the future arrangements for the Roakes Avenue estate. If this estate were sold on the open market, there would be a Planning policy requirement for at least 25% of the site to be made available for affordable housing. In view of this, it had been agreed that a separate application should be made for 25% of the site and APEX Housing Group had accordingly submitted a bid for LASHG of £1,895,802 to fund this scheme. The Housing Corporation had confirmed this grant and the APEX Housing Group now needed to purchase the land in order to secure the funding.

The area of land in question was currently occupied by sheds and garages which served the flats at Roakes Avenue. These buildings were in a poor condition. A survey had revealed that few tenants used the garages, despite the fact that rent was being paid. The Housing and Community Services Committee had therefore recommended that the Economic Development Committee authorise the disposal of this garage area to the APEX Housing Group. However, in case, for some unforeseen reason, APEX were unable to complete the purchase of the land, the Housing and Community Services Committee had agreed that the Council should demolish the sheds and some of the garages itself in order to improve the appearance of the estate. It was estimated that the demolition costs would be in the region of £20,000 and the Corporate Management Committee agreed to approve a supplementary estimate for this amount.

In order to facilitate the decanting of the Roakes Avenue Estate, empty properties had not been re-let. As the number of empty properties had increased so had problems with vandalism, fly tipping and abandoned vehicles. In order to help control these problems, the Housing and Community Services Committee had recommended that a temporary part-time caretaker/warden be employed for the duration of the redevelopment process. It was agreed that the full year annual cost of this appointment (£10,000), could be met from balances in the Housing Revenue Account.

RESOLVED that -

- i) **a supplementary estimate be approved in the sum of £20,000 to enable sheds and garages on the Roakes Avenue Estate to be demolished, should the APEX Housing Group not be able to purchase the land mentioned above; and**

- ii) **the appointment of a temporary part-time caretaker/warden to assist with the management of the Roakes Avenue estate be authorised and a supplementary estimate in the sum of £10,000 be approved from the Housing Revenue Account for this purpose.**

b) ECONOMIC DEVELOPMENT COMMITTEE - 12 JUNE 2003

Decriminalised Parking Enforcement

At its meeting on 12 June 2003 the Economic Development Committee received a report outlining the continuing preparations for the introduction of Decriminalised Parking Enforcement in the Borough. In order to achieve the earliest possible implementation date of November 2004, consultancy support would be required at a cost of approximately £30,000. The County Council had indicated that it was prepared to contribute £20,000 towards this sum. The Corporate Management Committee approved a supplementary estimate in respect of the balance and noted that a report would be made on the outcome of negotiations with Surrey County Council to reclaim the £10,000 from them, in the future.

RESOLVED that -

a supplementary revenue estimate of £10,000 be approved in respect of the appointment of consultants to advise and assist with the introduction of Decriminalised Parking Enforcement in Runnymede.

c) LEISURE AND ENVIRONMENT COMMITTEE - 19 JUNE 2003

i) Programme for the Refurbishment and Reprovision of Play Areas

At its meeting on 19 June 2003, the Leisure and Environment Committee approved a request to the Corporate Management Committee for a Capital sum of £329,000 for the first five year phase of a programme for the refurbishment and reprovision of play areas in the Borough. Based on the manufacturer's guarantee of a 20 year life for each piece of equipment, a supplementary estimate in the sum of £6,800 would be required in 2003/04 for the associated capital charges. The Council had a total of 35 equipped play areas in the Borough, which were the direct responsibility of the Parks and Amenities Section of Leisure Services. Works included in the first phase would bring eight of the Council's play areas completely up to date and address the most urgent works at a further eleven sites.

A further report would be brought to the Leisure and Environment Committee, towards the end of the five year programme, setting out progress made and future proposals for refurbishment and reprovision.

RESOLVED that -

- i) **a Capital sum of £329,000 be approved for the first five year phase of a programme for the refurbishment and reprovision of play areas in the Borough; and**
- ii) **a Supplementary Revenue Estimate of £6,800 be approved for the associated Capital Charges and the additional maintenance for the play equipment to be transferred from Housing.**

ii) Heathervale Recreation Ground – Proposed Extension to Bowls Pavilion

At the same meeting, the Leisure and Environment Committee considered a report regarding a proposal to extend the bowls pavilion at Heathervale Recreation Ground, further to a request from the three groups who used the pavilion regularly.

The extension would benefit the 110 users of the facility both now and in the future. The Corporate Management Committee approved a Capital Estimate of £15,000 to fund the works and noted that although the works would generate an additional Capital Charge of

approximately £1,000 per annum, a portion of that sum would be recovered from users through an increase in playing fees.

RESOLVED that -

a Capital Estimate in the sum of £15,000 be approved for the extension to the bowls pavilion at Heathervale Recreation Ground.

iii) Abbey Fit - Business Plan Evaluation

The Committee considered a report referred to them by the Leisure and Environment Committee at its meeting on 19 June 2003, on the Abbey Fit Business Plan Evaluation. The Leisure and Environment Committee had considered four options for the future of the sports facility at Abbey Fit and asked to indicate which option they wished to pursue. The options were:-

- a) Status Quo: This would mean continuing with the existing arrangements whilst looking at an improved maintenance regime and new equipment for the existing gym. Continued trading at a substantial deficit was likely.
- b) Seek a Partner: This was not recommended by the consultants due to the size and nature of the current facility.
- c) Invest the £1.2m: This would result in a substantial improvement in the financial trading position so as to make an operating surplus, but would be unable to cover all the capital and depreciation costs. This would require a Capital Estimate and instructions to Officers to appoint a suitable architect and project manager and report back on the implications for the trading account of the Sports Centre during the construction period.
- d) Closure: A two year notice period would need to be given to the school. There was a possibility of negotiating an earlier exit strategy and a possibility of the school running the facility themselves in a reduced manner, if suitable terms could not be agreed. There would be significant savings, but it would not be possible to extinguish all the Council's fixed costs, which were allocated to the sports centre.

Based on the 2003/04 Abbey Fit budget and the business plan drafted by the consultants, the Committee was informed that the options listed above would produce the following financial results:-

	Year 1	Year 3	Year 5
Do Nothing	0	0	0
£1.2m investment	34,800	81,500	86,200
Close the Centre	70,000	91,000	91,000

The Leisure and Environment Committee had discussed the options at length and having considered community needs and service provision in addition to debating business viability, recommended further investment. Recommendations (ii) and (iii) below were for the Economic Development Committee to endorse, but to avoid a wait until September, the Chairman of that Committee had agreed that they may now be considered by Corporate Management Committee.

The Corporate Management Committee noted the marginal financial difference projected between closure and further investment after a period of five years. A letter received from the Runnymede Sports Council strongly in support of investment on community benefit grounds, was noted. A grant of £3 million had been received by the school from the Government to improve its infrastructure. The Corporate Management Committee had doubts about the soundness of the business case for further investment, but noted that a break clause was proposed after five years, which would allow the Council to cease its commitments at that stage, if appropriate. They recommended that further investment be supported, on grounds of community benefit.

RECOMMEND that -

- i) the option of investing approximately £1.2 million in the Abbey Fit facility be adopted as described in the report;**
- ii) the Director of Administration and Leisure be authorised to settle terms with the Foundation and with Surrey County Council for a 30 year lease of the proposed fitness suite extension and a modified dual use agreement for the facilities shared with the school, on the basis set out in the report;**
- iii) Officers seek to negotiate provisions enabling the Council:**
 - a) to serve not less than 12 months notice terminating the lease and the agreement at any time after the end of the 5th year of the term, with the Foundation having the option of either taking the leased premises for use or re-letting, or requiring the Council to demolish the building and reinstate the site; and**
 - b) to assign or sublet the Lease with the Foundation's consent.**
- iv) Capital Programme provision be approved for the project in the sum of £1.2 million, to be expended over the years 2003/4 and 2004/05;**
- v) from this provision, a Capital Estimate of £30,000 be approved for the engagement of Architectural and other professional advice on the final detail and cost of the scheme for report to the Committee;**
- vi) a further report be submitted for approval of the requisite Capital Estimate for the works, after the terms of the documentation have been settled and the further advice has been received on detail and costings; and**
- vii) a project group of the relevant Officers and any necessary consultants, together with a Member of the Leisure and Environment Committee, be formed to carry the project forward, and the Foundation and the School each be invited to nominate a representative to attend and participate.**

176. CORPORATE PROPERTY SOFTWARE

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

The Committee considered the purchase of property management software to develop an approach for the centralised co-ordination of property management information and its integration with relevant Council financial information and to develop processing and correlation of data, in accordance with feedback from the Government on Asset Management Plans (AMP)s and an August 2002 Consultants report.

Runnymede did not have a development team and developing an internal system was therefore not realistic. Procuring individual packages from specialist suppliers would require a central application that would extract information from the underlying packages, in order to meet management and Government requirements. However, a suite of packages from a single supplier had the advantage of a sole supplier who retained responsibility for maintenance and support. There were numerous software packages available from a single supplier of varying degrees of sophistication, most of which were capable of meeting the AMP and National Performance Indicator (PI) reporting requirements. Officers had selected and looked at two packages in detail as well as analysing the option of upgrading the current system, Estateman and purchasing new modules. The Committee considered that the best option was the

upgrading of Estateman, provided by Wealth Management Software, with which Officers were already familiar, which had lower maintenance costs than the other two options and offered the best value for money. The current system would be upgraded, additional modules for risk management and maintenance, asset register (Valuations), Rent Receivable and Service Charges would be purchased and a Reporting Wizard would continue to be used.

A core property database would be established linked to both GIS and TASK financials which would help in moving towards e-government. The Information Strategy Member Working Group concurred with the course of action of upgrading Estateman and purchasing new modules. The total cost of this option, allowing for a small contingency, was £35,000 including an estimate of the time required for training, data migration and building interfaces with TASK Financials. There was currently no capital programme provision for the replacement and enhancement of the corporate property management software. However, the Council had recently been awarded a further £200,000 from the Government as part of its Implementing Electronic Government policy. Although the capital programme currently assumed that the grant would be used to finance hardware acquisition, financing the upgrade from these funds would be appropriate, given the corporate nature of the software, the ability to replace multiple electronic and paper systems and the clear links of good property management to effective service provision.

The current maintenance for a single user licence for Estateman was £1,200. This would rise to £4,500 a year if all modules were implemented. A saving of £1,120 per annum might be made in respect of the Capital Accounting Software if this became redundant. The capital charge amounted to £8,225 per annum resulting in an additional annual revenue cost of £11,625 in a full year and £5,812 in the current year.

The Committee accordingly

RESOLVED that -

- i) a contract be placed with Wealth Management Software to provide an upgrade and extension to the Estateman software package, as detailed in the preamble to this resolution;**
- ii) an additional revenue estimate of £5,812 be approved to cover capital charges and maintenance in the current year;**

and

RECOMMEND that -

capital programme provision and a capital estimate of £35,000 be approved, to be financed from Government grant.

177. STANDARDS AND AUDIT COMMITTEE - CONSTITUTION OF

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 1 of Schedule 12A to Part 1 of the Act.

The Committee was advised of the current situation regarding the constitution of the Standards and Audit Committee. Until shortly before the meeting there had been insufficient applications for the two independent (non Councillor) places on the Standards and Audit Committee who were acceptable to all political groups, as required by Standing Order 22 (1) (e). However, it had now been confirmed that both of the current independent Members, Dr. R.F. Miller and Mrs C. Spurling, had applied to continue and that no political group objected to either of them. Accordingly, subject to the confirmation of the Advisory Panel established by the former Standards Committee, it was envisaged that Council would be recommended to appoint these applicants to serve for at least the remainder of the Municipal Year, with the position to be reviewed in early 2004. There was now no need to consider temporary changes to the Constitution.

Chairman

(The meeting ended at 10.45 p.m.)