

Runnymede Borough CouncilECONOMIC DEVELOPMENT COMMITTEE14 November 2002 at 7.30 p.m.

Members of the Committee present: Councillors R.K. Habgood (Chairman), J.R. Furey (Vice-Chairman), A. Alderson, M.J. Brown, A.J. Davis, J.M. Edwards, P.A. Greenwood, J.E. Haas, P.J. Poole, and K.J.T. Walmsley

Members of the Committee absent: None

Councillors C.J. Norman, Mrs. J. Norman, Mrs. E.E. Price, Ms C.M. Simmons and P.J. Waddell also attended.

(In the absence of the Chairman, the Vice-Chairman, Councillor J.R. Furey, chaired the items on Notification of Changes to Committee Membership, Minutes, Declarations of Interests and Economic Strategy. The Chairman, Councillor R.K. Habgood, took the chair for the remaining items on the Agenda.)

413. NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

The Conservative Group had notified the Chief Executive Officer of its wish that Councillors P.C. Elding and C. Knight be removed from the membership of the Committee and that Councillors J.M. Edwards and A.J. Davis be appointed in their place for a fixed period ending on the day after the meeting. Thereafter, Councillors Elding and Knight would be re-appointed.

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

414. MINUTES

The Minutes of the meeting of the Committee held on 12 September 2002 were confirmed and signed as a correct record.

415. DECLARATIONS OF INTERESTS

Councillor J.R.Furey declared a personal and prejudicial interest under the Runnymede Code of Conduct for Members in respect of the item on Addlestone Market, as he was a retail shop owner in the street adjacent to the Market and his retail type was represented within the Market. Councillor Furey therefore withdrew from the room during the discussion of this item.

416. ECONOMIC STRATEGY

The Committee considered whether an Economic Strategy should be prepared for the Borough and concluded that it was necessary. It would guide the Council's economic development activities in the Borough in a way that was responsive to the needs and aspirations of the local businesses and the local community. The Council was already engaged in economic development activity in terms of its pro-active stance in relation to business development in the Borough and through its support for the work undertaken by the Runnymede Business Partnership. However, these activities had not been formalised within the context of an economic development strategy. The Strategy would ensure that resources devoted to economic development were being targeted in an effective and transparent way and could also identify particular initiatives that would attract outside funding from Central Government or other bodies (such as the South East England Development Agency and the South East England Regional Assembly).

The justification for promoting an Economic Strategy in conjunction with the Runnymede Business Partnership was also derived from the following Plans, Statement and legislation:

- Community Strategy 'Exciting Futures' Task Group objective - 'to ensure that the economic prosperity of the Borough is maintained'
- Policy and Implementation Section Best Value Performance Plan Objective F – 'Prepare an Economic Development Plan for the Borough'

- Leader's Position Statement 2002 – 'The Economic Development Committee will seek to encourage economic development within the Borough, working with partners, to ensure Runnymede enhances the quality of life for its residents as measured by:
 - economic prosperity
 - environmental quality
 - social inclusion ensuring opportunities and employment for all'
- Under the provisions of the Local Government Act 2000 every local authority had powers to do anything which it considered was likely to achieve the promotion or improvement of the economic well-being of its area.

It was not possible at this stage to assess the financial implications, as the content of the strategy had not been fixed. Preparation of the strategy would not incur any additional cost to the Council, as it would be accommodated within the work programme of the Policy and Implementation Section, working in conjunction with the Runnymede Business Partnership. Any implications arising from the content of the strategy would be reported at the appropriate time.

RESOLVED that –

an Economic Strategy for the borough be developed in accordance with the timetable set out in Appendix 'A'.

417. ADDLESTONE MARKET

(Ref: Minutes of Economic Development Committee June 2002, page 149, para 73)

Members received a report on the performance of the Addlestone market and considered whether the market should continue after the end of the one year trial period which had started on 26 January 2002.

Despite initial misgivings by the market operators as to the timing of the start due to the likelihood of poor weather, the market had been successfully launched and had now settled into a routine. Since launch the trading area for the market had been compacted into a smaller area nearer to Garfield Road, reflecting both the reduced number of regular traders and the need to try and reduce disturbance to local residents. Despite fears expressed from various quarters at the time of the trial starting, there had been no undue traffic or parking problems and the Tesco car park had not been filled up by market customers. The overflow car parking arrangements provided in the Civic Offices Staff Car Park had not been extensively used. In general, trade in the town did not appear to have been drawn off by the market and there was anecdotal evidence that footfall past Station Road shops had improved after the market opened.

Problems continued with the methods of refuse collection. It was the operator's responsibility to collect this, clean the site and dispose of the rubbish. On a number of occasions, the Council's cleansing team had been obliged to carry out cleaning operations when the site had been left in an unsatisfactory condition. The operator would be recharged for this service.

Consultations had taken place with those who had previously expressed an opinion about the market proposal or had contacted the Council in connection with it as well as central Addlestone businesses. Full details of the responses received were noted. 16 of the 23 respondents stated that the market should continue and 7 considered that it should be moved or discontinued.

Despite concerns that the market was gradually reducing in size and may be uneconomic to run, the operator remained optimistic and was keen to continue the operation. Whilst the Council's costs had been kept to a minimum, the use of the Garfield Road car park had meant a small reduction in car parking income. A rental fee equivalent to this lost income had been paid to the car parks budget to compensate for the loss, meaning that there was unlikely to be any significant surplus at the end of the trial period

The market operator had indicated that the income from the market was very much as expected and now that it was more firmly established should continue to grow. There were approximately eight traders who were very happy with the location and who had indicated that they wished to remain.

The Council was considering the possible redevelopment of part of Garfield Road Car Park. As presently envisaged, this would mean the loss of the public conveniences and a reconfiguration of

the remainder of the car park. Whilst the market could continue on a varied location within the car park, subject to care about its relationship to residential properties, the market could not continue in the car park if the public conveniences were not replaced. The Council was also looking at possible improvements to the street scene in Station Road in conjunction with the highway authority. There was the potential to consider relocating part or all of the present market onto the wider 'forecourt' areas that existed along the western part of Station Road or the lay-bys to be constructed within the highway. In many locations the frontagers owned the forecourt and their consent would be needed except where the land formed part of the highway. The market operator had indicated that this location was feasible from his perspective but it would mean significant consultations with both adjacent shopkeepers and the Highway Authority.

The Committee considered that the market had not expanded as much as was hoped and that trading improvements in Addlestone town centre had occurred which were not associated with the market. In view of this and the practical and locational difficulties associated with continuing the market it was agreed that the market should be discontinued after the spring of 2003.

RESOLVED that -

having noted the small size of the market, the complications which may be presented by development of part of Garfield Road Car Park, the difficulties associated with establishing the market in Station Road, and the improvement in the Town Centre activity and trading environment which had occurred independently of the market over the past year, the Borough Secretary and Leisure Services Officer be instructed to inform the market operator that the market is to cease at a date to be determined in April/May 2003, prior to building works commencing in the car park.

418. RUNNYMEDE SCHOOL TRAVEL INITIATIVE

(Ref: Minutes of Economic Development Committee September 2001, page 304, para 244)

The Committee was updated on the Runnymede School Travel Initiative (RSTI) designed to promote non-car ways of children journeying to school. Future proposals were noted and endorsement was sought for a Runnymede Business Partnership proposal to set up a charity to operate the Yellow Bus Service. The link between the RSTI and the emerging Community Strategy was also noted.

The initial scheme, in 2000/2001, comprised promoting walking buses and the provision of cycle routes and cycle shelters accommodating up to 500 cycles at 5 local schools with funding secured from Local Transport Plan (LTP) monies. The second phase saw the introduction of yellow buses in February 2002 to serve Fullbrook and Magna Carta Schools, funded by parental contributions, business sponsorship, development related funding (Section 106 monies) and Council funding (if needed) to cover any net deficit.

The return of the highways functions to the County Council had made access to LTP funding for the School Travel Initiative more difficult. Whilst the Runnymede Business Partnership (RBP) had developed the next phase (2002/2003) of schemes to extend cycle shelter provision to 7 schools and 1 college, the County Council had resolved effectively to commence its own safe routes to school programme. Officers discussed this approach with County colleagues but the County Council wished to stamp its own identity on the projects. This resulted in limited access to LTP funding for RBP projects and involved the appointment by the County of its own Safe Routes to School staff. This created a dilemma for the RBP Initiative which was up and running and ready to be implemented. It had been agreed to continue with the preparatory work involving detailed discussions with 10 schools on Travel Plans and to develop, where practicable, joint working with the County Council. Fortunately Officers were able to secure a £50,000 grant from the Department of Transport for the next phase of cycle shelter provision. With matched funding from Section 106 monies and the Royal Holloway College the project would involve a £100,000 investment in promoting cycling. The County Council did not have a Safe Routes to School Officer in post and as such had had difficulties implementing many Safe Routes to School projects for the year. However, Officers were examining the opportunities to advance the later phases of the RSTI to enable some of the 2002/2003 LTP monies to be secured for projects in the Borough. A bid in the region of £30,000-£50,000 had been made for such work.

The evidence indicated that the cycle shelters, which could be locked, had encouraged a significant increase in cycling to school and were recognised as a success by individual schools. With regard to the Yellow Bus Service at Magna Carta and Fullbrook Schools, the Schools and Officers were

encouraged by the reception amongst pupils and parents. The Bus Service provided places for about 125-135 fare-paying pupils per school. Initially the numbers registered for the Service were higher as it was possible for the 60-seater buses to run two journeys each morning. Problems, however, arose at the end of the day as the number of pupils looking to return home immediately after school exceeded the number of seats available. Whilst there were later buses the number did drop from the 140 per school who originally reserved places. Officers were considering if there were ways to deal with this issue.

The Department for Transport was very interested in the development of the project and had commissioned a study of the Yellow Bus Initiative. Officers were participating in the Steering Group established to oversee the project. Details would be reported as they emerged, and whilst the Study would focus on the impact of the Service, Officers would raise the need for revenue funding to be made available to support such initiatives.

The RSTI had recently been incorporated into the Community Strategy, with responsibility for implementation remaining with the RBP. The Community Strategy had established additional targets that broadened out the Travel Initiative to consider public transport provision and the interests of those who lived, worked in or visited the Borough.

The Committee was pleased to note the excellent progress on this pioneering project which was attracting national interest.

At present the hiring of the yellow buses for the daily school run cost £145,000 per annum. Income from fares of £45,000 reduced this to a net cost of £100,000. This deficit was currently funded by income from grants (£20,000), sponsorship (£5,500) and section 106 monies (£74,500). If the project was to continue after the two year trial period it would be necessary to secure funding from similar sources. However, as other Council services had found, generating this type of income was not easy and should the grants not be forthcoming, the Council would have to decide if it was viable for the service to continue. The Committee agreed that the option of the establishment of a charity to operate the Yellow Buses, which had been suggested by local business partners, should be explored. The financial attraction of this route was twofold. Firstly, there were taxation advantages for contributions by business to charities and initial research amongst ten leading companies in the Borough revealed that six would be prepared to sponsor the service as a charity, two would not, one would offer non-financial support and two did not reply (although one already funded the bus). Secondly, there were various other funding sources that would be available to charities, but not to local authorities. There were a number of practical points that would need to be considered, including the nomination of trustees and allocation of administration, accounting and auditing costs. Support costs of around 10% of turnover would not be uncommon, and this would represent an annual commitment of between £10-£15,000, although how much of this represented opportunity costs which were already borne by the agreed Business Partnership budget would be a matter to be determined. It was anticipated that an extra resource allocation in the region of £3,000-£5,000 would be required to support a charity in addition to the Council's current commitment. Effectively the charity would have to raise funds in excess of £5,000 per annum to achieve a positive financial outcome. On current evidence this was a realistic expectation.

RESOLVED that -

Officers be asked to investigate and report back on the proposal of the Runnymede Business Partnership to establish a charity to operate the Yellow Bus Service.

419. AIR TRANSPORT IN THE UK: SOUTH EAST - CONSULTATION

The Committee's views were sought on a consultation document issued by the Department of Transport entitled 'The Future Development of Air Transport in the UK: South East'.

Transportation planning issues were within the remit of the Committee subject to prior comment by the Planning Committee. The Planning Committee had considered the consultation paper on 6 November. The Planning Committee supported the principle of airport expansion in the South East to maximise social and economic benefits, subject to the minimisation of the environmental impact. The new airport at Cliffe, Kent option did not appear likely to gain the support of British Airways or the British Airports Authority and there were legal restrictions on the expansion of the existing Gatwick airport. On balance, the Planning Committee supported an expansion of Heathrow airport linked to

enhanced public transport to the South and West of the airport (with the Airtrack project forming the core of the improvements), subject to guaranteed strict controls on night flights, air and noise pollution and water run off forming a fundamental part of any planning permission.

The consultation sought to address three questions :-

- Should new airport capacity be provided in the South East over the next 30 years, and, if so, how much? A particular issue was whether there was a case for having at least one major hub airport.
- Where should any new airport capacity be located? A particular issue was whether or not Heathrow should be developed further.
- What measures would be needed to control and mitigate the environmental impacts of any airport growth?

The proposed options for major growth in South East airports over the next 30 years were:

Heathrow:	a new runway with associated terminal development.
Gatwick:	status quo maintained due to Legal Agreement.
Stansted:	one to three runways and associated terminal development.
Cliffe (Kent):	a new airport built on the south side of the Thames Estuary. Four/five runway airport with terminal facilities.

The proposals for Heathrow were :-

- a new (short) 2,000m runway to the north of the existing Airport;
- new terminal facilities to service the third runway;
- enhanced public transport (maybe including Airtrack);
- additional motorway road infrastructure adjacent to the Airport
- 230 hectares of agricultural land acquired and 260 residential properties demolished.

The Committee decided on balance, in view of the economic and development benefits, to support the proposed Heathrow expansion, subject to environmental and public transport measures being instituted to ameliorate any adverse effects. The Committee did not support any legal restrictions on Heathrow's operations.

RESOLVED that -

the comments set out in Appendix 'B' be forwarded to the Department for Transport as the formal observations of this Council on the document entitled 'The Future Development of Air Transport in the UK: South East'.

A requisition having been made that the names of those voting in favour of the above Resolution be recorded, there voted:

In favour of the Resolution (8): Councillors M.J. Brown, A.J. Davis, J.M. Edwards, J.R. Furey, J.E. Haas, R.K. Habgood, P.J. Poole and K.J.T. Walmsley.

Against (2): Councillors A. Alderson and P.A. Greenwood.

420. BEST VALUE - STRATEGIC PROPERTY MANAGEMENT SCOPING AND CHALLENGE REPORT

The Committee considered the scoping and challenge report for strategic property management which is attached at Appendix 'C'. Members were satisfied that the objectives for the provision of the services continued to meet the Council's aspirations and that there had been sufficient rigour in completing the challenge phase of the Best Value Review.

RESOLVED that -

- i) the objectives for strategic property management continue to reflect the Council's aspirations for the provision of this service;**
- ii) the proposal to examine the following matters further during the remaining stages of the Review be endorsed:-**
 - a) review property holdings with a view to disposal of all property which does not contribute to Council Policies paying particular regard to community users;**
 - b) implement the planned maintenance programme with a view to reducing demand maintenance;**
 - c) develop local Performance Indicators to measure cost effective utilisation of property. Monitor and report property performance;**
 - d) develop and use benchmarking data to measure the efficiency of the service;**
 - e) investigate the potential for and cost/benefit of outsourcing the whole or part of the service;**
 - f) investigate arrangements for delivery of property services within other authorities with a view to establishing the most efficient and cost effective means of service delivery including the potential for joint cross border working and centralising of facilities management;**
 - g) develop appropriate corporate software systems to support the Asset Management Plan;**
- iii) the use of tenant and user surveys as prime sources for the collection of customer satisfaction data for the consultation element of the Review be endorsed**
- iv) the use of the national and local performance indicators and SEACES and North West Surrey benchmarking information be endorsed; and**
- v) the scope of this Review and Challenge Phase be endorsed.**

421. URGENT ACTION - STANDING ORDER 42

The following action which had been taken after consultation with the Chairman of the Committee under Standing Order 42 was noted:

<u>Officer</u>	<u>Action Taken</u>	<u>Central Index No.</u>
Borough Secretary and Leisure Services Officer	Authorisation to acquire a property in Harrow Close, Addlestone for £155,000, together with a sum of £93,000 to secure replacement premises for the occupiers with the additional sum to be secured by way of a legal charge on the replacement property.	506

422. ABBEY RANGERS FOOTBALL CLUB - LEASE RENEWAL

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 considered the taking of a new lease of the Meads School Playing Fields from Surrey County Council and the granting of a sub-lease to Abbey Rangers Football Club. Runnymede Borough Council were currently holding over on a 15 year lease of the former Meads School Playing Fields. The lease was for 15 years from March 1987 and the current rent was £5,900 per annum. The land was occupied by Abbey Rangers Football Club who had a licence from the Council on similar terms to that between the Council and Surrey County Council who were the freehold owners of the site. The Club had an ambitious development programme and over 300 members, but in order to access various grants and funding opportunities they required a formal lease of at least a 28 year duration.

It appeared to be of assistance for the Council to remain in the picture rather than leave the Club to deal directly with Surrey County Council. After detailed negotiations, terms had been provisionally agreed which both met the needs of Surrey County Council whilst giving enough certainty to Abbey Rangers to enable them to pursue their development plans. The proposal was for a new 28 year lease at a rent of £7,750 p.a. subject to 5 yearly rent reviews. This would be subject to a break clause which enabled the County Council to remove from the lease some land in the event that this was required to provide a future access to the Meads School site. In addition, the land to the rear of the former Canlo Youth Club, would continue to be used on the basis of a licence from year to year at a peppercorn. Discussions were still taking place on this point and it might be that the land was eventually included within the lease subject to a break clause. This agreement gave the Club sufficient security to proceed with their fundraising and enabled them to continue to utilise the whole of the site until such time as any development proposals for the Meads site were approved. The Club would be making an application for rent grant aid. The new lease would result in an additional revenue cost of £1,850 which would be passed onto the Club. The Committee commended the work of the Valuer in bringing this matter to a satisfactory conclusion.

RESOLVED that –

- i) the Borough Secretary and Leisure Services Officer be authorised to enter into an agreement with Surrey County Council for a new 28 year lease of the Meads School Playing Fields at an initial rent of £7,750 per annum and subject to such other terms as he sees fit and a sub-lease be granted to Abbey Rangers Football Club on identical terms; and**
- ii) in the event that the additional lands are not subsumed into the lease the Borough Secretary and Leisure Services Officer be authorised to enter into a licence from year to year at a peppercorn.**

423. GOGMORE FARM PARK PAVILION - USE BY YOUTH SERVICE

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

The Committee considered the letting of Gogmore Farm Park Pavilion to Surrey County Council Youth Services. The Pavilion building comprised a sales kiosk together with associated food preparation and storage rooms and a caretakers flat. The kiosk was proving impossible to let as a concession due to a combination of low usage and difficulties with the behaviour of local young people. Surrey Youth Service had been granted a licence for use of a room in the Pavilion in July 2001. They now employed four part-time youth workers to cover four three hour sessions a week in the Park. The Surrey Youth Service workers were in direct contact with over 20 local young people on a regular basis.

In June 2002 the Leisure and Environment Committee had received a report recommending that the whole pavilion be leased to Surrey County Council Youth Service. The Committee recommended

that the Economic Development Committee be requested to approve a lease to the Youth Service at a low or nominal rent, subject to the Youth Service meeting all running and staffing costs. Officers had undertaken an options appraisal in accordance with the requirements of the approved Asset Management Plan and had ascertained that there were no competing calls on the premises. The proposed use of the building would be in line with new Government and Surrey County Council policies and the Connexions Service concentrating on engaging young people in personal development projects and would provide an access point for information and support. Another important aspect of the building was the café. Young people, with the support of youth workers, would run this facility for the local community, with the funds raised being used by them to finance future youth work activities and this might also result in them working towards a qualification in catering or business.

The Committee agreed that in view of the problems with youth behaviour in the area that the lease should be for 3 years with the tenant being responsible for all repair and maintenance and all outgoings. The lease would be ended prematurely if at any point the disturbance increased. The rent would be £3,000 per annum inclusive of rates. The property had not yet been assessed for rates but the estimated liability was not thought to exceed £2,000 per annum. Planning consent would be required for a change of use of the former residence.

RESOLVED that –

the Borough Secretary and Leisure Services Officer be authorised to enter into a lease with Surrey County Council for the Gogmore Farm Park Pavilion for an initial period of 3 years at an inclusive rental of £3,000 per annum and subject to such other terms as he sees fit and be authorised to terminate the letting in the event of disturbance increasing.

424. EGHAM TOWN FOOTBALL CLUB - LEASE

By resolution of the Committee, the press and public were excluded from 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 9 of Schedule 12A to the Act.

The Committee considered the surrender of the existing lease to Egham Town Football Club and the grant of a new lease for a term of 50 years.

Egham Town Football Club Limited had leased land from the Borough Council for a term of 25 years from 1987 at a current rent of £4,725 per annum. The Company was now being sold to the current manager of the Club. The financial backers wished to have a greater level of security than the 10 years remaining on the existing lease and had requested that the Council accept a surrender and grant a new 50 year term. They required this assurance before committing to the purchase of the Company. On the basis that the Club had been in occupation for 29 years and the land was in the Green Belt and flood plain (thus having little prospect of development) the Committee agreed that a new lease be granted for 50 years but that a break clause be inserted for a period of time for which the Borough Secretary and Leisure Services Officer saw fit.

The lease would be on similar terms to that existing, including 5 year rent reviews. The initial rent would remain at its current level for the first five years to enable the new management to consolidate and put the club on a sound financial footing. A formal application could only be made by the owners of Egham Town Football Club Limited but the purchase of the Company was dependent upon the availability of a new long term lease.

RESOLVED that –

should an application be received from Egham Town Football Club Limited, the Borough Secretary and Leisure Services Officer be authorised to accept a surrender of the existing lease and grant a new 50 year lease on similar terms to the existing lease including the level of rent and on such other terms as he sees fit, including a break clause for a period of time to be determined by the Borough Secretary and Leisure Services Officer.

425. TULK FIELD CHERTSEY - ACQUISITION OF PART

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

As new information had recently been received it was agreed that this item be deferred for further report.

426. 147/149 STATION ROAD, ADDLESTONE - POTENTIAL ACQUISITION

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

The Committee considered the acquisition of 147/149 Station Road, Addlestone (known locally as the Dangerfields building), which was a retail unit and was currently subject to an appeal against an Enforcement Notice requiring the cessation of the non retail use to which it was being put and the reinstatement of A1 (retail) use. The property had now been placed for sale on the open market at an asking price of £375,000. The properties at 131 - 137 Station Road and 153/155 Station Road and 1 - 5 Manton Terrace were already owned by the Council, having been acquired in mid 2000 with the medium to long term intention of assembling the whole block for redevelopment.

The Committee considered that acquisition of 147/149 might achieve some significant improvements to Addlestone town centre within a reasonably short timescale and might also encourage further investment from the private sector. Such acquisition would require appropriate capital provision from the Corporate Management Committee. The Revenue Forecast and Capital Programme showed that the level of capital receipts in hand was expected to reduce to £1.6 million by 2005/6. The acquisition would put further pressure on the Council's receipts and might require a rescheduling of the capital programme, thereby emphasising the need to maintain the programme of capital receipts.

The Committee agreed that the Borough Secretary and Leisure Services Officer be authorised to acquire 147 - 149 Station Road Addlestone at a price not exceeding that reported at the meeting. The Valuer to the Council was also instructed to negotiate for the acquisition of the remainder of the block, and to report on the outcome, with a view to initiating a redevelopment within five years. Officers were instructed to investigate with adjoining landowners the potential for a comprehensive redevelopment involving 123 - 179 Station Road, and report further to the Committee on the investigation and on the possible need to use compulsory purchase powers.

RESOLVED that -

- i) subject to contract and to the receipt of all necessary consents, the Borough Secretary and Leisure Services Officer be authorised to acquire 147 - 149 Station Road Addlestone at a price not exceeding that reported at the meeting.**
- ii) the Valuer to the Council be instructed to negotiate for the acquisition of the remainder of the block, and to report on the outcome, with a view to initiating a redevelopment within five years;**
- iii) Officers be instructed to investigate with adjoining landowners the potential for a comprehensive redevelopment involving 123 - 179 Station Road, and report further to this Committee on the investigation and on the possible need to use compulsory purchase powers; and**
- iv) the Corporate Management Committee be requested to recommend capital programme provision for the purchase of 147 - 149 Station**

Road and a capital estimate in the sum reported (to include Stamp Duty).

427. VACANT AND UNFIT PROPERTIES - COMPULSORY PURCHASE

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

The Committee considered the making of Compulsory Purchase Orders in respect of specified vacant and unfit properties. The Housing and Community Services Committee had given consideration to the proposals at its meeting on 13 November 2002 and had concurred with the course of action proposed.

The policy of identifying and bringing back into use of empty and unfit property was included in the Council's Community Strategy, Housing Strategy Statement and was also referred to in the Leader's Position Statement. The Committee was advised of the progress of detailed negotiations with regard to these properties. In considering whether to authorise the making of Compulsory Purchase Orders, the Committee had regard to the Human Rights Act 1998 and in particular Articles 1 and 8. The Committee was satisfied that the proposed interference in these cases with human rights was justified and proportionate to the legitimate aims being pursued and that the reasons produced for the proposed Orders were relevant and sufficient.

5 Alexandra Road, Addlestone was an end of terrace semi-detached house which was unfit by reason of disrepair. The Committee considered that compulsory acquisition was the only way to ensure that it was repaired and put back into beneficial use within a reasonable time. 17/18 Kings Road, Egham, 29 Hummer Road, Egham, 16/24 Cumberland Street, 1, 2, 3 Railway Terrace, Egham Hythe and 53 Hythe Road, Egham Hythe were in common ownership. A number of these properties had either been vacant for many years, or there was no immediate prospect of works being undertaken to bring them back into housing use. The Committee agreed that the owner should be advised that unless a realistic programme was agreed upon, then Compulsory Purchase Orders would be made. Given that the majority of the properties in the block at 37/45 St. Jude's Road, Englefield Green required demolition and it was not reasonably practicable to demolish the majority without demolishing them all, the Committee authorised a Compulsory Purchase Order for the acquisition of these properties with a view to the demolition and redevelopment of the site. There was the added advantage that if this course of action was pursued the owner of adjoining land had indicated a willingness to negotiate the sale of all or part of his holding and therefore a larger development site might be possible. It did not appear that the owner of 105 Chertsey Road, Addlestone would be able to satisfy Officers within a reasonable period of time that he was able either to secure the improvement of the dwelling and bring it back into housing use or allow the property to be acquired with a view to development. Therefore compulsory purchase was also agreed in this case.

The cost of acquisition through Compulsory Purchase comprised the purchase price, owner occupier supplements (10%) where applicable, stamp duty and legal fees, plus any costs for securing and making safe the properties pending an onward sale. If agreement on the purchase price could not be reached with the property owners then this would be subject to a reference to the Lands Tribunal who would assess the level of compensation to be paid. If the Council were to lose any cases at Tribunal then costs would be awarded against the Council. The disposal proceeds would not necessarily cover these additional costs and would to a large extent depend on how the market viewed the opportunities presented by these unfit properties. Any adverse movement in the local housing market could also have a substantial impact.

The possibility of utilising some of the properties as affordable housing would be examined and if the cost of acquisition and refurbishment could be kept within Total Cost Indicator levels this may be the most beneficial outcome. Where it was not possible to recover acquisition costs within Total Cost Indicator levels then the properties would be sold on the open market. The value of the St. Judes Road site would depend upon the density of development which could be achieved and if other adjoining land could be acquired this provided more flexibility for maximising receipts. The Valuer to the Council would endeavour to complete the acquisition and disposal on at least a break even basis, but as a prudent measure it was appropriate to assume that a 5% shortfall may need to be met by the Council. The total estimated purchase costs of the properties would be funded from sale

proceeds with the proviso that up to 5% may be required to be funded from the Council's usable capital receipts. It was agreed that purchase and onward sale be approached on a phased basis with the receipts being continually rolled over into the next phase of purchase and that the Corporate Management Committee be requested to make available a capital estimate of £1m for these purposes.

The Committee also noted from the Revenue Forecast and Capital Programme that the level of capital receipts in hand was expected to reduce to £1.6 million by 2005/6. These acquisitions would put further pressure on the Council's receipts and may require a rescheduling of the capital programme, thereby emphasising the need to maintain the programme of capital receipts.

RESOLVED that –

- i) a compulsory purchase order be made in respect of 5 Alexandra Road, Addlestone pursuant to Section 17 of the Housing Act 1985 for the purpose of disposing of the property by sale to ensure that it be repaired, renovated and brought back into beneficial housing use;**
- ii) subject to such further negotiations as the Valuer to the Council considers reasonable and subject to a phased approach to acquisition, compulsory purchase orders be made pursuant to Section 17 of the Housing Act 1985 in respect of the properties listed below for the purposes of repair, renovation or re-development whether by the Council or third parties so that the properties can be brought back into beneficial housing use:**
 - **17/18 Kings Road, Egham**
 - **29 Hummer Road, Egham**
 - **16/24 Cumberland Street and 1, 2 and 3 Railway Terraces, Egham Hythe**
 - **53 Hythe Road, Egham**
 - **37/45 St. Judes Road, Englefield Green**
 - **105 Chertsey Road, Addlestone**
- iii) Corporate Management Committee be requested to approve a capital estimate of £1m to be financed from sales and reinvested on a rolling basis to completion of the acquisition programme.**

Chairman

(The meeting ended at 10.00 p.m.)