

Runnymede Borough Council
ECONOMIC DEVELOPMENT COMMITTEE

Thursday, 16 January 2003 at 7.30 p.m.

in the Council Chamber
at the Civic Offices, Addlestone



Members of the Committee

Councillors R.K. Habgood (Chairman), J.R. Furey (Vice-Chairman), A. Alderson, M.J. Brown, P.C. Elding, P.A. Greenwood, J.E. Haas, C. Knight, P.J. Poole and K.J.T. Walmsley

and all other Members for information

A G E N D A

Notes:

- i) Any report on the Agenda involving confidential information (as defined by section 100A(3) of the Local Government Act 1972) must be discussed in private. Any report involving exempt information (as defined by Section 100I of the Local Government Act 1972), whether it appears in Part 1 or Part 2 below, may be discussed in private but only if the Committee so resolves.
- ii) The relevant 'background papers' are listed after each report in Part 1. Enquiries about any of the Agenda reports and background papers should be directed in the first instance to **Mr. G. Marson, Committee Section, Department of Administration and Leisure, Civic Offices, Station Road, Addlestone (Tel. Direct Line: 01932 425625)**.
- iii) Agendas and Minutes are available on a subscription basis. For details, please ring Mr. B.A. Fleckney on 01932 425620.
- iv) in the unlikely event of an alarm sounding, members of the public should leave the building immediately, either using the staircase leading from the public gallery or following other instructions as appropriate.

COMMITTEE SECTION



LIST OF MATTERS FOR CONSIDERATION

PART I

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PART II

Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection.

- a) Exempt Information
20. COMMERCIAL PROPERTY PORTFOLIO 29
- b) Confidential Information
- (No reports to be considered under this heading)

NAMING OF CHIEF OFFICERS AND DEPARTMENTS

After prompting by the Local Government Act Member Working Group and as set out in the Annual Personnel Report, Chief Officers and Departments are being renamed to reflect current practice in many authorities. The new titles and abbreviations are used in this Agenda and are set out below for ease of reference:

<u>Abbreviation</u>	<u>Title</u>	<u>Old Title</u>
DAL	Director of Administration and Leisure	Borough Secretary and Leisure Services Officer
DF	Director of Finance	Borough Treasurer
DHCS	Director of Housing and Community Services	Borough Housing and Community Services Manager
DTS	Director of Technical Services	Borough Technical Services Officer

1. NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

2. MINUTES

To confirm and sign as a correct record the Minutes of the meeting of the Committee held on 14 November 2002.

3. APOLOGIES FOR ABSENCE

4. DECLARATIONS OF INTEREST

If Members have an interest in an item please record the interest on the form circulated with this Agenda and hand it to the Legal Representative or Committee Administrator at the start of the meeting. A supply of the form will also be available from the Committee Administrator at meetings.

Members who have previously declared interests which are recorded in the Minutes to be considered at this meeting need not repeat the declaration when attending the meeting. Members need take no further action unless the item in which they have an interest becomes the subject of debate, in which event the Member must leave the room if the interest is personal and prejudicial.

5. ECONOMIC STRATEGY FOR THE BOROUGH (DTS)

(Ref: Minute of Economic Development Committee, November 2002, page 739, para. 416)

1. Purpose of Report

1.1 The purpose of this report is to identify the issues facing the local business community and suggest some options for addressing them through the forthcoming Economic Strategy for the Borough.

2. Background Information

2.1 The Runnymede local economy has seen some important changes over the last ten years. Particularly notable has been the development of one of the largest amounts of new office floorspace in Surrey. For example, between 1992 and 1997 some 78,000 square metres of new business floorspace was completed in Runnymede. This figure does not include the later phases of the Chertsey Revitalisation Scheme or the Hillswood Business Park (35,000 sq. metres).

- 2.2 The growth in business floorspace has a number of implications for Runnymede including the impact of the new jobs on the local labour market, congestion and demand for housing. There are issues arising from changes in the way people shop and spend leisure time and the effect of these trends on the town and village centres. There is also a need to ensure that economic growth is achieved in ways which do not harm the Borough's environment.
- 2.3 The development of an Economic Strategy provides an opportunity to assess these trends, consider the issues arising from them and create a strategy to promote the local economy in ways that complement other local aspirations such as those set out in the Community Strategy. It is important to involve the business community in the development of the Strategy and to ensure that there is a commitment to implement aspects of the Strategy in close co-operation with the Council. Such opportunities may arise from the Local Government Bill currently before Parliament that offers Non-Domestic Rate payers the scope to fund specific initiatives within the context of the arrangements for Business Improvement Districts.
- 2.4 It is important to ensure that the Strategy sets out a detailed target-setting framework with clear objectives. It should ensure that partners (such as the Runnymede Business Partnership) are an integral part of the process of target setting and implementation.

3. Report

- 3.1 The key issues identified at this stage as having the greatest impact on the economic development of the Borough are discussed on the issues and options paper (attached at Appendix 'A') and are listed below.
- Cost of housing
 - Recruitment/Retention
 - Skills Shortages/Training
 - Congestion
 - Balancing economic growth with environmental pressure
 - The future of town centres and smaller shopping centres.
- 3.2 The Local Strategic Partnership, established to develop and implement the Community Strategy, will be invited to consider the key issues. Particular emphasis will be placed upon consultation with proprietors and representatives of local business to ascertain their views on the future economic development of the Borough, and the options available to ensure that the economic prosperity of the Borough is maintained and help address areas of concern.
- 3.3 The methods of consultation will be through discussion with the Runnymede Business Partnership in its role as a sub-group of the Local Strategic Partnership, consultation with the three Chambers of Commerce and by a questionnaire in the Partnership's January 2003 Newsletter, which is sent to over 1500 local organisations. In addition the views of the known major landowners will be sought through a limited consultation.
- 3.4 The consultation will last six weeks starting in late January 2003. The responses will be incorporated into the Draft Economic Strategy, together with a summary of the comments received, which will be presented to the Economic Development Committee on 13 March 2003. (A programme for the presentation and adoption of the Economic Strategy is attached at Appendix 'B').

OFFICERS' RECOMMENDATION that -

the issue and options paper attached at Appendix 'A' be noted and used for the purposes of consultation with local businesses and other organisations.

(TO RESOLVE)

Background Papers

None stated

6. REVENUE ESTIMATES 2003/2004 (DF)

Members are asked to receive and consider the draft Revenue Estimates and fees and charges for the services under the remit of this Committee for 2003/04. The report of the Director of Finance is set out at Appendix 'C'.

OFFICERS RECOMMENDATION that -

- i) the proposed fees and charges for 2003/2004 as set out in Appendix 'C' be approved to be effective from 1 April 2003 or as appropriate; and**
- ii) the draft Revenue Estimates for 2003/2004 be approved as submitted and the Corporate Management Committee be requested to make provision accordingly.**

(TO RESOLVE)

Background Papers

None stated

7. AIMS AND TARGETS - INTERIM PROGRESS REPORT (CEO)

Details of progress in respect of the adopted Aims and Targets for matters within the remit of this Committee during the period from 1 April to 30 September 2002 are attached at Appendix 'D'.

(FOR INFORMATION)

Background Papers

Leaders Position Statement 2001/02

8. PROPERTY REVIEW (DAL)

1. Purpose of Report

- 1.1 The purpose of this report is to advise Members of the outcome of a review of the Council's property portfolio and to seek approval for appropriate action.**

2. Background Information

- 2.1 The Government White Paper "Modern Local Government - in Touch with the People" encourages Councils to manage their property to best effect.
- 2.2 To meet the requirements of the Office of the Deputy Prime Minister, the Council now produces an annual Asset Management Plan and Property Strategy.
- 2.3 A requirement of the Asset Management Plan is that the property portfolio is kept under constant review and regular reports brought to Committee. This report deals with the review of the operational and community portfolio. Reports elsewhere on this Agenda deal with the National Property Performance Indicators and the Commercial Property Portfolio.
- 2.4 The community portfolio is defined as those properties owned by the Council and leased to various community groups and not held as a financial investments.

3. Report

- 3.1 As part of the requirements of the approved Asset Management Plan, a biennial review of service plans is to be carried out and an annual property appraisal will be developed.
- 3.2 The service review is intended to take a five year view of how the service is to be provided and to identify the property requirements to meet those aspirations. It will identify at an early stage the potential requirements for capital investment.

- 3.3 The annual property appraisal will deal with individual properties and will challenge the need for and sustainability of that property and will be used to measure the relative performance of individual properties.
- 3.4 Whilst the first service reviews are now complete, the process for the annual property performance is not yet in place and it is hoped to develop this over the next few months.
- 3.5 The results of the service reviews are set out below under Operational Properties.
4. Operational Properties
- 4.1 Civic Offices
- 4.1.1 Members will be well aware of the physical problems associated with the present buildings and the proposals to develop new Civic Offices. These proposals have been the subject of a number of reports to Committee over the last two years and a Member Working Group has been established to deal with this issue.
- 4.2 Public Halls
- 4.2.1 There are five public halls in the borough. Council Policy is to provide the community with facilities for a wide range of indoor activities for differing interest and age groups.
- 4.2.2 The replacement of Egham Hythe Centre has now been completed and the new centre was formally opened on 3 December 2002 by the High Sheriff.
- 4.2.3 As part of a land deal involving land to the rear of Thorpe Village Hall, Officers have been able to secure the provision of a small car park and additional storage facilities for the hall at no cost to the Authority. It is hoped to have these in place within the next twelve months.
- 4.2.4 A further small extension at Thorpe Hall is planned and will initially go before the Leisure and Environment Committee for approval sometime in the next financial year.
- 4.2.5 Proposals to relocate bar facilities and for providing disabled access to the stage at Chertsey Hall are to be investigated by Officers and will be reported to the Leisure and Environment Committee in due course.
- 4.2.6 Negotiations are in hand to try and secure a plot of land to the rear of the Literary Institute, Egham to provide parking but Officers are not confident of achieving a satisfactory outcome.
- 4.2.7 No other changes to the halls are planned although Officers will pursue the policy of encouraging self management schemes.
- 4.2.8 The upper floors of the Literary Institute are occupied by Egham Museum and the new regulations regarding disabled access are a cause for concern. In addition, part of the ground floor is occupied by Bournewood Trust whose future intentions are unclear.
- 4.2.9 The suitability and sustainability of this building will be closely looked at as part of the annual property returns.
- 4.2.10 Englefield Green Social Hall was let in 1998 to St. Judes Players who administer the hall very successfully for the benefit of the community. The lease is at a peppercorn and Members may wish to consider whether or not it is appropriate for the Council to retain an interest in this property or whether it should be sold to the occupiers subject to suitable covenants as to use.
- 4.2.11 The performance indicators in respect of public halls are shown at Appendix 'E'. It is hoped that with a new booking software package that it will be possible in future to effectively measure usage as an additional performance benchmark.
- 4.3 Day Centres
- 4.3.1 There are five day centres providing preventative and supportive care together with social and leisure activities and a meal facility.

- 4.3.2 Four of the five centres are purpose built with no current plans for change. The fifth is the Chertsey Day Centre at the Orchard which is currently the subject of discussions with the Charity Commissioners. An Officer group has also been established to give preliminary consideration to the issues relating to the Orchard.
- 4.3.3 Depending on the outcome of those discussions Members may need to consider future day centre provision for Chertsey and how this is to be provided.
- 4.3.4 The agreed performance indicators are shown at Appendix 'F'.
- 4.4. Sports Centres
- 4.4.1 There are two sports centres, one of which is County Council owned and subject to a joint use agreement and the other managed by a DSO.
- 4.4.2 Proposals to replace the existing Abbeyfit at Jubilee High School are the subject of ongoing discussions. Subject to the outcome of these discussions and an acceptable business plan, an investment of £1m will be required to secure the new facilities. No capital estimate programme provision currently exists for this expenditure.
- 4.4.3 Egham Sports Centre has plans to improve the gentlemen's changing room and is investigating further capital schemes such as an artificial turf pitch and additional changing accommodation with a view to increasing usage and income. These proposals will be presented to the Leisure and Environment Committee on 23 January 2003.
- 4.4.4 The performance indicators are shown at Appendix 'G'. It is intended to develop these indicators to measure usage of the facilities and member retention rates.
- 4.5. Museums
- 4.5.1 There is one Council operated museum which is located within a building in Chertsey owned by the Olive Matthews Trust.
- 4.5.2 The museum is currently undergoing extensions and improvements, including the provision of a lift to provide disabled access. Work is scheduled to be completed in Spring 2003.
- 4.5.3 The museum is temporarily housed in rented accommodation in the Sainsbury Centre pending completion of the works.
- 4.5.4 Proposals for a new 'Runnymede Room' will be presented to the Leisure and Environment Committee in 2003/2004.
- 4.5.5 The performance indicators are shown at Appendix 'H'.
- 4.6. Depot and Stores
- 4.6.1 The depot and stores located in Chertsey provide a base for the Direct Services Organisation which provides a variety of services including Emergency Planning. This is currently the subject of a Best Value Service Review.
- 4.6.2 Until April 2003 the depot is also the winter maintenance base for Surrey County Council Highways Department.
- 4.6.3 The depot also provides secure parking for the yellow buses associated with the Transport to Schools Initiative and houses Savage Design and Print which has recently been re-awarded the Councils printing contract.
- 4.6.4 The street cleansing and refuse collection contracts currently carried out by the DSO expire in October 2004 and August 2005 respectively. In the event that the DSO is not successful in winning these contracts, this could have a significant impact on the necessity for retaining a depot.
- 4.6.5. A review of the depot was carried out in 2000, as a result of which a budget of £319,000 was approved to carry out improvements to the facilities in order to satisfy health and safety requirements. Those works are now complete.

- 4.6.6 Upon termination of the winter maintenance base, the intention is to release the surplus accommodation for use by the successful recycling contractor.
- 4.6.7 There is no doubt that the depot is large in relation to the services retained by the Council. Officers will monitor this situation over the next two years and will investigate as part of the annual property returns, the sustainability of the depot and the options available.
- 4.6.8 Because of the substantial changes at the Depot over the last 12 months there are no meaningful performance indicators developed yet.
- 4.7 Public Conveniences
- 4.7.1 Approximately half of the public conveniences are located within parks and public open spaces.
- 4.7.2 The conveniences in Pooley Green were demolished in 2002 as a result of constant vandalism. There is no intention to provide a replacement.
- 4.7.3 If the relocation of the Addlestone Community Association goes ahead then this will require the demolition of the Garfield Road public conveniences in 2003.
- 4.7.4 There are three public conveniences in Englefield Green at Coopers Hill, Victoria Street and on the Green itself. It is intended to look more closely at these conveniences in the annual property returns to establish whether any savings can be generated.
- 4.7.5. Performance indicators for the public conveniences are attached at Appendix 'H'.
- 4.8 Cemeteries
- 4.8.1 There are four cemeteries and Council policy is to ensure that there is sufficient land available at each to satisfy the likely demand for burials for the next ten years.
- 4.8.2 The extension of Chertsey cemetery into the adjoining allotment lands has recently been approved and will be funded from the sale proceeds of the remainder of the allotment site. The work will be carried out in 2003/2004 and will result in 90 years supply.
- 4.8.3 Improvements to Thorpe Cemetery have recently been completed and land has been secured for an extension.
- 4.8.4 The supply of land at Addlestone is limited and negotiations are progressing with a view to secure a 40 to 50 years supply.
- 4.8.5 There are no performance indicators for this service other than the supply of land and % recovery of costs which are shown at Appendix 'I'.
- 4.9 Car Parks
- 4.9.1 There are 11 pay and display car parks and a further seven free car parks. Five of these have received the Secured Car Park Award and a further five are working towards this. The service is currently the subject of a Best Value Service Review.
- 4.9.2 The car parks currently generate an income of approximately £300,000 per annum and the introduction of Decriminalised Parking Enforcement in April 2004 is expected to lead to an increased use of the car parks.
- 4.9.3 The precinct extension car park in Egham is currently a contract only car park Monday to Friday and is under-utilised. It is intended to bring this into use as a full pay and display car park in order to relieve the pressure on the adjacent Precinct car park.
- 4.9.4 The Waspe Farm extension (the former tennis courts) is also under-utilised and the short term intention is to make this more attractive to users by the removal of fencing and the installation of an additional pay and display machine.

- 4.9.5 In the longer term the Waspe Farm extension is being considered for redevelopment either as a private car park for a new social club or as a potential residential site.
- 4.9.6 The performance indicators are shown at Appendix 'J'. Officers are investigating the potential for maximising income from the car parks with a view to reducing net expenditure.
- 4.10 Parks and Open Spaces
- 4.10.1 The Councils policies are generally contained within Policies R1 and R2 of the Local Plan.
- 4.10.2 As part of the Best Value Review, all parks and open spaces are to be reviewed in order to identify any areas of over or under provision and reports will be brought forward once the results are known.
- 4.10.3 The review is also essential in meeting the requirements of Planning Policy Guidance (PPG) 17 in relation to the disposal of any surplus open spaces.
- 4.10.4 A former allotment site at Pooley Green has been identified for redevelopment as a town park once the Swan Sanctuary has moved to an alternative site and Officers are currently investigating how this will be financed.
- 4.10.5 A site at Aviator Park in Addlestone has been acquired under a Section 106 agreement and will shortly be developed with a multi use play area with S106 monies.
- 4.10.6 Land at Fernlands Road has been declared surplus to requirements and, subject to the review required by PPG17, is scheduled for disposal. Marketing will follow the completion of the open space review required by PPG17.
- 4.10.7 A small open space at Blays Lane, to the rear of Englefield Green Cemetery, is also surplus to requirements and is also scheduled for disposal. This is also caught by the requirements of PPG17 and marketing will commence on completion of the review.
- 4.10.8 There is also a proposal to dispose of land at Ledger Drive subject to a number of as yet unresolved issues. Such a disposal is likely to require a part of the Ongar brickfield open space. These proposals are subject to Committee approval.
- 4.10.9 The performance indicators are shown at Appendix 'K'.
- 4.11 Allotments
- 4.11.1 There are 14 allotment sites around the Borough and current policy is to rationalise the distribution of individual holdings with a view to better utilisation of urban land whilst ensuring sufficient plots to meet the sustained demand.
- 4.11.2 Painesfield Allotments have been declared surplus to requirements and, subject to Ministerial consent, part of the site will be utilised for a cemetery extension with the remainder being used for the replacement of the Roakes Avenue Estate.
- 4.11.3 A programme of improvements to Bemonds and St Ann's Allotment sites in Chertsey has been agreed and will be funded from the proceeds of the sale of the Painesfield site.
- 4.11.4 The Pooley Green allotments will be rationalised as part of the proposed Town Park development and Officers will investigate the potential for including the Wendover Road site in this rationalisation process.
- 4.11.5 Officers will continue to promote self management of all sites and will bring forward improvement plans to facilitate this process as and when appropriate.
- 4.11.6 Performance Indicators are shown at Appendix 'K'.
- 5. Non Operational Property
- 5.1 Whilst limited resources have meant that a detailed review of non operational property has not been possible there are however a number of issues where action would be appropriate.

5.2 Stoneylands Club.

- 5.2.1 The Club was formed in 1968 by employees of the old Egham Council and a site (shown at Appendix 'L') and clubhouse was made available by the Council in 1969. In 1974 a twenty five year lease was granted and the Club began an extension programme which was finally completed in 1990.
- 5.2.2 Club membership is open to all Council employees but is comprised mainly of manual workers and former employees. The Club has not actively sought the membership of office based staff.
- 5.2.3 The adjoining former tennis courts, which are now part of the Waspe Farm car park, have also been under utilised for a number of years and Officers have been looking at both these sites with a view to redevelopment.
- 5.2.4 Officers are currently in exploratory discussions with a third party regarding the potential sale of the site. As these discussions are at this point confidential a verbal report will be given at the meeting under Part II of the Agenda.

5.3 Electricity Sub Stations

- 5.3.1 The Council owns the site of over 30 electricity sub stations which are let on historic leases, many expired, at nominal rents.
- 5.3.2 It is intended to rationalise these leases and to offer new 60 year terms to the Electricity Companies at a premium. This will produce a capital receipt and at the same time reduce management costs in the collection of sums of less than £1.

5.4 Community Buildings

- 5.4.1 The Council has a large number of sites and buildings let to a variety of Community Groups. Whilst a large number of these are located within or adjacent to other Council owned landholdings a number are stand alone buildings which would be capable of disposal.
- 5.4.2 Under the Property Services Best Value Review, the Valuer to the Council is tasked with reviewing the property portfolio with particular reference to these community buildings.
- 5.4.3 The intention, subject to Members views, will be to identify those that are suitable for disposal and, subject to legal advice, offer these to the occupiers.
- 5.4.4 Members may wish to consider their options in following such a course of action and it is intended to bring a comprehensive report to the Committee in the next cycle.
- 5.4.5 An approach has already been received from 1st Egham Hythe Scout Group who wish to investigate the potential purchase of their site (shown at Appendix 'M'). Members are requested to approve in principle the sale of this site, subject to a report back on the outcome of negotiations.

5.5 Land at Ledger Drive

- 5.5.1 There is an area of land at Ledger Drive, Addlestone, shown on Appendix 'N', which appears to be under utilised. Initial discussions have taken place with a Housing Association partner and subject to resolution of a number of outstanding issues, it is intended to bring forward an affordable housing scheme for consideration by Members.

OFFICERS' RECOMMENDATION that -

subject to further detailed reports being brought back to the Committee, approval be given in principle to the following:

- i) the sale of Englefield Green Social Hall and 1st Egham Scouts site;**
- ii) the rationalisation of the electricity sub stations leases as proposed above; and**
- iii) the disposal of land at Ledger Drive, Fernlands Open Space and Blays Lane.**

(TO RESOLVE)

Background Papers

Papers on relevant Property Services files

9. ASSET MANAGEMENT PLAN 2002 - ASSESSMENT (DAL)

1. Purpose of Report

1.1 **The purpose of this report is to advise Members of the assessment from the Government Office for the South East (GOSE) in respect of the 2002 Asset Management Plan (AMP) submission.**

2. Background Information

2.1 The Government White Paper "Modern Local Government - In Touch with the People" encourages Councils to manage their property to best effect.

2.2 In response, the Office of the Deputy Prime Minister(ODPM) is seeking to modernise the capital finance framework through the introduction of a cross service allocation to the bulk of central government support to Councils - "The Single Capital Pot"

2.3 The intention is to allocate resources partly on a needs based formula and partly through a competitive assessment of the Councils corporate and service strategies. As part of this annual assessment authorities are required to submit an Asset Management Plan, together with a Capital Strategy, the first one having being required in July 2001.

3. Report

3.1 The AMP is to be assessed against a series of Primary and Secondary criteria and would need to meet all Primary and at least 75% of Secondary requirements to receive a "Good" rating. The criteria are set out in Appendix 'O'.

3.2 Members may recall that despite the large amount of time invested in the drafting of the 2001 submission this received a "room for improvement" rating - essentially a "poor" score, a result with which Officers had been extremely disappointed. The Capital Strategy had received a "satisfactory" rating.

3.3 With the move towards Comprehensive Performance Assessment Officers were of the opinion that the 2002 assessment was of even greater importance in supporting the Councils overall performance. An added incentive to improve the assessment was the announcement by the ODPM that those Authorities achieving a "Good" rating would no longer be required to submit the annual plan to GOSE.

3.4 Officers are pleased to inform the Committee that the Council has received a "Good" rating for both the AMP and the Capital Strategy. Whilst this means that the Council does not need to submit future plans it will still be required to maintain and develop the plan and will have to submit the National Performance Indicators. A copy of the AMP and Property Strategy is available in the Members Room.

3.5 GOSE's detailed assessment of the AMP is shown at Appendix 'P'.

4. Resource Implications

4.1 There is a single Basic Credit Approval, the majority of which is a fixed sum allocated on a needs basis with the balance being by Ministerial approval. Runnymede's discretionary allocation for 2003/4 is a total of £175,000, made up of £50,000 each for the Capital Strategy and Asset Management Plan and a further £75,000 share of the regional allocation for performance which is attributable to the 'above average' rating of the Housing Strategy and HRA Business Plan. This compares to last years allocation of £75,000.

4.2 The credit approvals will feed into the calculation of the Council's Formula Spending Share which determines its entitlement to Revenue Support Grant.

(FOR INFORMATION)

Background Papers

Property Services File 81.15.G23

10. NATIONAL PROPERTY PERFORMANCE INDICATORS (DAL)

1. Purpose of Report

1.1 **The purpose of this report is to meet the reporting requirements of the Asset Management Plan and to advise Members of property performance as measured by the national performance indicators (PI's).**

2. Background Information

2.1 The Government White Paper "Modern Local Government - In Touch with the People" encourages Councils to manage their property to best effect.

2.2 As part of this process the Office of the Deputy Prime Minister has introduced a new capital finance framework - "the single capital pot". As a result resources will partly be allocated through a competitive assessment of the Councils corporate and service strategies.

2.3 The Asset Management Plan (AMP) is a part of this competitive process and requires the Council to collect data and report on a number of National Performance Indicators. These are shown at Appendix 'Q'.

3. Report

3.1 P I 1a and 1b

3.1.1 The AMP requires that the Council considers repair and maintenance at a corporate rather than a service level and prepares a 5 year planned maintenance programme.

3.1.2 Planned maintenance is an area where many authorities are deficient and this indicator is considered to be a good discipline. It will enable the Council to properly plan the maintenance of its property portfolio and to reduce demand maintenance as a consequence.

3.1.3 A five year maintenance programme has now been approved by the Council following a full survey of the portfolio and this was used as the basis for the submission of the AMP.

3.1.4 It is not a useful indicator for external comparative purposes as condition of the property is a subjective measure and maintenance costs will vary according to the nature of the portfolio and the policy decisions taken in respect of maintenance budgets.

3.1.5 Its value will be in measuring performance against the planned maintenance programme and the year on year improvement in condition and reduction in demand maintenance.

3.1.6 The IPF Asset Management Planning network to which the Council belongs has produced a table of results (Appendix 'R') which reinforce the comments made above.

3.2 P.I. 2a, b and c

3.2.1 The Council is required to provide details of the internal rates of return (IRR) in respect of its investment portfolio. A separate report is contained elsewhere on this agenda in respect of the portfolio valuation.

3.2.2 The IRR is the rate of return on an investment taking into account all future cash flows both positive and negative over the life of the investment.

3.2.3 The portfolio is valued annually in November/December. Members may recall that a consultant was used for this purpose last year at a cost of £19,000. This year the portfolio has been valued "in house" by the Valuer to the Council.

- 3.2.4 The IRR calculated by the external valuer in 2001 were based on a 20 years projection in accordance with the guidance at that time. The current IRR are calculated on a 10 years projection as now required by the ODPM.
- 3.2.5 Whilst the calculation of individual IRRs is relatively straightforward, the calculation of the sector averages is a different matter. Sheffield City Council has developed an Excel spreadsheet which calculates these averages and this has been made available at a cost of £30 to ACES (Association of Chief Estates Surveyors in Local Government) members. A large number of Authorities are now using this package and the Valuer to the Council, as a member of ACES, has acquired this software. The current year's figures have been produced on this basis.
- 3.2.6 Whilst this is a useful decision making tool it is again not particularly helpful as a comparative tool as the results are very much dependent upon subjective assessments as to levels of inflation and rental and capital growth. The IPF network tables of results are nevertheless shown at Appendix 'S'.
- 3.3 P.I. 3a and 3b
- 3.3.1 These costs are useful in benchmarking the costs and efficiency of property services provision but only if there is a common interpretation of costs. The North West Surrey Benchmarking Group and South East ACES are both working towards ensuring a consistency of approach.
- 3.3.2 It appears from the 2002 returns that Runnymede has a very high management cost per square metre (Appendix 'S'). Bearing in mind the relatively low staffing levels in Runnymede it would appear that this is a result of an anomaly in data input. Officers will investigate this with a view to future correction.
- 3.3.3 Whilst comparative analysis is useful, an indicator based on a cost per square metre is open to some distortion depending on the size and nature of the portfolio.
- 3.4 P.I. 4a, 4b, 4c and 4d
- 3.4.1 These are generally useful comparative indicators, again with the proviso that they could be distorted by the size and nature of the portfolio. In particular PI 4a (Appendix 'S1') will be influenced by past history and the future planned maintenance programme and may therefore not be suitable for external comparison.
- 3.4.2 The real value of these indicators will be when applied to individual properties rather than the portfolio as a whole. This will highlight good and bad performance and provide valuable information for informed property decisions in the future.
- 3.4.3 Officers intend to work on developing these indicators to provide consistent and meaningful data to assist performance measurement.
4. P.I. 5a and 5b
- 4.1 These deal with the outturn of capital projects exceeding £50,000 in value. The number of projects caught by these provisions are relatively small so any deviation from target outturn will tend to show as relatively high percentage deviations (Appendix 'S1').
- 4.2 The Council already has robust reporting mechanisms in place dealing with these issues.
5. Conclusion
- 5.1 The Council has complied with the requirements of the AMP in producing the data required for the National Performance Indicators which has received a favourable outcome.
- 5.2 Officers will investigate those areas where comparative performance appears to be below the top quartile to ensure a consistency of approach and with a view to matching top quartile performance.

- 5.3 Officers will continue to develop meaningful property performance indicators with a view to achieving continuing improvement both in property performance and the provision of services in general.

(FOR INFORMATION)

Background Papers

Relevant papers on Property Services File 81.15. G23

11. EGHAM FARMERS' MARKET – RENEWAL OF STREET TRADING LICENCE (DAL)

1. Purpose of Report

- 1.1 **The purpose of this report is to propose the renewal of the Street Trading Licence for Egham Farmers' Market.**

2. Background Information

- 2.1 As a result of a Member initiative, a Farmers' Market has been operating in Egham High Street on the fourth Saturday of every month since May 2001.

- 2.2 The Market Operator is Mrs Jane O'Neill. During 2001 she provided the service by contract with Runnymede Borough Council. On the conclusion of the six months trial period, this Committee agreed to the continuation of the market. It was envisaged that thereafter the operation would be run independently with Council encouragement and support.

- 2.3 The Street Trading Licence is granted directly to Jane O'Neill.

3. Report

- 3.1 Although Officers have delegated power to renew the licence, it was felt appropriate to bring a progress report to the Committee after a further year of market operation.

- 3.2 The market has operated every month and has generally been well received. It has however been smaller than first anticipated and such adverse comment as there has been centres around its size and the range of goods available.

- 3.3 Officers consulted residents and businesses adjacent to the market area to verify the general reaction. Local Members and the Chamber of Commerce have also been consulted.

- 3.4 The feedback has been very positive with 26 questionnaires returned, of which 23 asserted that the introduction of the Farmers' Market had been worthwhile.

- 3.5 Respondents who indicated that they had been adversely affected gave the following reasons:

- Delivery difficulties on relevant Saturday.
- The High Street becomes cramped and congested.
- Sales had been affected.

- 3.6 Respondents felt that the following factors could improve viability:

- More variety.
- More stalls.
- More stalls at competitive prices.
- Better and wider advertising (with dates).
- More locally produced fresh food (with vegetables).
- All day operation.
- Relocate to road adjacent to Car Park.

3.7 Other observations included:

- Unfair competition to High Street shopkeepers.
- The only thing that happens in Egham.
- Busier on market days, creates a village atmosphere that customers enjoy, especially when entertainment provided.
- A good way of bringing more people into the Town Centre.
- Brings life to Egham Town Centre.
- Change to first Saturday in the month.
- Beneficial and a good addition.
- Provides a viable alternative for less well off residents.
- Lack of enforcement of environmental health "rules".

Note: All observations have been recorded regardless of the numbers making them.

4. Financial Implications

- 4.1 The Council maintains a small budget (£2,000 in the current financial year) to support Egham Farmers' Market. This is available for occasional advertising, arranging additional services, and incidental costs. There is no income. Officers are including a similar sum in the draft estimates for 2003/04 and it is suggested that this practice be continued if Members think that a modest level of support to the market operation is of local benefit.

5. Legal Implications

- 5.1 The Council may only refuse renewal of a Street Trading Licence on specified statutory grounds, which are:

- insufficient space.
- enough traders in the relevant goods already in the street.
- the Council have specified how many days they want trading to occur and the applicant will not be trading on enough occasions.
- applicant unsuitable through criminal conviction or other reason.
- the applicant owes the Council money as licence holder.
- the applicant has previously failed to pay fees for a street trading consent.
- the applicant has held a licence previously but failed to use it.

- 5.2 Officers are not aware that any of these grounds exist in this case and the response to consultation gives no basis for suggesting that they exist.

- 5.3 This is the only street trading licence in the Borough. Occasional street trading elsewhere takes place under Consents to which slightly different legal considerations apply.

6. Environmental Protection Issues

- 6.1 The market has been inspected by Environmental Health Officers who have found no problems. Stall holders have been given food safety advice which has generally been acted upon. There is a good working relationship with the operator. No particular litter problems arise.

7. Conclusion

- 7.1 Officers see no reason to recommend against renewal of the Street Trading Licence.

- 7.2 The market is seen as a relatively low profit venture which is of mutual benefit both to the producers and to the town. No fee was levied for the licence granted in 2002 and it is recommended that this be continued.

- 7.3 Members will observe that a variety of comments have been made about the size and organisation of the market. Many of these have been the subject of discussion with the Market Operator over the past year and Officers will continue to maintain a dialogue on such matters.

OFFICERS' RECOMMENDATION that -

- i) the Committee concur with the proposal to renew the Street Trading Licence for Egham Farmers' Market; and**
- ii) Officers discuss the points raised in the consultation feedback with the Market Operator.**

Background Papers

Consultation letter from DAL dated 4 December 2002, and replies, together with internal Officers' comments included in above report

12. THE YELLOW BUS SERVICE - ESTABLISHMENT OF A CHARITY (DTS)
(Ref: Minutes of Economic Development Committee, November 2002, page 741, para. 418).

1. Purpose of Report

- 1.1 The purpose of this report is to receive the views of the Committee in respect of establishing a charity to operate the Yellow School Bus Service.**

2. Background Information

- 2.1 The yellow bus project was originally identified in 2000 by the Runnymede Business Partnership as part of a package of measures designed to address the contribution that the 'school run' made to peak hour congestion. A considerable amount of discussion took place between the bus company and the Business Partners to establish, in February 2002, what was to become the first scheme of its type in the south east. There are still only three other schemes in operation throughout Great Britain and the Runnymede scheme is viewed as a unique partnership package. The County Council is one of Runnymede Business Partners and County Officers participate on the working group that oversees the project. The yellow bus project is viewed as a complementary service to the 'project pegasus' that is being developed by the County Council in Woking and Guildford as part of a public/private partnership.

- 2.2 The Committee, at its meeting on 14 November 2002, received a report outlining progress on the development of the Yellow School Bus Service operating at Magna Carta and Fullbrook Schools. The number of students using the service was noted and the financial arrangements for supporting the buses during the pilot project was considered. The pilot project is currently scheduled to run until February 2004. However, before that date the Council will need to resolve if the Service is to continue and in what form. The financial implications of operating the Service will be a core issue for consideration.

- 2.3 The meeting noted that the hiring of the 4 buses cost £149,100 per annum. Income from fares of £50,150 reduce this down to a net cost of £99,000. The deficit is currently funded by income from grants (£20,000 per annum), sponsorship (£5,300 per annum) and Section 106 monies (£73,700). If the project is to continue after the pilot period it would be necessary to secure funding from similar sources. Currently the total sum available from Section 106 monies is in the region of £350,000. Opportunities to secure additional funding from such sources are being examined. However, the Committee was also advised that a charity may offer advantages in securing funding. It was resolved that further work be undertaken to consider the benefits of such an approach. However, it is important to stress that whilst a Charity may generate financial support, the Council would remain fully involved in supporting the 'Yellow Bus Scheme'.

3. Policy and Technical Considerations

- 3.1 There are a number of issues, associated with the development of a charity, that the Committee will wish to consider :-

- What are the benefits of a charity?
- What type of charity?
- What are the 'additional' costs of a charity?
- What are the procedural issues?
- What are the disadvantages?

What are the Benefits of a Charity?

- 3.2 Companies donating to a charity, in the context of Gift Aid, are able to reclaim 28% of the contribution from the Inland Revenue. 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 sponsored the bus). Earlier requests to 50 major companies for general sponsorship of the service drew a limited response with limited funding forthcoming (see paragraph 2.2). It is understood that many companies have a 'charitable donation' budget but are less likely to have a 'general sponsorship' budget. There are as yet no firm commitments from companies to charitably support the project, but it will be necessary to actually establish the Charity before they can be formally approached.
- 3.3 Parents contributing towards the service may be able to 'gift aid' part of their contributions. This is a complex area and it is likely that some form of membership subscription mechanism may need to be established to secure this benefit. However, this is only highlighted as a potential small area for income generation which will need to be pursued further with the Inland Revenue once the Charity is established.

What Type of Charity?

- 3.4 The establishment of a charity is guided by the Charities Act 1993. This indicates that an 'organisation' must be formed that satisfies a charitable purpose. For the 'Yellow Bus' Service to satisfy this criteria it would need to comply with the objective of a '... purpose for the benefit of the community'. The Committee will recall that the Yellow Bus Service is part of the wider Runnymede Travel Initiative (RTI) designed to ease traffic congestion throughout the Borough. This offers a clear benefit to the community.
- 3.5 There are three types of charitable organisations that are recognised:-
- 3.5.1 Charitable Trust.
 - 3.5.2 Company limited by Guarantee.
 - 3.5.3 Unincorporated Association.

These are described in detail in Appendix 'T'.

- 3.6 It is only possible to seek the views of the Charity Commission (the governing body for those seeking charitable status) on whether an organisation would be charitable when the formal structure is in place. The Commission will not give an informal view, and as such it will be necessary to establish a formal organisation if the Committee resolves to proceed with the charity.
- 3.7 The analysis by Officers in Appendix 'T' sets out the type of Charities that could be established as the appropriate type of mechanism for operating the Yellow Bus Service. Specialised advice would need to be requested to identify the most suitable Charity.

What are the Additional Costs of the Charity?

- 3.8 The Committee will be aware that the operation of Yellow Bus Service is currently supported by the Council as part of the servicing arrangements for the Runnymede Business Partnership. It is difficult to be precise about the total support cost for the charity but around 10% of turnover would not be uncommon. Of the £10,000/£15,000 per annum required to operate the charity, some £10,000 per annum is currently provided in support costs and it is estimated that some additional costs would be required to support the charity. The majority of these extra costs would be directed to 'charity administration' and the separate auditing of accounts. Some of these additional costs may be secured 'in kind' from local businesses, but the remainder could be set against cost charged to the Charity.

What are the Procedural Issues?

- 3.9 A charity must firmly establish its objectives at the outset. These should encompass the existing core activity and allow scope for development should benefits be identified at a later date to extend the charity's activities. At the core of the Charity's work would be the operation of the Yellow Bus Service designed to serve the Schools registered with the scheme. The Service is focused on providing a safe and secure journey to school for students with the objective of reducing the amount of congestion generated by the 'school run'. However, the Service forms part of the broader Runnymede Travel Initiative developed to establish schemes to reduce congestion in the Borough. The Charity will be flexible enough to encompass the broader spectrum of appropriate initiatives.

What are the Disadvantages?

- 3.10 The administration of the Charity would continue in principle along the same lines as at present with the servicing of the Business Partnership, although the Charity would function in a self contained manner. There are likely to be some additional administrative costs dealing with charity, tax and company legislation. It would be necessary to 'formalise' the procedural matters and enshrine these in a constitution. This would govern nomination/election/liabilities of Trustees/Officers, frequency of meetings, procedures for rule change and the process for the assembly, auditing and delivery of the accounts. As with other charities with which the Council is involved it may be appropriate to have an elected member as a trustee. The proposal to establish a company limited by guarantee will enable them to limit their liability with the financial aspects of the project. Specialist advice, to be funded from the project budgets, may be required to deal with these issues.
- 3.11 The Council would have close links with the activities of the Charity and be associated with the development of the project. The extension of the project beyond the pilot period would require the agreement of the Council. The new contract would require a year on year break clause that satisfied the Operator, the Charity and the Council should the use of the Service decline. The Council would also need to guarantee the trading deficit if the contract were terminated. The Committee will recall from paragraph 2.2 that in the region of £350,000 is available from Section 106 monies to support the project. An annual monitoring regime will need to be put in place to oversee the funding if the project extends beyond February 2004.
- 3.12 Officers are minded to recommend that the Council endorse the Runnymede Business Partnership Initiative to establish a charity to operate the Yellow Bus Service. The additional cost of operating the Service could be partially met by the increased revenue that could be derived from gift aiding the parental contributions to the running of the Service. The Council would provide administrative support to the Service as an in kind contribution to the Charity. Should the Council decide not to continue with the Service at the end of the pilot period then the Charity may have to review its future activities.
- 3.13 Officers will also explore other opportunities for longer term funding. Close liaison will take place with the County Council over the development of the project. In addition there may be opportunities in the emerging Local Government Bill to secure funding from businesses in a more formalised manner.

4. Concluding Comments

- 4.1 The Yellow Bus Service has now been operating since February 2002. It has increased the number of students using the 4 buses serving Magna Carta and Fullbrook Schools, but it will never be possible to fully recover the total cost of the Service through parental contributions alone. The opportunities for future funding have been explored. There appears to be merit in setting up a charity to operate the Service and provide a means by which gift aided donations meet some of the net deficit in the cost of operating the Service.
- 4.2 Officers recommend setting up a Charity to operate the Yellow Bus Service, but will continue to explore other funding opportunities to support the project.

OFFICERS' RECOMMENDATION that -

- i) the Council endorse in principle the Runnymede Business Partnership Initiative to establish a charity to operate the Yellow Bus Service and, if appropriate, specialist advice be requested to enable a Charity to be established; and**

- ii) **the Council provides guarantees to fund any trading deficit on the Yellow Bus Service as a Charity for the remainder of the trial period to February 2004 in accordance with the previous commitment for the Service.**

(TO RESOLVE)

Background Papers

None

13. OFF-STREET CAR PARKS - BEST VALUE SCOPING AND CHALLENGE REPORT (DTS)

1. **Purpose of Report**

- 1.1 **The purpose of this report is to review the objectives of the Car Parks Service and consider the challenge phase of the Best Value Review.**

2. Introduction

- 2.1 The Committee needs to consider whether the service continues to meet the Council's aspirations, whether it needs to be provided at all, and if so, in what form.

3. Scope of the Service

- 3.1 The legal status under which the car parks are maintained is in accordance with discretionary powers contained in the Road Traffic Regulation Act 1948 and the Road Traffic Act 1991.

- 3.2 The service provided by the Council is discretionary, driven by increasing car usage by the general public, and is provided to ensure an economical, convenient and safe access to the shopping and business centres throughout the Borough. Details of the car parks are contained in Appendix 'U' together with the service definition.

- 3.3 The aim of this Best Value Review is to pursue ways of defining areas where efficiencies can be made. In addition the Review will try to identify where responsibilities are not clearly defined, or the management structure is fragmented. In researching for the most efficient management structure the question of contracting out, or in-house management will be addressed together with any impact that this might have on the service provided.

4. Current Provision of the Service

- 4.1 The present service is provided by a mixture of in-house and contractor service. The contractor service is performed by the Direct Services Organisation (DSO) which undertakes the maintenance of the car parks, supplies the Inspectors, cash collecting and counting (sub-contracted out to a security firm), and works closely with the Technical Services Department which provides the management and administration back up and deals with charge notices, permits, complaints and, in conjunction with the Department of Administration and Leisure, legal matters. An organisational chart is attached at Appendix 'U'.

- 4.2 There are other ways the car parking service could be provided, these are :-

- a) Contract out to a firm specialising in the management of car parks.
- b) Sell off to a management company.
- c) Use the services of another nearby borough.

- 4.3 It is understood that Council policy and objectives in relation to car parks considers the facilities to be a service to the community at large, as well as being a direct benefit in helping the local traders in the towns. The service continues to be considered as an essential service to both the community and to the businesses of the Borough.

- 4.4 The Lead Officer will be available to answer any questions or concerns arising from this report.

5. The Challenge Exercise

5.1 The Challenge Workshop meeting took place on Wednesday, 13 November 2002, as a first phase in the Best Value review. The attendees were :

Peter Sims	Director of Technical Services
Steve Fuggles	Head of Technical Services (Engineering)
Laura Curling	Administrative Officer - Chief Executive Officer
Marion Watson	Car Park Inspector - Direct Services Organisation
Bill Jones	Principal Assistant Engineer (Engineering Services)
Paul Hunter	Assistant Engineer (Engineering Services)

Apologies were received from:

Councillor R. Habgood	
Christine Spurling	Chairman of the Runnymede Business Partnership
Christopher Sykes	Egham Chamber of Commerce
Paul French	Principal Accountant

5.2 The meeting raised many good ideas and challenges, and after full discussion these are listed in the Officers' Recommendations below.

5.3 A copy of the minutes of the Workshop was given to participants and absentees who were invited to comment. Useful post-meeting comments were received from the Department of Finance which have been incorporated into the Action Plan.

6. Future Phases

6.1 The next phases to follow the "Challenge" review are the "Compare" and "Consult" exercises.

6.2 In the "Compare" stage, reference will be made to the North West Surrey Benchmarking Group comprising Elmbridge, Spelthorne, Woking, Surrey Heath and Runnymede; this Group has held meetings, compared services and produced a benchmarking questionnaire.

6.3 The "Consult" stage will include the results of the questionnaire issued every six months to car park users. Two previous customer reviews have been undertaken over the last year. The results of these will be included in this phase of the Best Value review.

6.4 It should be noted that a number of the matters due to be examined which are listed below need to be discussed with other Departments. Of note amongst these would be Property Services, which may well have its own plans for certain car parks. Any agreed changes would be brought back to the Committee.

THE COMMITTEE IS ASKED TO -

- i) review the objectives for the Car Parks to determine whether they continue to reflect the Council's aspirations for the provision of this service;**
- ii) endorse the proposal to examine the following matters further during the continuous improvement phase of this Best Value review;**
 - a) review the various Borough car parks in relation to overall management.**
 - b) consider the various options for managing the car parks.**
 - c) recommend a mechanism for increasing car park charges in the Borough.**
 - d) investigate the Precinct Extension Car Park for benefits or otherwise of converting this car park to pay and display rather than contract parking.**

- e) **investigate whether more income could be generated by taking back Sainsbury's (Chertsey Central) car park rather than leasing it.**
- f) **investigate car wash facilities and other means of generating income.**
- g) **investigate advertising on the back of tickets.**
- h) **investigate the benefits in making tickets transferable within the car parks in the Borough.**
- i) **review withdrawing the free status from disabled parking.**
- j) **investigate the provision of mother and child parking bays.**
- k) **review motorcycling parking and parking provision.**
- l) **look at toilet facilities and local direction signage.**
- iii) **endorse the use of the Parking questionnaire as a prime source for the collection of customer satisfaction data for the "Consult" element of the review, and the Car Parks North West Surrey Benchmarking Questionnaire for the "Compare" element of the review; and**
- iv) **endorse the scope of this review and the "Challenge" phase.**

(TO RESOLVE)

Background Papers

None stated

14. TRANSFER OF HOUSING LAND TO GENERAL FUND (DTS)
(Ref: Minutes of Housing & Community Services Committee, November 2002, page 732, para. 403)

1. At its meeting held on 13 November 2002, the Housing & Community Services Committee recommended the transfer of certain areas of land within housing estates to the General Fund. A schedule of the areas of land is attached at Appendix 'V'.
2. The Housing Revenue Account (HRA) has traditionally funded the maintenance of a number of areas throughout the Borough where fairly extensive areas of grass are adjacent to Council owned properties. However, as significant numbers of these properties have been sold over the years, the Committee considered that it is no longer appropriate for the HRA to bear this burden of maintaining such areas of land and recommended that the cost of maintaining such areas (a total of £19,350 in 2003/04) be transferred to the General Fund. This will necessitate a formal appropriation of the land. An appropriate holding power would be Section 120 of the Local Government Act 1972 which empowers local authorities to acquire land for the benefit, improvement or development of their area.

OFFICERS' RECOMMENDATION that -

those areas of land identified at Appendix 'V' be appropriated for the purposes of Section 120 of the Local Government Act 1972 at a valuation to be settled between the Director of Administration and Leisure and the Director of Finance, and budgetary provision for the cost of maintenance be transferred from the Housing and Community Services Committee to the Leisure and Environment Committee.

(TO RESOLVE)

Background Papers

None

15. STRATEGIC MAINTENANCE CONTRACT (DTS)

1. Purpose of Report

1.1 **The purpose of this report is to identify a short list of firms to tender for the Council's strategic maintenance contract.**

2. Background Information

2.1 In July 2002 the Corporate Management Committee approved a 5-year strategic maintenance programme to commence in the 2003/4 financial year and made available a revenue and capital budget to carry out the works (a copy of the plan is attached at Appendix 'W'), in order to comply with the requirements of the Council's Asset Management Plan.

2.2 The Council has historically undertaken routine maintenance and repair works by the use of a term contract (one under which the contractor is allocated the work during the contract period at rates which are agreed in advance).

3. Report

3.1 The value of the works (estimated at £3.2m over 5 years for Planned and Reactive maintenance) required that the European Journal be used to seek expressions of interest from suitable contractors.

3.2 The current contract expires on 31 March 2003 and it is necessary to invite tenders to award a new term contract. It is proposed that this contract should be for a period of two years with an option to extend up to five years if this is considered to be beneficial to both parties to the contract.

3.3. 22 companies expressed their interest in the contract, seven of which declined to take it further on hearing in more detail about the range of work being tendered. The remaining 15 companies were asked to meet Officers and present detailed information on their experience, structure and resources (financial and physical). A contractor's selection criteria form was used to score the presentations (Appendix 'X'). Based on the information provided and the scores achieved a conclusion was reached by the panel of Officers that eight contractors were sufficiently experienced and financially sound and had the infrastructure in place to deal with the volume and programme of works.

3.4 As the value of the contract is over £100,000, Members are asked to invite tenders from four of the contractors listed below:

	<u>Score</u>
• Crispin & Borst	408
• Scion Group	372
• T H Kenyon & Son	369
• Makers UK Ltd	369
• Halliford Construction Ltd	366
• Mears Building Construction	351
• Lebrand Ltd	336
• Spring Grove	336.

3.5 Contractors with partnering experience have been chosen for the long-term benefit to the Council. Integration of the contractor into the working processes should result in long term savings.

4. Resource Implications

4.1 Funding for the 5 year Strategic Maintenance Programme was agreed in July 2002 by the Corporate Management Committee.

5. Council Policy

5.1 The approved 2003/04 Leader's Position Statement states that: "We will implement the Asset Management Strategy to ensure effective asset utilisation and manage acquisitions and disposals to achieve corporate objectives...." (page 7, paragraph 3).

6. Legal Implications

- 6.1 The scale of the works under this contract required that the tender be advertised in compliance with European Law requirements.
- 6.2 Contract Standing Order 4.4 requires that where the value of the contract exceeds £100,000 the replies from contractors are to be reported to Committee, which is to choose at least four tenderers who appear between them to offer the best chance of obtaining a satisfactory bid offering good value for money.

OFFICERS' RECOMMENDATION that -

the following contractors be invited to tender for the repair and maintenance contract:

**Crispin & Borst
Scion Group
T H Kenyon & Son
Makers UK Ltd.**

(TO RESOLVE)

Background Papers

Contractors Assessment forms

16. ACTION ADDLESTONE PROGRESS REPORT (DTS)

(Ref: Minutes of Economic Development Committee, March 2002, page 937, para. 634)

1. Purpose of Report

- 1.1 **The purpose of this report is to advise Members of the current progress and proposed programme for the Action Addlestone Initiative, and to agree current and future budget expenditure and the redistribution of funds within the overall scheme.**

2. Addlestone Town Centre Improvements

- 2.1 One of the main focuses of the Action Addlestone Initiative is a scheme of improvements for Station Road.
- 2.2 Officers carried out preliminary work with a consultant in 2001 to investigate the possibility of providing a continuous canopy along the shop frontages on the south side of Station Road between the Civic Offices entrance and the roundabout at Garfield Road. The cost of this scheme was estimated at approximately £1m. At its meeting on 13 September 2001, the Economic Development Committee resolved that the provision of a continuous canopy in Station Road be substituted for a scheme with traffic calming and townscape features as part of a comprehensive scheme.
- 2.3 Officers then produced a conceptual scheme using initial ideas produced by a consultant, on behalf of the Council, in the early stages of the Action Addlestone Initiative in 1998. These ideas had been chosen as 'preferred options' in a public consultation exercise.
- 2.4 At its meeting on 14 March 2002 this Committee authorised the overall budget, and the commissioning of a consultant to carry out the feasibility and detailed design for the scheme.
- 2.5 Four consultants were invited to tender for the design work and the joint Tender from Surrey County Council's Development Team and Scott Wilson's was the lowest bid submitted at £36,000.
- 2.6 It was recognised that the design and construction of this scheme could not be completed before the Highways Agency Agreement with the County Council was terminated on 31 March 2002. It would therefore be necessary to obtain the County Council's authority to implement the scheme. Officers were reluctant to commit to the design costs without the assurance that Surrey would approve the scheme.

- 2.7 The County Council's newly formed Local Area Committee considered the scheme at its first meeting on 12 April 2002. The Borough Council had commissioned a consultant to carry out traffic and pedestrian flow surveys in several roads in Addlestone town centre in 1999. The Local Committee resolved that Borough Officers should arrange for further similar surveys to be carried out in order to compare the results at its meeting on 21 June 2002.
- 2.8 Borough Officers commissioned these surveys and provided the results for the Local Area Committee at its meeting on 21 June 2002. The Committee resolved that a public consultation exercise was needed and that Borough Officers should prepare a consultation leaflet and questionnaire for approval at the Committee's next meeting on 19 July 2002.
- 2.9 The Local Committee approved the consultation leaflet and questionnaire at its meeting on 19 July 2002 and resolved that Borough Officers should deliver the leaflet and questionnaire to all businesses and properties that would be affected by the scheme. The results of the consultation were to be reported to the Committee when they were available.
- 2.10 The public consultation was carried out over a three week period between 19 August and 6 September 2002. It was timed to avoid the peak summer holiday period when many residents would be away on holiday. During that period a total of 1300 leaflets and questionnaires were delivered to local residents and businesses.
- 2.11 In addition Borough Officers decided that a public exhibition was needed in accordance with the County Council's Manual of Policies and Standards (MaPS). Borough Officers and local Borough Members were in attendance at a public exhibition in the Addlestone Community Centre from 9.00 a.m. until 7.00 p.m., between Monday 2 and Wednesday 4 September 2002 in order to discuss the scheme with members of the public.
- 2.12 With the co-operation of Tesco management a display with details of the scheme was also placed in the entrance of the Tesco store in Station Road between Monday 2 and Friday 6 September 2002.
- 2.13 A total of 461 questionnaires were returned and the County Council's Transportation team, which employs impartial specialists in this area, was commissioned to analyse the results. There was overall support in the ratio of 2:1 in favour of the scheme and this was reported to the Local Area Committee at its meeting on 25 October 2002.
- 2.14 The original Runnymede proposal specified a minimum carriageway width of 6.1m but the County Council's Local Transportation Manager recommended that the width should be within the range 6.75m to 7.3m. The Committee approved the conceptual scheme but resolved that the minimum carriageway width should be 7.3m.
- 2.15 Borough Officers have now commissioned the consultant to prepare the detailed scheme design, which will be presented to the Local Area Committee at its meeting on 7 March 2003. Subject to their agreement a recommendation will come to this Committee for approval to commit funds from the existing budget to implement the scheme.
- 2.16 It is intended that the construction of the scheme will take place from August to November 2003. It is unfortunate that around nine months has been lost in progressing this work, due to the need to gain approval from Surrey County Council and in meeting the requests of the Local Area Committee.
3. Station Road/High Street (Dukes Court) Traffic Signal Improvements
- 3.1 Improvements to this junction were originally examined within the scope of the Action Addlestone Initiative. The scheme consists of the installation of new traffic signal equipment incorporating a pedestrian crossing stage, which the existing equipment does not have, and the replacement of some of the existing substandard paving in the footways with new block paving.
- 3.2 At its meeting on 13 September 2001 this Committee approved the funding of the paving works from the Action Addlestone budget at a cost of £18,000. It was intended that the traffic signal installation, at a cost of £50,000, would be funded from the Borough's Local Allocation budget, which, under the Highways Agency Agreement, the Borough received from Surrey County Council. On 19 December 2001 the Borough's Planning Committee approved the funding of £50,000 from the Local Allocation budget.

- 3.3 Officers originally intended to appoint a contractor from the Surrey County Council list of approved contractors and implement the scheme during January 2002, before the Highways Agency termination on 31 March 2002. No contractors were available at that time and, as the traffic signals were the main element, the scheme was passed to the County Council for implementation when the Highways Agency was terminated.
- 3.4 The County Council's Local Area Committee approved the scheme at its meeting on 21 June 2002. Due to a staff shortage the Local Transportation Manager has been unable to implement the scheme to date but has announced that the works are due to start in early January 2003.
4. Spittles Forecourt Scheme
- 4.1 The purpose of the scheme was to remove the existing service road and provide an improved pedestrian area and parking and loading area adjacent to Station Road. The service road was normally congested during the day. Vehicles associated with local businesses parked on the road and footway area were causing difficulty for pedestrians to pass. Parking restrictions were not enforced by the Police as it is not one of their main priorities.
- 4.2 At its meeting on 14 June 2001 this Committee gave its approval to the scheme layout, to appoint a consultant to prepare the detailed design and for the subsequent scheme construction. Construction of the scheme was substantially completed in August 2002.
5. High Street Environmental Improvements
- 5.1 In the early stages of the Action Addlestone Project the condition of many of the properties in the High Street was identified as a matter of public concern. A sum of £95,000 from the Action Addlestone budgetary provision was provided to enable the owners of the 19 properties in the High Street to apply for grants to improve the property facades, with a maximum grant of £5,000 per property.
- 5.2 Unfortunately, there was a poor take up of this scheme and it has been terminated. The final expenditure on this budget is £20,600.
6. Summary of Action Addlestone Expenditure to Date
- 6.1 The Action Addlestone Initiative was approved by the former Policy and Resources Committee in November 1998 with a budgetary provision of £1.1m, including the first two years revenue costs to cover the original length of the project. Since that date several schemes have had Committee approval and estimates have been agreed from the provision held in the Capital Programme.
- 6.2 A budget of £30,000 was agreed in April 2002 for consultancy on proposals for Station Road/Crockford Park/Garfield Road. As a result of meeting the requests of the Local Area Committee, an additional £10,000 to £15,000 will have been spent in providing additional design, traffic survey data and in carrying out the public consultation described above. The design work for this scheme is now underway. The contract sum for this work is currently being agreed, but will be approximately £36,000.
- 6.3 In terms of the signal improvements at High Street/Brighton Road/Station Road, these are being funded by the County Council. Runnymede has an approved budget of £18,000 for paving improvements which have been included within the contract. The County Council, having re-tendered the contract, has asked for the difference in cost (it is now twice what was originally estimated). It is understood that the County is likely to bear this difference. On this basis, it is recommended that no further allocation be made. If necessary, a further report on this will be brought to the next meeting of this Committee.
- 6.4 The original budget for the Spittles Forecourt scheme was set at £115,000. Following the September 2001 meeting of this Committee an additional £38,500 was vired from the Addlestone Town Centre Maintenance budget as additional works were undertaken by the scheme that would normally have fallen on this revenue budget. This gave a budget allocation for this work of £153,500. The final outturn costs of the scheme is expected to be approximately £161,000.

6.5 Expenditure to date on these schemes has been as follows:

	Budget £	Expenditure £
Completed Schemes		
High Street Grant Aid Scheme	95,000	20,600
Structural Engineer - Canopy Design	20,000	3,800
On-going Schemes		
Spittle Forecourt	153,500	161,000
Station Road/High Street Signal Imps. (Dukes Court)	18,000	0
Town Centre Improvements	30,000	12,200

6.6 Budgets totalling £234,500 have so far been approved by this Committee from the Action Addlestone provision in the Capital Programme leaving £804,000 to be allocated to schemes. The changes highlighted in this report mean that this balance now stands at £769,700. A summary of the budget is shown at Appendix 'Y'.

OFFICERS' RECOMMENDATION that -

- i) the changes to the Action Addlestone project be noted and the revised financing of the schemes within it endorsed;**
- ii) the continuation of the Action Addlestone design work be endorsed on the basis that the objectives, as set out in the Public Exhibition, are achieved, and that the project progresses, within budget, towards completion by the end of 2003; and**
- iii) the Corporate Management Committee be requested to approve a capital estimate in the sum of £36,000 from the Action Addlestone provision held in the Capital Programme for the detailed design work to Addlestone Town Centre.**

(TO RESOLVE)

Background Papers

None stated

17. REFERENCE FROM REVIEW BOARD - EXERCISE OF HIGHWAYS FUNCTIONS (DTS)

1. At its meeting on 11 December 2002, the Review Board was advised of the costs and savings associated with the loss of the Highways Agency and the experience of service delivery. Surrey County Council terminated the Highways Agency Agreements across the County and took back full responsibility for all highways matters from 1 April 2002. The Borough continues to perform some residual functions. The Board was pleased to note the total ongoing net savings of £354,900 arising from the loss of the Highways Agency.
2. However, the Board did not consider that the Surrey County Council Local Transportation Service is giving enough attention to making general improvement to streetscapes, e.g. cutting back vegetation overhang. In this connection, it was noted that Officers have made representations to Surrey County Council asking whether there are elements of the highways portfolio that could continue to be undertaken by Borough Officers and the County Council has not agreed that there should be any change in responsibilities. On balance, the Board considered that Runnymede should undertake more highways functions, even though this would lead to a blurring of responsibilities which Runnymede had sought to avoid when the Agency Agreement ended.

RECOMMENDATION OF THE REVIEW BOARD that -

formal representations be made by Runnymede Borough Council to Surrey County Council asking Surrey County Council to allow the Borough to take on extra highways tasks.

(TO RECOMMEND)

Background Papers

None

18. CHERTSEY DEPOT RESURFACING (DTS)
(Ref: Minutes of Executive Committee, 13 December 2000, page 1036, para. 494)

1. Purpose of Report

- 1.1 **The purpose of this report is to ask the Committee to waive the Council's Contract Standing Order 2.2 and authorise Officers to invite contractors from Surrey County Council's select list of highway contractors to submit tenders for the resurfacing of Chertsey Depot.**

2. Background Information

- 2.1 At its meeting on 2 August 2000 the former Executive Committee authorised the detailed design of a scheme to improve the Chertsey Depot and at its meeting on 13 December 2000 approved a budget of £319,000 to implement them.
- 2.2 The redevelopment has been carried out in three phases. Phase 1 involved the conversion of the existing stores building to incorporate the operational offices as well as the stores. This work was completed in May 2001.
- 2.3 Phase 2 involved the demolition of the old Civil Defence building, its replacement with a retaining wall and other improvements, including the installation of a vehicle washing facility. This work was completed in June 2002.
- 2.4 Phase 3 involves the resurfacing of the main roadways followed by the laying of 'road markings' to control the traffic.

3. Report

- 3.1 For contracts with a value in excess of £25,000, Contract Standing Order 2.2 states that tenders should be invited using one of the following three methods:
- a) invite tenders from contractors on the Council's select list;
 - b) selective invitation from advertisement;
 - c) open invitation by advertisement.
- 3.2 The Council's select list of contractors does not contain suitably competent surfacing contractors and the alternative methods b) and c) would involve a lengthy advertising process. Surrey County Council already has a select list of accredited surfacing contractors. Inviting contractors from this list would save Officers the time and expense of preparing a Borough select list.

4. Financial Implications

- 4.1 At its meeting in December 2000, the former Executive Committee approved a budget of £319,000 for the scheme.
- 4.2 The total expenditure to date is £251,709. The resurfacing is the only major item of expenditure remaining from the original scheme and this will be completed within the remaining budget of £67,291.

5. Environmental Implications

- 5.1 As a result of normal wear and tear the existing surface is in a poor condition. The demolition of the Civil Defence building and the removal of disused temporary buildings has made extra space available for the movement and storage of vehicles.

- 5.2 Resurfacing of all of these areas would create a tidier and safer working environment. It would also enable the laying of road markings to manage the safer movement of pedestrians and vehicles within the Depot.

OFFICERS' RECOMMENDATION that -

the Council's Standing Order C2.2 be waived and the Director of Technical Services be authorised to invite suitably competent contractors from Surrey County Council's select list of contractors to tender for the Chertsey Depot resurfacing works.

(TO RESOLVE)

Background Papers

None

19. EXCLUSION OF PRESS AND PUBLIC

OFFICERS' RECOMMENDATION that -

the press and public be excluded from the meeting during discussion of the following report under Section 100A(4) of the Local Government Act 1972 on the grounds that the report in question would be likely to involve disclosure of exempt information of the description specified in paragraphs 7 and 9 of Part I of Schedule 12A of the Act.

(TO RESOLVE)

PART II

Matters involving Exempt or Confidential Information in respect of which reports have not been made available for public inspection.

- | | | |
|-----|---------------------------------|---------|
| a) | <u>Exempt Information</u> | paras |
| 20. | COMMERCIAL PROPERTY PORTFOLIO | 7 and 9 |
| b) | <u>Confidential Information</u> | |

(No reports to be considered under this heading)