

# Economic Development Committee

Thursday 5 June 2008 7.30pm

Council Chamber  
Runnymede Civic Centre, Addlestone

## Members of the Committee

Councillors P I Roberts (Chairman), D A Cotty (Vice Chairman), A Alderson, M J Brown,  
H A Butterfield, Mrs R M Denby, Mrs C E Gant, J W C Perschke, L C Pouyanne and J J Wilson

## AGENDA

### Notes:

- 1) 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.
- 2) 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 B A Fleckney, Committee Section, Administration and Leisure Department, Committee Section, Civic Centre, Station Road, Addlestone (Tel: Direct Line: 01932 425624). (Email: [bernard.fleckney@runnymede.gov.uk](mailto:bernard.fleckney@runnymede.gov.uk)).**
- 3) Agendas and Minutes are available on a subscription basis. For details, please ring Mr B A Fleckney on 01932 425620. Agendas and Minutes for all the Council's Committees may also be viewed on [www.runnymede.gov.uk](http://www.runnymede.gov.uk).
- 4) 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.

## **LIST OF MATTERS FOR CONSIDERATION**

### **PART I**

#### **Matters in respect of which reports have been made available for public inspection**

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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

11. INVESTMENT PROPERTY – 9 HIGH STREET (CHARTER PLACE) EGHAM	10
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##### b) Confidential Information

(No reports to be considered under this heading)

1. FIRE PRECAUTIONS

The Chairman will read the Fire Precautions which set out the procedures to be followed in the event of fire and other emergency.

2. NOTIFICATION OF CHANGES TO COMMITTEE MEMBERSHIP

3. MINUTES

To confirm and sign, as a correct record, the Minutes of the meeting of the Committee held on 6 March 2008, which were included in the April 2008 Council Minute Book.

4. APOLOGIES FOR ABSENCE

5. 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.

6. SERVICE PLAN 2007/08 (DTS)

1. Purpose of Report

1.1 **The purpose of this report is to advise the Committee on the outturn performance of the 2007/08 Service Plan.**

2. Background Information

2.1 Service plans are reviewed in June each year and half year progress is reported to the November meeting of each Service Committee.

2.2 Where a target has been achieved or completed it has been removed from the Service Plan.

3. Report

3.1 Members are invited to note the outturn position relating to the current Service Plan attached at Appendix 'A'. The Government has introduced a new range of National Indicators and each Committee Service Plan will have to be redrawn to reflect this. A report will therefore be brought to a future meeting recommending the adoption of a revised Service Plan for the remainder of this year.

**OFFICERS' RECOMMENDATION that –**

**the Service Plan Outturn for Economic Development Services for 2007/08, as attached at Appendix 'A', be noted;**

**(TO RESOLVE)**

Background Papers

None

7. YELLOW SCHOOL BUS FUNDING UPDATE (DTS)

1. Purpose of Report

1.1 **To advise the Committee of funding of the Yellow School Bus Service in 2007/08 and future funding arrangements.**

2. Background Information

- 2.1 The Yellow School Bus Service was commenced in February 2002 as an innovative Runnymede Business Partnership and Council scheme to reduce traffic congestion and provide a safe and secure journey to school. The scheme started with four buses carrying 120 students. It now has about 500 registered students being carried on seven buses to four secondary schools.
- 2.2 The Council is not an education or transport authority and the Yellow Bus Service has received funding from fares collected from students, Section 106 money and business sponsorship. For the period February 2002 to March 2006 the cost of the service has been covered by these three sources (approximately £1m). However, for 2006/07 there was a shortfall of £113,411.
- 2.3 In a report to this Committee in September 2007, it was suggested that the shortfall in 2006/07 was largely due to the fact that many residential developments had been refused planning permission where they were sited within 5km of the Thames Basin Heaths Special Protection Area.
- 2.4 Following the adoption by the Council of a Mitigation Plan/Avoidance Strategy, this allowed residential developments to again proceed. The Council's policy has been to seek a contribution from developers on major sites (ten dwellings or more) at the rate of £1,000 per net increase in dwellings (per dwelling).

3. Report

- 3.1 Over the last financial year, some £180,700 was received in relation to s.106 contributions from planning applications. These related to the following sites:

	£
5-7 Spinney Hill, Addlestone	14,000
Bousley Rise, Ottershaw	11,000
Roakes Avenue, Addlestone	80,000
Chertsey Bridge Wharf, Chertsey	29,700
74 Station Road, Egham	2,000
Blays Lane, Englefield Green	24,000
50/54 High Street, Addlestone	<u>20,000</u>
	£180,700

- 3.2 In terms of accountancy, only sums needed to meet shortfalls in income from fares and sponsorship and donations are drawn down to balance the budget. Remaining funds are carried forward to the next financial year. The cost of the Yellow Bus scheme was £300,314 in 2007/08 and this was financed as follows:

Income

Fares	£100,108
Contributions from s.106 Agreements	£140,706
Sponsorship and Donations	<u>£ 59,500</u>
TOTAL:	£300,314

- 3.3 A balance of £39,994 of s.106 contributions remains unapplied as at 31 March 2008 and this will be available towards meeting net costs in 2008/09.
- 3.4 The budget for the 2008/09 scheme is based on contributions from s.106 Agreements of £129,000 being available to meet the net cost. Whilst there are concerns about the current economic downturn relating to provision of mortgages and its impact on the house building industry, there are a number of large developments either on site, or coming forward.
- 3.5 Pretoria Road in Chertsey is on site with 121 units being built and Franklands Drive, Rowtown, is likely to start this year, with 350 units permitted at appeal. Development of the former Brunel University Campus in Englefield Green is also being promoted.

- 3.6 In March the Council was informed by the Department for Children, Schools and Families that it had not been successful in its Schools Travel Pathfinder Bid. The Bid was described as being "...not innovative, sustainable or comprehensive..."
- 3.7 The Council is also actively pursuing the concept of 'carbon trading' reflecting the reduction in CO<sub>2</sub> emissions by students using the Yellow Bus Service instead of being driven to school. Discussions are at an advanced stage with a local company to sponsor a bus for five years.
- 3.8 From 1 April the Council has required financial contributions for a range of matters including the Yellow Bus Scheme. This is aimed at smaller as well as larger developments. The tariff is based on £500 per standard occupant for each dwelling and £1,000 for every parking space provided in a new commercial development.
- 3.9 This is likely to increase sums collected as it applies to a far wider number of developments than at present. It does however depend on the level of activity in the construction industry.

4. Conclusion

- 4.1 On the basis of current projections and development activity generally, with the carry forward from 2007/08 and the carbon trading negotiations, it is anticipated that the initiative will be self-financing in the current year.
- 4.2 If there is a shortfall in funding for the Yellow Bus project, this will fall on the Council's General Fund. Income for the last financial year was sufficient to meet the net cost and there are housing schemes under development that are obliged to contribute to the scheme.
- 4.3 Officers will continue to monitor income and seek to find other ways to raise income for the continuance of the project.

**(FOR INFORMATION)**

Background Papers

None

8. CAR PARKS INCOME (DTS)

1. Purpose of Report

1.1 **To report on car parking income for the financial year 2007/08.**

2. Background Information

- 2.1 At the last meeting of this Committee in March, Members received the regular Financial Monitoring Statement which reported a reduction in car parking income. Members expressed some concern over this. Officers advised that this would be largely offset by increased income from penalty charges but would report back to Members on the reasons for the drop in income.
- 2.2 In September 2005, this Committee resolved that there should be an annual review of car parking charges. Charges were last increased by this Committee at the meeting in September 2007 and this was implemented in January 2008. Charges were increased across all periods except for the one hour charge which was retained at 50p.
- 2.3 All of the Council's pay and display car parks are equipped and maintained to very high standards and have all achieved the Association of Chief Police Officers' 'Park Mark' Award. This means they are clean and safe so public dissatisfaction with the condition of the car parks is unlikely to be a factor in reduced usage.

3. Report

3.1 The table below shows the income for each of the Borough's off street pay and display car parks. Actual income is compared to the revised budget and the variance and percentage variance shown. Each car park produced less income than the profiled budget.

3.2 The overall reduction was 5.8%, representing an income of £26,315 below the revised budget. No geographic part of the Borough seems to have sold fewer tickets and there is no clear pattern to the reduction. For example, in Chertsey, Gogmore Farm had the highest reduction, but Bemonds, Chertsey, had amongst the lowest. Charges were introduced for the first time at Pooley Green in January 2008 and clearly this has met with local resistance.

CAR PARK	SPACES	REVISED BUDGET	ACTUAL	VARIANCE	% VARIANCE
Garfield Road, Addlestone	80	44,300	41,046	(3,254)	-7
Victory (former Safeways) Addlestone	274	200	183	(17)	-8.5
Gogmore Farm, Chertsey	52	1,400	1,233	(167)	-13.5
Library, Chertsey	163	40,700	39,576	(1124)	-2.8
Bemonds, Chertsey	55	12,300	12,178	(122)	-1
Wasp Farm, Egham	158	58,500	55,865	(2,635)	-4.7
The Precinct, Egham	93	89,600	83,721	(5,879)	-7
Precinct Extension, Egham	53	18,400	16,514	(1,886)	-11.4
Hummer Road, Egham	125	64,400	60,497	(3,903)	-6.4
Pooley Green, Egham Hythe	35	6,000	930	(5,070)	-85
Victoria Street, Englefield Green	35	7,400	6,955	(445)	-6.3
St. Jude's Road, Englefield Green	42	18,100	17,949	(151)	-0.8
The Bourne, Virginia Water	151	33,900	33,258	(642)	-1.9
Memorial Gardens, Virginia Water	50	19,200	18,180	(1,020)	-5.6
<b>TOTAL</b>		<b>414,400</b>	<b>388,085</b>	<b>(26,315)</b>	<b>-6.8</b>

3.3 The Central Chertsey car park is managed by Sainsbury's and income is based on a fixed regime from them rather than income from the public using pay and display. Income for the year was £44,205. This is excluded from the table above as it is not price sensitive.

3.4 The table below lists income relating to excess charges (ie fines) as well as residents and non-residents permits, season tickets and contract parking, where available.

3.5 In Chertsey, Egham and Englefield Green, there were reductions in expected take up of non residents' permits, but a substantial increase in these at Virginia Water. Excess charges exceeded estimates everywhere except Englefield Green.

3.6 Overall, income from excess charges, permits and season tickets was 12% higher than the revised estimate, giving some £15,144 additional income. When added to the losses on ticket sales, it reduces the overall variance to £11,171.

AREA	PROFILED BUDGET	ACTUAL	VARIANCE	% VARIANCE
Addlestone				
Excess Charges	1,400	2,430	1,030	74
Chertsey				
Excess Charges	23,600	27,553	3,953	17
Residents Permits	200	262	62	31
Non Residents Permits	4,800	3,154	(1,646)	-34
Season Tickets	10,000	10,681	681	7
Contract Parking	4,000	4,540	540	14
Egham				
Excess Charges	53,200	61,983	8,783	17
Residents Permits	600	661	61	10
Non Residents Permits	20,000	15,579	(4,421)	-22
Season Tickets	3,700	6,521	2,821	76
Englefield Green				
Excess Charges	1,000	540	(460)	-54
Non Residents Permits	600	181	(419)	-70
Ottershaw				
Excess Charges	100	185	85	85
Virginia Water				
Excess Charges	700	1,775	1,075	154
Non Residents Permits	2,800	4,566	1,766	63
Season Tickets	4,400	5,633	1,233	28
<b>TOTAL</b>	<b>131,100</b>	<b>146,244</b>	<b>15,144</b>	<b>12</b>

#### 4. Resource Implications

- 4.1 Whilst car parking income was lower than the revised budget, this must be put into context of the overall budget position in relation to the car parks service, which is set out below in terms of actuals for the year ending 31 March 2008:

Gross Expenditure	£466,241
Gross Income	£592,441
<hr/>	
Net Expenditure	(£126,200)

- 4.2 Clearly this is a very significant level of income for the Council as a whole and also represents a turnaround of the service budget from a deficit of around £136,000 in 2003 to the current surplus.

#### 5. Conclusions

- 5.1 Car parking charges were increased in January 2008 and whilst increased charges would have raised income, there may have been some consumer resistance to paying these. There is no clear data to indicate why ticket sales are reduced – whether it is customer resistance to increases, drop in trade due to economic downturn, or shoppers going to other centres.
- 5.2 Charge increases are based on comparisons with other similar nearby town centres and inevitably are rounded up to make payments easier. Increases substantially greater than inflation are the norm across the south east of England. It can be seen from the table below that Runnymede's charges are lower than many – especially for long term parking.

## Comparison of Current Charges May 2008

### Other Boroughs Comparative Car Park Charges

<b>Borough</b>	<b>1 hour</b>	<b>1 to 2</b>	<b>2 to 3</b>	<b>3 to 4</b>	<b>4 to 5</b>	<b>5 to 6</b>	<b>6 to 7</b>	<b>All day</b>
Runnymede	0.50	1.00	1.50	2.00	2.50	3.50	3.50	3.50
Guildford (Town Centre)	1.00	1.90	2.80	3.70	4.60	5.50	6.40	7.30
Elmbridge (Town Centres)	0.50	1.00	1.50	2.00	4.00	4.00	4.00	4.00
Mole Valley (Town Centres)	0.50	0.70	1.20	2.00	2.80	3.60	4.40	5.20
Epsom and Ewell (Ashley Centre)	1.00	1.50	2.00	3.50	6.50	15.00	15.00	15.00
Epsom and Ewell (High Street)	0.60	1.20	1.60	3.00	3.00	5.00	5.00	5.00
Spelthorne	0.80	1.60	2.20	3.20	6.50	11.00	11.00	11.00
Surrey Heath (Main Square)	1.40	1.40	1.70	2.90	2.90	4.40	7.00	7.00
Surrey Heath (Knoll Road)	0.70	1.20	1.70	2.90	2.90	4.40	4.40	6.60
Waverley (Farnham Town)	0.70	1.50	2.50	3.50	4.50	5.50	6.50	7.50
Windsor (Town)	0.90	1.80	2.90	4.50	9.00	10.00	10.00	10.00
Woking (Town)	1.00	2.00	3.00	4.00	5.00	6.00	7.00	8.00

- 5.3 Over recent years, charges have been increased in 2003, 2006 and 2008. The next review is due in September 2008 by which time more data will be available to indicate usage since the last increase in January.

### **(FOR INFORMATION)**

#### Background Papers

None

#### 9. STANDING ORDER 42 - URGENT ACTION

The following action has been taken by the Officer shown below after consultation with the former Chairman of this Committee under Standing Order 42.

<b>Officer</b>	<b>Action Taken</b>	<b>Central Index No</b>
Director of Administration and Leisure	Grant of 5 year lease of 5A Station Road North, Egham	659

### **(FOR INFORMATION)**

#### Background Papers

Proforma 659 on DAL Standing Order 42 file.

10. EXCLUSION OF PRESS AND PUBLIC

**OFFICERS' RECOMMENDATION that –**

**the press and public be excluded from the meeting during discussion of the following reports under Section 100A(4) of the Local Government Act 1972 on the grounds that the reports in question would be likely to involve disclosure of exempt information of the description specified in paragraph 3 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**

<b>a)</b>	<b><u>Exempt Information</u></b>	<b><u>Para</u></b>
11.	INVESTMENT PROPERTY – 9 HIGH STREET (CHARTER PLACE) EGHAM	3
12.	INVESTMENT PROPERTY - 10 HIGH STREET (CHARTER PLACE) EGHAM	3
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**b) Confidential Information**

(No reports to be considered under this heading)