



Economic Development Committee

Tuesday 5 October 2010 7.30pm

**Council Chamber
Runnymede Civic Centre, Addlestone**

Members of the Committee

Councillors P I Roberts (Chairman), D A Cotty (Vice Chairman), A Alderson, H A Butterfield, D R Hamilton, R N Jones, Mrs Y P Lay, S M Mackay, L C Pouyanne, and N Stewart

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 M L White, Committee Section, Administration and Leisure Department, Runnymede Civic Centre, Station Road, Addlestone (Tel: Direct Line: 01932 425623). (Email: malcolm.white@runnymede.gov.uk).**
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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 24 June 2010. These minutes were included in the July 2010 Summons/Minutes 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. NEW APPLICATION FOR STREET TRADING CONSENT – DELTA WAY, THORPE (DAL)

1. **Purpose of Report**

1.1 **To consider an application for a new street trading consent at Delta Way, Thorpe.**

2. Background Information

2.1 A new street trading application has been received as follows:-

Mr S Rosen (trading as The Snack Wagon) to trade in hot and cold food and non – alcoholic drinks at Delta Way, Thorpe between 7.00am and 3.00pm, Monday to Friday for 5 days a week.

2.2 The trader proposes to trade from a catering trailer whose dimensions are 6 feet 8 inches (width), 13 feet 7 inches (length) and 8 feet 3 inches (height). The dimensions of the area which he requires for trading are 17 feet (length) 10 feet (width) and 8 feet 3 inches (height).

2.3 The above-mentioned road is designated as a consent street in the Thorpe Ward. Traders are only permitted to operate in such a road in a specific location with the benefit of a consent issued by the Council. Trading is prohibited on all other publicly maintainable roads.

3. Report

3.1 The trading location is on the Thorpe Trading Estate and is in the bellmouth of Delta Way, i.e. the end of Delta Way which is furthest away from Delta Way's junction with Crabtree Road.

3.2 A trader operated from this location during 2000/2001. The trader's unit was slightly repositioned in order to resolve access concerns raised by one company in Delta Way. No other complaints were received at that time.

3.3 Street trading locations which were agreed as being broadly suitable for trading in the Borough were established by the Council's former Highways and Works Committee in 1999. The description of the trading location for Delta Way, Thorpe, is as follows:-

Delta Way, Thorpe

From a point level with the north west boundary of Block Number K 'Cass Building' extending in a north west direction for 8 metres, located in the north east corner of the bellmouth of Delta Way.

- 3.4 This site description is out of date because Cass Building no longer exists. Officers have therefore examined whether a temporary location for the trader within the bellmouth of Delta Way can be identified.
- 3.5 Officers have visited the bellmouth of Delta Way for a previous application to trade in this street from another trader during the period of the week from Monday to Friday on two occasions, once on a Wednesday and once on a Thursday. Both visits took place around noon. This previous application was subsequently withdrawn.
- 3.6 The findings from the two midweek inspections were that at these times the area was congested with the parked cars of people who were working in the industrial units.
- 3.7 On the basis of these inspections, there did not appear to be an ideal location for the trader. However, Officers identified what appeared to be the best location available, which is described as follows:-

"In the north-east corner of the bellmouth of Delta Way, approximately 8 metres from the south east boundary of Unit 3, Delta Way and adjacent to the north west and south west boundaries of Enterprise House, Delta Way ".

A map of this location is at Appendix 'A'.

- 3.8 The various Council Officers and outside organisations consulted on this application that have visited the site recently have been asked to comment on the location identified in paragraph 3.7 of this report and on whether they consider that there is any other location within Delta Way which would be more suitable.
- 3.9 If the Committee is minded to grant a consent to trade in this location, the trader would be issued with a street trading consent. This would allow the trader to trade at a specific location but would not guarantee that the trader could trade there if, for example, a parked vehicle was preventing him from doing so. The trader would have to be in the location before other vehicles, to establish his trading position. The Council would be under no obligation to enforce against other vehicles in the area, in order to allow the trader to trade.
- 3.10 Equally, if drivers of vehicles in the area were to complain to the Council that they were unable to park in the location because of the presence of the trader, if the trader had a consent to trade in a particular location, then the Council would not be empowered to remove the trader.

3.11 Comments from Surrey County Council West Area Transportation Service

- 3.11.1 Surrey County Council West Area Transportation Service make the following comments on this application relating to highway issues:
- i) Parking is at a premium in Delta Way and demand for on-street parking exceeds availability on an almost permanent basis. As a result, vehicles are regularly parked within the "hammerhead" or bellmouth area (including the proposed trading site) and also partially on the footways along both sides of the road.
 - ii) Due to the high demand for parking, there may be occasions when other vehicles are parked in the proposed site identified at paragraph 3.7 of this report, which would prevent access for the trader. There is no mechanism for reserving the site specifically for the use of the trader. It would not be acceptable for the trailer to be left at the site permanently.
 - iii) Further to the above comments from the service, there are likely to be occasions where anyone visiting the catering trailer in a vehicle will have to park in a manner

that causes obstruction of either the carriageway or accesses to adjacent premises. Large vehicles regularly access premises near the proposed trading site and these obviously require a greater manoeuvring space than smaller vehicles. A "Keep Clear" marking on the carriageway surface suggests there have been previous problems with obstructive parking at the location.

- iv) It is unclear from which side of the trailer the applicant proposes to serve customers. However, since there are no footways at the location, customers will have to stand in the carriageway regardless. This creates the potential for conflict between queuing customers and vehicles (whether it be vehicles accessing Enterprise House or the private area to the north of the proposed site - which appears to be used as a parking area for large vehicles).

3.11.2 Surrey County Council West Area Transportation Service cannot suggest a more suitable trading site within Delta Way since at least some of their above concerns would apply to any location within the road (due to the existing parking problems throughout Delta Way, the size of vehicles using the road and the number of accesses to premises).

3.11.3 In the light of the above concerns, Surrey County Council West Area Transportation Service is unable to support the application.

3.12 Comments From Council's Parking Manager

3.12.1 The Council's Parking Manager comments that the trading location proposed at paragraph 3.7 of this report is an open area currently used for storing buses and lorries. If the buses were not there it would place the facility in the middle of the road, in its current lay out. Emerging vehicular traffic from Units 3 and 4 would be a hazard to pedestrian traffic visiting the facility. Due to the presence of the entrance to Enterprise House there is no way of reaching the facility on foot without either approaching on the road or crossing vehicular access points. There is no area immediately adjacent to the proposed site to park vehicles and therefore inconsiderate parking is almost inevitable which would result in congestion. He does not consider the proposed position to be at all suitable.

3.12.2 The Council's Parking Manager cannot identify any other suitable site in Delta Way, except for possibly an area on the highway which is on the left hand side of Delta Way, if entering Delta Way from Crabtree Road. This location appears to be in front of a disused, or lightly used, premise car parking area. This is, however, fairly close to the junction of Delta Way with Crabtree Road and such a location may also be unpopular with the property occupier.

3.13 Comments from Police Road Safety And Traffic Management Officer

3.13.1 The Police Road Safety and Traffic Management Officer comments that in the location proposed at paragraph 3.7 of this report, the catering trailer would be parked end on to the retaining wall, situated on the north west boundary of Enterprise House. This is very close to the north west entry/ exit to the Enterprise House car park and therefore there may be some conflict between the customers using the catering trailer and vehicles using these premises. This area is used as a regular parking area for two cars and these would be displaced elsewhere, if indeed the catering trailer could always command this position. The Police Road Safety and Traffic Management Officer cannot recommend anywhere more suitable in Delta Way that would not displace even more private parking. In conclusion, however, he confirms that he has no firm objections to the application.

3.14 Comments from Runnymede Environmental Protection

3.14.1 Runnymede Environmental Protection have no concerns over this location.

3.15 Comments from Surrey Police – Egham

3.15.1 Surrey Police Egham have not raised any concerns over this location.

3.16 Comments from Council's Community Safety Manager - Safer Runnymede

- 3.16.1 The Council's Community Safety Manager reports that, although there is no CCTV in the area, there is no problem in this location with anti-social behaviour and no reason to believe that trading would have an adverse impact on crime and disorder.
- 3.17 Unauthorised Trading
- 3.17.1 During the week of 19 to 23 July 2010, the trader traded without authority in the bellmouth Delta Way, during the day.
- 3.17.2 Complaints were received by the Council from employees of a business in Delta Way stating that the trader was causing an obstruction and making it difficult for delivery vehicles to pass and re-pass. Concern was also expressed about the safety of road users as the trader was blocking vision and his customers were causing an increase in traffic.
- 3.17.3 The trader was warned by Officers that he must not continue to trade in Delta Way as he has no street trading consent. He has not returned to trade in the location.
- 3.18 Comments From Thorpe Ward Members
- 3.18.1 Any comments received from Thorpe Ward Members on this application will be reported to the meeting.
- 3.19 Comments from The Trader
- 3.19.1 A copy of this report has been sent to the trader who has been invited to comment if he so wishes. Any comments received will be reported to the meeting.
4. Resource Implications
- 4.1 Street Trading consents run from 1 April to 31 March. The basic annual fee is £740 per year plus an additional annual charge of £173 for each day of the week the trader is licensed to operate. The maximum fee for a trader operating seven days a week for a year is therefore £1,951. The fee for trading for five days a week is £1,605.
5. Council Policy
- 5.1 Council Policy is to give due consideration to the suitability of all applications to trade on consent streets and to prohibit trading in all streets where it will be detrimental to road safety and where evidence of detriment to public amenity exists.
6. Legal Implications
- 6.1 Schedule 4 of the Local Government (Miscellaneous Provisions) Act 1982 gives local authorities discretion when issuing consents. Schedule 4 does not specify any particular grounds on which such decisions may, or may not, be made but while the Committee is able to refuse a consent it must do so for sound and valid reasons and has a duty to act reasonably at all times bearing in mind the consequences to the trader. While a trader has no right of appeal under Schedule 4 he is at liberty to take other legal action if the Council is seen to act unfairly or unreasonably or has reached its decision without due consideration of all material facts.
- 6.2 The European Convention on Human Rights secures certain fundamental human rights. The Human Rights Act 1998, which came into force on 2 October 2000, makes it unlawful for a local authority to act in a way which is incompatible with a convention right.
- 6.3 A refusal of consent to street trading at this location may constitute an interference with the right under Article 1 of the First Protocol to the peaceful enjoyment of possessions. Such interference is permissible if it is in accordance with the law and in the public interest. Such action could also interfere with the right under Article 8 of the Convention, to respect for private and family life and the home. Unjustified failure to take action could also interfere with this right. Interference is permissible provided that it is in accordance with the law and is necessary in the interests of protecting the rights and freedoms of others in the Community.

The Council's response to the application and any perceived problems must be proportionate.

- 6.4 It must be remembered that local residents and people working in Runnymede, as well as prospective traders, enjoy Convention Rights. Clearly, when considering whether or not a consent should be granted the Council should seek to balance the interests of the person seeking to trade against those of other people living and working in the area. The power to attach conditions to any consent, and to restrict hours of trading to levels which are considered to be appropriate, may enable the Council to achieve a balance between the opposing interests.
- 6.5 Section 17 of the Crime and Disorder Act 1998 requires local authorities to do all that they can to reduce crime and disorder in their areas. Street trading in certain areas, particularly after dark, can lead to problems of disturbance and disorder. However, as this facility would, if granted, be only available in the morning and early afternoon, problems of this kind are very unlikely.

7. Conclusion

- 7.1 This industrial area generally suffers from a severe shortage of car parking for both employees and visitors alike and the presence of this trader will reduce this even more in terms of casual parking. However, equally the estate is relatively isolated from facilities such as shops and cafes and this additional trader could reduce car journeys from the area to access such facilities elsewhere.
- 7.2 On the basis of the comments made by the Surrey County Council West Area Transportation Service, the Council's Parking Manager and the Police Road Safety and Traffic Management Officer, there are major difficulties relating to the placement of the trading unit anywhere in Delta Way. When the trader traded in the street without authority in July, concerns were reported to the Council by a business in the vicinity.
- 7.3 Accordingly, Officers consider that the application should be refused for the reason set out in the recommendation below.

OFFICERS' RECOMMENDATION that –

- i) the application for a street trading consent in Delta Way be refused, as no suitable location can be found for the placement of the trading unit which does not give rise to highways difficulties; and**
- ii) Officers be asked to review the list of consent streets in the Borough and report back to the Committee in due course.**

(TO RESOLVE)

Background Papers

Relevant papers on DAL file 64.26

7. REVIEW OF OFF-STREET CAR PARKING CHARGES (DTS)

1. Purpose of Report

- 1.1 **The purpose of this report is to review car parking charges in the Council's off-street car parks.**

2. Background Information

- 2.1 In considering this Committee's Service Plan at its meeting in September 2005, the Committee resolved that there should be an annual review of car parking charges. In September 2009 the Committee agreed to report in January with a view to implementing any changes in the following April. In view of the proposed changes to VAT taking effect in January 2011 this review was brought forward with a view to its implementation also in January.

2.2 Public car parks are an amenity provided by the Council for the convenience of the public. In shopping areas they encourage and maintain the viability of businesses.

2.3 Recent History of Parking Charges

June 2003 Economic Development Committee

Committee introduced consistent scale of charges in all of the Council car parks. Before this the scale of charges varied in different car parks.

Charges increased. (Previous increase was in 1997)

September 2005 Economic Development Committee

Committee advised of parking services deficit of £136,000 in financial year 2004/05.

Charges increased with the aim of reducing the burden of the car parking service on the general Council Tax Payer. Charges implemented in January 2006.

Minimum charge was now 80p for two hours.

The Committee resolved that there should be an annual review of parking charges.

September 2006 Economic Development Committee

Car parking charges reviewed. Committee resolved not to increase parking charges but introduced a 50p for one hour charge.

September 2007 Economic Development Committee

Committee advised that the parking service made a surplus of £83,200 in the financial year 2006/07.

Car parking charges were increased except for the minimum charge. Charges implemented in January 2008.

September 2008 Economic Development Committee

Committee advised that the parking service made a surplus of £126,200 in the financial year 2007/08.

The 'all day' parking charge was increased to £4 and reduced charges were introduced in the 'out of town centre' car parks. These charges were implemented in January 2009.

Season ticket charges were increased but contract parking charges were unchanged.

At this meeting the Committee considered another report reviewing the Council's free car parks and concluded that there was no potential for charging in these car parks at that time.

September 2009 Economic Development Committee

Committee advised that the parking service made a surplus of £71,000 in the financial year 2008/09.

The Committee agreed to make no changes to the parking charges and asked for a further review in January 2010. The Committee also agreed to review charges in January each year with a view to changing them in the April.

January 2010 Economic Development Committee.

The Committee agreed not to change parking charges due to the financial climate.

The £100,000 reduction in anticipated income be referred to the Corporate Management Committee and added to the Council's savings target.

- 2.4 The 'pay and display' car parks are managed by the Engineering Division of Technical Services Department. Borough car parks where pay and display charges are imposed are listed in Table 1. **The current charges are shown in Table 2, paragraph 2.10.**

Table 1 – Borough Pay and Display Car Parks

Car Park	No. of Spaces
The Precinct, Church Road, Egham	86
Precinct Extension, Church Road, Egham	44
Waspe Farm, Station Road, Egham	123
Hummer Road, Egham	126
Victoria Street, Englefield Green	34
St. Jude's Road (Cemetery), Englefield Green	39
The Bourne, Station Road, Virginia Water	153
Memorial Gardens, Virginia Water	50
Beomonds, Heriot Road, Chertsey	55
Chertsey Library, Heriot Road, Chertsey	168
Gogmore Farm Park	53
Pooley Green	35
Garfield Road, Addlestone	52
Runnymede Pleasure Grounds, Windsor Road, Egham	352

Notes

Figures in the above table include disabled bays, motorcycle bays and taxi ranks.

- 2.5 The Runnymede Pleasure Grounds levies higher charges, which are sustainable due to its popularity as a leisure destination. All income from this venue has to be used for the improvement and maintenance of the site due to the terms of the Trust under which it is held. Leisure Services reviews these charges annually and they are currently £1.50 per hour or £6.00 all day.
- 2.6 The central car park in Heriot Road, Chertsey, (171 spaces) is managed by J Sainsbury Ltd, which has full discretion to set the charges in that car park. Budgeted income from Sainsbury for 2010/11 is £46,200.
- 2.7 Season ticket prices for the pay and display car parks were increased by the parking charges review in September 2008 and implemented in January last year. These are currently £500 per annum or £150 per quarter. Residents living in close proximity to the car parks can purchase these at £250 per annum or £75 per quarter.
- 2.8 Penalty charges issued for contraventions in the car parks are set at two levels depending on the contravention. The charges are designed to reflect the severity of the contravention where, for example, someone parking in a disabled person's bay when not entitled would be subject to a higher level penalty. Someone whose ticket has expired would receive a lower level. Higher level penalties are £70 (reduced to £35 if paid within 14 days). Lower level penalties are set at £50 (reduced to £25 if paid within 14 days). The scale of penalty charges is set nationally by the Department for Transport.
- 2.9 All of the Council's chargeable car parks have achieved the 'Park Mark' award for safer parking. These are awarded to car parks that achieve national standards with respect to quality and security of the parking area for the benefit of the car park users. Annual inspections are carried out by external assessors and Police Crime Reduction Officers to ensure that standards are maintained. This ensures that the parking facilities are of a high standard for which a reasonable charge should be expected. This also helps to offset the additional expenditure in maintaining the car parks in a safe and tidy condition, including the

maintenance of the car park markings, signage, ticket machines, lighting, landscaping, boundaries, barriers and CCTV coverage.

- 2.10 The following table shows a comparison of Runnymede parking charges with other Surrey and Neighbouring Councils.

Table 2 – Comparison of Runnymede Parking charges with other Surrey and Neighbouring Councils

Borough/District	1 hour	1 to 2	2 to 3	3 to 4	4 to 5	5 to 6	6 to 7	All day
Runnymede (Town Centre)	0.50	1.00	1.50	2.00	2.50	3.50	3.50	4.00
Runnymede (Out of Town)	0.20	0.50	1.00	1.50	2.00	4.00	4.00	4.00
Guildford (Town Centre)	1.00	2.00	3.00	4.00	5.00	6.00	7.00	8.00
Elmbridge (Town Centres)	0.50	1.00	2.00	3.00	5.00	5.00	5.00	5.00
Mole Valley (Town Centres)	0.60	1.00	1.80	2.40	3.00	4.00	5.00	7.00
Epsom & Ewell (Ashley Centre)	1.20	1.80	2.40	4.00	7.00	17.00	17.00	17.00
Epsom and Ewell (High Street)	0.80	1.40	2.00	2.50	4.00	4.00	4.00	4.00
Spelthorne	0.90	1.60	2.20	3.30	6.80	6.80	6.80	6.80
Surrey Heath (Main Square)	1.60	1.60	2.20	3.00	3.00	4.50	4.50	7.50
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	2.70	3.20	4.20	5.50	5.50	5.50
Woking (Town)	0.60	2.20	3.30	4.40	5.00	5.00	7.70	8.00

The main Network Rail station car parks in the Borough have a charge of £5.00 per day at peak times and are normally full to capacity on weekdays.

- 2.11 Since the last review most Authorities have left their charges unchanged. Epsom and Ewell and Surrey Heath have increased charges. Woking has reduced some charges.
- 2.12 The Engineering Division also manages two 'contract only' car parks at Bemonds Row and White Hart Row in Chertsey and nine other free car parks throughout the Borough.
- 2.13 There are also a number of free Borough Council car parks in parks, cemeteries, recreation grounds and corporate buildings. These are managed by Leisure Services and reported to the Leisure and Environment Committee.
- 2.14 Alongside the Car Parking Charge Review report to this Committee in September 2008 Officers also reported on the potential to introduce charges in the Council's free car parks. The Committee concluded that there was no potential for charging in these car parks at that time and nothing has changed since then to alter this position.

3. Report

Data Analysis

- 3.1 In carrying out the annual parking charge review an analysis is made of all the available data, but this data is limited. The pay and display machines are 13 years old and the information that they record is limited to an 'audit ticket' that is issued when the machine is emptied of cash. This shows how many tickets were issued at each tariff since the last time the machine was emptied, but does not give information such as the time that the tickets were issued. This would provide more detailed information on car park usage. More modern machines provide much more detailed information. The Council's machines were due to be replaced four years ago, but in line with the Council's revenue reductions programme, this was delayed and they are now due to be replaced in 2011/12.
- 3.2 It is possible to collect more detailed car parking information by carrying out full scale parking surveys, but this would involve considerable resources. These would include the installation

of traffic counters to record the times and volumes of vehicles entering and leaving the car park, extensive manual surveys to record parking duration patterns during the day and car park occupancy data. Typically, use is also made of CCTV data to verify this information. SCC recently carried out this type of survey on-street in Englefield Green, using several temporary staff and other resources, but this was at considerable cost.

- 3.3 The only in-house staff available to carry out these surveys are the Parking Manager, the Parking Assistant and the four Civil Enforcement Officers. If they were carrying out surveys they would not be available to manage and carry out the on and off street enforcement.
- 3.4 The Car Parking team do carry out periodic checks of car park occupancy, but this information is of limited use in making key decisions.
- 3.5 The Car Parking team carries out an annual customer satisfaction survey by issuing questionnaires to car park users, and the results of the most recent surveys are shown in this report. This survey showed that 63% of those that responded found the current charges to be reasonable or very reasonable.
- 3.6 The car parking data that is available is limited to the number of tickets sold at each tariff (Table 3) and the total number of tickets sold (Table 4) and the conclusions that can be made from this information, as detailed in the report.
- 3.7 In the current financial climate it is difficult to evaluate future demand for the car parks and the effect that any parking charge increase might have on the attitude of car park users.
- 3.8 The usage of car parks is dependant on their location across the Borough and varies between short term parking to predominantly all day commuter and business users. An analysis of the percentage of tickets sold in each car park for the various tariff periods is shown below. Table 3 below compares the number of tickets sold at each tariff as a percentage of the total in the period January to July 2010, with the number sold in the same period in 2009.

Table 3 – Comparison of the number of tickets sold at each tariff as a percentage of the total January to July 2009 and January to July 2010.

Car Park	Number of P&D Spaces	Up to 1 hr %	Up to 2 hrs %	2 to 3 hrs %	3 to 4 hrs %	4 to 5 hrs %	5 to 6 hrs %	All Day
Memorial Virginia Water	47	34/34	32/30	7/8	9/10	6/7	12/11	N/A
Bourne Virginia Water	148	6/7	5/5	2/2	4/4	7/21	N/A	75/61
Library Chertsey	157	32/36	35/34	12/12	8/7	4/3	N/A	9/8
Bemonds Chertsey	52	30/30	24/27	12/11	17/15	8/9	9/8	N/A
Garfield Road Addlestone	49	55/56	26/27	6/6	5/4	3/2	N/A	5/5
Hummer Road Egham (short stay)	45	75/72	22/25	3/3	N/A	N/A	N/A	N/A
Hummer Road Egham (long stay)	81	55/61	28/25	8/4	4/4	2/4	3/2	N/A
Precinct Egham	75	64/65	29/29	7/6	N/A	N/A	N/A	N/A
Precinct Extension	43	50/50	37/36	13/14	N/A	N/A	N/A	N/A

Egham								
Waspe Farm Egham	123	11/18	10/14	4/3	6/6	10/9	N/A	59/50
Pooley Green Egham	33	56/46	21/17	14/22	3/4	5/8	N/A	1/3
St Jude's E Green	40	22/24	16/14	11/12	2/2	3/3	N/A	46/46
Victoria Street E Green	32	27/31	39/33	16/21	5/4	9/5	N/A	4/6

Disabled/motorbikes, etc spaces are not included.

Reasons for Reduced Parking Income 2009/10

- 3.9 Usage patterns have remained fairly steady in most of the car parks although overall ticket sales have fallen again, a similar trend to previous years, in all but one car park.
- 3.10 The main commuter car parks at Waspe Farm, Egham and Bourne, Virginia Water, showed a reduction in all day ticket sales and an increase of sales for lower tariffs.
- 3.11 The table below shows a reduction in ticket sales overall, the only exception being a small increase in the use of Garfield Road.

Table 4 - Comparison of number of pay and display tickets sold January to July 2009 and January to July 2010

Car Park	January – July 2009	January - July 2010	% Difference
The Precinct, Egham	77321	73877	-4%
Precinct Extension, Egham	12688	11790	-7%
Waspe Farm, Egham	12436	10826	-13%
Hummer Road, Egham	55686	52287	-6%
Victoria Street, Englefield Green	3986	3003	-24%
St Judes Road, Englefield Green	5989	5632	-6%
The Bourne, Virginia Water	6205	5889	-5%
Memorial Gardens, Virginia Water	8103	6722	-17%
Beomonds, Chertsey	7588	6312	-17%
Chertsey Library, Chertsey	24398	21522	-11%
Pooley Green, Egham	1898	1321	-30%
Garfield Road, Addlestone	19855	20289	+2%

- 3.12 The total pay and display income from car parks for the financial year 2008/09 was £413,262. For the year 2009/10 it was £395,465, a reduction of 4%.

Town Centre Car Parks

- 3.13 A new charging system was introduced by Sainsbury, in Chertsey, where the charge has been increased from 20p to £1.00 for a maximum two hour stay. This charge is refundable to their customers. This does not affect Borough income which is a set amount under the lease agreement.
- 3.14 It was anticipated that this measure would lead to an increase in the use of Borough car parks although this does not appear to have occurred.
- 3.15 The long term parking across the Borough has shown a consistent reduction over the last two years. As these car parks tend to be used by commuters and local workers this could be a direct reflection of the economic situation and job losses although Officers have not been able to find any evidence to support this.

Out of Town Centre Car Parks

- 3.16 The introduction of new lower 'out of town centre' tariffs, for Englefield Green and Pooley Green, seems to have been well received. Verbal feedback from local businesses has been complimentary in response to the introduction of the lower tariffs. It is noted however that the usage of these car parks has also dropped over the last year.

Penalty Charge Notices

- 3.17 Penalty Charge Notices issued for contraventions in car parks for the last financial year resulted in a return of £78,165 (excluding VAT) compared to £74,462 in the previous year. The number of fully paid tickets was 2488 in the last year and 2549 in the previous year.

Future Reduction in Car Park Income

- 3.18 The planned development of the Precinct Car Park in Egham is likely to start in this financial year. This will affect the amount of available parking in Egham during the development but the Borough will be compensated for lost income. Officers are currently discussing the possibility of the Borough's Parking Service managing the new car park within the development in future. This would only be done if it was financially viable for the Borough.
- 3.19 The Borough Valuer is currently negotiating with the developer over the provision of parking for the occupants of premises displaced by the development. This is likely to include the Precinct Extension car park.

Car Park Season Tickets, Permits and Contract Parking

- 3.20 Car park season tickets and permits are available in most of the Council car parks. Income from the sale of these permits was £ 70,000 in the last financial year (2009/10) compared to the previous year of £61, 000. The cost of the annual season tickets and permits was increased in January 2009 from £400 to £500. Some holders have not renewed expiring permits as a result of the increase or businesses closing down. Contract parking in Bemonds Row and White Hart Row, Chertsey, is also available at £500 per year. In the last financial year income from contract parking was £ 7,400 compared to £ 9,900 in the previous year. It is noted that a number of holders vacated their bays over the last year as a result of businesses closing. In the recent past enquiries in relation to vacant bays have been received from two new businesses opening adjacent to Bemonds Row.

Customer Survey

- 3.21 As part of a requirement of the Park Mark Award Scheme the Council carries out an annual survey of car park users to assess satisfaction levels. Customers are asked to comment on satisfaction levels in a number of areas including the car park charges.

- 3.22 A customer survey was carried out in July 2010 the result of which indicated that 10% found the charges very reasonable, 53% found them acceptable and 37% found them too expensive. (Return of 50 responses, 10% of the survey forms handed out)

Consultation with SCC

- 3.23 As part of the On-Street Civil Enforcement Agreement with SCC the Council is required to consult the County Council if it intends to alter the Off-Street Car Parking charges. The Chairman of SCC's Local Committee for Runnymede has been consulted and response on behalf of the Chairman is: ***Surrey County Council supports measures to reduce on street car parking. We do not object to the options detailed in this report to raise charges in the Borough Council car parks. However, we would be concerned if this results in additional demand for parking on the public highway and would request that all charges are kept under review to ensure they are appropriate for the location.***

4. Council Policy

- 4.1 In March 2005 the Council approved a recommendation from the Corporate Management Committee following a detailed examination of initiatives as part of the revenue reductions exercise, which should be guided by the principles set out in the Statement by the then Leader of the Council, which included the following:

"Discretionary fees and charges (including car parking charges) need to, at least, reflect the cost of provision and/or comparative tariffs elsewhere."

- 4.2 The Council's Sustainable Community Strategy and Corporate Plan include the following aims:

- to play an effective role in enhancing the quality of life for residents and providing an attractive environment for businesses and visitors.
- A Runnymede that fosters economic prosperity, with strong, local businesses and vibrant town centres.

- 4.3 Members will wish to balance covering the costs of operating car parks with concerns about the impact on the viability and vitality of the towns and neighbourhood centres in the Borough.

5. Equality Impact Assessment

- 5.1 Parking Services has conducted and published an Equality Impact Assessment. Part of that assessment looked at the provision of parking facilities for disabled persons. All Borough car parks contain dedicated and marked provision for disabled badge holders who are currently also able to use the car parks without charge or time restriction.

- 5.2 As part of the annual customer satisfaction survey users were asked to comment on the facilities for the disabled users of the car parks. In July 2010 43% described them as good, 54% as acceptable and 3% as poor. In a similar survey in June 2009 40% described them as good, 47% as acceptable and 13% as poor.

6. Legal Implications

- 6.1 Notice of any new charges must be given in a local newspaper and in the affected car parks at least 21 days before they are implemented.

7. Resource Implications

- 7.1 In previous reports to this Committee the financial outturns of the Car Parking Service were reported using figures derived from the Council's management accounts. These figures included a figure for Capital Charges. From 2009/10 management accounts no longer include this charge.

Table 5 below sets out the surpluses as previously reported to this Committee and removes the notional interest element charged to the accounts in each year to enable a direct comparison of the annual surpluses to be made.

Table 5 Comparison of Annual Car Park Surpluses

	Previously Reported Surplus	Removal of Notional Interest	Revised Surplus/Deficit
	£	£	£
2007/08	126,200	118,971	245,171
2008/09	71,018	171,131	242,149
2009/10	264,569	-	264,569
2010/11 (est)	34,300	152,700	187,000

- 7.2 The Financial Forecast approved by Full Council in December 2009 included an increase in income of £100,000 in 2010/11, as a result of a possible revised tariff in January 2010. No increase in charges was introduced at that time.
- 7.3 Since December 2008 the Council has approved a series of measures to reduce the General Fund budget and the total value of the savings programme comes to £2,578,500.
- 7.4 Steps to achieve this budget reduction are progressing; however time is running short to implement the necessary savings. Should the current provision in the Financial Forecast for increased car parking income not be met, the revenue reductions target will increase accordingly. Each delay in the savings programme increases the overall savings target, which leaves the Council with the prospect of reducing valued services in the short term in order to bridge this shortfall.
- 7.5 The total car park income from pay and display sources was £395,000 in 2009/10 as compared to £413,000 in the previous year. This is in line with the reductions in car park use across the Borough and would also reflect the increase in VAT back to 17½%. Without any further increase in the charges this figure will deteriorate once again when the VAT rises to 20% in January 2011.
- 7.6 Car Park income is achieved from a combination of parking charges, season ticket, permits and contract parking sales and Penalty Charge Notices (PCN's). The income from PCN's is uncertain as we cannot predict how many will be issued and the Council cannot alter the level of these charges as they are set by the Department for Transport.
- 7.7 Annual season ticket and permit charges were increased from £400 to £500 in January 2009 following the 2008 review. They are mainly bought by businesses and employees and sales are currently reducing, possibly as a result of the current financial climate. Charges for contract parking have remained unchanged for five years. Very few contract parking permits are sold so altering the current charge of £500 would have minimal effect on income. It is recommended however that contract charges should be increased by £50 in order to raise them above the level of ordinary car park season ticket and permit holders who do not enjoy a reserved space in which to park.
- 7.8 Table 4 in Section 3 of this report shows that the sale of tickets across all of the tariffs dropped between January and July 2010 compared with the same period in 2009 in all of the Council's car parks except Garfield Road, Addlestone. However, the decrease in sales was relatively low in the larger more profitable car parks. The reasons for this reduction are difficult to determine. It could be that some users were deterred by the level of the charges or it could have been caused by the financial downturn. It should be noted that the level of charges in the Council's car parks has not increased since January 2008 and even with the increases in both of the options in this report would still be lower than the charges in all of the other Surrey Boroughs and Districts.
- 7.9 Increased car park usage cannot be relied upon to increase income so the only other alternative to produce a significant increase is to raise the car parking charges. There is of course a danger that increasing charges could lead to reduced car park use. It is possible to increase charges with a reduction in the level of usage and still increase the income but

there is no accurate way of determining this. Members would need to balance an increase in charges with the Council's Policy of fostering economic prosperity.

- 7.10 If Members decided to consider increasing Town Centre car parking charges Table 6 below gives suggested options. Option 1 gives modest increases and Option 2 gives more significant increases.

Table 6 – Town Centre Car Parks – Current Charges and Options for increased Charges

Time Period	Current Charges	Option 1	Option 2
Up to 1 Hour	£0.50	£0.50	£0.70
1 to 2 Hours	£1.00	£1.20	£1.50
2 to 3 Hours	£1.50	£1.70	£2.00
3 to 4 Hours	£2.00	£2.20	£2.50
4 to 5 Hours	£2.50	£2.70	£3.00
5 to 6 Hours	£3.50	£3.70	£4.00
All Day	£4.00	£4.00	£4.50

- 7.11 Referring to Table 2 in paragraph 2.10, the charges in Options 1 and 2, if adopted, would still be less than or equal to those in neighbouring Boroughs and Districts. The 'All Day' charge for both options would remain less than the current charge of £5 at Network Rail station car parks. There has been a significant reduction in long term parking in the commuter car parks over the last 2 years as reported in paragraph 3.10. Option 1 proposes no increase for All Day parking so that commuters and local workers are not further discouraged from using these car parks.
- 7.12 The Estimated Income from the Current Charges in Table 7 is based on the car park usage to August in the current financial year (2010/11). The table also shows the estimated income for the increased charges for Options 1 and 2 (shown in Table 6) also at the current level of usage in 2010/11. These figures include income from The Precinct and Precinct Extension car parks where suitable compensatory arrangements will be made to cover lost income.

Table 7 - Comparison of Estimated Annual Income with Current Charges and for Options 1 and 2

Option	Estimated Income (£)
Current Charges	£333,000
1	£361,000
2	£428,00

(Exclusive of VAT)

- 7.13 In considering the options for increasing the charges it can be inconvenient for drivers if the charge requires a combination of several coins as the pay and display machines do not give change. Therefore, drivers would need a selection of coins or be forced to overpay, which might be the case in Option 1. All of the charges in Option 2, except for the one hour charge, can be paid for with a combination of £1 and 50p coins.
- 7.14 Charges were first introduced in the two Englefield Green Car Parks in 2004 and at Pooley Green in 2007. Parking was free before. The charges were introduced to provide an income to cover the maintenance and to stop the monopolisation by local businesses. The lower 'Out of Town' charges were introduced in January 2009 to encourage more use of the car parks. The car parks are lightly used so an increase in charges would not significantly increase income and drivers would probably move to neighbouring residential roads.
- 7.15 The cost of reprogramming the ticket machines with new charges and altering the signs in the car parks is about £3500.

Disabled Parking

- 7.16 Currently vehicles displaying Blue Badges can use the Borough car parks without payment or time restriction. There are currently 45 allocated disabled bays in the pay and display car

parks. 38 of those are in town centres where they are in fairly continuous use with some users parking all day.

- 7.17 Charges are made for disabled badge holders in the Boroughs of Spelthorne and Woking, although Woking offers a free concessionary pass to Blue Badge holders living in Woking. Surrey County Council Blue Badge Section estimate that there are between 3000 and 5000 badge holders in Runnymede so operating such a system here would involve a significant administrative system.
- 7.18 The Committee may wish to consider introducing charges for Blue Badge holders in Runnymede's Car Parks. If all of the disabled bays were fully occupied the income would be about £37,000 per year. However, actual income would be considerably less than this. Blue Badge holders are entitled to park in restricted areas 'on street' for up to three hours so they are unlikely to use the car parks. This would contribute to traffic congestion in the town centres and put more demand on the on street parking spaces.
- 7.19 Changing the Car Park Orders and altering the signs in the car parks to include charging for Blue Badge holders would cost approximately £3000.

Victoria Street Car Park Englefield Green

- 7.20 This car park is lightly used despite the presence of on street parking restrictions in Victoria Street and nearby St Judes Road. Parking in the neighbouring residential roads is unrestricted but due to the narrow house frontages and 'multi-car households' there is a serious lack of parking capacity in these roads.
- 7.21 It is essential that charges are made in the car park to pay for its maintenance and to ensure it is not monopolised by local businesses but in order to make more use of the car park it is suggested that the cost of annual parking permits could be reduced in this car park to £100 per year. The car park has a total of 32 spaces but it is little used at the moment so if the number of permits was restricted to 25 there would be adequate space available for casual users. This would give local business employees and residents the more opportunity for parking and produce a guaranteed income for the council.
- 7.22 The lower level of charge, compared to Town Centre car parks, can be justified due to the lower tariffs charged in the Out of Town car parks.

8. Conclusions on Parking Charges

- 8.1 As explained in Section 3 of this report, the car park management data to enable a detailed analysis of car park usage is very limited and it is difficult in the current financial climate to predict future demand for the car parks for differing levels of parking charge increase.
- 8.2 Although overall income from Parking Services remained at a surplus in the last financial year, there are indications that the usage of car parks and renewal of season tickets is reducing. As many of the all day customers are either commuters or employees a reduction in these sales could probably be related to the economic environment.
- 8.3 Short term use of the car parks has also decreased. This could indicate that, as well as spending the minimum amount on parking, users are also taking care to arrive back at their cars in time to avoid penalties. Again this could reflect the current economic climate.
- 8.4 The Borough Council does not have the discretion to change the scale of penalty charges. This is set nationally by the Department for Transport.
- 8.5 The current provision in the Council's Financial Forecast cannot be met without an increase in parking charges. The increase in VAT to 20% in January 2011 will also reduce the income. Introduction of the lower level of increases in Option 1 is not likely to fully meet the increase in income in the Financial Forecast whereas the Option 2 increases would come nearer to meeting the required increase.
- 8.6 The Committee resolved at its meeting in September 2009 that Car Parking Charge Reviews should be carried out in January with a view to their implementation in April. Due to the

change in VAT, to be implemented in January 2011, this review was brought forward. It is suggested that the next review takes place in November 2011 with a view to implementation in the following April.

- 8.7 Considering the cost of introducing charges for Blue Badge holders, the likelihood that most would park free on-street instead of using the car parks and the consequent increase in traffic congestion the introduction of charges for Blue Badge holders in the Borough's car parks is not recommended.

OFFICERS' RECOMMENDATION that –

- i) the off street parking 'Out of Town' charges are unchanged;**
- ii) the off street parking 'Town Centre' charges be increased with effect from January 2011;**
- iii) the Committee determine the level of increase in the Town Centre charges;**
- iv) charging should not be introduced for disabled badge holders in the Borough car parks;**
- v) contract parking charges should be increased to £550 per year;**
- vi) the sale of annual permits be introduced for Victoria Street car park Englefield Green at £100 and limited to 25 in number; and**
- vii) future Annual Car Parking Charge review reports be submitted to the Economic Development Committee in November for implementation of changes in the following April.**

(TO RESOLVE)

Background Papers

Economic Development Committee September 2005
Economic Development Committee September 2006
Economic Development Committee September 2007
Economic Development Committee January 2008
Economic Development Committee June 2008
Economic Development Committee September 2008
Economic Development Committee September 2009
Economic Development Committee January 2010

8. CORPORATE PROPERTY STRATEGIC MAINTENANCE PROGRAMME (DTS)

1. Purpose of Report

1.1 The purpose of this report is to: -

- i) report to the Committee the progress that has been made in relation to a planned and reactive maintenance joint partnering agreement with Spelthorne Borough Council;**
- ii) agree RBC's five year programme of works to be included in the partnering agreement;**
- iii) highlight the financial benefits of the partnering agreement**

2. Background Information

- 2.1 In line with the Council's policy on partnering, discussions have been continuing in relation to a possible joint partnering agreement for planned and reactive property maintenance between Runnymede and Spelthorne Borough Councils. The basis of the discussions has

been that significant savings both in economies of scale and resources can be expected by both Councils if a partnering arrangement is adopted.

- 2.2 Discussions are underway within Spelthorne on the way they manage their responsive maintenance function. As previously reported this is an ideal opportunity for both Authorities to begin the partnering arrangement in the 2011/12 financial year.
- 2.3 In 2002, the Corporate Management Committee approved a 5-year strategic maintenance programme to commence in the 2003/04 financial year and a revenue and capital budget was made available to carry out the works. Over the years a number of contractors have taken on the contract and on 21 January 2007 the repair and maintenance contract was terminated by Inspace Maintain Ltd. After consultation with legal colleagues, a temporary contract with Crispin and Borst was set up immediately to ensure the Council had continuous cover for maintenance works. Crispin and Borst were one of the 4 original contractors invited to tender in 2002, having been short listed, following the lengthy checking procedure.

3. Report

Partnering Discussions with Spelthorne

- 3.1 Officers from Runnymede and Spelthorne Borough Councils have been investigating the benefits that may be available should both Councils pool their responsive and planned maintenance works and have reached the conclusion that there are benefits for both parties. Combining both elements of planned and reactive works into one contract will, it is believed, result in a lower priced tender return due to the higher volumes of work and greater interest from larger contractors.
- 3.2 Progress is as follows:
- i) A project board has been established consisting of Officers from both Authorities and has had its first meeting.
 - ii) A target date for having both planned and reactive contracts in place is April 2011 (there will need to be some initial work undertaken in setting up the structure, updating the property database, visiting the properties and developing a plan, this is yet to be agreed with Spelthorne).
 - iii) Runnymede's 5 year planned maintenance schedule has been developed. Spelthorne's is currently being undertaken. Both have yet to be agreed by their respective Committees.
 - iv) Both Runnymede and Spelthorne legal teams are currently working on a draft partnering agreement.
 - v) A draft Service Level Agreement has been compiled and will be integrated into the partnering agreement for approval by Members when ready.
 - vi). Tender documentation for planned and reactive works is currently being drafted.
- 3.3 Both RBC and SBC will benefit from the reduced costs that will be achieved by jointly procuring building maintenance. RBC will save an estimated £92,000 per year with this arrangement. At SBC, the individual staff that manage services currently procure and manage building works for the buildings that they occupy. These staff are not trained in 'construction', and where RBC's building professionals currently carry out and inspect all of the work carried out following completion. No checks are currently carried out post-construction in Spelthorne. The partnering arrangement will remove the corporate risk that Spelthorne currently faces with inadequately trained staff managing the work and ensure that the work is carried out satisfactorily. The Council will also save money by employing less consultants, centralising maintenance functions, reducing staff costs and sharing RBC's

Estateman computer system. SBC should achieve savings of around £100,000 per year with this arrangement.

- 3.4 A detailed partnering document including terms will be concluded shortly.
- 3.5 A revised staffing establishment and structure within Building Services to facilitate the management of the partnering arrangement was approved at the 30 June Corporate Management Committee.

Corporate Property Maintenance

- 3.6. As reported in 3.2 (iii) above, Runnymede's 5 year planned maintenance schedule has been developed. The strategic maintenance budget is financed from both capital and revenue resources. Works that substantially lengthen the economic life of the building or provide significant improvements to the asset can be treated as capital expenditure and financed from capital receipts in hand. All other works are met from the revenue budget.
- 3.7 During the financial years 2009/10 and 2010/11, only essential planned and reactive maintenance works have been carried out, which means that buildings are starting to deteriorate, buildings with high levels of traffic, such as Day Centre, Halls and Sports Centres will deteriorate first.
- 3.8 To put this in context, in the current and last financial years, expenditure on corporate property maintenance has been just over £300,000. The average annual budget for the previous 5 year strategic maintenance programme was £567,000. Substantial savings have therefore been produced.
- 3.9 Condition surveys have now been carried out on all of the RBC and SBC corporate properties and the 5 year programme of works has been produced from the data obtained. Due to the increase being greater than shown in the Financial Forecast, the estimated budget has been pared down to the minimum to maintain operational property. Any further reductions are not considered possible without compromising safety or allowing premises used by the paying public to deteriorate to a condition that would lose income by virtue of the reduced quality of their offering.

It is recommended that the authority re-instates the maintenance regime as set out in the 5 year plan and the cost profile is shown in table 1 below:

4. Risks

- 4.1 Having a programme of planned maintenance enables a contractor to plan their work and resources ahead. It is difficult to plan for dealing with reactive maintenance.
- 4.2 A major incident may occur where a large amount of the reactive maintenance budget is required to be expended.

5. Council Policy

- 5.1 The Corporate Management Committee on 27 March 2006 approved the Partnership Protocol for North West Surrey Authorities. The Committee considered and approved the endorsement of a proposed protocol to secure enhanced partnership working amongst the Boroughs of Spelthorne, Surrey Heath and Runnymede.
- 5.2 In January 2008, the Committee also considered proposals with a view to developing a new Surrey-wide Local Area Agreement (LAA) and a formal response to the Surrey Strategic Partnership (SSP) consultation exercise on emerging themes and priorities, together with draft governance arrangements for the LAA from April 2008 to 2011.
- 5.3 In November 2008, the Committee approved in principle a joint partnering project with Spelthorne with a further report to be presented when details have been finalised.

6. Financial Implications

- 6.1 The income of £92,000 is £67,000 more than had been projected in the original savings target (and included in last year's Forecast).
- 6.2 The maintenance programme over the next five years has been restricted to £1.9 million and Table 1 shows how this is split between planned maintenance and reactive maintenance.

Table 1: Revised corporate property maintenance 5 year plan

	Year 1 2011/12	Year 2 2012/13	Year 3 2013/14	Year 4 2014/15	Year 5 2015/16	Total
	£	£	£	£	£	£
Planned maintenance	276,131	257,452	269,288	266,451	200,153	1,269,475
Reactive maintenance	135,000	135,000	135,000	135,000	135,000	675,000
	<u>£411,131</u>	<u>£392,452</u>	<u>£404,288</u>	<u>£401,451</u>	<u>£335,153</u>	<u>£1,944,475</u>

- 6.3 It has been the Council's practice to charge the works to the capital programme where possible in order to cushion the revenue impact while the General Fund is facing financial constraints. This applies to works like window replacements where the improvement to the property has a benefit over many years. Other planned works like external painting cannot be capitalised and have to be treated as revenue expenditure. The works in the programme that can be treated as capital are shown in Table 2.

Table 2: Works that can be treated as capital expenditure

	Year 1 2011/12	Year 2 2012/13	Year 3 2013/14	Year 4 2014/15	Year 5 2015/16	Total
Works to be capitalised	43,382	19,773	19,295	96,047	41,117	219,614
	<u>43,382</u>	<u>19,773</u>	<u>19,295</u>	<u>96,047</u>	<u>41,117</u>	<u>219,614</u>

- 6.4 Based on this analysis, Table 3 summarises the split of the programme between capital and revenue expenditure.

Table 3: Estimated capital and revenue split of the maintenance programme

	Year 1 2011/12	Year 2 2012/13	Year 3 2013/14	Year 4 2014/15	Year 5 2015/16	Total
	£	£	£	£	£	£
Works capitalised	43,382	19,773	19,295	96,047	41,117	219,614
Revenue works	367,749	372,679	384,993	305,404	294,036	1,724,861
	<u>£411,131</u>	<u>£392,452</u>	<u>£404,288</u>	<u>£401,451</u>	<u>£335,153</u>	<u>£1,944,475</u>

- 6.5 The approved maintenance budget for the 2010/11 financial year totals £312,800, of which £143,100 has been provisionally treated as capital expenditure, as shown in Table 4. The outturn for 2009/10 is also shown for comparative purposes.

Table 4: Corporate Property Maintenance

	Actual 2009/10	Estimate 2010/11
	£	
Planned maintenance	148,000	177,800
Reactive maintenance	154,895	135,000
	<u>302,895</u>	<u>312,800</u>
Works capitalised	-30,364	-143,100
Charged to revenue	<u>£272,531</u>	<u>£169,700</u>

- 6.6 This means that the cost of maintenance works falling on the General Fund in the 2010/11 budget is £169,700 and this level of expenditure was projected forward over the next five years in last year's Financial Forecast. The revenue works in the new programme (£1,724,861 over 5 years shown in Table 3) will result in annual revenue expenditure that is substantially more than the 2010/11 budget. However, £28,093 relates to the Runnymede Pleasure Ground and this can be charged to the Trust rather than the General Fund. The additional financial commitment will also be offset by the annual saving of £67,000 that is

expected to be achieved by the new building maintenance partnership arrangements on top of the saving that has already been included in the Financial Forecast (£25,000). Taking these factors into account, Table 5 shows that the new programme will require an additional revenue commitment of between £52,000 and £144,000 each year compared with the current budget.

Table 5: Additional revenue cost of the Corporate Property Maintenance plan

	Year 1 2011/12	Year 2 2012/13	Year 3 2013/14	Year 4 2014/15	Year 5 2015/16	Total
	£	£	£	£	£	£
Total revenue works	367,749	372,679	384,993	305,404	294,036	1,724,861
LESS Runnymede PG	-5,491	-9,119	-4,711	-4,091	-4,681	-28,093
Saving from partnership not already in Forecast	-67,000	-67,000	-67,000	-67,000	-67,000	-335,000
Currently revenue budget	-169,700	-169,700	-169,700	-169,700	-169,700	-848,500
Additional revenue cost	£125,558	£126,860	£143,582	£64,613	£52,655	£513,268

7. Legal Implications

- 7.1 Under the provision of the Local Authorities (Goods and Services) Act 1970, one local authority may supply goods and/or services to another local authority. The present proposed arrangements would involve a supply by the Council of management services to Spelthorne Borough Council. This would entail managing their planned and reactive maintenance. Thus a legal power exists which would entitle the Council to enter into this proposed arrangement.
- 7.2 Under the arrangement the parties will then have to enter into contracts with private contractors to provide the required services. This could be undertaken either by a joint procurement exercise or by Runnymede undertaking the procurement exercise pursuant to an agreement with Spelthorne and then providing the services to Spelthorne via its contractual arrangements with the private contractors. At the present time, Officers from the Legal Departments of both authorities are finalising the terms of the relevant legal agreements and identifying the appropriate procurement route to follow.

OFFICERS' RECOMMENDATION that –

- i) the progress in relation to a planned and reactive maintenance joint partnering agreement with Spelthorne Borough Council be noted;**
- ii) the Director of Technical Services be authorised to agree the Council's five year programme of works which is to be included in the partnering agreement;**
- iii) the financial benefits of the partnering agreement be noted; and**
- iv) the Corporate Management Committee be recommended to approve the cost implications of the 5 year strategic maintenance plan and to incorporate them into the next Financial Forecast.**

(TO RESOLVE)

Background Papers

None

9. REFERENCE FROM THE HOUSING AND COMMUNITY SERVICES COMMITTEE - SALE OF 28 RUNNEMEDE ROAD, EGHAM

1. Purpose of Report

1.1. To consider a reference from the Housing and Community Services Committee

2. Background Information

- 2.1 The Housing and Community Services Committee at its meeting on 8 September declared this property surplus to its requirements and recommends the sale of 28 Runnemedede Road, Egham and to use the sale proceeds for funding to existing Council houses to enable improvement to kitchen facilities.
- 2.2 28 Runnemedede Road is a detached, Victorian property owned by the Council. Some time in the past, the house was converted into two separate flats. However, adequate sound proofing was not provided and problems of sound transfer between the two flats are significant.
- 2.3 Consideration was given to incorporate a level of sound insulation, but Officers feel that the Council would always struggle to satisfactorily reduce noise transference between these flats. This would also be expensive to attempt.
- 2.4 The properties are now vacant and therefore an opportunity exists to consider alterations.

3. Report

- 3.1 Being a substantial property, in a desirable location, the property has a value significantly above the standard council house. The cost of converting the property back into a four bedroomed house would be in the range of £45,000 to £50,000, and the end result would be a Council house worth well in excess of half a million pounds. Even in its present condition, the Council's Valuer puts a value of £525,000 on the property. Consequently, the Housing and Community Services Committee feel that a better way forward would be to dispose of the asset. In this way, the costs of bringing the property back into use would be saved, and at the same time would generate a substantial capital receipt, which could be used for alternative projects.
- 3.2 One such project is the kitchen refurbishment programme. This programme has been in operation now for sometime and has identified a number of very small kitchens, mainly in 2 bedroomed houses built in the 1920's, where new regulations relating to the siting of cookers, makes it virtually impossible to create a modern kitchen. These kitchens have two doors and often two windows, and, as cookers cannot be situated under windows and have to be 300mm from a door, there is nowhere in these kitchens a cooker can be positioned and still comply with the regulations.
- 3.3 In Victory Park Road, Addlestone, the Council sought to overcome this problem by taking the opportunity to refurbish the bathroom which was situated next to the kitchen. By building a small extension, it was possible to site the new bathroom in the extension, and by knocking the kitchen and old bathroom together a reasonably sized kitchen/diner was created. The cost of building the extensions averaged £40,000.
- 3.4 The kitchen programme has since moved on to the Chertsey area, where the Council has further pre-war properties with small kitchens. If we are to build extensions to every property within the programme area, the additional cost would be in the region of £800,000 beyond the provision in the HRA business plan.
- 3.5 In an attempt to reduce costs, Officers have drawn up an alternative kitchen arrangement, trialed in an empty property, which manages to conform to the new regulations but obviates the need for an extension. By blocking off one of the two doors, and reconfiguring the windows, it is possible to create a small working kitchen. The cost of the work to achieve this revised arrangement is approximately £12,000, which is £7,500 more than a 'standard' kitchen refurbishment, but significantly cheaper than building an extension.
- 3.6 However, Officers are concerned that having carried out building extensions at Victory Park Road, expectations in Chertsey have been raised. The alternative kitchen arrangements meet the new regulations, but they do not provide the additional space achieved by building an extension. The properties remain very small family homes without any separate space for dining.

- 3.7 Experience has shown that many tenants have undertaken their own kitchen improvements, and consequently decline the opportunity to have the Council include their homes to the programme. To date, the drop out rate is between 25 – 30%. If the drop out rate for the Chertsey programme mirrors earlier contracts, Officers can expect the overall cost of extensions to fall to a sum closer to £500,000, which the capital receipt from 28 Runnemed Road could meet. A consultation exercise will be undertaken to establish the tenants' requirements and to see if extensions can be produced with the funds available.
- 3.8 If the Economic Development Committee approves the sale of this property, the Corporate Management Committee will be asked to approve a capital estimate in a sum not exceeding the proceeds from 28 Runnemed Road for the extension of these family homes.
4. Financial Implications
- 4.1 The cost of the kitchen refurbishment programme will exceed the provisions included in the HRA Business Plan because of the building of extensions to accommodate kitchen improvements. This additional cost can be partly mitigated by using the alternative kitchen arrangements described above.
- 4.2 As indicated above, the Council's valuer estimates 28 Runnemed Road might fetch as much as £525,000 at auction. To convert it back to a 4 bed roomed house would cost in the range of £45,000 to £50,000. Officers consider that disposal, and subsequent use of the receipt to progress existing demands in respect of kitchen refurbishments, would be a pragmatic approach to fund the additional costs of the new regulations.
- 4.3 All housing capital receipts are subject to the housing capital receipt pooling rules. The rules require council to pay a specified proportion (75% in respect of dwellings) to the Government, the "pool". However, the Authority may keep the full receipt if it chooses to use the receipt for housing and/or regeneration purposes. This is the policy of the Council and this will be the case in this instance.

OFFICERS' RECOMMENDATION that –

- i) the Director of Administration and Leisure be authorised to sell the Council's interest in 28 Runnemed Road, Egham in such manner as he considers will optimise the receipt; and**
- ii) the Corporate Management Committee be requested to approve a capital estimate in the housing capital programme in a sum not exceeding the sale proceeds of 28 Runnemed Road for the purposes of extensions to council housing property to enable improvement to kitchen facilities, to be financed from the sale of 28 Runnemed Road.**

(TO RESOLVE)

Background Papers

None

10. FINANCIAL MONITORING STATEMENT (DF)

1. Purpose of Report

1.1 To inform the Committee of the latest financial projections for the 2010/11 financial year for Economic Development services.

2. Background Information

2.1 The Financial Monitoring Statement was introduced to all Committees in September 2006 to inform Members of the current financial position of the services under the remit of each Committee.

2.2 Each statement reflects an updated position based upon the 2010/11 estimates approved by this Committee in January.

3. Report

3.1 The statement at Appendix 'B' is split into two parts

- Economic Development services
- Highway services

Each statement is split into two distinct parts:

- Projected budget and forecast
- Current year key budget indicators

3.2 The Projected budget and forecast sections show any anticipated variations in the current year's budget. These variations are categorised as approved changes and other potential changes. The achievement of the revenue reductions programme approved by the Council is one of the Council's key performance indicators and these savings targets are now included in this section of each statement. Implications for the following three years are included for completeness so that the full-year effect of any changes can be seen.

3.3 The second section of each statement sets out the key budget indicators for the significant areas of this Committee's budget. This indicates the actual income received set against the amount expected (the budget) for the period covered by each statement.

(FOR INFORMATION)

Background Papers

None stated.

11. STANDING ORDER 42 – URGENT ACTION

<u>Officer</u>	<u>Action Taken</u>	<u>Central Index No.</u>
Director of Administration and Leisure Services	New Lease : 9 High Street (Charter Place) Egham.	724

(FOR INFORMATION)

Background Papers

SO 42 proforma No 724 on Committee Section SO42 file.

12. 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 paragraph 3 of Part 1 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> | <u>Para</u> |
| 13. | ADDLESTONE TOWN CENTRE – POTENTIAL DEVELOPMENTS | 3 (To follow) |
| b) | <u>Confidential Information</u> | |
| | (No reports to be considered under this heading) | |