

Council – Supplementary agenda No.3

A m	eeting	of the	Council	will	be	held	on:
-----	--------	--------	---------	------	----	------	-----

Date: 23 January 2014

Time: 7.00pm

Venue: St George's Centre, Pembroke Road, Chatham Maritime, Chatham ME4 4UH

Items

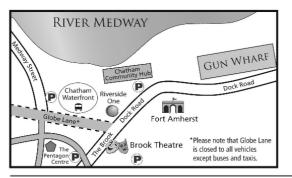
7 Public questions

(Pages 3 - 12)

Written responses to questions M-V not dealt with at the meeting.

For further information please contact Julie Keith, Head of Democratic Services on Telephone: 01634 332760 or Email: <u>democratic.services@medway.gov.uk</u>

Date: 29 January 2014



This agenda and reports are available on our website **www.medway.gov.uk**

A summary of this information can be made available in other formats from 01634 3333	A summary of this	information can b	e made available in	other formats from	01634 333333
---	-------------------	-------------------	---------------------	--------------------	--------------

If you have any questions about this meeting and you want to speak to someone in your own language please ring 01634 335577											
বাংলা	331780	ગુજરાતી	331782	ਪੰਜਾਬੀ	331784	کوردي	331841	<i>اروو</i>	331785	Русский	332374
中	331781	ਵਿંદી	331783	Polski	332373	এওহ্ৎশক্ষব	331786	فارسی	331840	Lietuviškai	332372

Question No.	Name	Question/Response
М	James Brewood	Question to the Portfolio Holder for Finance and Deputy Leader, Councillor Jarrett:
		You are on record as stating that the financial return on ratepayers' £4 million into the airfield paved runway and infrastructure will be better than depositing the money in a Building Society.
		Based on an average Building Society fixed term deposit interest rate over the last 10 years, Rochester Airport Limited will need to generate an additional income of £287,000 per annum beyond their current payments to Medway Council for you to be correct.
		To avoid any future "unacceptable" financial oversights through unsubstantiated statements and to protect the ratepayers' investment, please confirm this Administration's willingness to have the investment calculations and business projections for the successful bidder independently verified by the Audit Commission Auditor, Robert Grant, who has been alerted to our concerns in this matter.
		Response:
		The external auditor is independent to the Council and he will determine whether an issue warrants his closer inspection and if that is the case he has the freedom to examine any documents or calculations the Council holds. For information, a recent report to the Audit Committee revealed that the expected rate of return on the Council's core investments this year is 1.33%, which on £4m would yield £53,000. The potential income from business rates for the developments on the released land has been estimated to yield the Council in excess of £300,000 per annum with additional income for Tonbridge and Malling Council as well.

Council 23 January 2014 – Schedule of written responses to questions not dealt with at the meeting

N	Darren Welch	Question to the Portfolio Holder for Strategic Development and Economic Growth, Councillor Chitty:
		Medway Councillors ignored the majority of public feedback opposing the Rochester Airport Masterplan, however Medway Council also announced that they intend to place a cap on air movements, restrict hours of operation and weekend flying.
		Prior to the closure of the public consultation Medway Council published Rochester Airport Limited's recommended figures for such restrictions. Such figures were clearly not acceptable to residents. The Medway Council post public feedback announcement appears a cynical attempt to mislead based on the fact that no new limitation figures have been published.
		Please tell us what new restrictive parameters for air movement cap, daily operational times and weekend flying restrictions Medway Council Conservatives are considering or likely to impose on the new operator which are significantly different from those previously published?
		Response:
		Medway Council has listened to local residents during the public consultation process and has made amendments to the Masterplan accordingly. These amendments are included on page 7 of the Masterplan document, dated January 2014. The specific parameters for air movements, operational hours and weekend restrictions will be considered through the planning application process. It should be noted that there are currently no restrictions on hours of use or flight numbers.

0	Michael	Question to the Portfolio Holder for Finance and Deputy Leader, Councillor Jarrett:
	Fowler	
		Inspection of Rochester Airport Limited annual accounts deposited at Companies House reveals the company is financially challenged. It appears it will not be able to sustain higher lease costs and business rate payments commensurate with the upgraded infrastructure without a massive increase in commercial air movements or imposing significantly higher landing and parking fees on budget fliers.
		This administration has promised to further restrict air movements, times of operation and weekend flying from those already published but such parameters underpin the Airport Operator's business model.
		As an example Rochester Airport Limited reported approximately 35,389 air movements in 2006. Their accounts for 2006 evidence a loss of £2,623 when their operating lease was only £15,000 and non domestic rates below £10,000 pa payable.
		The 2006 air movement figure is almost double that reported for 2012. Please tell us how your administration can prevent over exploitation of the residential area with commercial flights by the new airport operator as they attempt to remain financially solvent.
		Response:
		There is a commitment to introduce a cap on air movements at a level below historical levels experienced at the airport. There are no plans to transform the facility into a commercial airport.

Р	Stuart Taylor	Question to the Portfolio Holder for Finance and Deputy Leader, Councillor Jarrett:
		Many people would question the professional and financial capability of a local and unitary authority to award a substantial contract to a commercial company that has net assets of just £19,087 at March 2013 when the tender process closed.
		The Medway Council Tender document states:
		Subject to all necessary approvals, the Council is prepared to contribute a sum (not exceeding £4million) towards the cost of these works. This contribution will only be made after the operator completes agreed improvements, runway 16-34 is closed and the hatched black land has been handed back to the Council
		Please confirm whether Medway Council will enforce the condition and if not why?
		Response:
		It has now been agreed that the Council will pay towards the cost of the agreed works on a phased basis, rather than all in one payment when the works are all completed and the Council will after a period of time be able to force the closure of runway 16-34 and take back the hatched black land whether or no the works are completed. All bidders, which submitted tenders were made aware of this change in writing soon after the tender closing date.
		The council has appointed a specialist airport consultant, who will act for the Council in an employer agent (EA) type role.
		Amongst other things, this consultant will:
		Be involved in discussions with the CAA about the proposals, so that the CAA licence can be maintained.
		Agree the contractual arrangements for the improvement works, which RA Ltd will arrange, but the council will contribute towards the cost of (ceiling of £4M)
		Agree the specification for the works. Sign off the works as value for money and completed to satisfaction, so that the council can make stage payments.
		Ensure that the council obtains warranties for the works.

ი

Q	Sidney Witham	Question to the Portfolio Holder for Finance and Deputy Leader, Councillor Jarrett:
		The TransEuropa debacle which lost Thanet Council millions of pounds alerts us all to how important it is to have strong governance processes and procedures in place.
		The contribution of £4 million of ratepayers' money to an airport operator for infrastructure improvements could open up opportunities for inefficient expenditure, misappropriation or fraud etc.
		Given the large amount of money Medway ratepayers are contributing to underpin the airport operator's business model, what safeguards have Medway Council already put in place and what additional safeguards are planned to reassure both the public and the Council's external auditors that the public money to be invested in the changes to the airport will be safeguarded?
		Response:
		As set out in the agreed lease, the council will only pay towards the cost of the agreed works on a phased basis.
		The council has appointed a specialist airport consultant, who will act for the council in an employer's agent (EA) type role.
		Amongst other things, this consultant will:
		Be involved in discussions with the CAA about the proposals, so that the CAA licence can be maintained.
		Agree the contractual arrangements for the improvement works, which RA Ltd will arrange, but the council will contribute towards the cost of.(ceiling of £4M)
		Agree the specification for the works. Sign off the works as value for money and completed to satisfaction, so that the council can make staged payments.
		Ensure that the council obtains warranties for the works.

 $\overline{}$

R	William McLennan	Question to the Portfolio Holder for Finance and Deputy Leader, Councillor Jarrett:
		You are on record for stating on behalf of Medway Council that no new 25-year lease will be signed by Medway Council with Rochester Airport Limited until Council approval of the Rochester Airport Masterplan.
		Can you please confirm that Medway Council have not reneged on your commitment. Please provide an update on the airfield lease arrangements including any proposals or action already taken to extend the current lease.
		Response:
		The new 25 year leases of the airport have been agreed with Rochester Airport Ltd but will not be completed until Full Council adopts the Masterplan, which contains a policy which safeguards aviation uses at the Airport.
S	Keith Baldock	Question to the Portfolio Holder for Strategic Development and Economic Growth, Councillor Chitty:
	Daluock	The recent distressing helicopter crashes in Glasgow and Cley, Norfolk highlight the danger of having helicopters regularly flying overhead.
		Not surprisingly the CAA whom you offer as the arbitrator of safety for Rochester Airport were not able to stop these tragic incidents.
		Please tell us why you are promoting commercial operations of helicopters, microlites and gyrocopters over residential homes on a regular basis given the possibility of a fatal incident?
		Response:
		The Council has not promoted any of the above aircraft, although it has shown an image of an emergency service helicopter during the Masterplan process. It is important to reiterate that the airport operator has a good safety record with no serious incidents, accidents or fatalities associated with it.

ω

Rita Mew	Question to the Portfolio Holder for Strategic Development and Economic Growth, Councillor Chitty:
	As a member of the Conservative Party you and many others have recently received an email request from Mark Reckless MP encouraging you to oppose the extension of Southend Airport airspace control over Hoo Peninsular and St Mary's Island.
	This was not about building an estuary airport but simply the control of airspace which may result in lower level flights by aircraft passing over the Medway Towns.
	Mark's argument in opposing the airspace control extension featured environmental, noise, pollution, blighting properties and safety, all of which Mark Reckless and Medway Council are happy to impose on many Rochester and North Downs residents in support of the Rochester Airport Masterplan.
	Please tell us what the difference is between not subjecting Hoo and Grain residents to aviation activity yet encouraging it for Rochester residents?
	Response:
	Medway Council has objected to the Southend proposals, as it considered them too large and not integrated with London airspace arrangements. The proposals for Southend primarily related to the large scale aircraft used for commercial flights being directed to low heights, in contrast to the lighter aircraft associated with General Aviation activities at Rochester Airport.
	Rita Mew

U	Odette Buchanan	Question to the Portfolio Holder for Housing and Community Services:
		At 133 High Street, Strood, what will be the exact access facilities for parking, school parties, deliveries, disabled parking and entry/exit thereto as well as arrangements for Tuesdays and Saturdays that do not impinge on the market? How much is all the work entailed going to cost?
		Response:
		We have considered customer parking throughout the initial stages of the proposals and there are a number of public car parks near to the new location, as well as it being better served by bus routes in comparison to the existing Library site. The Planning Consent includes a condition for the renovation of the rear access road and the provision of parking, before which the facility cannot open. This will include disabled and short-time, free library parking.
		The free parking time limit has not been finalised as yet, however, we are considering 30-minute parking bays for our library customers and we are currently proposing 3 disabled bays for our library customers. The parking attendants will monitor both free and disabled bays. On market days (Tuesdays and Saturdays) customers will need to use the other public car parks near to the new Community Hub site and we are in discussions seeking to establish the potential for Library parking bays in the Temple Street car park.
		Visits from local schools will not be affected. The new location is a short 5 minute walk from the existing library, so the school children located near to the Community Hub will still be able to access the new facilities easily. Should visitors arrive by coach they would be able to park at the retail car park and walk across to the new site.
		The total cost of the project is estimated to be around £1m.

V	Marion Shoard	Question to the Portfolio Holder for Housing and Community Services:
		Could you explain the Council's conclusions on the feasibility of modifying the existing Strood Library to accommodate a hub facility in the foyer area there, and tell me the difference between the cost of doing that and the cost of relocating the library and community hub to 133 High Street, including the cost of improving the road and path network in the vicinity of 133 High Street to make access safe for able-bodied as well as disabled people?
		Response:
		The intention behind our Community Hubs programme is to establish them in High Street locations for the convenience of our customers. Establishing a Community Hub on the existing Bryant Road site would be a retrograde step as it does not achieve our stated aims. The proposed location will enable the existing Contact Point to be moved off the Civic Centre site, and to be relocated to a far better position to serve our customers.

This page is intentionally left blank