APPENDIX No. 1

All the best electrical firms in the United Kingdom, as well as some foreign ones, sent in tenders which in some cases cost much time, trouble and money to prepare, as I know that some of the contractors sent representatives to Brighton from long distances in order to obtain local information; so that if Brighton decides to stay its hand, unquestionably these contractors will feel aggrieved, although of course the council did not pledge themselves to actually accept tenders.

The financial results obtained in Glasgow for the first nine months are considered by competent and unbiassed critics to be of an exceedingly favourable character, and I am sure that Brighton can reckon upon similar results there, especially as the rate proposed to be charged in Brighton is £5 10s. Od. instead of the Glasgow rate of £5 5s. In conclusion I may say that I see nothing in the action of Hove to compel Brighton to change its attitude in connection with the telephone scheme, which in my opinion should be gone on with without further delay.

I am, gentlemen, Yours very faithfully,

A, R, BENNETT.

The expenditure incurred by the council, with a view of carrying their license into effect, amounts to £3,507 13s. 1d. in respect of underground ducts and £202 8s. 6d. for miscellaneous expenses.

They have also agreed to pay Mr Bennett a commission of 5 per cent on the cost

of the work, subject to a maximum limit of £2,069 12s.

Provision is also being made, in accordance with the direction of the council, for the laying of underground ducts in connection with the new tramways routes in Old Steine and London Road.

The number of persons who have promised to become subscribers to the municipal exchange is 831, viz., 146 in Hove, and 685 in the other portions of the area, exclusive of the corporation connections; and there is no doubt that subscribers will join in large numbers as soon as the exchange is an accomplished fact.

The committee have no hesitation in recommending the council to proceed with the installation of the telephone exchange as soon as possible, and they recommend that Mr. Bennett be instructed to revise his estimate as required by the local Government Board by excluding therefrom the cost of all works in the borough of Hove, so that the application to the board for their sanction to the loan may be renewed.

The committee also recommend that a resolution be passed applying for the consent of the local Government Board to the use of the building in Palace Place, part of the Pavilion Estate, for the purposes of a central exchange, such use of the building having already been sanctioned by the council on the recommendation of the Pavilion Committee.

On behalf of the Committee,

HERBERT CARDEN, Chairman.

Town Hall, Brighton, August 15, 1902.

Note.—The members of the committee present at the meeting at which the foregoing report was agreed upon were: The, Mayor, Councillors Allen, Carden, Jarvis, Lintott, Robinson and Stringer.