

EXECUTIVE

- * Councillor Joss Bigmore (Chairman)
- * Councillor Jan Harwood (Vice-Chair)

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| * Councillor Tim Anderson | * Councillor John Redpath |
| * Councillor Tom Hunt | * Councillor John Rigg |
| * Councillor Julia McShane | * Councillor James Steel |

*Present

EX82 APOLOGIES FOR ABSENCE

There were no apologies for absence.

Councillors Chris Blow, Colin Cross, Graham Eyre, Angela Goodwin, Angela Gunning, Nigel Manning, Ramsey Nagaty, Maddy Redpath, Tony Rooth, Deborah Seabrook, Paul Spooner, Fiona White, and Catherine Young were also in attendance.

EX83 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTEREST

There were no declarations of disclosable pecuniary interests. The following councillors declared non-pecuniary interests:

Councillor	Agenda Item	Nature of interest
Councillor Joss Bigmore and his spouse	5 Extension of private sector enforcement powers	private sector landlords in Guildford
Cllr John Redpath's spouse	5 Extension of private sector enforcement powers	private sector landlord in Guildford
Councillor Julia McShane	6 Former Pond Meadow Training Site	local ward member
Councillor Angela Goodwin	6 Former Pond Meadow Training Site	Surrey County Councillor
Councillor Fiona White	6 Former Pond Meadow Training Site	Surrey County Councillor

EX84 MINUTES

The minutes of the meeting held on 16 February 2021 were agreed as a correct record. The Chairman signed the minutes.

EX85 LEADER'S ANNOUNCEMENTS

The Leader reflected that 23 March marked the one-year anniversary from the start of first lockdown and what an extraordinary year it had been. But despite the challenges for everyone during the year, it had brought out the best in so many with incredible voluntary and community work at borough and county level. This work would be celebrated through the Mayor's Awards this year - especially in the new Community Heroes category. The Leader thanked council officers for their work in supporting the borough and keeping essential services running.

The Leader had joined the Marie Curie minute's silence at 12 noon as the country came together to think about the collective loss, in support of those who had been bereaved and join together in hope for a brighter future. At 8pm there would be another chance to mark the anniversary when thousands would stand on doorsteps and shine a light into the night as a 'beacon of remembrance.' In Guildford, heritage buildings would join the event and be lit up. The Leader looked forward to the forthcoming relaxing of restrictions and to getting back to normal for Guildford's residents and businesses. He announced the Guildford Lido would reopen on Monday and thanked operators Freedom Leisure for making that possible.

Finally, it was announced that the Guildford Programme at G Live would be running a drop-in only vaccination day on Wednesday 24 March, for anyone over 50 years of age who were patients in Guildford or Waverley.

EX86 EXTENSION OF PRIVATE RENTED SECTOR ENFORCEMENT POWERS

The Executive considered a report setting out new legislative powers awarded to the Council under the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020 to improve housing standards in the private rented sector and enable financial penalties to be imposed if electrical safety standards were not met. The Regulations imposed strict requirements on landlords including regular safety testing and certification. Landlords were required to satisfy the Council that proper safety standards had been met within a set time period. A financial penalty was the enforcement tool provided to councils in relation to the Regulations.

A charging structure for such penalties was presented for approval and authorisation sought for the Head of Environment and Regulatory Services to determine the amount of any financial penalty in accordance with the charging structure. The charging structure was based upon a government matrix and would be enforced proportionally. The upper limit of the financial penalty was £30,000 which might be applied where there had been a serious risk to tenants or a blatant refusal by a landlord to respond to risk and implement safety measures.

The Executive

RESOLVED:

- (1) That the charging structure for financial penalties imposed in accordance with the powers introduced by Sections 122 and 123 of the Housing and Planning Act 2016 and the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020, as set out in Appendix 1 to the report submitted to the Executive, be approved.
- (2) That authority be delegated to the Head of Environment and Regulatory Services to take all necessary action to implement the charging structure and impose financial penalties in accordance with the Regulations.

Reason:

To enable the Council to exercise the powers introduced by Section 122 & 123 of the Act to impose financial penalties for failure to comply with the Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020.

EX87 FORMER POND MEADOWS TRAINING CENTRE SITE

Surrey County Council had proposed the re-development of the 'Former Pond Meadows Training Centre' site to provide a 50-bed extra care facility. However, the site was subject to a user covenant, to which Guildford Borough Council was the beneficiary. In order to move forward with the proposal a deed of release and variation of the user covenant was required. There was also a need to improve the Borough Council-owned access road to the site to facilitate the redevelopment. An independent valuation had been obtained and the costs payable to the Borough Council in return for the deed of release, variation of the user covenant and the additional rights would be £207,500. Surrey County Council had offered to meet those costs and agreed to the wording of a new covenant that would restrict the use of the site to a residential/nursing home. It was noted that the County Council would have to put the proposal through the usual Planning process in due course.

The Executive considered a report proposing that costs should be waived to Surrey County Council in this instance due to the community benefit of the proposals and to agree the variation of the user covenant and the grant of additional rights for nil consideration.

The Lead Councillor for Resources spoke in favour of the recommendation which found support from other members of the Executive. It was noted that the site was an important landmark in the community and proposals for the use of the site were of interest to local residents who, it was hoped would benefit from the future provision. The local Ward Councillor also spoke in favour of the recommendations.

Therefore, the Executive

RESOLVED:

- (1) That the Council enters into a deed of release of the restrictive covenant, a variation of the user covenant and grant of additional rights for the land known as the Former Pond Meadows Training Centre.
- (2) That the transaction be completed for nil consideration.
- (3) That the Head of Asset Management be authorised, in consultation with the Chief Finance Officer, and the Lead Councillor for Finance and Assets, to agree the terms for the deed of release; in accordance with the draft heads of terms set out in Appendix 1 to the report submitted to the Executive.

Reason:

To allow Surrey County Council to re-develop the site to provide a 50-bed extra care facility within the Borough.

EX88 REVIEW OF THE USE OF RIGHT TO BUY RECEIPTS AND APPROPRIATION OF LAND INTO THE HOUSING REVENUE ACCOUNT

The 'Right to Buy' (RTB) was a Government scheme enabling eligible council and housing association tenants to buy their home at a discount. With the receipts received, the Council was required to build new social housing within a time limit of three years before the receipts had to

be paid to government with interest. The government's ambition was to have one-for-one replacement housing of properties sold under RTB.

The Council had not spent all of the RTB receipts on its new build housing investment programme within the required time frame in 2019-20. As a result, the Council had been required to repay to government a total of £2.7million. Although the Council had taken measures to mitigate some of the repayment risk there remained slippage on the Housing Investment Programme (HIP) which had continued into 2020-21. It was only possible to fund the HIP by up to one third by RTB receipts and the rest by HRA. The Lead Councillor for Resources had set up a working group to understand how and why RTB receipts needed to be repaid to government, the reporting arrangements around the matter and what could be done to prevent further repayments. The Council's internal auditors KPMG had been asked to carry out an audit of the HRA capital monitoring and specifically the monitoring and use of RTB receipts.

The Executive considered a report setting out initial feedback from the findings of the new working group and a series of proposed measures intended to support the expenditure of the RTB receipts for 2020-21 and reducing the risk of repaying further receipts to Government.

Importantly, the context of the report changed with very recent announcements published in the Supplementary Information Sheet. On Friday 19 March 2021, the Secretary of State for Housing, Communities and Local Government announced the Government's response to consultation resulting in a number of reforms for the use of RTB receipts which would have an immediate benefit to the Council and impact on the issues raised in the report. A summary of the key reforms was provided that changed many of the vital parameters under which the Council was operating in terms of RTB and would take effect from 1 April 2021.

The Lead Councillor for Resources emphasised although the announcements were immediately welcome and included additional time from three to five years to spend receipts, the slippage on the new build programme which mainly caused the repayment to government in 2019-20 had to be addressed. It was reported that the Council must ensure that it had sufficient new build projects coming forward in order spend its RTB receipts and to ensure that delivery of those schemes was properly planned and managed so that delays were minimised and repayment risks reduced.

The previous Housing Working Group would be revitalised with a new officer and councillor membership from Housing and Finance; there would be regular budgetary reports relating to the RTB receipts to the Corporate Governance and Standards Committee and explicitly in the budget outturn report to the Executive and other measures as set out in the recommendations. It was noted that the Weyside Urban Village, Guildford Park Car Park and Bright Hill Car Park sites coming forward as purely residential developments would offer the Council opportunities to utilise RTB receipts as was the potential development of North Street should progress be made towards greater mixed-use. It was noted that the planning application for Guildford Park Car Park was expected to be submitted in October and for Bright Hill early in 2022. It was agreed that the use of Bright Hill Car Park up until planning permission was awarded would be determined following the expiration of the Mount Alvernia Hospital lease.

As new homes were needed for Guildford residents, the Lead Councillor for Resources supported the continuation of the RTB scheme in Guildford, whilst noting that the greater the take up of the scheme the more pressure would be upon the Council to replace stock. It was proposed the Council could consider adopting a RTB receipts policy later in the year.

The Executive

RESOLVED:

- 1) That the remaining land at Guildford Park car park be appropriated into the HRA with immediate effect.

- 2) That the expenditure on the general fund capital programme relating to Guildford Park Car Park be transferred into the HRA following the appropriation.
- 3) That no replacement car parking be delivered as part of the Bright Hill Scheme.
- 4) That, once Secretary of State approval and an appropriate valuation is obtained, the allotments site (Plot 1) at Weyside Urban Village be appropriated into the HRA and that the Council commits to delivering Plot 1 at Weyside Urban Village as either a fully affordable or mixed tenure project within the Housing Investment Programme.
- 5) That further consideration be given as to whether key sites within the Guildford Economic Regeneration should be appropriated into the HRA for Housing Development in due course.
- 6) That the acquisition strategy, as set out in paragraphs 3.31 to 3.33 of the report, be approved.
- 7) That a supplementary estimate of £2.2million, to be funded from HRA reserves, to increase the HRA acquisition budget to £7million for 2021-22 be approved, and that the supplementary estimate be moved straight onto the approved capital programme.
- 8) That the HRA acquisition budget of £3million for 2021-22 be moved from the provisional to the approved capital programme.
- 9) That the Major Projects Programme Board be re-invigorated in a revised form.
- 10) That a Councillor/Officer Housing Working Group be established to monitor delivery of the Housing Investment Programme and to continue to develop the pipeline of projects.
- 11) That a formal Use of Retained Right to Buy Receipts Policy be developed and brought forward for adoption by the Executive at a later meeting.
- 12) That further legal advice be sought on the matter of whether granting RTB receipts to local housing associations, other local authorities (without a HRA) or other registered providers is a viable option for the Council and subject to that advice, officers be authorised to enter into discussions with local housing associations to ascertain if there would be a willingness to partner with the Council in this regard.
- 13) That additional resources within the Housing Strategy and corporate Programmes team be approved to accelerate delivery of the Housing Investment Programme.
- 14) That officers be requested to consider the logistics and viability of acquiring or developing housing outside of the borough boundary to increase its housing stock within the HRA.

Reason:

To facilitate the delivery of affordable housing in the borough and try to mitigate the risk of repaying RTB receipts to government in the future.

EX89 ASH ROAD BRIDGE - PROJECT UPDATE

The Leader of the Council explained that there had been two reports submitted to the Executive. The first report was inclusive, but it set out financially sensitive information that was classified as exempt under statute (Item 9). For this report to be discussed by the councillors it

would be necessary for the meeting to exclude the public and press ('Part 2'). For reasons of transparency, a second report had been published which did not include the exempt information (Item 11). Having read both reports, the Executive and councillors present agreed to discuss the content of the second report in public session.

The Ash Road Bridge Scheme was a long-term infrastructure solution to the current and future issues posed by the Ash level crossing, including increased usage associated with housing growth in the Ash and Tongham area and greater barrier downtime resulting from enhanced rail use of the North Downs Line. The scheme would meet the requirements of the Local Plan.

The Lead Councillor for Regeneration noted that this was the largest infrastructure project that the Council was delivering and that good progress was being made. The Executive was asked to approve the Council entering into a legal agreement with Homes England which would secure additional Homes England funding towards the delivery of the Ash Road Bridge Scheme, in addition to the £10 million of Homes England funding that had already been secured.

The Executive recommended to Council (13 April 2021):

That the Council approves the budget and funding strategy as set out in the budget and funding sections of the exempt (Part 2) report published with the agenda for this meeting; and

RESOLVED:

- (1) That the Executive agrees to proceed with the project, including the Council entering into the Deed of Amendment to the Homes England Funding Agreement and grants delegated authority to the Director of Strategic Services to negotiate to an agreed form and sign this draft Deed of Amendment with Homes England on behalf of the Council.
- (2) That the Executive approves the transfer of funds from provisional to approved programmes as set out in the funding section of the exempt (Part 2) report published with the agenda for this meeting to allow the road bridge and footbridge to proceed.
- (3) That the Executive approves the budget and funding strategy as set out in the budget and funding sections of the exempt (Part 2) report published with the agenda for this meeting (in so far as they fall within the Executive's power to approve).
- (4) That the Executive delegates to the Director of Strategic Services, in consultation with the Lead Councillor, authority to enter into such other contracts and legal agreements connected with this project as may be necessary within the approved budget.
- (5) That the Executive agrees that, due to the urgency of this matter, the call-in procedure shall not apply in respect of the decisions referred to in paragraphs (1) to (4) above.

Reason:

This was a unique opportunity to secure this level of central government funding towards the Ash Road Bridge Scheme and the land required to deliver an alternative road crossing of the North Downs railway line in close proximity to the Ash level crossing. The Ash Road Bridge Scheme forms a requirement of Policy A31 of the Council's Local Plan which allocates land for housing in Ash. Delivery of this scheme will also enable the closure of Ash level crossing, which will improve safety for highway and rail users and significantly reduce traffic congestion on the A323 and the use of alternative local roads to avoid the Ash level crossing.

EX90 EXCLUSION OF THE PUBLIC

The Executive

RESOLVED:

That under Section 100A(4) of the Local Government Act 1972 (as amended) and Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for consideration of agenda item 10 on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 3 and 5 of Part 1 of Schedule 12A to the Act.

EX91 NORTH STREET DEVELOPMENT SITE, GUILDFORD

The Executive considered a report that set out progress to date regarding the sale of the Council's interests on the site and to seek the necessary permissions for the leasing arrangements of the bus station prior to the sale. The Executive was also asked to note the Equalities Impact Assessment advice as prepared by AECOM.

The Lead Councillor for Regeneration spoke to the report and there was agreement that sound progress was being made with the project and that appropriate and positive consultations were being undertaken.

The Executive,

RESOLVED:

- 1) To note that the scheme is being redesigned and that this will require the Heads of Terms for the sale of the Council's land to be renegotiated with St Edward.
- 2) To note that the following documents which relate to the Friary Centre bus station transaction are being negotiated and agreed:
 - a) deed of surrender and variation of the Friary Centre headlease between M&G and the Council.
 - b) new headlease of the bus station between the Council and St Edward.
 - c) new underlease of the bus station between St Edward and the Council; and
- 3) To authorise the transaction in respect of the Friary Centre bus station to proceed immediately and independently of the sale of the Council's interest in the Site.
- 4) To authorise the Managing Director, in consultation with the Leader of the Council and Lead Councillor for Regeneration, to approve the final terms of the Friary Centre bus station documentation referred to in paragraph (2) above, and to finalise the transaction.
- 5) To note the additional responsibilities on the part of the Council in respect of the bus station as set out in section 5 of the Executive report and to accept, including making an allowance of an additional budget of £60,000 to cover immediate costs associated with works to keep the bus station land safe and insured and £10,000 for ad hoc repairs, insurance and utilities.
- 6) To agree a virement of £70,000 from the corporate inflation budget to the asset management budget to fund the bus station repair costs and provide an annual budget, and to note that there is also a potential £45,000 one off repair payment as detailed in paragraph 5.5 of the Executive report.

- 7) To note the advice received from AECOM as set out in section 12 of the Executive report and to confirm that the Council will continue to identify and address equalities implications arising from the proposed transaction.
- 8) To agree that, due to the urgency of this matter, the call-in procedure shall not apply in respect of the decisions referred to in paragraphs (1) to (7) above.

Reason:

To progress the project.

The meeting finished at 9.03 pm

Signed

Date

Chairman