

EXECUTIVE

* Councillor Julia McShane (Chairman)

* Councillor Joss Bigmore (Vice-Chairman)

Councillor Tim Anderson

* Councillor Tom Hunt

* Councillor George Potter

* Councillor John Redpath

* Councillor John Rigg

Councillor James Steel

*Present

Councillor Fiona White was also in attendance. Councillors Ramsey Nagaty and Deborah Seabrook were in virtual attendance.

EX94 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Tim Anderson, Lead Councillor for Assets and Property and James Steel, Lead Councillor for Environment and Regulatory Services.

EX95 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTEREST

There were no declarations of interest.

EX96 MINUTES

The minutes of the meeting held on 22 February 2023 were agreed as correct. The Chairman signed the minutes.

EX97 LEADER'S ANNOUNCEMENTS

The Leader deferred her announcements to the meeting of full Council.

EX98 TO CONSIDER ANY RECOMMENDATIONS FROM THE OVERVIEW AND SCRUTINY COMMITTEE

There were no new recommendations from the Overview and Scrutiny Committee to consider. The paper was noted.

EX99 GUILDFORD PARK ROAD REDEVELOPMENT - APPROVAL TO PROCEED TO NEXT STAGE

The report sat within the lead councillor portfolios for Communities and Housing and Regeneration. The Leader of the Council began the introduction of the report as she held the Communities and Housing portfolio.

For many years, the Council had aspired to redevelop the surface car park at Guildford Park Road to make better use of the asset. Various schemes had been considered, but in 2021 a new Mandate and Strategic Outline Business Case (SOBC) were considered and approved by the Executive. This enabled the Council to re-initiate the project, to develop a new detailed planning application for the site and develop a wider business case for the post-planning delivery of the scheme.

The Executive considered the report that set out an updated SOBC including a proposed delivery strategy. The report sought Executive authorisation to commence implementation of the recommended delivery strategy and, specifically, to initiate a procurement exercise to select a Development Partner to deliver the scheme on behalf of the Council. The provision of new homes, particularly for those on the housing waiting list, was a priority for the Council.

The Lead Councillor for Regeneration endorsed the Leader's introduction and further explained that the recommendations in the report would reduce the Council's exposure by allowing a commercial private sector partner to undertake the risks involved in the development of the site. This was expected to be an agreeable arrangement for both parties since the majority of the development would be sold on the open market and the Council would buy back its allocation of Affordable stock. It was expected that there would still be a degree of risk with regard to the eventual price of the Affordable stock given the wider prevailing economic uncertainties.

The Executive noted a further risk in that the project may not attract a suitable Development Partner whilst it was in the pre-planning stages, however it was explained that pre-application advice had been received and that a dedicated Planning Offer had been employed. It was expected that a 'pre-app note' would be finalised within the coming two weeks.

It was emphasised that the Council desired 40% of the development to be designated Affordable and that construction and design should exceed the sustainability requirements necessary for Planning approval. In terms of massing and height, it was suggested that the ward councillors for Onslow be actively involved with consultation to be alert to any issues arising well before Planning Committee stage. When appointed, the Development Partner would be contractually obliged to undertake extensive consultation with the local

community and matters of height and massing should be discussed and resolved at this stage.

It was argued that the current design for Guildford Park Road included heights on a par with the North Street application that had recently been refused planning permission. Whilst some members felt that the Planning Committee should be free to judge each application on its merits, others suggested that it was imperative the Council have clear policy guidance on what it considered acceptable in this regard, especially when hoping to attract tenders from potential business partners.

Overall, the Executive was in favour of progressing the development and consequently,

RESOLVED:

1. To approve the Strategic Outline Business Case for the Guildford Park Road Redevelopment, attached as Appendix 1 to the report submitted to the Executive, and to endorse the recommended delivery strategy outlined within.
2. To endorse the revised planning strategy for the project.
3. To approve commencement of the procurement of a development partner to support the delivery of the Guildford Park Road housing project.
4. To approve the spend of up to £700,000, already allocated for the scheme within the Housing Revenue Account approved capital programme, to deliver the procurement activity.
5. To delegate to the Strategic Director of Place, in consultation with the Lead Councillor for Housing and Community and Lead Councillor for Regeneration, authority to enter into such other contracts and legal agreements connected with the Guildford Park Road housing project as may be necessary in compliance with Procurement Procedure Rules and within the approved budget.

Reason(s):

1. The Guildford Park Road redevelopment is a key scheme within the Housing Revenue Account Business Plan that will deliver a significant number of additional homes in the town centre. Officers currently have no authority to initiate the delivery phase of the scheme, and this authority is now sought from the Executive.

2. The recommendation will support the delivery of the Council's Corporate Plan (2021-2025) priorities by providing and facilitating housing that people can afford.

EX100 ASH ROAD BRIDGE SCHEME UPDATE AND BUDGET APPROVAL

The Leader of the Council explained that the report before the Executive contained a significant amount of material that had been designated as exempt. To give full consideration to the matter would necessitate discussion in private. It was proposed that the Lead Councillor for Regeneration introduce the report in general terms, without reference to the exempt content. A public speaker would then address the meeting. Thereafter the Leader would propose the meeting be closed to the public for the duration of the discussion of the exempt material.

The Ash Road Bridge (ARB) scheme comprised 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 was being delivered in two Stages. Stage 1 was the delivery of the road bridge over the railway line (and closure of the level crossing to motorised vehicles). Stage 2 was the delivery of the footbridge in the vicinity of Ash level crossing enabling the Ash level crossing to be closed permanently to all users.

The approved budget for the Scheme was £38.91 million, being £33.89 million for the road bridge (Stage 1) and £5.02 million for the footbridge (Stage 2) (excluding borrowing costs.) The road bridge budget was slightly higher than that which was approved by the Council in April 2021 (£38.79million) as the budget was subsequently combined with a separate approved budget for land acquisition costs for the Ash Road Bridge Scheme equivalent to £0.12 million.

The revised budget was £44.5 million, being £44.0 million for the road bridge and £0.5 million for the footbridge (excluding borrowing costs.) The increase to the budget was therefore £5.59 million.

The scheme had secured £23.9 million from Homes England (HIF) funding and recently a further £5 million from Surrey County Council (SCC) as set out in the Supplementary Information Sheet. In addition, the scheme had incurred substantial funding from the Council itself in the form of reserves, funds and borrowing. As with the Weyside Urban Village (WUV) scheme, ARB was an inherited commitment from the previous administration and was an integral part of Policy A31 in the adopted Local Plan to mitigate against existing and planned

development to include the delivery of 1,750 new homes. It was argued that the current administration might consider not proceeding with the scheme due to the economic situation and because it was solely infrastructure and not within the Council's duty to provide with little financial return for taxpayers.

The Lead Councillor for Regeneration described both WUV and ARB as worthy schemes and because they were both already underway, needed to be completed. Although the financial commitment and liabilities were significant, the costs to the residents of the borough of not proceeding, it was argued, would also have a significant impact. The loss to the Council of pre-development costs already committed to ARB and not recoverable should also be taken into account, the £23.9 million of HIF, £5 million from SCC would be lost and the Council would have to reimburse s106 contributions with no bridge to mitigate the increasing traffic and congestion issues as described.

The Lead Councillor for Regeneration recommended that the scheme be progressed and the budget be increased to £44.5 million, despite the future revenue burden on the Council. It was noted there were contingencies built into the budget including optimism bias. There was also optimism that further funding could be available next year, although no allowance for this had been made in the estimates before the Executive. Negotiations continued with Network Rail with regard to contributions to the footbridge. Officers were commended for the detail and levels of scrutiny that had resulted in a robust report.

The Meeting was addressed by Sue Wyeth-Price from Ash Green Residents Association (AGRA). In her address, Ms Wyeth-Price noted she urged the Executive to consider the long term debt to the Council should the recommendations be approved, alongside the uncertainty of increased future costs as the scheme developed. She went on to challenge the assumptions of the scheme in terms of its benefits and mitigations. She proposed that the new road bridge would not be used by certain of the new developments already built but would support developments that had not yet received planning approval. In addition, she considered there were other congestion points locally that would not be improved by the ARB scheme and poor highway circulation in those areas would remain. She suggested that residents had not consulted over the scheme.

Members of the Executive discussed with Ms Wyeth-Price the concerns she had raised. With regard to consultation with residents, it was noted that Ash borough councillors previous and present and the County councillor for the area were all in favour of the ARB scheme. In addition, there had been public consultations and events run prior to 2019 to gauge local opinion along with a letter for Michael Gove MP written in support of the scheme. The need for the bridge had been tested through Policy A31 in the Local Plan, through the Planning Committee and

through the course of three appeals. In conclusion, the Executive noted that the recommendation to be considered at this meeting was not to retrospect on the merits of the bridge which had been proven, but to consider the budget and future funding of the scheme.

In consequence of the report having a number of appendices that had been designated as containing exempt material by the Monitoring Officer, the Leader of the Council proposed

That under Section 100A (4) of the Local Government Act 1972 (as amended), the public be excluded from the meeting for consideration of Appendices 2, 3, 4, and 5 to the report and the Appendix to the Supplementary Information Sheet on the grounds that they involved the likely disclosure of exempt information, as defined in paragraphs 3 and 5 of Part 1 of Schedule 12A to the 1972 Act.

The Executive was agreeable.

The project was substantial and complex. The Executive considered the contents of the entire report including the financial outlook for the project, along with external funding sources. Overall, the costs and benefits were evaluated and the Executive concluded that it was essential to proceed with the project to address and to mitigate against the volume of traffic around the level crossing which was predicted to increase in the future. The Ash Road Bridge would bring substantial improvements to the local community and economy and consequently the Executive,

RESOLVED:

1. To recommend that Full Council (at its extraordinary meeting on 16 March 2023) approve the budget and funding strategy as set out in Exempt Appendices 2 and 3 to the report, subject to the revisions to Appendix 3 as set out in the exempt Appendix 1 to the Supplementary Information Sheet circulated at this meeting.
2. To approve the transfer of the sum referred to in Paragraph 1 (Recommendations (Budget)) of the Exempt Appendix 2 to the report.
3. To delegate to the Strategic Director for Place, in consultation with the Lead Councillor for Regeneration, and Lead Councillor for Finance and Planning Policy, authority to enter into such other contracts and legal agreements connected with the Ash Road Bridge Scheme as may be necessary in compliance with Procurement Procedure Rules and within the approved budget.

Reason(s):

This was a unique opportunity to utilise £23.9 million of central government funding towards the Ash Road Bridge Scheme 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 formed a requirement of Policy A31 of the Council's Local Plan which allocated land for housing in Ash. Delivery of this scheme would also enable the closure of Ash level crossing to motor vehicles, which would 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 in Ash.

The meeting finished at 11.08 am

Signed

Date

Chairman