



GUILDFORD
BOROUGH

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Pedro Wrobel

Joint Chief Executive
Guildford & Waverley
Borough Councils

Contact Officer:

Carrie Anderson, Senior Democratic
Services Officer

10 April 2024

Dear Councillor,

Your attendance is requested at a meeting of the **Executive** to be held in the Council Chamber, Millmead House, Millmead, Guildford, Surrey GU2 4BB on **Thursday, 18 April 2024** at 6.00 pm.

Yours faithfully

Pedro Wrobel
Joint Chief Executive
Guildford & Waverley
Borough Councils

MEMBERS OF THE EXECUTIVE

Chairman:

Councillor Julia McShane (Leader of the Council & Lead Councillor for
Housing)

Vice-Chairman:

Councillor Tom Hunt (Deputy Leader of the Council & Lead Councillor for
Regeneration)

Councillor Angela Goodwin, Lead Councillor for Engagement and Customer
Services

Councillor Catherine Houston, Lead Councillor for Commercial Services

Councillor Richard Lucas, Lead Councillor for Finance and Property

Councillor Carla Morson, Lead Councillor for Community and Organisational
Development

Councillor George Potter, Lead Councillor for Environment and Climate
Change

Councillor Merel Rehorst-Smith, Lead Councillor for Regulatory and
Democratic Services

Councillor Fiona White, Lead Councillor for Planning



WEBCASTING NOTICE

This meeting will be recorded for live and/or subsequent broadcast on the Council's website in accordance with the Council's capacity in performing a task in the public interest and in line with the Openness of Local Government Bodies Regulations 2014. The whole of the meeting will be recorded, except where there are confidential or exempt items, and the footage will be on the website for six months.

If you have any queries regarding webcasting of meetings, please contact Committee Services.

QUORUM 3

THE COUNCIL'S STRATEGIC FRAMEWORK (2021- 2025)

Our Vision:

A green, thriving town and villages where people have the homes they need, access to quality employment, with strong and safe communities that come together to support those needing help.

Our Mission:

A trusted, efficient, innovative, and transparent Council that listens and responds quickly to the needs of our community.

Our Values:

- We will put the interests of our community first.
- We will listen to the views of residents and be open and accountable in our decision-making.
- We will deliver excellent customer service.
- We will spend money carefully and deliver good value for money services.
- We will put the environment at the heart of our actions and decisions to deliver on our commitment to the climate change emergency.
- We will support the most vulnerable members of our community as we believe that every person matters.
- We will support our local economy.
- We will work constructively with other councils, partners, businesses, and communities to achieve the best outcomes for all.
- We will ensure that our councillors and staff uphold the highest standards of conduct.

Our strategic priorities:

Homes and Jobs

- Revive Guildford town centre to unlock its full potential
- Provide and facilitate housing that people can afford
- Create employment opportunities through regeneration
- Support high quality development of strategic sites
- Support our business community and attract new inward investment
- Maximise opportunities for digital infrastructure improvements and smart places technology

Environment

- Provide leadership in our own operations by reducing carbon emissions, energy consumption and waste

- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel, and energy choices
- Work with partners to make travel more sustainable and reduce congestion
- Make every effort to protect and enhance our biodiversity and natural environment.

Community

- Tackling inequality in our communities
- Work with communities to support those in need
- Support the unemployed back into the workplace and facilitate opportunities for residents to enhance their skills
- Prevent homelessness and rough-sleeping in the borough

Agenda

Item No.

1 Apologies for absence

2 Local code of conduct - Disclosable Pecuniary Interest

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

Councillors are further invited to disclose any non-pecuniary interest which may be relevant to any matter on this agenda, in the interests of transparency, and to confirm that it will not affect their objectivity in relation to that matter.

3 Minutes (Pages 7 - 10)

To confirm the minutes of the meeting of the Executive held on 22 February 2024.

4 Leader's Announcements

5 O&S Recommendations to the Executive - Air Quality (Pages 11 - 16)

6 Option Agreement with Blackwell Park Limited in respect of purchase of council-owned land - outcome of call in of decision taken by the Strategic Director: Place (Pages 17 - 30)

7 Asset Disposal Strategy * (Pages 31 - 52)

8 UK Shared Prosperity Fund (UKSPF) and Rural Prosperity Fund (REPF) * (Pages 53 - 70)

9 Creation of new post of Head of Business Improvement

The report was late and is listed in the Supplementary Agenda Pack.

Key Decisions:

Any item on this agenda that is marked with an asterisk is a key decision. The Council's Constitution defines a key decision as an executive decision which is likely to result in expenditure or savings of at least £200,000 or which is likely to have a significant impact on two or more wards within the Borough.

Under Regulation 9 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, whenever the Executive intends to take a key decision, a document setting out prescribed information about the key decision including:

- the date on which it is to be made,
- details of the decision makers,
- a list of the documents to be submitted to the Executive in relation to the matter,
- how copies of such documents may be obtained

must be available for inspection by the public at the Council offices and on the Council's website at least 28 clear days before the key decision is to be made. The relevant notice in respect of the key decisions to be taken at this meeting was published as part of the Forward Plan on 21 March 2024.

Executive

* Councillor Julia McShane (Chairperson)

* Councillor Tom Hunt (Vice-Chair)

* Councillor Angela Goodwin

* Councillor George Potter

* Councillor Catherine Houston

* Councillor Merel Rehorst-Smith

* Councillor Richard Lucas

* Councillor Fiona White

Councillor Carla Morson

*Present

Councillors Yves de Contades, Joanne Shaw and James Walsh were also in attendance.

EX55 Apologies for Absence

Apologies for absence were received from Councillor Carla Morson.

EX56 Local Code of Conduct - Disclosable Pecuniary Interest

There were no declarations of interest.

EX57 Minutes

The minutes of the meeting held on 25 January 2024 were confirmed as correct. The Chairman signed the minutes.

EX58 Leader's Announcements

Crowdfund Guildford free workshop

Another free Crowdfund Guildford virtual workshop would take place on Friday, 8 March. Residents could access support and funding for their ideas and projects, learn about available resources, the application process, and how to bring community initiatives to life. Residents and local groups were encouraged to attend. More information was available on the website www.spacehive.com/movement/guildford.

Pride in Surrey announcement

The Leader was proud to announce Guildford would be the location for the 5th anniversary celebration of Pride in Surrey, set to unfold at Stoke Park on Saturday, 21 September 2024.

Tickets for the event were available via the [Pride in Surrey website](#) and were offered on a 'pay what you can basis' keeping Pride accessible for as many people as possible.

Guildford museum retains Arts Council Accreditation

The museum had retained its Full Accreditation from Arts Council England in recognition of the work the heritage team had put into every aspect of the museum from looking after the collection of objects to meeting relevant standards for policies and procedures.

Congratulations were expressed to the team.

Public inquiry for planning appeal at land at Guildford Cathedral

An appeal would be determined by public inquiry. The inquiry would open on 5 March 2024 and was due to last 10 days. Times and dates were subject to change as advised by the Planning Inspector. More information was available on the council's newsroom webpage.

EX59 O&S Recommendations to the Executive - Modern Slavery

The Overview and Scrutiny Committee (O&S) made recommendations to the Executive from time to time as it saw fit and the Executive was required to consider any such recommendations within a two-month period. Set out in the paper were recommendations arising from the O&S meeting held on 19 December 2023. The recommendations related to the council's obligations towards tackling modern slavery. The council was required to monitor its own performance in this regard via an annual report which was received by O&S. The Executive was asked to agree to progress certain actions within sections 7.5-7.8 of the Annual Report on the Modern Slavery Motion which specifically related to the council's procurement processes and these were set out in the paper along with suggested responses.

The Leader of the Council introduced the paper and welcomed the Chairman of the O&S, Councillor James Walsh, who was in attendance online. Cllr Walsh commended officers and the quality of the annual monitoring reports that had been received by O&S since Council's adoption of the Modern Slavery Motion in 2018.

The Executive echoed the comments from Cllr Walsh. The recommendations were welcomed and described as sensible and would provide positive additions

to the council's robust approach to tackling Modern Slavery. It was noted that the council's adopted standards in this regard extended externally via the procurement process to partners and service providers and so ensured the safeguarding of residents across the council's activities.

The Executive expressed its gratitude to the O&S for bringing the recommendations and its commitment to a positive working relationship between the two bodies. Consequently, the Executive,

RESOLVED:

That the proposed responses and the reasons for those responses, as set out in the table at item 5, be approved.

Reason(s):

Modern slavery was a serious crime that violated human rights. The Council as a public body had a duty to ensure that it was not complicit in modern slavery practice by utilising contractors who were breaching the Act. Implementation of the recommendations would make the council's processes more effective in that regard.

EX60 Freehold Disposal of Old Manor House, East Horsley

Old Manor House comprised a large, detached Grade II Listed building providing eight residential flats that were previously leased to persons of state pensionable age. The building had been unoccupied for some time and required complete refurbishment and modernisation, including fabric replacement and renewal. The capital cost to refurbish the property to bring it into occupational use for housing was significant and was further exacerbated by the necessary reconfiguration of the existing internal layout and the energy performance upgrades required.

The Lead Councillor for Finance and Property introduced the item. The asset was held in the General Fund. Occupation of the property was not possible in its current condition. In view of the budgetary impact to the council, Housing Services had determined it was not suitable for development and surplus to support their service. With all alternative options for property explored, it was recommended the Executive agree to a freehold disposal of the property on the open market.

It was confirmed that access to Lovelace Cottages would have to be safeguarded by any future owner of Old Manor House.

The Executive noted that despite its commitment to providing housing for local people, the extent of the dilapidation of the property and the necessary reconfiguration to bring it back to use would not be the best use of council resources. It was explained there were significant damp issues, rewiring was needed and the internal reconfiguration for a listed building would be complex and costly. It was suggested that given the building’s protected status, disposal to a new owner to bring the building back into habitational use would be the best option for the community and for the building itself as a local heritage asset.

The Executive heard that to delay a decision in regard to the future of the building would result in a greater decline of its condition and increased future costs, therefore, it was

RESOLVED:

That the Executive Head for Assets and Property be authorised to auction sale the property or negotiate terms for a disposal at best consideration on the open market via private treaty, and to enter into all relevant legal documentation required to complete the transaction of the Council owned land comprising Old Manor House in return for a capital receipt.

Reason(s):

To generate a capital receipt and remove void property costs from future revenue budgets.

The meeting finished at 6.24 pm

Signed

Date

Chairman

Recommendations to the Executive from the Overview and Scrutiny Committee

Document Purpose

The intention of this document is to collate and track progress of all recommendations made by the Overview and Scrutiny Committee to the Executive throughout the year, and to log the Executive decisions on the submitted matters. The Executive’s agreed response to the recommendations will be fed back to the Overview and Scrutiny Committee, and relevant officers.

Explanatory note:

Progress Status: This column indicates individual progress status for each recommendation and will present one of three options:

- Awaiting Executive Consideration
- Accepted or Approved by the Executive
- Rejected by the Executive

Suggested Response to Recommendation and Reasons: This column indicates what action, if any, the Executive proposes to take or may already have been taken in response to the recommendation and the reasons) for the action, or no action.

Approved Recommendations:

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
05 2024 OS45	Air Quality Strategy -	(IV) That the Executive be requested to adopt a Motor Vehicle No	18 April 24	Awaiting Executive Consideration	That the Executive endorses the recommendations as follows:	Gary Durrant, Environmental

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
	Workplan Update	Idling policy for staff, contractors and visitors on Council premises, and staff using a vehicle for conducting Council business.			<p>(IV) In order to help improve air quality and reduce emissions that a Motor Vehicle No Idling Policy is drafted for Executive approval. The Policy will cover all staff, contractors, and visitors on Council premises to include:</p> <ul style="list-style-type: none"> • Millmead Office public and staff car parks • Woking Road Depot and day centres • All day centres and communal housing schemes • Public Car parks operated by the Council • Entertainment and sports facilities in the ownership of the Council • Staff engaged on Council duties. <p>Notes</p> <ol style="list-style-type: none"> 1. All signage will be standard and state that air quality improvement is the aim. 	Protection Lead

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
					<ol style="list-style-type: none"> 2. Exemptions will include emergency services, operational requirements where an engine is required for a lift etc. 3. This does not apply to fully electric vehicles. 4. Installation and design of the signs will be resourced from the Regulatory Services budget. 5. Signs will be installed in agreement with the relevant Joint Executive Head of Service. 6. The policy will initially be discretionary unless statutory powers enforce are already in place. 	

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
		<p>(V) That the Executive be requested to improve the Council’s communications on air quality, particularly the air pollution concentrations in the Borough and the benefits of clean air.</p>			<p>(V) That the Joint Executive Head of Regulatory Services, Communications Team and delegated officers from respective services set out an air quality communications plan to include:</p> <ol style="list-style-type: none"> 1. Pollutants of concern and measured, modelled levels throughout the Borough. 2. Comparisons with national objective levels. 3. Details of the Council’s duties and plans to control and mitigate air pollution. Plus, the roles of other regulatory regimes. 4. How residents, businesses and visitors can raise concerns about air quality. 5. What residents, businesses and visitors can do to help improve air quality. 6. Promotion of educational events and campaigns. 	

O&S Meeting Date /O&S Minute No.	O&S Agenda Item	O&S Recommendation	Considered by Executive on	Progress Status	Suggested Response to Recommendation and Reasons	Key Officer responsible for the item
					All the actions to be agreed and actioned in conjunction with the Councillor Merel Rehorst- Smith Portfolio Holder for Regulatory Services and Air Quality.	

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Guildford Borough Council

Report to: Executive

Date: 18 April 2024

Ward(s) affected: Shalford, Worplesdon

Report of Director: Legal & Democratic Services

Author: John Armstrong, Democratic Services & Elections Manager

Tel: 01483 444102

Email: john.armstrong@guildford.gov.uk

Lead Councillor responsible: Tom Hunt

Tel: 07495 040978

Email: tom.hunt@guildford.gov.uk

Report Status: Open

Option Agreement with Blackwell Park Limited in respect of purchase of Council-owned land – Outcome of call in of decision taken by the Strategic Director: Place

1. Executive Summary

- 1.1 The proposed key executive decision taken by the Strategic Director: Place on 29 February 2024 in relation to entering into an Option Agreement on 8 March 2024 with Blackwell Park Limited providing the option for them to purchase a small parcel of Council-owned land necessary to enable development on Blackwell Park was called in by a number of councillors for review by the Overview and Scrutiny Committee (OSC). The OSC considered the call-in at its special meeting held on 19 March 2024.
- 1.2 The purpose of this report is to set out formally the outcome of the review of the decision by the OSC.
- 1.3 A copy of the draft minute of the OSC's consideration of this call-in is attached as Appendix 1 to this report. The Executive is invited to note that the OSC resolved:

“That the decision taken by the Strategic Director – Place on 29 February 2024, in respect of the Option Agreement with Blackwell Park Limited providing for the purchase of Council-owned land, be endorsed”.

- 1.4 Accordingly, the decision came into immediate effect on 19 March 2024 in accordance with Overview & Scrutiny Procedure Rule 16 (f).

2. Recommendation to Executive

- 2.1 That the Executive notes the outcome of the call in by the Overview & Scrutiny Committee of the decision taken by the Strategic Director: Place on 29 February 2024 in respect of the Option Agreement with Blackwell Park Limited providing for the purchase of Council-owned land, which was to endorse that decision.

3. Reasons for Recommendation:

- 3.1. To ensure the Executive is aware of the outcome of the call-in.

4. Exemption from publication

- 4.1. No part of this report is exempt from publication.

5. Purpose of Report

- 5.1 The purpose of this report is to ask the Executive to formally note the outcome of the call in by OSC of the decision taken by the Strategic Director: Place on 29 February 2024, in respect of the Option Agreement with Blackwell Park Limited providing for the purchase of Council-owned land.

6. Strategic Priorities

- 6.1 Principles of good decision-making, such as being open and accountable, underpin the Council’s strategic framework for delivery of its vision for the Borough. Use of Overview and Scrutiny’s power of call-in can help ensure that the Council adheres to these principles.

7. Background

- 7.1 The proposed decision set out below was taken by the Strategic Director: Place on 29 February 2024:

Blackwell Park Development – Option Agreement

Decision:

“Subject to consideration of any objections to the Council’s notice of its intention to dispose of open space land pursuant to s123(2A) of the Local Government Act 1972 which closes on 7 March 2024, to enter into an Option Agreement on 8 March 2024 with Blackwell Park Limited providing the option for them to purchase a small parcel of Council-owned land necessary to enable development on Blackwell Park. If the option is exercised then, subject to the terms and conditions of the Option Agreement, the Council will transfer the land to Blackwell Park Ltd, for a further price, and an Overage Agreement will also be entered in to so that the Council can benefit from any additional financial gain as a result of the sale”.

Reasons for the decision:

“Selling the land to Blackwell Park Ltd will allow them to proceed with the development of a strategic site, allocated within the Local Plan, A26 Blackwell Farm. This meets the priorities set by the Council and supports delivery of the Local Plan.

An Option Agreement provides Blackwell Park Ltd with certainty about the sale of the land and enables the Council to benefit from an immediate financial return.

An option fee is paid to the Council on completion of the Option Agreement and then, if the option is exercised, the Council will receive a further payment (minus the amount already paid for the option) which is the higher of:

1. a set minimum value; or
2. a percentage of the development valuation.

It has been assessed that this deal represents best value for the Council in accordance with s123 of the Local Government Act 1972 and therefore it is a good use of the Council’s assets to make a financial return and support the Local Plan”.

Alternative options considered and rejected:

“The Council has considered not selling the land to Blackwell Park Ltd, this would mean that development could not be delivered on the site which would not be consistent with the Local Plan. It would also mean that the Council was not making best use of its assets by securing a financial return for the Council.

The Council has considered not entering into an Option Agreement, but this would create uncertainty for Blackwell Park Ltd in applying for planning permission and the terms of the Option Agreement ensure that the Council obtains best value as well as an immediate financial return”.

Source of Authority to take Decision: Officer Scheme of Delegation

Paragraph 3 of the list of powers delegated to the Strategic Director: Place states:

“In consultation with the appropriate lead councillor and subject to being satisfied that the Council will receive the best consideration reasonably obtainable to sell land and buildings up to 0.2 hectares in area, following consultation with the Chief Finance Officer and ward councillor(s) in compliance with the Land and Property Disposal Policy”.

The call-in procedure and options

- 7.2 In accordance with Overview and Scrutiny Procedure Rule 16, implementation of any key executive decision taken by an officer with delegated authority from the Leader/Executive is delayed for five working days after it is made to enable councillors to call in the decision for review by the OSC. In this case, five councillors called in this proposed decision for review.
- 7.3 The OSC considered the call-in at its special meeting held on 19 March 2024. A copy of the draft minute of the OSC’s consideration of the call-in is attached as Appendix 1 to this report. The Executive is invited to note that the OSC resolved:

“That the decision taken by the Strategic Director – Place on 29 February 2024, in respect of the Option Agreement with Blackwell

Park Limited providing for the purchase of Council-owned land, be endorsed”.

- 7.4 Overview & Scrutiny Procedure Rule 16 (f) provides if the OSC endorses the proposed decision, it comes into immediate force and effect.

8. Key Risks

- 8.1 None relating to this report.

9. Financial Implications

- 9.1 There are no financial implications relating to this report.
- 9.2 The financial implications associated with the proposed transaction are set out in the decision in paragraph 7.1 above.

10. Legal Implications

- 10.1 Under section 9F (2) of the Local Government Act 2000, Overview and Scrutiny has the power to review or scrutinise decisions made, or other action taken, in connection with the discharge of any functions which are the responsibility of the executive. Furthermore, section 9F (4) empowers the Overview and Scrutiny committee to recommend that any decision made but not implemented be reconsidered by the person who made it.
- 10.2 The Council’s Constitution (Overview and Scrutiny Procedure Rule 16) indicates that the Committee’s options, if deciding to review the proposed decision itself, include referring the proposed decision back to the decision taker for reconsideration, with such comment and advice as the Committee deems appropriate, or endorsing the proposed decision.
- 10.3 If the Committee endorses the proposed decision or determines not to refer the matter back to the decision taker, the proposed decision shall take effect immediately.

11. Human Resource Implications

11.1 There are no human resource implications arising directly from this report.

12. Equality and Diversity Implications

12.1 The Council has a statutory duty under section 149 of the Equality Act 2010 which provides that a public authority must, in exercise of its functions, have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

12.2 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.

13. Climate Change/Sustainability Implications

13.1 No relevant climate change/sustainability implications apply to this report.

14. Background Papers

None

15. Appendices

Appendix 1: Draft OSC Minute OS51 – Overview & Scrutiny Committee
(19 March 2024)

Draft Overview & Scrutiny Committee Minute 19 March 2024

OS51 Option Agreement with Blackwell Park Limited in respect of Purchase Of Council-Owned Land - Call In of proposed decision taken by the Strategic Director: Place

The Chairman advised the Committee of the scope of the meeting and possible outcomes. He indicated that the role of the Committee was to review the 29 February 2024 decision of the Strategic Director – Place. The Chairman stated the review would include whether the decision accorded with the Council’s Principles of Decision-Making, the timeline and urgency of the decision, and whether the decision was of such importance and sensitivity that it would have been expected to have been taken by the Executive rather than an officer.

The Chairman indicated the role of the Committee was not to explore or review those wider areas of Council policy outside the decision taken by the Strategic Director – Place. The Chairman reminded the meeting of the powers and options available to the Committee as detailed within the report submitted to the Committee.

The Chairman welcomed the five Councillors who had requested the call-in, together with other Councillors at the meeting and online. He thanked the Strategic Director – Place, the Strategic Director of Legal and Democratic Services, the Senior Legal Specialist (Corporate, Commercial, and Property), and Mr Tyldesley (a consultant to the Council’s Regeneration and Corporate Programmes and the Blackwell Park Development Lead) for attending to help the Committee’s review.

Next, the Chairman invited the Councillors who had called-in the decision to explain their reasons for doing so. Councillor Oven made a statement giving the reasons for calling-in the decision of the Strategic Director – Place. He began by reminding the meeting that the Council’s stated values included, ‘We will listen to the views of residents and be open and accountable in our decision-making’ and he then highlighted sections of the Council’s Constitution to reinforce his point. This included reference to the importance of holding decision-makers to public account, a presumption in favour of openness in respect of the Council’s business, and the Council’s definition of a key decision. Councillor Oven suggested that the significance and sensitivities of the decision taken by the Strategic Director – Place on 29 February were such that the matter should have been determined by the Executive. He suggested that the

officer decision on 29 February lacked an opportunity for the public or non-Executive Councillors to engage in the decision-making process.

In addition, Councillor Oven questioned whether all facts relevant to the decision had been taken into account and assessed properly by the decision-maker; he suggested that the site might be within an extended AONB/National Landscape.

With reference to the Council's Access to Information Procedure Rules, Councillor Oven suggested that the importance and sensitivities of the option agreement with Blackwell Park Limited (BPL) meant that the decision on it should have been taken by the Executive rather than an officer. He suggested that the option agreement was neither minor nor routine in nature and would be of interest to many members of the public.

Another signatory to the call-in, Councillor Young, questioned why Councillors had not received a briefing on the Blackwell Park ransom strip and suggested that the potential financial gain to the Council from the option agreement meant it merited decision by the Executive rather than an officer. Councillor Young suggested the Committee request details of the agreement, including its terms and conditions, and the valuation of the Council land. She suggested the progression of the Blackwell Park Development by the disposal of the Council land warranted consideration by the Executive or perhaps full Council.

The three other Councillors who had requested the call-in indicated they did not wish to add to the reasons put forward by Councillors Oven and Young.

The Chairman invited the Strategic Director – Place to respond to the statements from the Councillors who had requested the call-in. The Strategic Director – Place advised the Committee of the source of authority within the Constitution's Officer Scheme of Delegation to take the decision on the Blackwell Park Development – Option Agreement. She indicated that powers delegated to her included the sale of land up to 0.2 hectares in area, subject to the Council receiving the best consideration reasonably obtainable and undertaking consultation about the decision with the appropriate lead councillor, the Chief Financial Officer, and ward councillors. She stated that the Council land was a small strip of land that varied in width from 30 cm to 1 metre and totalled an area of no more than 0.192 hectares and perhaps only 0.086 hectares.

The Strategic Director – Place indicated that the Council's strip of land had no use other than as a ransom strip. She advised that Council policy was to dispose of such surplus land. The Strategic Director – Place stated that the development of the land by BPL and concerns about the Local Plan or the

AONB were not relevant to her decision on the option agreement. She indicated that the Blackwell Park site was allocated for residential development in the Local Plan.

The Strategic Director – Place stated that she did not consider the option agreement to be so significant that a member of the public would reasonably expect the decision to be taken by a member of the Executive. She advised the meeting that the Executive had received numerous briefings on negotiations over the ransom strip and at no time had the Executive indicated the decision significant enough to warrant the Executive itself taking the decision.

The Strategic Director – Place advised the Committee that an independent valuation of the land had been undertaken to ensure that the negotiated deal represented best value for the Council in accordance with section 123 of the Local Government Act 1972. In addition, the Strategic Director – Place stated that public consultation had occurred as the disposal of the land had been advertised in a local newspaper for two weeks, which resulted in one request for information and no objections.

The Strategic Director – Place advised the Committee of the reasons for not giving the required 28 days' notice of the key decision on the Council's Forward Plan. She stated that a request to complete the transaction with BPL had been received in February 2024, prompted by the retirement of the Chief Executive Officer of BPL at the end of February and a concern that this change might lead to a re-opening of negotiations. The Strategic Director – Place advised the meeting that the Chairman of Overview and Scrutiny was informed that the decision would be made under the general exception provisions as it was not possible to give 28 days' notice and that he did not request the decision be taken by the Executive. She indicated that the ward councillors consulted about the deal were those who would be impacted by any future development of the Blackwell Park site.

The Strategic Director – Place outlined the alternative options considered and rejected: not selling the land to BPL; selling the land to someone else; waiting until planning permission had been granted for a development on the Blackwell Park site before selling the land; and selling the land now to BPL.

The Senior Legal Specialist (Corporate, Commercial, and Property) indicated that when the Strategic Director – Place made her decision on 29 February she was aware of all the issues within the Constitution that had been put forward earlier in the meeting by Councillor Owen and any other factors that surrounded the decision. The Senior Legal Specialist (Corporate, Commercial, and Property) suggested that the option agreement was a routine matter covered by the delegated powers given to the Strategic Director – Place and

was unrelated to issues such as the AONB because the option agreement had no impact on other decisions to be made.

The Chairman invited Committee members to question the Strategic Director – Place about the decision called-in.

A member of the Committee queried the characterisation of the ransom strip as a small piece of land and suggested the land had long been viewed as an asset to the Council and one that gave the Council involvement with a major development site in the Borough. He queried the lack of a plan to show the Council-owned land when the decision of the Strategic Director – Place was published. In addition, he suggested the importance of the land sale merited decision by the Executive, rather than through delegated authority.

In response to a question from a Committee member, the Strategic Director – Place stated the size of the Council's land was 0.086 hectares. The Strategic Director – Place stated that the sale of the ransom strip did not affect or impact proposals for a solar farm at Blackwell Park and the solar farm was not relevant to the Committee's review.

In reply to a question about the importance of the sale, Councillor Oven suggested that the ransom strip was key to the development of the Blackwell Farm site.

A member of the Committee indicated that the importance of the ransom strip did not relate to its total area, but to its location and how essential it was to the development of the Blackwell Park site. Another member of the Committee suggested the width and overall area of the ransom strip were neither central to the Committee's debate nor indicative of the land's importance or value.

In response to comments from a Committee member, the Senior Legal Specialist (Corporate, Commercial, and Property) advised the Committee that the Council's financial gain from the future development of the Blackwell Park site and the Council's role as the Local Planning Authority tasked with considering proposals for development of the site were separate processes and that there was no conflict of interest. The Lead Councillor for Regeneration informed the meeting that such potential conflicts of interest were dealt with regularly and future planning decisions for the site would not be influenced by the financial gain its development would bring to the Council.

In response to a request from a member of the Committee, the Senior Legal Specialist (Corporate, Commercial, and Property) showed the title plan of the ransom strip land at the meeting.

A member of the Committee questioned why the Committee's review could not include discussion of the development of the site by Blackwell Park given that the 29 February notice of the decision by the Strategic Director – Place had included the sale of the land to BPL to allow the company to proceed with the development of a strategic site as a reason for her decision. In response, the Strategic Director – Place indicated that the Council worked with all strategic sites owners to help bring forward such Local Plan strategic sites.

A member of the Committee suggested that the call-in might have been unnecessary if the briefing for Councillors on the ransom strip had taken place as scheduled the previous week. In reply, the Strategic Director – Place stated that the 12 March briefing on the ransom strip was cancelled due to the decision being called-in on 7 March and, in part, the need for officers to prepare for the Committee's call-in meeting. The Strategic Director – Place stated that the details of the option agreement were commercially sensitive and unable to be shared in public.

A member of the Committee indicated she felt the provision within the Council's scheme of officer delegation that gave the Strategic Director – Place the power to decide land sales within a size-threshold was in conflict with other provisions within the Constitution that suggested the importance and sensitivities of an executive decision inform whether an officer should exercise their power to take it. In response, the Strategic Director of Legal and Democratic Services indicated that different provisions within the Constitution needed to be weighed up by officers in concluding whether to exercise their delegated authority.

A member of the Committee asked what the risk would be in taking the matter to a meeting of the Executive for decision. In response, the Senior Legal Specialist (Corporate, Commercial, and Property) advised that the Executive had been kept fully briefed on the decision and had not indicated a wish to take the decision. She advised the Committee that it had not been necessary to take the matter to the Executive. The Lead Councillor for Regeneration indicated that because BPL had requested the progression of the option agreement by the end of February then a decision under delegated authority seemed most appropriate. The Chairman noted that Executive briefings lacked public transparency.

In response to a question, the Strategic Director – Place confirmed that the option agreement had not been signed by the Council and advised that the financial details could not be disclosed at that time. The Senior Legal Specialist (Corporate, Commercial, and Property) advised that the land sale was handled

in accordance with the Council's asset disposal policy and had not been put out to tender.

In reply to a query about the possible financial consequences of delaying implementation of the decision, the Strategic Director – Place indicated that BPL would not apply for planning permission to develop their site before an option agreement was in place. She indicated that Blackwell Park was an important site for approximately 1800 new homes, forty percent of which should be affordable housing. The Strategic Director – Place suggested the value of obtaining the capital receipt from the agreement option and that time was of the essence.

In answer to a question about consultation with non-Executive councillors, the Strategic Director – Place stated that ward councillors were consulted about the decision and had a site visit.

A member of the Committee questioned the merit in referring the decision back to the decision-maker and indicated she felt that the decision-making process had been followed correctly. In response, Committee members suggested the value in the decision being taken in a public forum with input from all Councillors and the public. Other Councillors indicated a belief that the decision-making process had not been followed in its entirety and suggested the decision should have been made in a different way, with information shared with all Councillors.

In response to a question from a Councillor, the Chairman indicated that questions about the possible use of the ransom strip land in relation to Blackwell solar farm were not relevant to the Committee's discussion.

With reference to the Council's Constitution, the Strategic Director of Legal and Democratic Services reminded the meeting of the purpose of the Committee. She recapped the reasons for the call-in and the need for the Committee to avoid consideration of facts irrelevant to the decision.

The Strategic Director of Legal and Democratic Services indicated that the Committee had been informed of consultation undertaken by the Strategic Director – Place with the Lead Councillor for Regeneration, the entire Executive, ward councillors and, through publication of a Section 123 notice, with the public. In addition, the Committee was advised that the Senior Legal Specialist (Corporate, Commercial, and Property) had advised the Strategic Director – Place and the Lead Councillor for Regeneration on the appropriateness of the option agreement decision being taken using delegated authority. The Strategic Director of Legal and Democratic Services indicated

that the Strategic Director – Place had justified the decision taken from the options available.

With reference to the Council's scheme of delegation, the Committee was informed by the Strategic Director of Legal and Democratic Services that officers were empowered to make key decisions. Furthermore, the Committee was reminded that the Council had delegated power to the Strategic Director – Place to decide sales of land or buildings up to 0.2 hectares in size and that the Council had chosen to put no limitations on this power other than the consultation provisions that had been complied with. The Strategic Director of Legal and Democratic Services advised the meeting that the Executive had given no indication at any time of wanting to retain the decision for themselves and that this would have encouraged the Strategic Director – Place to believe it appropriate to exercise her delegation. The Committee was advised by the Strategic Director of Legal and Democratic Services that the meeting had heard evidence that the option agreement decision by the Strategic Director – Place promoted the Council's visions and values.

The Strategic Director of Legal and Democratic Services stated that there was significant evidence to show that the Strategic Director – Place was both within her powers and acting appropriately when she exercised her delegation. The meeting was reminded of the special urgency provisions relating to key decisions and transparency and openness. The meeting was informed that the 14 day period between the addition of the key decision to the Forward Plan and the decision being taken by the Strategic Director – Place constituted public consultation and satisfied the need for openness.

The Strategic Director of Legal and Democratic Services advised the Committee that while an all-councillor briefing on the ransom strip would have been good practice and helpful it was not a requirement of an officer exercising a decision-making function.

In response to a point raised by Councillor Owen concerning the Council's Access to Information Procedure Rules, the Strategic Director of Legal and Democratic Services indicated that the option agreement decision was not minor or routine in nature and the decision would not have been taken by the Strategic Director – Place if it was. The Senior Legal Specialist (Corporate, Commercial, and Property) indicated that officers considering a decision in connection with an executive function should have regard to the principles stated within Access to Information Procedure Rule 22.3 but that wider aspects such as the officer scheme of delegation and the decision matter itself should also be considered.

In response to a proposal from the Chairman, the Strategic Director of Legal and Democratic Services informed the Committee that the Joint Constitution Review Group was due to receive a revised officer scheme of delegation and would then make recommendations on the subject to the Council's Corporate Governance and Standards Committee.

In reply to a question about the Chairman not taking questions or comments in the meeting from non-Committee members, the Chairman indicated this was at his discretion.

The Committee held two votes: on whether to endorse the option agreement with BPL decision of the Strategic Director – Place, or whether to not refer the matter back to the decision-maker.

RESOLVED: That the decision taken by the Strategic Director – Place on 29 February 2024, in respect of the Option Agreement with Blackwell Park Limited providing for the purchase of Council-owned land, be endorsed.

Guildford Borough Council

Report to: Executive

Date: 18 April 2024

Ward(s) affected: All

Report of Director: Strategic Director - Place

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Report Status: Open

Asset Disposal Strategy

1. Executive Summary

- 1.1 The Council is seeking to generate £50M (net) of capital receipts from the disposal of property assets held within the General Fund.
- 1.2 This activity is an identified critical workstream within the Financial Recovery Plan endorsed by Full Council at its meeting on 30 August 2023.
- 1.3 A proactive and strategic approach to identifying and progressing an accelerated volume of property asset sales is required.
- 1.4 This report sets out options available to the Council to progress an asset disposal programme to achieve the £50M (net) target and a recommendation to approve the draft Asset Disposal Strategy.

2. Recommendation to Executive

That the Executive approves the draft Asset Disposal Strategy (Appendix 1) and notes the Equality Impact Assessment (Appendix 2).

3. Reason(s) for Recommendation:

To set out a strategy to generate capital receipts through the sale of assets to meet the £50M (net) target as part of the Financial

Recovery Plan to reduce Council debt to achieve a sustainable financial position.

4. Exemption from publication

None.

5. Purpose of Report

To set out a draft strategy which the Executive will apply to assess and determine any future proposed asset disposals.

6. Strategic Priorities

- 6.1. The Financial Recovery Plan endorsed by Full Council at its meeting on 30 August 2023 included a workstream to review the Council's property assets and consider those which could be suitable for disposal to help reduce the Medium-Term Financial Plan (MTFP) budget gap.
- 6.2. At its meeting of 8 February 2023, Full Council approved the 2023/24 budget and MTFP with an £18.3m projected deficit 'to be resolved'. The July 2023 Council General Fund Budget update report explained that the Council's ambitious capital programme had resulted in a significant need for the Council to borrow and to provide for debt repayment through its minimum revenue provision. It identified the Cost of Capital financing as a significant contributor to the £18.3m MTFP deficit. The July report stated that the Council's debt must be reduced to achieve a sustainable financial position and that this could be supported through the sale of some of its property assets.

7. Background

- 7.1 The Council's financial accounts identify General Fund property assets into two major categories that are in scope for consideration. These are Investment Properties held purely for income generation or value appreciation but do not fulfil any service objective, and Land and Buildings assets held for operational or strategic reasons. Other categories also in scope are defined in the financial accounts as Surplus assets which are those no longer needed and surplus to requirement, and Community assets that include open space and land assets.
- 7.2 Housing Revenue Assets are outside the scope of this programme.

- 7.3 In preparing the Asset Disposal Strategy, similar strategies employed by other Councils including Slough, Croydon and East Sussex have been considered to learn from their approaches taken.
- 7.4 Assets will be reviewed for:
- Current property book valuations
 - Alternative use valuations
 - Income and related expenditure
 - Service use of an asset
 - Tenure and occupancy status
 - Contribution to the Corporate Plan, delivery of statutory services and strategic significance
 - Commercial, contractual, and other significant factors e.g., political sensitivity that might affect the decision to sell.
- 7.5 An initial review of the Council's corporate property assets has been completed by officers to assess the potential suitability of each asset for disposal employing a red, amber, or green (RAG) rating measure.
- 7.6 This assessment has provided a preliminary view on whether an asset potentially falls within a sell, review, or keep outcome based upon a number of assumptions. Such assumptions include assessment of the income and expenditure to determine the yield received, knowledge of the suitability of the asset to the Council service requiring its use, and any legal or practical property considerations that could impede a potential disposal.
- 7.7 Executive Heads of Service and Service Leads have been consulted on potential disposal opportunities to ascertain whether those can be brought forward for consideration having regard to latest operational requirements. Assets that are essential to the delivery of Council Statutory Services and those that continue to provide an attractive and sustainable investment return are to be protected.
- 7.8 Land and Building assets of strategic significance or for public realm as well as those which may be required as part of the Council's Corporate Plan, e.g., Shaping Guildford's Future are also to be protected.

- 7.9 The strategy involves focusing on assets that would ideally have limited negative impact on the Council's revenue income stream in terms of rent or other income received. Where such assets have been identified for possible disposal, this may be because of uncertain sustainability of the current income received in the longer term, for example, without significant further investment being made into the buildings.
- 7.10 A measured and structured approach is to be taken when placing assets on the market via a phased programme to avoid the perception of a fire sale and the negative impact that may have on the pricing of assets. The strategy involves identifying the more straightforward assets and marketing these in the earlier phases of the programme.
- 7.11 More complex assets may be held back to a later phase, where there may be greater political sensitivity such as community based assets identified as surplus or where it may be necessary to carry out preparatory work prior to being considered for sale, or if obtaining a variation to planning to allow redevelopment would allow best value to be achieved within the timeframe and to comply with Section 123 of the Local Government Act.

8. Consultations

- 8.1 The Lead Councillor and members of the Financial Recovery Executive Working Group (FREWG) have been consulted during which the issues have been discussed and following which the recommendation of the Asset Disposal Strategy was endorsed.
- 8.2 Executive Heads of Service have also been consulted during the review of potential assets for disposal to identify those assets which need to be protected as a result of their requirement for operational services to be maintained.
- 8.3 Officers will engage with Ward Councillors on the individual disposals at the relevant time.

9. Key Risks

- 9.1 Key Risks include;
- Assets marketed for disposal do not sell or the sale of assets identified for disposal do not achieve the net £50M target of

capital receipts and/or not within the timeframe required. To mitigate this, the progress of asset sales and the level of capital receipts achieved will be closely monitored and if necessary, additional assets may need to be added for potential disposal. This could impact negatively on net revenue receipts in the event these generate investment income to the Council.

- Encumbrances are identified that may frustrate or prevent a sale concluding. To mitigate this the Council will obtain a report on title and identify any potential encumbrances which may impede a sale completing or impact on achieving the market valuation obtained for each individual asset identified for potential disposal.
- To mitigate the impact of potential loss in revenue income received, the strategy recommends where possible, protecting those assets generating an attractive rental yield and sustainable level of rental income.

10. Financial Implications

- 10.1 To generate the required £50M (net) of capital receipts, the Council will incur fees throughout the programme and during the asset disposal process.
- 10.2 Initially, officers will need to appoint property agents to provide valuations. The fees will be payable in two stages; following receipt of an initial Opinion of Value and thereafter a formal Red Book Valuation in accordance with the RICS Global Standards for those assets where approval to proceed to disposal is received.
- 10.3 Other costs may be incurred during the programme such as obtaining planning advice, legal fees and appointing other specialist services such as architects and design consultants.
- 10.4 Subject to a further separate tendering exercise, disposal fees will be payable to Agents following legal completion of sales.
- 10.5 All costs incurred will initially be funded from the Council's General Fund revenue budget and then subsequently financed from the proceeds of sales. The total gross capital receipts will therefore need to exceed £50M to cover these costs incurred. There are enough revenue funds set aside to accommodate the initial costs.

10.6 The Council is aiming to protect its revenue stream; however, this will not be possible in every asset disposal where most assets are leased or licenced out and the Council receives rental income. In such instances, the Council's income receipts will be negatively impacted. This is however balanced against the level of capital receipts generated, as well as the annual saving of ongoing expenditure incurred to repair, maintain, and manage the asset.

11. Legal Implications

11.1 Full consideration will need to be given to the legal implications of each potential sale, including considering the power under which the land is held, the status of the land, whether there are any secure tenancies in place and the use of the land.

11.2 The Council has wide powers for disposal of its property assets under s123 of the Local Government Act 1972 provided that it obtains the best consideration that can be reasonably obtained for the land. If less than best consideration is going to be achieved, then the consent of the Secretary of State is required. The Secretary of State has given a general consent under Local Government Act 1972: General Disposal Consent (England) 2003 and in all other circumstances specific consent must be obtained.

11.3 If land is held for planning purposes, then the Council can dispose of the land under s233 Town and Country Planning Act 1990 and if best consideration is not obtained then specific consent from the Secretary of State will be required.

11.4 If the land consists of open space, then the Council must comply with the requirements of s123 (2A) Local Government Act 1972 or s233(4) of the Town and Country Planning Act 1990 to advertise the disposal of land for two consecutive weeks and consider any objections.

11.5 The Council can also dispose of land for housing purposes under s25 of the Local Government Act 1988 and s32 of the Housing Act 1985 (as amended). The consent of the Secretary of State is required in some circumstances and General Consents have been issued by the Secretary of State.

11.6 If the land is held by the Council as trustee, the Council has additional responsibilities which arise from its role as trustee and

will be subject to the disposal requirements set out in the Charities Act 2011. Such disposals will need to be considered by the Executive Shareholder and Trustee Committee in accordance with the requirements of the Charities Act 2011, any directions issued by the Charity Commission and professional advice.

- 11.7 There will also need to be consideration as to whether the Public Contracts Regulations 2015 apply if there is any requirement for development. If a transaction is structured as an exempt land transaction as per Regulation 10(1)(a) of the Public Contracts Regulations 2015 (PCR) then it will not constitute a "public works contract" and the Council will not have to go through a procurement exercise.

12. Human Resource Implications

- 12.1 Additional resource required to progress the strategy/project.
- 12.2 Staff consultations where service teams will be impacted by the loss of an operational asset.

13. Equality and Diversity Implications

- 13.1 Public authorities are required to have due regard to the aims of the Public Sector Equality Duty (Equality Act 2010) when making decisions and setting policies.
- 13.2 An Equalities Impact Assessment has been completed in regard to the draft strategy and is set out at Appendix 2.

14. Climate Change/Sustainability Implications

- 14.1 If a site is deemed to have potential for renewable energy generation this can be considered in future opportunities.
- 14.2 The disposal of any selected asset is likely to reduce the Council's overall carbon emissions. Carbon Savings may be impacted by removing renewable energy potential (if applicable) and may have a negative impact on the Council's short-term Scope 3 carbon emissions. However, these emissions are currently outside of the scope of the current climate change action plan and are difficult to calculate without a defined methodology.

15. Summary of Options

- 15.1 Do nothing and continue to adopt a business-as-usual approach to disposing of the Council's surplus owned assets without an approved Asset Disposal Strategy. This option is not recommended as it is highly unlikely to deliver the targeted capital receipts of £50M net by March 2027.
- 15.2 Proceed with the Asset Disposal programme ignoring political, local community and any other sensitive issues along with all operational requirements of the Council's service teams whilst basing any decision to dispose of an asset purely on economic grounds. This option is not recommended due to the inability of the Service teams to function without suitable premises and the likely objections that this would raise.
- 15.3 Proceed with the Asset Disposal programme ignoring operational service requirements for use of selected assets. This option is not recommended as for each impacted Service to continue operating, it would likely result in the Council needing to fund the purchase of alternative premises.
- 15.4 Proceed with the Asset Disposal programme without first investigating any legal issues such as restrictive covenants and planning issues which may need to be resolved prior to placing an asset on the market. This option is not recommended due to the risk of sales falling through and possible reputational damage to the Council, as such encumbrances could potentially frustrate the sale of an asset completing.
- 15.5 Proceed as per the approach set out in the Asset Disposal Strategy having regard to the wider considerations including sensitive political and community issues, operational service requirements, the financial impact of disposal as well as property and legal issues that may impact on a sale progressing. This option is recommended.
- 15.6 The recommended option is to proceed with the Asset Disposal Strategy as proposed in paragraph 15.5, having regard to the wider considerations noted – this option should mitigate the risk of disposing of any asset required to support ongoing service delivery provided by the Council and will fully assess the economic

benefit of disposing of each individual asset whilst achieving best value. By dealing with any legal and property matters prior to marketing, this will reduce the number of sales from being potentially frustrated or falling through during the disposal programme and enabling the £50M target to be met by March 2027.

16. Conclusion

- 16.1 The Council is required to generate £50M (net) of capital receipts from the sale of property assets held within the General Fund as set out in the Financial Recovery Plan.
- 16.2 Officers' recommendation to the Executive is to approve the draft Asset Disposal Strategy setting out the approach to be taken to dispose of property assets to mitigate the risk of the Council being unable to achieve sales to meet the £50M (net) targeted capital receipts by March 2027 and to achieve ongoing future savings in revenue costs.
- 16.2 This will have regard to sensitive political and community issues, operational service teams' requirements, full consideration of the economic impact of each individual disposal, along with legal and property issues that could potentially frustrate or prevent a sale concluding being investigated, prior to deals progressing.
- 16.3 On approval of the draft Asset Disposal Strategy, officers will progress with the preparation of individual Summary Property Reports and thereafter, following Executive approval to proceed with individual property asset sales, commence marketing for disposal.

17. Background Papers

None

18.0 Appendices

- 18.1 Appendix 1 – Draft Asset Disposal Strategy
- 18.2 Appendix 2 – Equality Impact Assessment

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Asset Disposal Strategy

1. Background

- 1.1. In July 2023, the Council General Fund Budget update report explained that the Council's ambitious capital programme had resulted in a significant need for the Council to borrow and to provide for debt repayment through its minimum revenue provision.
- 1.2 The cost of Capital financing is a significant contributing factor to the £18.3m Medium Term Financial Plan (MTFP) deficit.
- 1.3 The July report stated that the Council's debt must be reduced to achieve a sustainable financial position and that this could be supported through the sale of assets.
- 1.4 Asset Disposal is a critical workstream within the Financial Recovery Plan (FRP) endorsed by Council at its meeting of 30 August 2023.

2. Objectives

- 2.1 A well planned and implemented programme of asset disposals will improve the Council's financial position via the generation of capital receipts to reduce its level of borrowing and repay the existing debt.
- 2.2 This course of action will decrease both interest costs and Minimum Revenue Provision charged to revenue budgets.
- 2.3 Asset disposals will also lessen pressure on revenue budgets by reducing property repairs, maintenance and utility costs.
- 2.4 The project aim is to conclude a detailed assessment of the Council's corporate property portfolio to identify, as part of its rationalisation programme, which Council owned assets could be sold to generate a total capital receipt of £50M (net of costs etc.) and assist in relieving the level of borrowing and capital financing requirement, as detailed within the updated FRP and Medium Term Financial Plan (MTFP) presented to the Council's Corporate Governance and Standards Committee in November 2023.
- 2.5 The project is working towards the following timescales to achieve capital receipts via the sale of property assets:

£12.5M by Oct 2025
+ £12.5M by Apr 2026
+ £12.5M by Oct 2026
+ £12.5M by Apr 2027

3. Scope and Process

- 3.1 A high-level review of all corporate property assets has been undertaken by the Property and Assets service to assess their suitability for disposal using a RAG rating, the portfolio having been divided into three major categories for consideration:
1. **Investment properties** (held only for income generation and/or capital value appreciation but do not fulfil any service objective),
 2. **Land and Buildings** (held for operational or strategic reasons)
 3. **Surplus Assets** (those no longer required).
- 3.2 Housing Revenue Account owned assets fall outside the scope of Asset Disposal strategy.
- 3.3 This assessment provided an initial view on whether an asset falls within a Sell/Review/Keep outcome based upon a number of assumptions, assessment of property income/expenditure to determine the yield received, and knowledge of the suitability of the asset to the service using it.
- 3.4 A detailed review of all assets in scope is now required taking into consideration additional factors, such as tenure and occupancy information, current/alternative use values and a further in-depth review of income/outgoings to confirm the yield being achieved on each asset, upon which to inform a recommendation to sell.
- 3.5 Whilst the project will focus on generating capital receipts to meet the total financial target, revenue savings will also be achieved via savings on expenditure, which will be detailed within each business case for disposal.
- 3.6 Any legal rights and planning issues that may impact on the ability to sell an asset will be investigated and potentially resolved prior to an asset being placed on the market.

4. Other Considerations

- 4.1 The operational needs of service teams using or occupying assets will impact on the likelihood of achieving a sale of those assets falling within the operational portfolio.
- 4.2 Meetings have commenced with all Service leaders to discuss potential disposal opportunities identified in the high-level review to ascertain whether these can be brought forward for further consideration having regard to latest operational requirements, underutilisation, ability to relocate services to alternative assets where potentially required and any previous assumptions.
- 4.3 These discussions will be concluded before progressing with any recommendation to sell.
- 4.4 Those property assets that are essential to continue the delivery of Council Statutory Services and those that continue to provide an attractive and sustainable investment return are to be protected.
- 4.5 For those assets where there is a community-based activity on site, officers will engage at an early stage with Ward Councillors before any recommendation is made and where appropriate engage with local stakeholders, so they are aware early on in the process of an asset being identified for sale.
- 4.6 The Council holds building and land assets of strategic significance and for public realm as well as those which may form part of another key workstream within the Council's Corporate Plan, e.g., Shaping Guildford's Future.
- 4.7 These sites would therefore not be considered for disposal at the initial stages of this workstream.
- 4.8 Interaction with and interdependencies on other corporate projects as well as any impact thereon will be considered as part of the strategic approach to be taken.
- 4.9 The focus of this Asset Disposal Strategy will be on assets that, should they be sold, will ideally have either zero or limited negative impact on the Council's Revenue income streams in terms of rent or income received.

- 4.10 Some assets may have potential to add value ahead of disposal e.g., conversion of surplus vacant offices to residential use.
- 4.11 To maximise value ahead of disposal, planning permission may need to be obtained, schemes to be developed through a planning application and funding to be made available prior to being actively marketed.
- 4.12 Each opportunity will be fully explored to determine the preferred route to disposal.
- 4.13 Where planning permission can add value, a recommendation to secure planning consent will be presented alongside a disposal value without consent or alternatively, an overage or clawback provision will be recommended for future payments to be made to the Council in the event of excess profits being generated post completion of a disposal.
- 4.14 The ability to secure such overage provisions will be dependent upon the quality of the site and market conditions prevailing at the time of sale.

5. Risks & Constraints

- 5.1 Property Market conditions - with the exception of the industrial sector, current property market conditions are not especially buoyant and whilst demand exists, there is a risk that the market could see a decline which could impact negatively on the Council's ability to dispose of assets at acceptable prices and within the target timescale.
- 5.2 Timing - Placing several assets on the local property market at the same time could result in pricing being negatively impacted via over-supply in the short term.
- 5.3 To avoid adversely impacting local market valuations, a phased approach will be recommended.
- 5.4 A marketing strategy will commence for those assets that should be more straightforward to obtain Council approval to sell (or where approval has already been obtained).
- 5.5 Thereafter, at appropriate stages, further properties will be placed on the market with specialist property agents once all necessary preparation has been completed and based on the market conditions and level of interest being experienced at the time.

- 5.6 Best Consideration - s.123 of the Local Government Act 1972 places a statutory obligation on the Council not to dispose of any asset for a consideration less than the best value that can reasonably be obtained.
- 5.7 In order to ensure compliance with Section 123, whether the Council chooses to dispose of assets via private treaty, auction, formal or informal tender, in advance of any sale progressing updated independent valuations will be obtained (sourced via external property advisors).
- 5.8 This will initially entail obtaining an opinion of value for each asset recommended for disposal to be followed by a formal red book valuation once each disposal has been formally approved and is ready to progress.
- 5.9 Subsidy Control – The Subsidy Control rules (superseding the State Aid regulations) will need to be complied with and legal advice may be required to ascertain the State Aid implications of any disposals to be approved to ensure Subsidy Control rules are met.
- 5.10 Political Sensitivity - whilst there may be financial and/or strategic reasons for the Council to proceed with the sale of assets, there may be political pressures opposing disposals such as loss of a community-based asset and potential requirement to provide facilities elsewhere which may complicate a decision to sell being reached and may delay or prevent the target outcome being attained.
- 5.11 Early consultation with all stakeholders will be undertaken to identify any assets where such political pressures may complicate a decision to sell.
- 5.12 These decisions will be addressed by the Executive or other appropriate decision-making forum within the Council at the earliest possible stage to minimise any impact on the target outcome.
- 5.13 Resource Implications - In addition to valuation and marketing budgets being allocated to this workstream, staff support from the Council’s legal team will be required to fully investigate any legal issues that could impact on the ability to sell assets.
- 5.14 Land title reports will be required to establish whether any restrictive covenants, rights and any other impediments to a disposal exist, in addition to undertaking the typical conveyancing work associated with disposing of property, dealing with pre-contract enquires etc.

- 5.15 Dependent on capacity available and numbers of transactions progressing, the legal team may require additional staff resources.
- 5.16 Further support may be required from Planning Services relating to enquiries on planning restrictions, listings and where it may be necessary to apply for planning permission to maximise sale prices.
- 5.17 Public Open Space and Common Land - Should the Council approve the disposal of land assets that form part of Public Open Space or Common Land, there will be a need to comply with requirements to publish its intention to do so and consider any representations received.
- 5.18 Special rules apply to disposal of Common Land which may require Secretary of State Consent.
- 5.19 Confidentiality - Confidentiality will be required on certain discussions where a sale may be sensitive to avoid impacting staff uncertainty (for example, some of the properties in-scope provide facilities to the local community).
- 5.20 Communications with all stakeholders including the Executive, councillors, officers within the Service teams and all users of the assets will therefore need to be tightly controlled during the project programme.
- 5.21 Also key, will be how the strategy is communicated externally to ensure commercial confidentiality, and to manage market impact.

6. Approach

- 6.1 Summary Property Reports will be prepared for each asset to be recommended for disposal that will include a property description, tenure details and all other relevant information to support a recommendation to go to the Executive for approval.
- 6.2 These reports will include a financial appraisal and business case.
- 6.3 The intention is for these reports to be submitted to the Executive for approval in batches as the project progresses rather than individually.
- 6.4 The Council's portfolio of assets is highly diverse in nature ranging from prime commercial and industrial sites generating strong income streams or development opportunities comprising sought after investments, to those potentially unoccupied and lower value buildings and land plots

that are likely to prove less straightforward to achieve a sale and for which an extended period of marketing may be required to find a buyer.

- 6.5 Some assets may require additional investment, planning permissions to be obtained or legal issues to be resolved before they can be sold for the best value and these opportunities will need to be further explored.
- 6.6 Each asset will be fully assessed to identify the most effective route to market and the preferred option for those assets where it may not be possible or financially practical for the Council to iron out all potential issues within a realistic timescale or budget within the project constraints.
- 6.7 These elements will be set out in detail as part of the business case included within each Summary Property Report.
- 6.8 To gain early traction, following Executive approval of the assets for disposal, those more straightforward assets will be actively marketed with the minimum of delay as well as progressing sales of assets where Executive approval to dispose may have already been received.
- 6.9 The Council owns a wide variety of assets some of which, due to their specialised nature or more limited appeal, may require a longer period for marketing to find a suitable purchaser and to avoid potentially disposing at a depressed value.
- 6.10 This will need to be allowed for within the programme and timescale for delivery of capital receipts.
- 6.11 Procurement of property agents with the specific knowledge and sector expertise will be undertaken in compliance with the Public Contracts Regulations 2015 and Council procurement policies via use of suitable compliant frameworks where possible, to provide valuations and formally market the assets agreed for disposal.
- 6.12 A number of property agencies will be appointed to maximise marketing impact and suitably cover the range and volume of assets to be disposed.

7. Governance Requirements and Review Process

- 7.1 For the Asset Disposal workstream to succeed and the target capital receipts to be met, strong governance will be necessary to provide a transparent and efficient decision-making process.

- 7.2 Following agreement of assets for disposal by the Financial Control Panel (FCP) and Financial Recovery Executive Working Group (FREWG), the preparation of the Summary Property Reports will commence detailing the business case for disposal of each individual property which will set out the financial appraisal, options available, recommendations on the proposed way forward, analysis of any legal and planning issues and timing and approach to market.
- 7.3 Once disposal of an asset is submitted to the Executive with a recommendation to sell, the Executive will be asked to authorise the Executive Head for Assets and Property to dispose of the assets at best consideration and to enter into all relevant legal documentation required to complete the transaction in return for a capital receipt.
- 7.4 Where a disposal would result in the sale of an asset comprising a Council owned community centre, ahead of any recommendation to sell being progressed, the Joint Head of Community Services is to determine whether a more comprehensive review on the impact to the local community is to be undertaken in consultation with Ward Councillors prior to any recommendation going to the Executive for approval.
- 7.5 Assets and Property team members will hold regular update meetings with each of the property agents who will be marketing assets for sale once appointed, to assess progress and monitor sales and a monthly update thereon will be issued to the FCP and FREWG.
- 7.6 These updates will advise on progress of the workstream against the financial target and agreed milestones. As part of this process, the Asset Disposal Strategy will also be reviewed to ensure it remains fit for purpose.

Equality Impact Assessment

The purpose of an assessment is to understand the impact of the Council's activities* on people from protected groups and to assess whether unlawful discrimination may occur. It also helps to identify key equality issues and highlight opportunities to promote equality across the Council and the community. The assessment should be carried out during the initial stages of the planning process so that any findings can be incorporated into the final proposals and, where appropriate, have a bearing on the outcome.

(*Activity can mean strategy, practice, function, policy, procedure, decision, project or service)

Name of person completing the assessment	Vince Sibley	Date of assessment	20/03/2024
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Name of the proposed activity being assessed	Disposal of Property Assets identified as surplus, as part of the Asset Disposal workstream agreed within the Financial Recovery Plan	Is this a new or existing activity?	New
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Who will implement the activity and who will be responsible for it?	Officers will implement any decision on the disposal of surplus Assets as approved by Executive.
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1. Determining the relevance to equality

What are the aims, objectives and purpose of the activity?	To dispose of surplus Assets for a capital receipt in accordance with the approved Financial Recovery Plan and Asset Disposal Strategy (awaiting approval by Exec)
--	--

Is this a major activity that significantly affects how services or functions are delivered?	Where Operational Assets are being considered for disposal, a full review on the impact to ongoing service provision will be undertaken prior to any decision being taken.	Who will benefit from this activity and how?	The Council will benefit from capital receipts and ongoing revenue savings.
--	--	--	---

Does it relate to a function that has been identified as being important to people with particular protected characteristics?	It is considered the programme may impact specifically on persons with protected characteristics further on through the process.	Who are the stakeholders? Does the activity affect employees, service users or the wider community?	Councillors, officers, professional advisors, contractors, members of the public
---	--	---	--

Based on the above information, is the activity relevant to equality?

<p>Yes – continue to section 2</p> <p>No – please record your reasons why the activity is not relevant to equality</p>	<p>Yes , however it is difficult to assess any impact when no decision has been made on whether or not to dispose of the individual assets and would be based on various assumptions.</p>
--	---

2. Is the proposed activity accessible for all the protected groups listed below?
(Consider in what ways the activity might create difficulties or barriers to parts of the workforce, community or protected groups. How might one or more groups be excluded because of the activity?)

Protected groups	Yes	No	Evidence
Disability		x	Residents, employees, business may have people with disabilities both physical and mental. It may also impact on the physical nature of the new property etc
Race	x		
Gender	x		
Sexual orientation	x		
Age		x	We know there are some groups that are retired or beyond retirement age. Young people may also be impacted
Religion or belief		x	It may be difficult to rehome people who have specific needs according to there religion
Transgender or transsexual	x		
Marriage and civil partnership	x		
Pregnancy or maternity	x		

3. Is it likely the proposed activity will have a negative impact on one or more protected groups?

Protected groups	Yes	No	Evidence
Disability	x		
Race		x	
Gender		x	
Sexual orientation		x	
Age	x		
Religion or belief	x		

Transgender or transsexual		x	
Marriage and civil partnership		x	
Pregnancy or maternity			

4. What action can be taken to address any negative impact? What measures could be included to promote a positive impact?

- We propose to consider the individual impact of each decision to dispose of a property. All properties are different, have different occupants with different abilities and needs therefore this needs to be done at the time of the decision
- Options could include rehoming, right to buy, financial assistance

5. What are the main sources of evidence that have been used to identify the likely impacts on the different protected groups?

- Information yielded from research
- Already known information re residents, tenants etc

6. Has any consultation been carried out (e.g. with employees, service users or the wider community)? Please provide details

Not at this stage

7. Is further consultation required as a result of any negative impact identified? If so, what groups do you intend to engage with and how?

Not at this time

8. Conclusion of Equality Impact Assessment - please summarise your findings

It is considered that the activities resulting from the Council's proposed Asset Disposal workstream may negatively impact on people from protected groups or allow for unlawful discrimination to occur. However the risk at the moment is low as no decisions on individual assets has yet be made.

Name of person completing assessment: Vince Sibley

Date: 20/03/2024

Job title: Asset Surveyor

Signature: . 

Senior manager name: Francesca Kosh

Date: 20/03/2024

Deputy Head of Asset Management

Signature: . 

Guildford Borough Council

Report to: Executive Committee

Date: 18 April 2024

Ward(s) affected: All Wards

Report of Director: Strategic Director of Place

Author: Abi Lewis, Joint Exec Head of Regeneration and Planning Policy

Tel: 01483 444001

Email: abi.lewis@guildford.gov.uk

Lead Councillor responsible: Cllr Tom Hunt

Tel: 07495040978

Email: tom.hunt@guildford.gov.uk

Report Status: Open

Guildford's UK Shared Prosperity Fund (UKSPF) and Rural England Prosperity Fund (REPF)

1. Executive Summary

- 1.1 In 2022, Guildford Borough Council was awarded £1 million over three years from the Department for Levelling Up, Housing and Communities' (DLUHC) UK Shared Prosperity Fund (UKSPF). The grant is split between capital and revenue funding with the aim of 'building pride in places and increase life chances' through three investment priorities: Communities, Local Businesses and People and Skills. The People and Skills priority has been added for 2024-25. The Council was also awarded £400,000 grant from the Rural England Prosperity Fund (REPF) to support rural business and communities.
- 1.2 In order to access its UKSPF and (REPF) allocation, the Council submitted an investment plan and addendum, respectively, outlining the opportunities and challenges of the borough, as well as its investment priorities. Both the UKSPF Investment Plan and REPF Addendum were informed by feedback from and discussions with a range of stakeholders. Since submitting its UKSPF Investment Plan,

further discussions with Council Officers and external stakeholders and partners have been conducted to develop the projects.

- 1.3 On 5 December 2022, DLUHC confirmed the validation of Guildford's UKSPF Investment Plan. The Council discussed how it should progress with the projects it has proposed in its Investment Plan via an Executive Report in March 2023. Approval was given.
- 1.4 This report outlines recommendations to the Executive on proposed projects to benefit from the final tranche of UKSPF grant funding for 2024-25.

2. Recommendation to Executive

That the Executive approves:

- 2.1 The revised project allocations of Guildford's UKSPF grant funding for 2024/25, as outlined in this report.
- 2.2 To delegate to the Strategic Director of Place, in consultation with the Lead Councillor for Regeneration, authority to enter into such contracts and legal agreements connected with the UKSPF and REPF as may be necessary in compliance with Procurement Procedure Rules and within the allocated grant funding budget.
- 2.3 To delegate to the Strategic Director, in consultation with the Lead Councillor for Regeneration, authority to reallocate budget across projects as required in order to meet the grant spend deadline.

3. Reason(s) for Recommendation:

- 3.1. The £790,320 total capital and revenue funding Guildford Borough Council has been allocated from the UKSPF for 2024-25 is a significant sum of money that could have a positive impact on the borough's local communities and businesses.
- 3.2. The projects put forward align with the borough's local priorities and we intend to leverage collaboration with the Council's partners to maximise value for money.

4. Exemption from publication

No.

5. Purpose of Report

This report outlines the revised proposed interventions for Guildford's UKSPF allocation for 2024-25 outlining any proposed changes to projects and project spend since the submission of Guildford's original UKSPF Investment Plan in August 2022.

6. Strategic Priorities

6.1 The proposed projects for Guildford's UKSPF and REPF spend address a number of the Council's Corporate Priorities under Homes and Jobs, Environment and Community:

- Support our business community with expert advice and opportunities to learn how to increase productivity. Attract new inward investment.
- Engage visitors and residents with events that appeal to all ages. Promote our heritage sites and increase footfall and spend in local businesses.
- Maximise opportunities for digital infrastructure improvements and smart places technology.
- Engage with residents and businesses to encourage them to act in more environmentally sustainable ways through their waste, travel and energy choices.
- Work with partners to make travel more sustainable and reduce congestion.
- Work with communities to support those in need and local children.
- Work to make improvements to the town environment and green spaces.

7. Background

UK Shared Prosperity Fund

7.2 On 13 April 2022, the Government launched the UK Shared Prosperity Fund as part of its Levelling Up Agenda with the overall aim to 'build pride in places and increase life chances'. As a central pillar of the Levelling Up Agenda, the UKSPF provides funding to empower places to identify and build on their own strengths and needs by focusing on three Investment Priorities:

- a. Communities and Place
 - b. Supporting Local Businesses
 - c. People and Skills (2024-25 only)
- 7.3 As a Lead Local Authority, Guildford Borough Council has been given £1 million to spend over three years on capital and revenue projects. Lead Local Authorities can choose from a 'menu of interventions' in line with the UKSPF's investment priorities (councils can also put forward ideas for bespoke projects which will require approval from DLUHC).
- 7.4 Work has been underway to deliver the projects profiled for 2022/23 and 2023/24, that were agreed by Executive at its meeting on 23 March 2023. These include:
- Business support for start-up and expanding businesses.
 - Funding Crowdfund Guildford activity, supporting local community projects.
 - E-bike hire scheme with SCC and University of Surrey.
 - Work with Visit Surrey to promote the borough to visitors.
 - Feasibility study on Local Walking & Cycling Plan for the borough.
- 7.5 The detail on projects proposed to be funded in 2024/25 - including profile spend, capital and revenue split - can be found in Appendix 1: Proposed Interventions for Guildford's UKSPF.

Rural England Prosperity Fund

- 7.7 In addition to the UKSPF, the Department of Environment, Food and Rural Affairs' (DEFRA) launched the Rural England Prosperity Fund (REPF) in 2023 which allocated Guildford £400,000 to spend on capital grants to support rural businesses and communities from 2023-24 (£100,000) to 2024-25 (£300,000). The grant aims to help address the extra needs and challenges facing businesses and communities in rural areas. The funding is split across the following priorities:

Investment Priorities	Allocation Year 1 (2023-24)	Allocation Year 2 (2024-25)	Total REPF Allocation
Grant funding for micro and small businesses	£100,000	£100,000	£200,000
Grant funding for growing the local social economy and supporting innovation		£100,000	£100,000
Funding for investment and support for digital infrastructure for local community facilities		£100,000	£100,000
	Year 1 Total	Year 2 Total	Total
	£100,000	£300,000	£400,000

7.8 In October 2023, Surrey County Council (SCC) started work to deliver the REPF on behalf of Guildford Borough Council, Waverley Borough Council and Tandridge District Council. Each Council has allocated £50K of its UKSPF revenue allocation to pay SCC to deliver the scheme. A funding agreement has been entered into between GBC and SCC to document this arrangement. The process is well underway and the first panel to assess applicants and their projects was held in February 2024. The first few GBC projects have been awarded grant funding.

8. Consultations

- 8.1. In developing the proposed revised interventions for 2024/25, Officers have engaged with the Joint Management Team and informal Executive. Dialogue has also continued with recipients of grant funding from the first two years to discuss how delivery is progressing in relation to output targets.
- 8.2. The Council is also continuing to promote the services we are supporting i.e., Crowdfund Guildford, Visit Surrey and Incuhive

business advice, via social media and comms, the Council's website and promotions such as the quarterly Business E-Bulletin.

9. Key Risks

- 9.1. There is an expectation that all grant funding will be spent by the end of March 2025 and there is an indication that unspent grant will have to be paid back to DLUHC. The proposed revised list of UKSPF interventions takes account of this time restriction and seeks to ensure that the grant will be spent and utilised by the deadline, whilst addressing the outcomes required by DLUHC.
- 9.2. Staffing capacity across the services delivering the UKSPF projects is challenging. Projects either underway or those proposed complement existing ongoing activity at the Council. Where possible, grant funding is being provided to external parties to deliver community projects directly. Regular liaison with these organisations is in place, with ongoing monitoring commitments around spend and project progress.

10. Financial Implications

- 10.1. Guildford Borough Council has been allocated £1 million from the UKSPF to spend from financial years 2022/23 to 2024/25 on both capital and revenue projects. On 5 December 2022, the Council received confirmation that its UKSPF Investment Plan had passed DLUHC's validation and from then on regular reporting has been required and is ongoing throughout the life of the fund. The most recent report was submitted to DLUHC in January 2024 and has since been approved. The next report will be due in April 2024.
- 10.2. The amount of funding Guildford receives during the funding years, including the proposed capital and revenue split, is set out below:

Funding sources	Year 1 (2022-23)	Year 2 (2023-24)	Year 3 (2024-25)	Total
Total UKSPF allocation	£69,893	£139,787	£790,320	£1,000,000
Capital allocation	£50,000	£50,000	£560,000	£660,000
Revenue allocation	£19,893	£89,787	£230,320	£340,000

- 10.3. The grant funding for 2024-25 is expected to be £790,320 but, with a new threshold-based sliding scale recently introduced for the next financial year, it may be that the Council will receive less up-front grant than expected, with the remainder paid in arrears and the outstanding balance settled after April 2025.
- 10.4. The Council’s level of spend for 2022-2024 will be taken into consideration and, if 100% of the grant has not been spent in those two years, the total up-front grant funding for 2024-25 will be reduced according to the threshold-based sliding scale. The UKSPF up-front grant could reduce to around 66% of original level. In this circumstance, the Council would be paid in arrears with the shortfall being settled after April 2025.

11. Legal Implications

11.1. The full obligations of Lead Local Authorities can be found in [DLUHC’s Additional Information page](#). Some of the Council’s main obligations include:

- Ensuring all procurements achieve best value for money.
- Ensuring that all public facing documents comply with branding requirements (logos, digital content etc).
- Ensuring we comply with monitoring requirements, complete questionnaires, case studies and making compliant monitoring returns to DLUHC.
- Ensuring that we provide quarterly qualitative updates to the DLUHC, and every 6 months provide formal reporting detailing how our use of the funding is progressing.

- Ensuring that we meet assurance requirements by providing an assurance statement every 6 months.
- 11.2. Annually completing a Statement of Grant outlining GBC's plans for the next year.
- 11.3. The assurance and performance management for the UKSPF sit alongside Lead Local Authorities' existing statutory duties and rules to use public money well.
- 11.4. The Council's Legal team reviewed and approved the MOU with DLUHC which was signed by the Section 151 Officer on 15 December 2022.
- 11.4 The Council has entered into legal agreements with service providers for the various projects commenced in 2023/24. A number of further contracts may be required for projects that start in 2024/25 – this will be resourced through the internal legal team.

12. Human Resource Implications

- 12.1. Services across the Council will play a key role in the delivery of the UKSPF and REPF as the projects proposed cut across a range of the Council's objectives and priorities.
- 12.2. As funding for each financial year is conditional upon the submission of reporting requirements and review of performance, staff resourcing requirements (both internal and outsourced) have been considered to ensure the timely and satisfactory collection of data.
- 12.3. The Executive Head of Regeneration and Planning Policy is the senior responsible owner for the UKSPF projects. In the absence of an Economic Development Officer, the Project Support Officer in the Corporate Programmes team has been supporting the day-to-day delivery of the funds, coordinating procurement activity, working with teams across the Council and partner organisations to achieve the objectives set out. They are also undertaking monitoring work and reporting to DLUHC as required.

- 12.4. UKSPF allows for 4% of the overall allocation to be used for administration and implementation costs (e.g. project assessment, contracting, monitoring, stakeholder engagement). This will be used to cover some staffing costs.

13. Equality and Diversity Implications

- 13.1 The Council has a statutory duty under section 149 of the Equality Act 2010 which provides that a public authority must, in exercise of its functions, have due regard to the need to (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics and persons who do not share it. The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 13.2 An Equalities Impact Assessment (EIA) has been completed considering the projects put forward in the UKSPF Investment Plan and REPF Addendum. The EIA does not identify any equality and diversity implications arising from the proposed recommendations.

14. Climate Change/Sustainability Implications

- 14.1. The Council formally declared a climate emergency in 2019 and set a goal for the borough to reach net zero emissions by 2030. The Council is committed to reducing emissions, particularly from vehicles, energy use and construction processes.
- 14.2. Guildford's UKSPF Investment Plan and REPF addendum proposes projects which work towards a net-zero / low carbon borough, particularly:

UKSPF:

Working with Surrey County Council and other Local Authorities on a Decarbonisation Loan Scheme to help businesses across the borough

implement energy efficiency and other low carbon technologies to reduce their carbon emissions.

Working with Surrey County Council and the University of Surrey to extend the E-Bike hire scheme to Guildford town centre and other urban sites in the borough to promote active and low carbon travel. To be delivered in May 2024.

REPF:

Working with Surrey County Council, Waverley Borough Council and Tandridge District Council to offer a grant programme for rural businesses and communities. For Guildford businesses, this includes capital grant funding for small scale investment in micro and small enterprises in rural areas, including funding to undertake net zero infrastructure projects.

15. Summary of Options

OPTION 1: The Executive could decide not to approve the proposed revised interventions for Guildford's UKSPF grant for 2024-25. However, this would result in a high likelihood that the Council would not be able to use the grant within the funding availability period and would therefore have to repay a proportion of it to the DLUHC. This would also mean that the Council would be unable to advance the proposed projects and make use of the grant allocated within the prescribed timescales to empower our local businesses and communities.

OPTION 2 (Recommended): The Executive could approve the proposed revised changes to the interventions for Guildford's UKSPF. This would enable projects to commence and address local priorities, in alignment with the funding requirements.

16. Conclusion

The Council's UKSPF proposed interventions have the potential to deliver major benefits to the borough, addressing a range of local business and community priorities. Approval of the recommendations set out in this report will ensure that the Council maximises the opportunity linked to the grant available.

17. Background Papers

Executive meeting 20/03/2023 – Item 7: [Agenda for Executive on Monday, 20th March, 2023, 7.00 pm - Guildford Borough Council](#)

[UK Shared Prosperity Fund Prospectus](#)

[UK Shared Prosperity Fund: Additional Information](#)

[Rural England Prosperity Fund Prospectus](#)

18. Appendices

Appendix 1 – list of proposed interventions for 2024-25.

Appendix 2 – spreadsheet of project costs 2024-25.

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UKSPF Interventions 2024-2025

UKSPF Intervention	Project Description
E1 Town Centre Improvements	Environmental improvements
E3 Creation of and Improvements to Local Green Spaces	The Briars playground improvements; Lakeside Nature reserve (Ash) level access boardwalk & fishing platform improvements; Sutherland Memorial Park tennis court auto-locking & online booking systems (external provider) linked to flood lighting
E5 Built and Landscaped Environment to "design out crime"	CCTV and lighting in problem areas are being considered
E4 Enhanced support for existing cultural, historic and heritage institutions that make up the local cultural heritage offer	Capital funding for renovations to heritage sites including The Castle Motte safety barrier and masonry work to Chamber & Tower; St Catherine's Chapel masonry stabilisation; Guildhall plaster repairs, all of which will allow tourists and visitors to continue to enjoy the sites
E7 Support for Active Travel Enhancements in the Local Area	Townwide E-Bike hire scheme initiative with SCC and the University of Surrey. To be launched in May offering numerous E-Bike hire docking stations around the town
E8 Campaigns to Encourage Visits	Heritage Open Day, Car Free Day, Green Day, Pride event, Festive Family Fun Day and new events are also planned to bring visitors to the town, increase spend in shops and cafes, promote tourism in the area and encourage an enhanced community spirit
E9 Impactful Volunteering and/or Social Action Projects	Play Rangers, delivering outdoor activities for children after school and in the holidays in six areas of the town. Activities include den building and sports such as rounders and football

E10 Local Sports Facilities, Tournaments and Leagues	Supporting the Surrey Youth Games at the Surrey Sports Park - 8 different sports included
E11 Capacity Building & Infrastructure Support for Local Groups	Crowdfund Guildford - supporting local community revenue and capital projects - the latest section of funding was launched on 8 March and will end in May. This includes £100K capital for projects with £25K maximum grant
E17 Development and Promotions of the Visitor Economy	Free upgraded inserts for local business on Visit Guildford website to increase footfall and income, professional photograph library & video clips for social media, GBC & tourist office
E24 Training Hubs, Business Support Offers, Incubators	The Incuhive Group. Free business advice, support, newsletter and webinars
E24 Training Hubs, Business Support Offers, Incubators	Payment to Surrey CC for the launch and delivery of the REPF on behalf of the Council
E29 Business Decarbonisation Scheme	Decarbonisation loan scheme contribution, working with Surrey CC who will deliver the scheme.

Appendix 2	Capital	Revenue	Capital & Revenue	UKSPF Intervention/Project	Spend in 2024/2025	Spend in 2024/2025
UKSPF Grant	2024/2025	2024/2025	Total 2024/2025		Capital	Revenue
				E1 Town Centre Improvements Environmental improvements	£125,000.00	
				E7 Support for Active Travel Enhancements in Local Area E-Bike project with Surrey CC and the University of Surrey	£181,800.00	
Capital rolled over 2023/24	£0.00			E11 Capacity Building & Infrastructure Local Groups Spacehive / Crowdfund Guildford	£100,000.00	£25,000.00
Revenue rolled over 2023/24		£0.00		E17 Development & Promotion of Visitor Economy Visit Surrey / Visit Guildford website		£10,500.00
	£560,000.00	£230,320.00		E24 Training Hubs & Business Support Offers Incuhive Business Support		£4,500.00
Total Capital + Revenue			£790,320.00	E24 Training Hubs & Business Support Offers SCC payment – delivering the REPF for Guildford 2024-2025		£39,500.00

				E10 - Local Sports Facilities, Tournaments and Leagues Surrey Youth Games, Guildford Sports Park		£25,000.00
				E8 Campaigns to Encourage Visits & Exploring Local Area Heritage Open Day, Green Day, Car Free Day, Pride in Surrey, Christmas event plus others to be decided for 2024		£50,820.00
				E3 - Creation of and Improvements to Local Green Spaces Lakeside Nature Reserve (Ash), The Briars playground and Sutherland Memorial Park tennis courts improvements.	£75,200.00	
				E9 - Impactful Volunteering and/or Social Action Projects Funding Play Rangers holiday clubs for 6 areas in the borough		£35,000.00
				E4 Enhanced support for existing cultural, historic & heritage institutions Renovations to the Castle Motte & Chambers, St Catherine's Chapel and Guildhall.		£78,000.00

				Admin allowance per year £13,333 which is 4% of total £1m = £40,000 over 3 years		£40,000.00
					£560,000.00	£230,320.00

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Executive

18 April 2024

Supplementary Information

Procedure for the discharge of business at this meeting

The Leader of the Council welcomes the attendance of members of the public and non-Executive councillors at this meeting.

The procedure for dealing with each item of business shall be as follows:

1. Lead Councillor to introduce report on the matter.
2. Non-Executive councillors invited to ask a question or comment, for which they will have a maximum of **five** minutes each.
3. Lead councillor to respond to any questions/comments.
4. Executive debates the matter
5. Lead councillor to respond to any questions/comments.
6. Executive to make decision on the matter.

Agenda item 5: O&S Recommendations to the Executive - Air Quality
(Pages 11 - 16)

Lead Councillor: Councillor Merel Rehorst-Smith, Lead Councillor for Regulatory and Democratic Services

Lead Officer: Gary Durrant, Senior Specialist Environment Control

Agenda item 6: Option Agreement with Blackwell Park Limited in respect of purchase of council-owned land - outcome of call in of decision taken by the Strategic Director: Place (Pages 17 - 30)

Lead Councillor: Councillor Julia McShane, Leader and Lead Councillor for Housing (in the absence of Councillor Tom Hunt, Lead Councillor for Regeneration)

Lead Officer: John Armstrong, Democratic Services and Elections Manager

Agenda item 7: Asset Disposal Strategy (Pages 31 - 52)

Lead Councillor: Councillor Richard Lucas, Lead Councillor for Finance and Property

Lead Officer: Vince Sibley, Asset and Property Manager

Agenda item 8: UK Shared Prosperity Fund (UKSPF) and Rural Prosperity Fund (REPF) (Pages 53 - 70)

Lead Councillor: Councillor Julia McShane, Leader and Lead Councillor for Housing (in the absence of Councillor Tom Hunt, Lead Councillor for Regeneration)

Agenda item number: 11

Lead Officer: Abi Lewis, Joint Executive Head - Regeneration and Planning Policy

Agenda item 9: Creation of new post of Head of Business Improvement
(Supplementary Agenda Pack)

Lead Councillor: Councillor Carla Morson, Lead Councillor for Community and Organisational Development

Lead Officer: Pedro Wrobel, Joint Chief Executive