



GUILDFORD
BOROUGH

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Pedro Wrobel

Interim Joint Chief Executive
Guildford & Waverley
Borough Councils

Contact Officer:

Carrie Anderson, Senior Democratic
Services Officer

01 May 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, 9 MAY 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 - 14)

To confirm the minutes of the meeting of the Executive held on 18 April 2024.

4 LEADER'S ANNOUNCEMENTS

5 WEYSIDE URBAN VILLAGE DEVELOPMENT * (Pages 15 - 48)

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 George Potter and Yves de Contades were in remote attendance.

EX61 Apologies for Absence

Apologies for absence were received from Councillors Tom Hunt and George Potter.

EX62 Local Code of Conduct - Disclosable Pecuniary Interest

There were no declarations of interest.

EX63 Minutes

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

EX64 Leader's Announcements

Guildford and Waverley businesses were invited to the second year of a free networking event organised by Guildford and Waverley Borough Councils. Business Question Time would take place on Monday 3 June at the University of Surrey from 5pm to 7pm. The keynote speech would focus on the national and regional economic forecast for local businesses. It would be followed by questions to a panel of business leaders. To obtain a free ticket, visit the Eventbrite website.

Over the past few months, the council had been working with Surrey Police and Experience Guildford to introduce changes to help make Guildford town centre safer for everyone.

- There were now additional police officers patrolling in Guildford town centre at the weekends and street marshals were present in the town centre on Saturdays and Sundays from 12:00pm to 8:00pm whose role was to:
 - Help reassure visitors and residents in Guildford town centre.
 - Work with police to enforce Public Space Protection Orders (PSPO) that are in place; and
 - Deal with other environmental and public realm issues, such as littering.
- Over the next few weeks, Surrey County Council's Targeted Youth Support (TYS) would begin a youth outreach project.

The street marshals and youth outreach project were initiatives funded through the Safer Streets Fund. In Guildford, this funding was being used to reduce crime and anti-social behaviour in Guildford town centre. This would continue throughout 2024 and into 2025.

This month the council was encouraging residents to try something new to keep fit. There was a variety of sports places to visit around the borough such as Guildford Spectrum, the Lido, and the outdoor gyms to keep active during this month. More information was available on the website by searching for 'Spectrum', 'Lido' or 'outdoor gyms'.

EX65 O&S Recommendations to the Executive - Air Quality

The Overview and Scrutiny Committee had considered an air quality update report on 5 March 2024. The report had provided the Committee with an update on progress of air quality projects and other statutory air quality priorities in fulfilment of Part IV of the Environment Act 1995 Local Air Quality Management, as amended by the Environment Act 2021. In conclusion of the Committee's consideration of the update report two recommendations for the Executive were agreed. Firstly, that the Executive adopt a Motor Vehicle No Idling policy for staff, contractors and visitors on council premises, and staff using a vehicle for conducting council business. Secondly, that the Executive improve the council's communications on air quality, particularly the air pollution concentrations in the Borough and the benefits of clean air.

The Lead Councillor for Regulatory and Democratic Services introduced the report and the Senior Specialist (Environment) Officer was in attendance.

The meeting heard that in the space of a few months an anti-idling draft policy would be submitted to the Executive for its consideration. Although the council had no formal powers to require drivers to switch off their engines when stationary, the policy would set out to deliver behaviour change wherever possible, but most certainly on its own estate. It would be expected that all council staff, unless there was a legitimate reason, would act in compliance when

carrying out their duties. Appropriate signage would be designed to be placed in suitable locations to raise awareness that engine idling was bad for the environment and for public health. It was suggested that local vehicle drivers who endorsed the council's message in this regard might be given car stickers to display to spread the message wider.

The response to the second recommendation was to propose a broader air quality communications campaign to engage with residents not just in the case of driver behaviour but, for example, lighting bonfires and burning solid fuel to heat homes. A particular target cohort for the programme would be young people and the council would be working with partners to deliver its message in schools. It was noted that the funding for the campaign had been ringfenced by the council and had not been externally sourced.

The Executive agreed it was correct for the council to lead by example in this matter and the target list for the campaign should include all councillors. It was important to enable residents to understand the levels and sources of air pollution, how to mitigate against pollution and how to become involved in tackling air quality issues or how to raise a concern. One key message to residents should set out that individual actions can and do make a difference to improve the quality of life for neighbours and the borough as a whole. Consequently, the Executive,

RESOLVED:

To agree the proposed responses and the reasons for those responses as set out in the table at item 5.

Reason(s):

1. In order to help improve air quality and reduce emissions.
2. To improve the Council's communications in regard to air quality, particularly the air pollution concentrations in the Borough and the benefits of clean air.

EX66 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

The Strategic Director: Place had taken a key executive decision 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. This decision 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. The purpose of the report before the Executive was to set out formally the outcome of the decision by the OSC. In the absence of the Lead Councillor for Regeneration, the Leader of the Council introduced the report.

The report minute of the OSC described the scrutiny process as having been robust and that the OSC had ultimately endorsed the officer decision. There had been a suggestion during the OSC debate that such a decision was of public interest and consequently should have been taken by the Executive itself in public session. The Leader noted this suggestion and would reflect upon this for future business. On behalf of the Executive, the Leader thanked the OSC for its thorough review of the matter.

The Executive,

RESOLVED:

To note 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.

Reason(s):

The Executive was now aware of the decision and the outcome of the call-in.

EX67 Asset Disposal Strategy

In response to the recent cost of living crisis and high inflationary pressures, the Council was seeking to reduce its General Fund borrowing requirement. To achieve this goal, the council had already stripped back its capital programme and now sought to generate £50m (net) of capital receipts from the disposal of property assets held within the General Fund over the coming three years. This activity was an identified critical workstream within the Financial Recovery Plan endorsed by Full Council at its meeting on 30 August 2023.

A careful and considered strategic approach to identifying and progressing an accelerated volume of property asset sales was required and consequently a strategy had been drawn up and was appended to the Executive report for consideration and approval.

The Council's financial accounts identified General Fund property assets into two major categories that were in scope for consideration. Those were Investment

Properties held purely for income generation or value appreciation but which did not fulfil any service objective, and Land and Buildings assets held for operational or strategic reasons. Other categories also in scope were defined in the financial accounts as Surplus assets which were those no longer needed and surplus to requirement, and Community assets that included open space and land assets.

The Lead Councillor for Finance and Property introduced the report. It was emphasised that each individual asset identified through the process would be subject to a thorough strategic, commercial and operational evaluation and would be presented to the Executive on a case by case basis with its own detailed report setting out a clear rationale for disposal. Where appropriate, the council would consider disposal with planning permissions if this would maximise market value. This would be an ongoing process over the course of the coming three years to achieve the target income. The Executive would have regard to any political, operational or community sensitivities.

It was noted that the process had already commenced with the disposal of certain council properties in Castle Street and Quarry Street which had achieved a higher market price than the valuation had suggested.

The Executive was hopeful that during the course of the three-year period the national economic picture would improve, but in the meantime the draft strategy was well-drawn up and was fit for purpose.

The Leader thanked the members of the cross-party working group for consideration of, and feedback on, the draft strategy and noted that individual ward councillors would be consulted as appropriate.

The Executive,

RESOLVED:

To approve the draft Asset Disposal Strategy set out at Appendix 1 and to note the Equality Impact Assessment at Appendix 2 of the report.

Reason(s):

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.

EX68 UK Shared Prosperity Fund (UKSPF) and Rural Prosperity Fund (REPF)

The UK Shared Prosperity Fund (UKSPF) was a part of the Government's Levelling Up agenda with all areas of the UK receiving an allocation from the Fund. In 2022, as a Lead Local Authority, Guildford Borough Council was given £1 million with full discretion to spend over three years on capital and revenue projects so long as those projects aligned with the overarching ambition of the Fund. In the absence of the Lead Councillor for Regeneration, the Leader introduced the report.

To date the council had spent funds in support of local business and community groups; running local events, offering grant funding opportunities and developing a Local Cycling Walking and Infrastructure Plan.

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. During the past year the council had been working in partnership with a number of other local authorities to run a grant scheme to support rural businesses. There was £300,000 of REPF to distribute this year.

The report before the Executive set out proposed projects to benefit from the final tranche of UKSPF and REPF grant funding for 2024-25. Some UKSPF-funded projects were new, and some were ongoing from last year and included a new e-bike scheme for Guildford and the continuation of the Crowdfund Guildford programme. Amongst other projects there would be funding for play and open spaces, including the Youth Games and a play rangers' scheme that would run in six areas across the borough this summer.

Businesses and community groups in the borough were encouraged to apply as the funding must be awarded by the end of March 2025.

The meeting heard that when the vacancy for the Local Economic Development Officer post was filled then strands of the Economic Development Strategy, such as promoting Guildford as a film location could proceed.

The REPF funding opportunity was being promoted via the usual channels, LinkedIn, social media channels and the Rural Forum. Councillors were also encouraged to spread the word.

The Executive,

RESOLVED:

1. To agree the revised project allocations of Guildford's UKSPF grant funding for 2024/25, as outlined in the report.
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.
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.

Reason(s):

The £790,320 total capital and revenue funding Guildford Borough Council had been allocated from the UKSPF for 2024-25 was a significant sum of money that could have a positive impact on the borough's local communities and businesses.

The projects put forward aligned with the borough's local priorities and it was intended to leverage collaboration with the Council's partners to maximise value for money.

EX69 Creation of new post of Head of Business Improvement

A new role of Head of Business Improvement was required at Guildford Borough Council and this role would report directly to the Joint Chief Executive. Because this new post would report directly to the Chief Executive, it was defined in law as a Non-Statutory Chief Officer, even though the role was below either Strategic Director or Executive Head level. Consequently, approval was sought from the Executive to authorise the funding for the role. The Lead Councillor for Community and Organisational Development introduced the report.

There were strategic, operational and governance improvements required at the council to improve efficiencies and effectiveness. Although the council had begun to address these matters in areas such as finance and updating the Constitution was underway, there was a need for a lead officer in this regard. The new role of Head of Business Improvement would lead this activity and drive forward an overall improvement plan to deliver better outcomes for residents and local businesses. The cost of the role would be covered by the savings arising from the recent retendering of the council's insurance provision. The role would initially be a Guildford-only role.

The Executive acknowledged that improvements were required across the council, some of which would be challenging. The commitment to a dedicated role to lead on this work was endorsed. Consequently, the Executive,

RESOLVED:

1. To note the Chief Executive / Head of Paid Services' decision to revise his staff structure with the creation of the role of Head of Business Improvement; and
2. To approve the budget for the new role of £95,484 (which included on-costs) funded from the savings made on the insurance contract renewal which had recently been completed, which would be vired to cover the cost of the new post.

Reason(s):

To ensure resources are available to create and drive an improvement plan and to address governance challenges in the Council.

The meeting finished at 6.56 pm

Signed

Date

Chairman

Guildford Borough Council

Report to: Executive

Date: 9th May 2024

Ward(s) affected: Bellfields and Slyfield

Report of Director: Place

Author: Abi Lewis, Executive Head of Regeneration & Planning Policy

Tel: 01483 444908

Email: abi.lewis@guildford.gov.uk

Lead Councillor responsible: Cllr Tom Hunt

Tel: 07495 040978

Email: tom.hunt@guildford.gov.uk

Report Status: Part Confidential

Weyside Urban Village Development

1. Executive Summary

1.1 Weyside Urban Village ("WUV") is a major 41-hectare brownfield regeneration scheme that Guildford Borough Council (the "Council") anticipates could deliver approximately 1,500 homes across a range of tenures, as well as 2,000 square metres of community space and 6,500 square metres of employment space.

1.2 In February 2020 the Council committed £334.9 million to de-risk the infrastructure and site assembly process needed across the Weyside Urban Village site. Over 44 percent of the site is currently in Council ownership, and 100 per cent will be achieved on completion of land transfers with Thames Water Utilities Ltd ("TWUL"). The conditional contract with TWUL was signed on 25 April 2019 (the "TW Agreement").

1.3 The Council signed a Grant Determination Agreement (GDA) with Homes England in July 2020 for Housing Infrastructure Funding (HIF) for £52.3m, to draw down the grant expenditure associated with the implementation of the infrastructure works. In October 2021 Planning Committee issued a

Resolution to Grant for the hybrid planning application for Weyside, with the decision notice to approve the application issued in March 2022.

1.4 The broader economic landscape and its impact on the construction industry over the last 12–18 months has been profound. At the end of 2021, the Building Cost Information Service (BCIS) - which provides cost and price data for the UK construction industry - reported that the annual growth in its material cost index reached a forty-year high. Since then, pressures on supply chains have persisted and labour shortages have become more acute. Although the lifting of Covid restrictions led to a return of high activity levels, the war in Ukraine and high rates of inflation have put the construction industry in further turmoil. The impact of these issues is being felt at a local level, with forecast construction and financing costs also increasing significantly.

1.5 It was agreed with Executive in January 2020 that the project team would report the financial position to the Committee on an annual basis. This report sets out the current financial forecast to the end of the programme ahead of a further paper being presented to Executive and Council outlining the proposed mitigation plan to address the potential financial deficit that has arisen as a result of macro-level factors.

2. Recommendation to Executive

That the Executive:

- 2.1 Note the current financial position of WUV at the Spring 2024 Financial Review, as set out in this report.
- 2.2 Note the current forecasted eventual deficit - outlined in Exempt Appendix 1 - in 2033 (year 10 of the project delivery programme).
- 2.3 Delegate to the Strategic Director of Place, in consultation with the Lead Councillor for Regeneration and Lead Councillor for Finance and Property, authority to enter into such other contracts and legal agreements connected with the Weyside Urban Village programme as may be necessary in compliance with Procurement Procedure Rules and within the approved budget.

The Executive is asked to recommend that the Council approves:

- 2.4 The transfer of £69.548 million from the provisional capital programme to the approved capital programme for payments which the Council is obliged to make to TWUL under the TW Agreement for 2024/25, for costs necessary to meet the milestones set within the Homes England HIF agreement and construction costs of phase 2 Infrastructure, Offsite Highways and the New Council Depot.

3. Reason(s) for Recommendation:

- 3.1. To ensure that there is sufficient understanding of the projected financial forecast of the programme and outline the work underway to develop mitigation strategies to alleviate the forecast deficit.
- 3.2. To ensure that there is sufficient funding in the approved programme to cover construction of phase 2 Infrastructure, Offsite Highways and the new Council Depot and the payments which the Council is obliged to make to Thames Water Utilities Limited under the Thames Water Agreement for 2024/25.
- 3.3. To ensure that statutory service agreements and construction agreements can be entered into for the delivery of services and infrastructure for the development and to ensure that Homes England Housing Infrastructure Fund (HIF) milestones are achieved.
- 3.4. To support the delivery of the Council's Corporate Plan (2021-2025) priorities, by supporting the high-quality development of a strategic site, creating employment opportunities through regeneration and facilitating affordable housing.

4. Exemption from publication

- 4.1. Yes, part of the report. Exempt appendices 1-4.
 - (a) The content is to be treated as exempt from the Access to Information publication rules because it contains commercially sensitive and legally privileged information and is therefore exempt by virtue of paragraphs

3 and 5 of Part 1 of Schedule 12A to the Local Government Act 1972 as follows:

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

(b) The content is restricted to all councillors.

(c) The exempt information is not expected to be made public because it is deemed commercially sensitive and legally privileged.

5. Purpose of Report

5.1. The purpose of the report is to provide the Executive with an update of the legal and financial work carried out so far, together with a review of the financial position of the programme at the Spring 2024 Financial Review.

5.2. It seeks approval to transfer £69.548 million from the provisional capital programme to the approved capital programme for payments which the Council is obliged to make to TWUL under the TW Agreement for 2024/25, for costs necessary to meet the milestones set within the Homes England HIF agreement and payments necessary to construct phase 1 & 2 Infrastructure, Offsite Highways and the New GBC Depot.

5.3. The report also updates the Executive on the current “forecasted” eventual deficit (outlined in Exempt Appendix 1) in 2033.

6. Strategic Priorities

6.1. The recommendations in this report relate to the following priorities in the Council’s Corporate Plan 2021 – 2025:

- Provide and facilitate housing that people can afford.
- Create employment opportunities through regeneration.
- Support high quality development of strategic sites.

- Work with partners to make travel more sustainable and reduce congestion.
- Make every effort to protect and enhance our biodiversity and natural environment.

6.2. WUV is also identified as a key programme within the Corporate Plan, providing a new riverside community of 1,500 homes on brownfield land at Slyfield.

7. Background

7.1. WUV is a major 41 ha. brownfield regeneration scheme that the Council anticipates could deliver approximately 1,500 homes across a range of tenures as well as an additional 2,000 square metres of community space.

7.2. The Council has been working for over 15 years to de-risk the infrastructure and site assembly process. Significant progress has been made in de-risking the scheme through the completion of the TW Agreement and the GDA.

7.3. Housing is of great significance to the Borough and forms a major theme to the Adopted Local Plan Part 1. There is an ongoing shortage of affordable housing, particularly for first time buyers which in turn contributes to a skills shortage in the Borough.

7.4. The Council was awarded a £52.3 million grant from the Homes England Housing Infrastructure Fund. The GDA was completed on 29 July 2020. The Council was also awarded a £7.5 million grant from EM3 Local Enterprise Partnership and the contract was completed on 2 December 2019. An additional grant from EM3 Local Enterprise Partnership of £550,000 was awarded to the Council to enable the relocation of community facilities.

7.5. The Council entered into the TWUL Agreement to fund and enable the relocation of the existing sewage treatment works and the delivery of a new facility on the Council's former landfill site. TWUL have achieved

planning consent and the transfer of the New Sewage Treatment Works site took place in February 2023 to enable construction to commence.

- 7.6. On 15 December 2020, the WUV Project Team submitted a Hybrid Planning Application to Guildford Borough Council acting as Local Planning Authority (LPA) for the redevelopment of part of the allocated site for WUV comprising: outline planning approval for the demolition of existing buildings and infrastructure and outline planning permission for up to 1,550 dwellings; local centre, up to 500 sqm of flexible community space, up to 6,600 sqm of flexible employment space, new Council Depot Site, 6 Gypsy and Traveller pitches and associated road infrastructure. Full planning permission for the development of primary and secondary site accesses, engineering operations associated with remediation and infrastructure, utilities, and drainage.
- 7.7. In August 2020 the Council received a notice of refusal from the Secretary of State for the relocation of the Bellfields Allotments. A revised application for the part relocation of the Bellfields Allotments was submitted to the Secretary of State (MHCLG) on 23 June 2021. An approval was granted to the disposal/relocation of 1.91ha on 10 February 2022. The Guildford Allotment Cooperative Society sought to challenge the net land area of disposal granted by the Secretary of State and a clarification was received on 8 November 2022 giving consent to the relocation of 2.58Ha of statutory allotment land.
- 7.8. At its meeting on 6 July 2021, the Executive authorised the Managing Director in consultation with the Leader of the Council, to sign and complete the deed of variation to the development agreement with TWUL. It was noted and recorded that the land to be acquired by the Council from TWUL, pursuant to the development agreement and any further land to be acquired by the Council in connection with the WUV is to be acquired pursuant to section 227 of the Town and Country Planning Act 1990.
- 7.9. At its meeting on 21 September 2021 the Executive authorised the transfer of £67.1 million from the provisional capital programme to the approved capital programme for payments which the Council was obliged to make to TWUL under the TWUL Agreement for 2021/22 and 2022/23, for costs necessary to meet the milestone set within the

Homes England HIF agreement and design costs necessary to prepare the planning application for the SCC Waste Transfer Centre.

- 7.10. At its meeting on 16 January 2023 a potential financial deficit in the scheme was reported and Officers tasked with progressing work on developing a mitigation strategy to alleviate this. The Executive and Council also authorised the transfer of £72.06m from the provisional capital programme to the approved capital programme for payments which the Council is obliged to make to TWUL under the TWUL Agreement for 2022/23 & 2023/24 and to cover payments due for other infrastructure costs.

Progress to date

- 7.11. The procurement and delivery of the infrastructure works has commenced in order to meet the Homes England HIF milestones and to enable draw down of the grant expenditure. This includes:
- Thames Water progression of the new sewage treatment works.
 - Completion of UKPN Infrastructure Works on Phase 2 (former Sludge Lagoon site).
 - Procurement of contractor and commencement of the offsite infrastructure works and onsite infrastructure works (Phase 2).
 - Grant of Reserved Matters for Phase 1 housing.
 - Grant of planning for the new GBC depot.
 - Commencement of procurement for contractor to deliver SANG at Burpham Court Farm and design on SANG Management Plan.
 - Delivery of a net increase in allotments across North Moors and Aldershot Road sites.
 - Delivery of a new temporary AGGIE club for the Stoke and District Horticultural Society.
- 7.12. In parallel, following the aforementioned Council paper in January 2023 that identified the potential financial deficit in the scheme,

Officers have been progressing work considering how this might be mitigated. PricewaterhouseCoopers (PwC) has been appointed to review and validate this work, producing a short-list of options for the Council to decide upon. The mitigation options include:

- Accelerating land receipts on housing development plots, including utilising an alternative institutional funding mechanism.
- Reducing the level of affordable units.
- Options around Treasury management strategy linked to the scheme.
- A review of the phasing and programming of infrastructure delivery.

7.13. The mitigation strategy will also be helpful in considering how the Council might look to protect itself from potential future economic shocks which would add further pressure to the financial position of the scheme. The outputs of the PwC commission will be presented to Executive and Council for consideration in June.

7.14. The Business Case for the scheme is also being updated to ensure that it reflects any changes in the business environment, the scope, assumptions, and outcomes of the Weyside programme.

8. Consultations

8.1. Updates on the progress of the WUV Programme have been provided to Councillors at the quarterly Weyside Governance Board and the Strategic Programmes and Projects Board.

8.2. The Executive received a full briefing on the financial position of the WUV programme on 24th April 2024 and a briefing for all Councillors is scheduled for 1st May 2024.

8.3. It is intended that the regularity of reporting to the Executive on the progress of the programme and financial position is reviewed and increased to a frequency to be agreed with the Executive.

9. Key Risks

9.1. An extract from the current WUV risk register is attached at Exempt Appendix 3 and outlines the ten main risks associated with the programme.

10. Financial Implications

10.1. Set out in Exempt Appendix 1.

11. Legal Implications

11.1. The Council's internal Legal and Procurement officers are providing support to the Weyside project team in relation to procurement of consultancy services and construction contracts to ensure compliance with the Council's legal duties including the Public Contracts Regulations 2015 and the Council's Procurement Procedure Rules, and to enter into associated contracts.

11.2. In relation to the contracts and legal agreements which are required for the WUV going forward the Council has various statutory powers to enter into contracts, including:

- Section 1 Local Government (Contracts) Act 1997 for the provision of assets (including land & buildings) and/or services in connection with the discharge of the Council's statutory functions;
- Section 111 Local Government Act 1972 incidental to the discharge of a statutory function;
- Section 1 Localism Act 2011 the general power of competence (subject to certain limitations).

11.3. DWF has been appointed as external legal adviser to the Council, providing specific advice on property, planning and contractual matters to be addressed, including s106 and planning permission, deregistration of common land and appropriation of land.

- 11.4. In addition, various agreements under statutory provisions with other bodies and authorities will be required, for example Surrey County Council in relation to the construction and adoption of highways.
- 11.5. Officers acting under delegated authority to enter into the contracts and agreements referred to in this report will ensure that the costs are reasonable and within the approved budget, that the overall terms of the transactions adequately protect the interests of the Council and its local taxpayers and are within the Council's statutory powers.
- 11.6. The Council entered into a conditional contract with Thames Water Utilities Limited on 25 April 2019. This contract became unconditional on 30 March 2022 and as outlined in Exempt Appendix 4, there are no exit provisions within the contract for either organisation.

12. Human Resource Implications

- 12.1. The WUV programme is sponsored by the Strategic Director for Place and led by the Executive Head of Regeneration and Planning Policy. The workstreams within the programme are being managed by the WUV project team, headed up by the Regeneration Lead. The WUV project team comprises a Development Manager (interim), Senior Development Surveyor, Development Surveyor, Project Manager (interim), Finance Analyst and a Project Support Officer.
- 12.2. The Weyside Programme is also supported by the Council's procurement, legal and finance teams, which are currently under significant pressure. Where possible, the Weyside team will look to secure additional grant funding to support additional resourcing specifically for the programme.
- 12.3. The cost of resourcing Weyside is included within the financial forecast.

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 are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

13.2. 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 and recommendations. A full Equality Impact Assessment has been prepared for the programme and will be reviewed as the programme progresses and individual projects are brought forward for delivery.

14. Climate Change/Sustainability Implications

14.1. The Council formally declared a climate emergency in July 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. These objectives have been and will continue to be considered at all stages of the design and implementation of WUV.

15. Summary of Options

15.1 OPTION 1: The Council could decide not to approve the recommendations outlined in this report. However, the Council has ongoing financial and contractual commitments which would not be met as the team would not have the relevant financial approvals or delegations.

15.2 OPTION 2 (Recommended): To note the current financial position of the Weyside Urban Village programme and forecast potential deficit arising in 2033, and to recommend to Council the transfer of £69.548 million from the provisional capital programme to the approved capital

programme for payments which the Council is obliged to make to TWUL under the TW Agreement for 2024/25, for costs necessary to meet the milestones set within the Homes England HIF agreement and construction costs of phase 2 Infrastructure, Offsite Highways and the New Council Depot.

16. Conclusion

- 18.1. The WUV programme has major benefits for Guildford by delivering c. 1,500 homes (with 40% affordable), new employment space, community facilities, a new sewage treatment works, relocation/ new provision of the SCC Waste Transfer Centre all within a brownfield site.
- 18.2. The Council has a number of pre-existing legal and financial obligations relating to the scheme which need to be met. It is therefore proposed that the Executive approve the recommendations outlined in this report to enable the continuation the WUV programme.
- 18.3. This report precedes a second paper that will be presented to Executive and Council in June outlining the options available in mitigating the potential future deficit. This will summarise the work that Officers have been progressing over the past 15 months since the original deficit was reported to Council in January 2023 and will be accompanied by an independent external review by Pricewaterhouse Coopers (PwC).

17. Background Papers

- [Extraordinary Full Council Meeting 10 Feb 2020](#)
- [Executive report 6th July 2021](#)
- [Executive report 21 September 2021](#)
- [Hybrid Planning Consent issued 30 March 2022](#)
- EQIA May 2021
- Executive report 5 January 2023
- Executive report 30 August 2023

18. Appendices

- 18.1 Exempt Appendix 1 – Financial Implications
- 18.2 Exempt Appendix 2 - Reappraised financial position of WUV
- 18.3 Exempt Appendix 3 - Table of 10 Main Risks from current WUV Risk-Register
- 18.4 Exempt Appendix 4 – Legal advice on Thames Water agreement

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Appendix 1

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Appendix 4

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