

# **Guildford Borough Council**

Report to: Council

Date: 30 August 2023

Ward(s) affected: Bellfields & Slyfield

Report of Strategic Director: Place

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

Tel: 01483 444908

Email: [abi.lewis@guildford.gov.uk](mailto:abi.lewis@guildford.gov.uk)

Lead Councillor responsible: Tom Hunt

Tel: 07495 040978

Email: [tom.hunt@guildford.gov.uk](mailto:tom.hunt@guildford.gov.uk)

Report Status: Open

## **Delegations relating to Weyside Urban Village**

### **1. Executive Summary**

- 1.1 In January 2023, Full Council approved a series of recommendations to enable the delivery of the Weyside Urban Village to continue whilst further work was undertaken to consider all mitigation options available to address the potential forecast financial deficit. The recommendation included specific reference to this information being considered by Full Council in July 2023.
- 1.2 A report was not ready for consideration in July 2023 due to ongoing work by Officers on the mitigation options. This paper therefore seeks to regularise the delegations required to continue the delivery of the project in advance of the aforementioned report and financial forecast being considered by Full Council later this year.

## **2. Recommendation to Council**

That the Council resolves:

- 2.1. To approve the continuation of the project until Officers have completed the required due diligence outlined in the 16 January 2023 report, as follows, and reported back to Full Council later this year:
  - To provide alternative risk assessed option appraisals other than to proceed with the original Full Council approved scheme, including all possible mitigations and alterations to the current funding and specifications, indicating by use of a range of values where specific data is not available, and a full explanation of assumptions with reasons, sufficient to enable Members to make a fully informed decision on how it wishes to proceed.
  - To update the project with the latest assumptions, indices and valuations and report back to Council.
- 2.2. To 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 Weyside Urban Village as may be appropriate in compliance with Procurement Procedure Rules and within the approved budget.

## **3. Reasons for Recommendation:**

- 3.1. The recommendations will:
  - Ensure that statutory service agreements and construction contracts can be entered in to for the delivery of services and infrastructure for the development and to ensure that Homes England Housing Infrastructure Fund (HIF) milestones are achieved.
  - Ensure that the Council can perform its obligations under the Thames Water Utilities Limited (TWUL) agreement.

## **4. Exemption from publication**

- 4.1. No

## **5. Purpose of Report**

- 5.1. This paper seeks to ensure that the necessary approvals and delegations are in place to enable the Council to continue delivering Weyside Urban Village in the interim period prior to a comprehensive report being available for consideration by Full Council in Autumn 2023, providing detail on the mitigation options available to address the potential scheme deficit.

## **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. Full Council received a report on 16 January 2023 (see Background papers) outlining an updated financial forecast for Weyside Urban Village and identifying a potential financial deficit in the scheme

resulting from increased costs of borrowing and increased construction costs, amongst other macro-economic factors.

- 7.2. The paper outlined at a high-level a number of potential options to mitigate the potential deficit. Full Council endorsed the recommendation that Officers implement the proposed mitigations and continue with delivery against programme until a risk assessed option appraisal is presented to Full Council, which it was anticipated would be ready in July 2023.
- 7.3. Since the January decision, Officers have been progressing with implementing the recommendations. This includes appointing consultants and contractors to deliver the upfront infrastructure on the site in accordance with the Homes England grant agreement and overall scheme programme, and exploring the mitigation options in extensive detail including seeking external legal and financial advice, and updating valuations.
- 7.4. The work relating to the mitigation strategy is ongoing and not yet complete, which accounts for why a report was not presented to Full Council in July 2023 as per the recommendation. It is anticipated that a report will be presented to Executive and Council for decision in the Autumn.
- 7.5. In advance of the report being considered and associated decisions made in the Autumn, interim approvals and delegations are required to continue progressing with this work and the scheme delivery.

## **8. Consultations**

- 8.1. The Executive has been advised of the need to formalise the delegations sought in this report. However, the report has not been considered at a formal Executive Committee meeting.

## **9. Key Risks**

- 9.1. Should Full Council not approve the recommendations detailed within the report, Officers will be unable to progress with the work required.

9.2. The Council will also be unable to fulfil its obligations under the Homes England Grant Determination Agreement such as the procurement and appointment of consultants and contractors, and completion of legal agreements.

## **10. Financial Implications**

10.1. There are no additional financial implications arising from the recommendations in this report.

10.2. All delegations exercised following approval of the proposed recommendations will be in accordance with the budget authorised in January 2023. A full annual financial update for Weyside Urban Village will be presented to Full Council later this year.

## **11. Legal Implications**

11.1. The Council's internal legal and procurement officers are providing support to the WUV 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 subject to Value for Money consideration and that the procurement route is appropriate in line with the Council's procurement and financial procedure rules.
- 11.6. Section 100B(4) Local Government Act 1972 provides that an item of business may not be considered at a meeting of a principal council unless a copy of the item has been open to public inspection for at least 5 clear days before the meeting or by reason of special circumstances, which shall be specified in the minutes, the chairman of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency.
- 11.7. The special circumstances in this matter, that has led the Mayor to agree to take the matter as an urgent item at this meeting, despite the item being open to public inspection for 3 clear days before the meeting, rather than 5, is that previous advice given by external solicitors advising that work relating to Weyside could continue under the previous delegations as there was an implicit authority has been reviewed by the Council's internal solicitors, who do not share the same view.
- 11.8. In light of the need for additional contracts and agreements to be signed in order to comply with the Council's obligations in advance of a further report being presented to Council later this year, this paper needs to be considered on an urgent basis.

## **12. Human Resource Implications**

- 12.1. The WUV programme is sponsored by the Strategic Director - 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 (interim). The WUV project team comprises a Development Manager (interim), Development Surveyor (interim), Project Manager (interim), Finance Analyst (interim) and a Project Support Officer.

- 12.2. The proposed recommendations will be delivered within the existing resourcing outlined, in alignment with the approved budget provision.

### **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. A full Equality Impact Assessment has been prepared for the overall Weyside programme and is 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 Weyside Urban Village.

## **15. Summary of Options**

- 15.1 OPTION 1: Council could decide not to approve the recommendations outlined within this report. However, this would mean that the project team would need to cease all work until such a time when the delegations and approvals are in place.
- 15.2 OPTION 2 (Recommended): That Full Council approve the recommendations outlined within the report to enable work to continue on the delivery of Weyside Urban Village, and the Council's ongoing obligations to Homes England and Thames Water to be fulfilled, whilst a report is prepared for consideration by Full Council in the Autumn outlining mitigation options available to address the potential financial deficit detailed in the 16 January 2023 report.

## **16. Conclusion**

- 16.1 The Council has a number of commitments that it needs to continue to fulfil ahead of a comprehensive report being considered by Full Council later this year. This report seeks to regularise the approvals and delegations required to enable this to happen.
- 16.2 It is therefore proposed that Full Council approves the recommendation outlined in this report to enable the continuation of the programme.

## **17. Background Papers**

None

## **18. Appendices**

Appendix 1: Report to Council – Weyside Urban Village Development  
(16 January 2023)