

To: All Members of the EXECUTIVE  
Other Members for Information

When calling please ask for:  
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**Policy and Governance**  
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Calls may be recorded for training or monitoring  
Date: 26 June 2020

### **Membership of the Executive**

Cllr John Ward (Chairman)  
Cllr Paul Follows (Vice Chairman)  
Cllr David Beaman  
Cllr Peter Clark  
Cllr Andy MacLeod

Cllr Mark Merryweather  
Cllr Nick Palmer  
Cllr Anne-Marie Rosoman  
Cllr Liz Townsend  
Cllr Steve Williams

Dear Councillors

A meeting of the EXECUTIVE will be held as follows:

DATE: WEDNESDAY, 8 JULY 2020  
TIME: 6.00 PM, OR AT THE CONCLUSION OF INFORMAL QUESTIONS  
PLACE: ZOOM VIDEO-CONFERENCE MEETING

The Agenda for the Meeting is set out below.

The meeting can be viewed remotely in accordance with the provisions of The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, via the Council's YouTube page.

Yours sincerely

ROBIN TAYLOR  
Head of Policy and Governance

Agendas are available to download from Waverley's website ([www.waverley.gov.uk/committees](http://www.waverley.gov.uk/committees)), where you can also subscribe to updates to receive information via email regarding arrangements for particular committee meetings.

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**This meeting will be webcast and can be viewed by visiting  
[www.waverley.gov.uk/committees](http://www.waverley.gov.uk/committees)**

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## **NOTES FOR MEMBERS**

Contact Officers are shown at the end of each report and members are welcome to raise questions, make observations etc. in advance of the meeting with the appropriate officer.

**Prior to the commencement of the meeting, the Leader, Deputy Leader or an appropriate Portfolio Holder to respond to any informal questions from members of the public, for a maximum of 15 minutes.**

*[Questions will be taken in the order in which questioners register with the Democratic Services Officer on [committees@waverley.gov.uk](mailto:committees@waverley.gov.uk) by midday on Wednesday 8 July to be sent details of how to join the Zoom meeting. When read out, each question must be concluded within 2 minutes. In the event that it is not possible to give a verbal response, a written response will be provided following the meeting.]*

## **AGENDA**

1. **MINUTES**

To confirm the Minutes of the Meeting held on 12 May 2020.

2. **APOLOGIES FOR ABSENCE**

To receive apologies for absence.

3. **DECLARATIONS OF INTERESTS**

To receive from Members, declarations of interest in relation to any items included on the agenda for this meeting, in accordance with the Waverley Code of Local Government Conduct.

4. **QUESTIONS FROM MEMBERS OF THE PUBLIC**

The Chairman to respond to any written questions received from members of the public for which notice has been given in accordance with Procedure Rule 10.

The deadline for receipt of written questions is 5pm on Wednesday 1 July 2020.

5. QUESTIONS FROM MEMBERS OF THE COUNCIL

The Chairman to respond to any questions received from Members in accordance with Procedure Rule 11.

The deadline for receipt of questions is 5pm on Wednesday 1 July 2020.

6. LEADER'S AND PORTFOLIO HOLDERS' UPDATES

To receive any updates from the Leader or Executive Portfolio Holders.

7. HOUSEHOLD RECYCLING CENTRE ISSUES AND PROPOSALS (Pages 7 - 14)

[Portfolio Holder: Councillor Steve Williams]  
[Wards Affected: All Wards]

To make the Executive aware of the issues being experienced with the Waverley Borough Council Household Recycling Centres due to misuse and fly-tipping, propose a way forward to deal with these issues and inform the Executive of feedback from the Environment Overview and Scrutiny Committee which considered the report at its meeting on 24 June 2020.

Recommendations

**It is recommended that:**

1. **The containers for co-mingled recycling at the Household Recycling Centres listed in Annexe A be removed as soon as possible to avoid any ongoing additional payments to Biffa.**
2. **The banks for textiles and WEEE (waste electrical and electronic equipment) be removed following the introduction of the kerbside textiles and WEEE collections from households (Autumn 2020).**
3. **An effective communications plan be developed to promote the additional kerbside recycling collection services and the reasons for removing these sites.**

8. PROPERTY MATTER - THE BRITISH RED CROSS SOCIETY SITE WEY COURT FARNCOMBE - PURCHASE (Pages 15 - 20)

[Portfolio Holder: Councillor Mark Merryweather]  
[Wards Affected: Godalming Farncombe and Catteshall]

This report seeks approval for the purchase of the British Red Cross Society site in Wey Court, Farncombe at a value detailed in Exempt Annexe 1. It is proposed to fund the purchase from the Capital Receipts Reserve.

Recommendation

**It is recommended that the Executive approves the purchase at the value set out in Exempt Annexe 1, and that the purchase be funded from the Capital Receipts Reserve.**

9. PROPERTY MATTER - WEY HILL, HASLEMERE - FEASIBILITY STUDY INTO DEVELOPMENT POTENTIAL OF THE SITE (Pages 21 - 38)

[Portfolio Holder: Councillor Mark Merryweather]  
[Wards Affected: Haslemere Critchmere and Shottermill]

This report seeks approval for the use of up to £35,000 from the Investment Advisory Board Reserve to commission the Council's external property advisors, Montagu Evans, to undertake a detailed feasibility study and due diligence on the development potential of the Wey Hill site in Haslemere.

Recommendation

**It is recommended that the Executive approves the use of up to £35,000 from the Investment Advisory Board Reserve.**

10. PROPERTY MATTER - BROADWATER GOLF COURSE - OPTIONS APPRAISAL (Pages 39 - 56)

[Portfolio Holder: Councillor Mark Merryweather]  
[Wards Affected: Godalming Farncombe and Catteshall]

This report seeks approval for the use of up to £50,000 from the Investment Advisory Board Reserve to commission the Council's external property advisors, Montagu Evans, to undertake a detailed options appraisal of the Broadwater Golf Course site. A draw down of the reserve is also sought to cover legal fees which were incurred in obtaining the site back for the Council of some £20,000.

Recommendation

**It is recommended that the Executive approves the use of the Investment Advisory Board Reserve to fund the options appraisal on the site at a cost of £50,000 and the legal fees incurred of £20,000.**

11. EXCLUSION OF PRESS AND PUBLIC

To consider the following recommendation on the motion of the Chairman, if necessary:

Recommendation

That, pursuant to Procedure Rule 20, and in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item(s) on the grounds that it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified at the meeting in the revised Part 1

of Schedule 12A to the Local Government Act 1972.

12. ANY ISSUES TO BE CONSIDERED IN EXEMPT SESSION

To consider matters (if any) relating to aspects of any reports on this agenda which, it is felt, may need to be considered in Exempt session.

**For further information or assistance, please telephone  
Fiona Cameron, Democratic Services Manager & Deputy Monitoring  
Officer, on 01483 523226 or by email at  
fiona.cameron@waverley.gov.uk**

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**WAVERLEY BOROUGH COUNCIL**

**EXECUTIVE**

**8 JULY 2020**

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**Title:**

**Household Recycling Centre issues and proposals**

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**Portfolio Holder: Cllr. Steve Williams, Portfolio Holder for the Environment**

**Head of Service: Richard Homewood, Head of Environmental & Regulatory Services**

**Key decision: Yes**

**Access: Public**

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**1. Purpose and summary**

- 1.1 To make the Executive aware of the issues being experienced with the Waverley Borough Council Household Recycling Centres due to misuse and fly-tipping, propose a way forward to deal with these issues and inform the Executive of feedback from the Environment Overview and Scrutiny Committee which considered the report at its meeting on 25 June 2020.

**2. Recommendation**

It is recommended that:

1. The containers for co-mingled recycling at the Household Recycling Centres listed in Annexe A be removed as soon as possible to avoid any ongoing additional payments to Biffa.
2. The banks for textiles and WEEE (waste electrical and electronic equipment) be removed following the introduction of the kerbside textiles and WEEE collections from households (Autumn 2020)
3. An effective communications plan be developed to promote the additional kerbside recycling collection services and the reasons for removing these sites.

**3. Reason for the recommendation**

- 3.1 The household recycling centres have historically suffered widespread abuse and increasingly high levels of contamination with non-recyclable items by residents

and businesses. This has resulted in high levels of rejection at the materials recycling facilities. This has now reached a level of contamination where collections from these sites can no longer be made in conjunction with household kerbside collections and an additional vehicle and crew has to be used to service them at additional cost to the council which has not been budgeted for.

- 3.2 The introduction of kerbside collections of Textiles and small electrical appliances means that all items that can legitimately be deposited at these sites will be collected at the kerbside from households and as such there should be no need for these bring banks.

#### **4. Background**

- 4.1 Waverley Borough Council has recently mobilised a long term contract with Biffa Municipal for the supply of refuse, recycling and street cleaning services which started on 2 November 2019 for a period of 8 years with the potential to extend for a further two periods of 8 years subject to satisfactory performance.
- 4.2 The Waverley Borough Council bring sites were provided historically prior to the establishment of the kerbside collection service for all recyclables, to provide a facility for residents to recycle material generated in the home and divert it from the waste stream. The current sites are listed in Annexe A.
- 4.3 Since their introduction, every household has now been provided with recycling facilities for a wide range of materials from the kerbside, and the bulk bins at the bring sites are entirely replicated by the kerbside service apart from textiles and small electrical appliances. As part of this service, residents can request as many recycling bins as required to accommodate their recycling needs from the kerbside, or present excess recycling contained beside their bins. There is therefore no genuine reason for retaining the bring sites for co-mingled recycling at the sites which is their legitimate use.
- 4.4 Waverley plan to introduce textiles and small electrical appliance collections from the kerbside from Autumn 2020. The textiles and WEEE collections are carried out by separate contractors, and can continue on an interim basis pending the implementation of these recommendations.
- 4.5 In 2017 the bring sites were fully refurbished, replacing damaged bins and replacement of lids to reduce contamination, improved signage to all of the locations at a cost of around £70,000. They are now in need of further refurbishment due vandalism and wear and tear at a similar cost.
- 4.6 The sites have been the subject of fly-tipping, misuse and criminal activity. Residents and businesses have been using the sites to dispose of household waste which is not recyclable as well as trade waste , resulting in overflowing banks and significant litter around the banks, which then gets blown across the car parks. Some examples of items we regularly find in the bins are garden waste, bathroom suites, electrical items such as hoovers, black bag waste. In addition, there are often significant amounts of waste left around the banks on the floors.



- 4.7 Businesses are required to make their own arrangements for disposing of trade waste and householders should take non-recyclable items to the Surrey County Council Community Recycling Centres.
- 4.8 The levels of misuse and the volumes of non-recyclable waste deposited at these sites has increased significantly during the Covid-19 crisis and due to the closure of the SCC Community Recycling Centres.
- 4.8 This has resulted in the issuing of an increased number of fixed penalty fines to residents and businesses but more significantly it has led to most of the loads collected from these sites being rejected by the end processor due to high levels of contamination with non-recyclable materials. On each bring site collection Biffa have to make a judgement about whether the content of the material at the sites is recyclable. Generally the waste in the bins is such poor quality that is cannot be taken for recycling and has to be disposed of as residual waste.
- 4.9 Under the new Biffa contract collections from these sites were planned to be part of the normal household recycling collection rounds. As a consequence of the high levels of contamination in the banks, this operational method is not achievable, and Biffa have been forced to introduce an additional vehicle for collections solely from bring sites, to ensure the waste does not contaminate the kerbside recycling resulting in even higher rejection rates. Whilst this introduction of an additional vehicle is a temporary solution, Biffa indicated that they could not continue to bear this cost past the end of March 2020. As a consequence since 1 April an additional payment is being made to continue the use of the additional vehicle and crew. This is costing in the region of £2,800 per week (£146,300 per year), plus additional costs to clear fly-tipped material from the floors of the sites.
- 4.10 This additional cost has not been budgeted for and at a time of severe financial constraint the continued operation of these sites is unsustainable due to their misuse by the public and businesses (dumping non-recyclable and trade waste).
- 4.11 It is therefore proposed that the bins serviced by Biffa for Dry Mixed Recycling (DMR) be removed as soon as possible to avoid ongoing additional costs. As a second phase, the banks for textiles and WEEE should be removed once the implementation of this kerbside service has been introduced. Residents will continue to have access to other sites across the borough which are not managed by Waverley Borough Council and these are listed in Annexe B.
- 4.12 Whilst the removal of the DMR bins could create space for additional parking bays and potentially extra income, there are currently discussions underway for use of these areas for cycle parking or cycle hire schemes.

## **5. Relationship to the Corporate Strategy and Service Plan**

- 5.1 The promotion of kerbside recycling will further the aims of the corporate strategy to promote a sense of responsibility for our environment and protecting the planet and encourage reduction and re-use as well as recycling.

## **6. Implications of decision**

### **6.1 Resource (Finance, procurement, staffing, IT)**

- 6.1.1 The removal of the bring sites will avoid the need for a supplementary estimate to fund additional collection costs of up to £146,000 per annum and refurbishment costs (estimated in the region of £70,000) and subsequent renewals.
- 6.1.2 The introduction of kerbside collections for textiles and small electrical appliances is included in the new waste, recycling and street cleaning contract.
- 6.1.3 A limited number of Fixed Penalty Notices have historically been issued for fly tipping at the bring sites and whilst the number has increased whilst the County Council sites have been closed these are now falling back to previous levels. Whilst there could be a slight loss of income but this would be offset by reduced demand for inspection, investigation and enforcement.
- 6.1.4 whilst there is a potential to create additional parking bays in the area freed up by the bring site removal and consequently an opportunity to generate additional income, alternative proposals for the use of these areas for cycle parking are under discussion.

### **6.2 Risk management**

- 6.2.1 Ending the use of these bring sites will reduce the risk of unbudgeted costs going forward. There is a risk that fly tipping could increase and that dumping will continue at these sites for a period. The main sites will be monitored using CCTV and regular visits will be made by Environmental Enforcement Officers and further mitigation by an effective communications strategy.

### **6.3 Legal**

There is no legal obligation to provide these sites. Appropriate arrangements are in place for WEEE recycling in accordance with the Waste Electrical and Electronic Equipment Regulations 2013 (within the Biffa contract mentioned at 6.1.2 above)

### **6.4 Equality, diversity and inclusion**

- 6.4.1 There are no direct equality, diversity or inclusion implications in this report. Every household in the borough is provided with kerbside collection facilities which these sites replicate. Kerbside collections from households are more accessible to everyone.
- 6.4.2 Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

### **6.5 Climate emergency declaration**

The closure of these sites and expansion of the range of materials for kerbside collections will further promote recycling and reduce the need for residents to travel to bring sites thus reducing vehicle emissions and unnecessary journeys.

## **7. Consultation and engagement**

7.1 The Environment Overview and Scrutiny Committee considered this report at its meeting on 24 June 2020. The Committee welcomed the report, supported the recommendations set out in the report and commended them to the Executive.

## **8. Other options considered**

8.1 Extensive efforts have been made to reduce the incidence of contamination of bring sites through the media, improved signage, the use of CCTV and enforcement patrols. A number of fixed penalty notices have been served on offenders who could be identified. Fly tipping by visitors and businesses at these sites continues, however, and has worsened during the Covid-19 crisis.

## **9. Governance journey**

9.1 Environment O&S Committee 24 June – report on proposals seeking views and recommendations for Executive  
Executive 8 July – report and response from Env O&S -

## **Annexes:**

Annexe A – Current WBC Household Recycling Centres  
Annexe B – Recycling Sites managed by other operators

## **Background Papers**

There are no Background Papers as defined by Section 100D (5) of the Local Government Act 1972.

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### **CONTACT OFFICER:**

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Position: Head of Environmental and Regulatory Services  
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Email: [richard.homewood@waverley.gov.uk](mailto:richard.homewood@waverley.gov.uk)

Agreed and signed off by:  
Legal Services: GLC 9.6.20  
Head of Finance: date  
Strategic Director: date  
Portfolio Holder: date



## Current WBC Household Recycling Centres

	<b>Sites</b>	<b>Managed By</b>
<b>Cranleigh</b>	Stocklund Square Car Park	Waverley Borough Council
	Village Way Car Park	Waverley Borough Council
<b>Farnham</b>	Central Car Park	Waverley Borough Council
	Upper Hart Car Park	Waverley Borough Council
	Waggon Yard Car Park	Waverley Borough Council
<b>Godalming</b>	Crown Court Car Park	Waverley Borough Council
<b>Haslemere</b>	Weyhill Car Park, Haslemere	Waverley Borough Council
<b>Hindhead</b>	Beacon Hill Car Park, Hindhead	Waverley Borough Council

## Recycling Sites managed by other operators

	<b>Sites</b>	<b>Managed By</b>
<b>Cranleigh</b>	Cranleigh Community Recycling Centre	Surrey County Council
<b>Farnham</b>	Sainsbury's, Water Lane	J Sainsbury plc
	Bourne Mill Community Recycling Centre	Surrey County Council
<b>Godalming</b>	Sainsbury's, Woolsack Way	J Sainsbury plc
<b>Witley/Milford</b>	Witley Community Recycling Centre	Surrey County Council

**WAVERLEY BOROUGH COUNCIL**

**EXECUTIVE**

**8 JULY 2020**

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**Title:**

**Property Matter - The British Red Cross Society site Wey Court Farncombe**  
**Purchase**

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**Portfolio Holder:** Cllr Mark Merryweather, Portfolio Holder for Finance

**Head of Service:** Peter Vickers, Head of Finance and Property

**Key decision:** Yes

**Access:** Part Exempt

**Note pursuant to Section 100B(5) of the Local Government Act 1972**

An Annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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**1. Purpose and summary**

1.1 This report seeks approval for the purchase of the British Red Cross Society site in Wey Court, Farncombe at a value detailed in Exempt Annexe 1. It is proposed to fund the purchase from the Capital Receipts Reserve.

**2. Recommendation**

It is recommended that the Executive approves the purchase at the value set out in Exempt Annexe 1, and that the purchase be funded from the Capital Receipts Reserve.

**3. Reason for the recommendation**

The British Red Cross acquired the site from the Council by way of two separate legal transactions several years apart. The main site subject to a right of pre-emption (ie first refusal) in favour of the Council, the remainder of the site subject to restrictive covenant in favour of the Council that the building is not to be used for any purpose other than as a medical loan store. The Red Cross wish to sell and the Council underwent negotiations with them to acquire the site back. Under the terms of the right of pre-emption sale price should be with vacant possession

and for a restricted use, however, negotiations were complicated by a commercial lease to a nursery.

The site has potential for the following options:

- Continue with the nursery lease should they wish to stay
- Site accumulation for a bigger development project

The Council put in an offer which was accepted by the British Red Cross on the 14 May 2020.

The Property Investment Advisory Board, at its meeting on 2 June 2020, reviewed the purchase and supports and recommends to the Executive that this purchase be undertaken.

#### **4. Relationship to the Corporate Strategy and Service Plan**

- 4.1 The purchase of this site supports the vision of a financially sound Waverley. An income stream will support service delivery.

#### **5. Implications of decision**

##### **5.1 Resource (Finance, procurement, staffing, IT)**

The purchase will add a property asset to the Council's portfolio that will either generate a rental stream or hold capital value. Should the current tenants of the site wish to remain in occupation the Council will negotiate a rent. However, if the current tenants wish to vacate interest has been received from other parties wishing to use the site.

##### **5.2 Risk management**

Risk will be assessed in line with the Council's Risk Management Framework and Risk Appetite Statement and in accordance with the Property Investment Strategy's requirements with regard to risk.

##### **5.3 Legal**

- 5.3.1 The Council will instruct external solicitors to carry out the usual due diligence of the site which comprises two separate Land Registry titles on behalf of the Council and advise the Council of the terms of the occupational letting to ensure the tenant does not have security of tenure under the Landlord and Tenant Act 1954.

- 5.3.2 Once contracts have been agreed and a completion date fixed, the Council can proceed to exchange contracts. Normally a deposit of 10% of the purchase price is paid on exchange.

- 5.3.3 On completion balance of purchase price will be due and payable.

Following completion:

Rent authority letter will be sent to the occupational tenant

Stamp Duty Land Tax will be payable on the purchase price.



#### **5.4 Equality, diversity and inclusion**

There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

#### **5.5 Climate emergency declaration**

The Property Investment Strategy has a commitment to honouring the Council's Climate Change Emergency.

### **6. Consultation and engagement**

6.1 This report is bought to the Executive following recommendation of the Property Investment Advisory Board at its meeting on 2 June 2020.

### **7. Other options considered**

7.1 If the Council does not acquire this site back it will likely be sold off and the Council will miss out on the opportunity to fulfil the potential detailed in 3.

### **8. Governance journey**

8.1 The Property Investment Advisory Board, at its meeting on 2 June 2020, reviewed the purchase and supports and recommends to the Executive that this purchase be undertaken.

### **Annexes:**

Exempt Annexe 1 – purchase price

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### **Background Papers**

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

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### **CONTACT OFFICER:**

Name: Vicki Basley  
Position: Corporate Asset Manager  
Telephone: 01483 523250  
Email: victoria.basley@waverley.gov.uk

Agreed and signed off by:  
Legal Services: 25/6/2020  
Head of Finance: 26/6/2020  
Strategic Director: date

Portfolio Holder: 23/06/20

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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## WAVERLEY BOROUGH COUNCIL

### EXECUTIVE

8 JULY 2020

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**Title:**

**Property Matter - Wey Hill, Haslemere**  
**Feasibility study into development potential of the site**

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**Portfolio Holder:** Cllr Mark Merryweather, Portfolio Holder for Finance

**Head of Service:** Peter Vickers, Head of Finance and Property

**Key decision:** No

**Access:** Part Exempt

**Note pursuant to Section 100B(5) of the Local Government Act 1972**

Annexes to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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**1. Purpose and summary**

- 1.1 This report seeks approval for the use of up to £35,000 from the Investment Advisory Board Reserve to commission the Council's external property advisors, Montagu Evans, to undertake a detailed feasibility study and due diligence on the development potential of the Wey Hill site in Haslemere.

**2. Recommendation**

- 2.1 It is recommended that the Executive approves the use of up to £35,000 from the Investment Advisory Board Reserve.

**3. Reason for the recommendation**

- 3.1 In 2017/2018 the Wey Hill site was targeted for a land assembly, packaging and capital sale. The site has since been identified as a potential opportunity for development by the Council under the Property Investment Strategy. Prior preparatory work undertaken internally by the Council has been supplemented by the Council's retained external professional property advisers, Montagu Evans, who were commissioned to do a high level, independent options appraisal of the site which is detailed in (exempt) annexes 1 and 2. Their appraisal considered the following scenarios:

- Residual Land Value assuming planning permission is in place for the assumed residential scheme;
- Residual Land Value if the Site were sold as at today i.e. unconditional;
- Gross Rental Value for the Site.

3.2 The high-level assessment of the development potential of the site concluded that the residual appraisal analysis suggests that there is more than likely a viable residential scheme for the Site, and further, that the Site is viable whilst providing the policy compliant level of affordable housing. Therefore, funding is sought to engage Montagu Evans to undertake further due diligence into the development potential and prepare a detailed development scheme for the site that:

- Delivers the required social housing element
- Delivers private rented houses for the General Fund
- Considers the use of the passive house standard
- Considers the most appropriate delivery model

3.3 The Property Investment Advisory Board, at its meeting on 2 June 2020, discussed the importance of engaging expert and independent advice in assessing the development potential of the site and, therefore, support and recommend to the Executive that this funding be granted.

#### **4. Background**

4.1 Initial development feasibility work has been undertaken by the council's Housing New Development team who identified a potentially viable market rental scheme as an investment opportunity. The Property Investment Strategy adopted by Council on 18 February 2020, requires an independent evaluation and due diligence to ensure value for money and optimal use of Council assets.

4.2 Montagu Evans will build on any work undertaken to date internally where it is still valid and current.

#### **5. Relationship to the Corporate Strategy and Service Plan**

5.1 A development project on this site offers the Council an opportunity to deliver policy compliant level of affordable housing for the Housing Revenue Account and an investment opportunity for the General Fund that supports the vision in the Corporate Strategy to promote and sustain 'housing to buy and to rent, for those at all income levels'.

#### **6. Implications of decision**

##### **6.1 Resource (Finance, procurement, staffing, IT)**

At this stage there are no other resource implications.

## **6.2 Risk management**

Risk will be assessed in line with the Council's Risk Management Framework and Risk Appetite Statement and in accordance with the Property Investment Strategy's requirements with regard to risk. This includes ensuring comprehensive due diligence is undertaken when assessing any proposal. The use of external agents to give expert and independent opinion is part of this due diligence.

## **6.3 Legal**

A detailed legal title report has been completed which details the leased land, each occupier's property rights and the rights of way and covenants affecting the land. This should be taken into consideration prior to re-development. The site is complex in terms of access and rights of way. If the council is successful in achieving planning permission, one option is to "appropriate the land for planning purposes". This process could take 6-12 months with a view to overriding the private rights on the site. Compensation would be payable to any occupiers whose private rights are affected.

The Estates team has been negotiating with the remaining occupiers on site to reach agreement to move voluntarily from the site for redevelopment purposes.

Separately, in 2015 the Scouts served formal notice under the Landlord and Tenant Act 1954 on the Council stated it wished to re-new its lease of the Scout Hut and Plot 8. The Council is in negotiations with the Scouts about the possible renewal of the lease.

## **6.4 Equality, diversity and inclusion**

There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

## **6.5 Climate emergency declaration**

The Property Investment Strategy has a commitment to honouring the Council's Climate Change Emergency.

## **7. Consultation and engagement**

- 7.1 This report is bought to the Executive following recommendation of the Property Investment Advisory Board at its meeting on 2 June 2020.

## **8. Other options considered**

- 8.1 The governance and due diligence requirements under the Property Investment Strategy require the seeking of external advice in development appraisals and the commissioning of an independent valuation. A development scheme on this site will incur a significant cost so it is appropriate to engage external expertise to give

an independent assessment of options.

## **9. Governance journey**

- 9.1 The Property Investment Advisory Board, at its meeting on 2 June 2020, support and recommend to the Executive that this funding be granted.

### **Annexes:**

Exempt Annexe 1 – Briefing Note of development potential, Montagu Evans

Exempt Annexe 2 – Alternative Use Appraisal, Montagu Evans

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### **Background Papers**

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972.

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### **CONTACT OFFICER:**

Name: Vicki Basley  
Position: Corporate Asset Manager  
Telephone: 01483 5232550  
Email: victoria.basley@waverley.gov.uk

Agreed and signed off by:

Legal Services: 25/6/2020

Head of Finance: 26/6/2020

Strategic Director: date

Portfolio Holder: 23/06/2020



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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of the Local Government Act 1972.

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**WAVERLEY BOROUGH COUNCIL**

**EXECUTIVE**

**8 JULY 2020**

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**Title:**

**Property Matter - Broadwater Golf Course**  
**Options Appraisal**

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**Portfolio Holder:** Cllr Mark Merryweather, Portfolio Holder for Finance

**Head of Service:** Peter Vickers, Head of Finance and Property

**Key decision:** No

**Access:** Part Exempt

**Note pursuant to Section 100B(5) of the Local Government Act 1972**

An Annexe to this report contains exempt information by virtue of which the public is likely to be excluded during the item to which the report relates, as specified in Paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, namely:

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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**1. Purpose and summary**

- 1.1 This report seeks approval for the use of up to £50,000 from the Investment Advisory Board Reserve to commission the Council's external property advisors, Montagu Evans, to undertake a detailed options appraisal of the Broadwater Golf Course site. A draw down of the reserve is also sought to cover legal fees which were incurred in obtaining the site back for the Council of some £20,000.

**2. Recommendation**

It is recommended that the Executive approves the use of the Investment Advisory Board Reserve to fund the options appraisal on the site at a cost of £50,000 and the legal fees incurred of £20,000

**3. Reason for the recommendation**

- 3.1 The Council's Property Investment Strategy documents the Council's proposals in relation to Value for Money, the need for the Council to maximise the financial benefit from its assets, and to consider the development opportunities for those assets where appropriate. In furtherance of this the Council has written to Broadwater Golf Club Limited to inform the company of the Council's decision not to renew its lease. The Council has sought an initial analysis of options for the

site from the Council's retained external property advisers Montagu Evans. This is attached at Exempt Annexe 1.

In order to demonstrate the Council is actively pursuing the development opportunity of the site, work needs to continue to the next phase of the options appraisal. This further work will require funding in the region of £50,000.

- 3.2 The Property Investment Advisory Board, at its meeting on 2 June 2020, discussed the importance of engaging expert and independent advice in assessing the development potential of the site and, therefore, support and recommend to the Executive that this funding be granted.

#### **4. Relationship to the Corporate Strategy and Service Plan**

- 4.1 A Council delivered development on this site would support the Corporate Strategy's vision to sustain 'high quality public services accessible for all, including sports, leisure, arts, culture and open spaces'.

#### **5. Implications of decision**

##### **5.1 Resource (Finance, procurement, staffing, IT)**

At this stage there are no other resource implications.

##### **5.2 Risk management**

Risk will be assessed in line with the Council's Risk Management Framework and Risk Appetite Statement and in accordance with the Property Investment Strategy's requirements with regard to risk. This includes ensuring comprehensive due diligence is undertaken when assessing any proposal. The use of external agents to give expert and independent opinion is part of this due diligence.

##### **5.3 Legal**

Waverley Borough Council has written to Broadwater Golf Club Limited to inform the company of the Council's decision to not renew the lease at the Broadwater Golf Club site. This has been done by way of formal notice on the Club under the Landlord and Tenant Act 1954. The Council has sought external legal advice in relation to the process and further advice may be required.

##### **5.4 Equality, diversity and inclusion**

There are no direct equality, diversity or inclusion implications in this report. Equality impact assessments are carried out when necessary across the council to ensure service delivery meets the requirements of the Public Sector Equality Duty under the Equality Act 2010.

##### **5.5 Climate emergency declaration**

The Property Investment Strategy has a commitment to honouring the Council's Climate Change Emergency.

## **6. Consultation and engagement**

- 6.1 This report is brought to the Executive following recommendation of the Property Investment Advisory Board at its meeting on 2 June 2020.

## **7. Other options considered**

- 7.1 The governance and due diligence requirements under the Property Investment Strategy require the seeking of external advice in assessing development options.

## **8. Governance journey**

- 8.1 The Property Investment Advisory Board, at its meeting on 2 June 2020, support and recommend to the Executive that this funding be granted.

### **Annexes:**

Exempt Annexe 1 – Alternative Use Appraisal, Montagu Evans

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### **Background Papers**

There are no background papers, as defined by Section 100D(5) of the Local Government Act 1972).

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### **CONTACT OFFICER:**

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Agreed and signed off by:  
Legal Services: 25/6/2020  
Head of Finance: 26/6/2020  
Strategic Director: date  
Portfolio Holder: 23/06/2020

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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