

MINUTES of the Extraordinary meeting of the WAVERLEY BOROUGH COUNCIL held in the Council Chamber, Council Offices, The Burys, Godalming on 29 August 2023 at 6.33 pm

---

\* Cllr Penny Rivers (Mayor)  
Cllr John Ward (Deputy Mayor)

- |                          |                        |
|--------------------------|------------------------|
| * Cllr Lauren Atkins     | * Cllr Peter Martin    |
| Cllr Jane Austin         | Cllr Heather McClean   |
| * Cllr Zoe Barker-Lomax  | Cllr Mark Merryweather |
| Cllr David Beaman        | * Cllr Kika Mirylees   |
| * Cllr Dave Busby        | * Cllr Alan Morrison   |
| * Cllr Peter Clark       | * Cllr David Munro     |
| * Cllr Carole Cockburn   | * Cllr George Murray   |
| * Cllr Janet Crowe       | * Cllr Peter Nicholson |
| * Cllr Jerome Davidson   | Cllr Nick Palmer       |
| * Cllr Kevin Deanus      | * Cllr Ken Reed        |
| * Cllr Adam Duce         | * Cllr Ruth Reed       |
| * Cllr Tony Fairclough   | * Cllr Connor Relleen  |
| * Cllr Paul Follows      | * Cllr Paul Rivers     |
| * Cllr Maxine Gale       | * Cllr John Robini     |
| * Cllr Michael Goodridge | * Cllr Julian Spence   |
| Cllr George Hesse        | * Cllr James Staunton  |
| * Cllr Michael Higgins   | Cllr Richard Steijger  |
| * Cllr Jerry Hyman       | Cllr Phoebe Sullivan   |
| * Cllr Jacquie Keen      | * Cllr Liz Townsend    |
| * Cllr Victoria Kiehl    | * Cllr Philip Townsend |
| Cllr Andrew Laughton     | * Cllr Terry Weldon    |
| * Cllr Andrew Law        | Cllr Graham White      |
| * Cllr Gemma Long        | * Cllr Michaela Wicks  |
| * Cllr Andy MacLeod      | * Cllr Steve Williams  |

\*Present

### **Apologies**

Cllr David Beaman, Cllr Andrew Laughton, Cllr Mark Merryweather, Cllr Nick Palmer, Cllr Richard Steijger and Cllr Phoebe Sullivan

CNL40/23 APOLOGIES FOR ABSENCE (Agenda item 1.)

40.1 Apologies for absence were received from Councillors Beaman, Laughton, Merryweather, Palmer, Steijger, Sullivan and Ward.

CNL41/23 DECLARATIONS OF INTEREST (Agenda item 2.)

- 41.1 The Leader of the Council declared an Other Registerable Interest as a Godalming Town Councillor, and as a Ward Member.
- 41.2 Councillor Atkins had taken advice from the Monitoring Officer and clarified that she had no interest to declare.

CNL42/23 69 HIGH STREET, GODALMING (Agenda item 3.)

- 42.1 The Leader introduced the report and moved the recommendations from the Executive, duly seconded by Cllr Clark.
- 42.2 The Leader stated that the project represented a first iteration of an approach to intervention in high streets across the Borough that would form part of the new corporate strategy in the winter, and one which had been part of cross-party political manifestos during the election. Intervention in local high streets was fundamental to their ongoing sustainability, rather than awaiting government intervention. Residents incorrectly assumed that the Borough Council chose which businesses operated on the high streets, and that the rent was set by the Borough Council who in turn would set and retain Business Rates. However, only around 5p in each £1 of Business Rates were retained by the Council, and the Council only set rents where it owned the site.
- 42.3 The Leader continued that the Council had wider obligations than private businesses which included providing value for money for its residents together with tackling climate change through more ethical and sustainable actions. He expressed the view that a landlord should be financially sustainable enough to absorb short-term financial pressure, be viable in the long term, and not solely driven by profit but concerned also about sustainability and community values. The project would support Godalming High Street and bring forward sustainable housing in a Council owned development aligned to the Council's corporate strategy. The Leader was of the view the debate on the matter should be held in open session, as much as possible.
- 42.4 Councillor Liz Townsend spoke in favour of the recommendations on behalf of the Portfolio Holder, Councillor Merryweather, and thanked Officers for their hard work on the project. All Councils had to generate additional income to replace core Government funding which had been withdrawn. The project would achieve additional income whilst Councils continued to face financial uncertainty through the government having again postponed the fair funding review. The Council had been prudent in the investments it had made to date working within a clearly defined investment strategy and risk appetite and the proposed tenant was attracted as part of an open market process. Waverley had experienced a weakening economy, and between 2016 and 2021 approximately 3,000 jobs had been lost with a year-on-year decline in the number of businesses being set up. More businesses had failed than had been started. Therefore, the Council should do what it could to attract more businesses into the Borough and also a range of businesses onto high streets. Members were reminded that the site had been purchased in early 2022 by the Council as a general fund mixed use development with the benefit of planning permission and the project was also aligned to the

aspirations set out in the Corporate Strategy to optimise the availability of housing.

- 42.5 Councillor Hyman raised a point of order concerning the exempt classification of the annexes to the report. At the invitation of the Mayor, the Borough Solicitor clarified that Schedule 12A of the Local Government Act 1972 as amended set out seven categories of information which may be classified as exempt if and so long as in all circumstances of the case, the public interest in maintaining the exemption outweighed the public interest in disclosing the information. The exempt annexes before Members concerned the financial aspects of a Council commercial development project. Officers had considered the public interest and had formed the view that the need to keep what they judged to be commercially sensitive information out of the public domain outweighed the public interest in disclosing it. Councillor Hyman continued and spoke against the recommendations regarding the risk to and the financial strain on the Housing Revenue Account.
- 42.6 Councillor Martin spoke against the recommendations. The proposal to spend almost £2m was, in his view, flawed because the decision to purchase the site in May 2022 for £2.634m came with planning consent (which had expired) for eight dwellings but no agreement to lease the retail unit. Time had passed and the value of the property was considered by Cllr Martin to have decreased whilst the Council had continued to pay business rates and utility costs. Cllr Martin was of the view that the agreement in 2022 was a poor one and that Council's total outlay would now increase to over £4m.
- 42.7 Councillors Murray and Goodridge were concerned that the prospective tenant had been offered advantageous terms and that the Council was entering into a speculative commercial development without the necessary in-house expertise.
- 42.8 Councillor Liz Townsend countered that the proposal was not speculative but was a regeneration opportunity at a time when wider economic challenges were affecting businesses nationally. The resolution of Council would secure the proposed tenant, the rent had been negotiated and would be subject to review clauses.
- 42.9 The Leader, Deputy Leader and Councillors Crowe, Duce, Kiehl and Williams spoke in favour of the recommendations. New businesses had recently opened in the town, and successful events such as the Christmas lights switch on, and Staycation Live had been organised by the Town Council and voluntary organisations, which had increased footfall. The current value of the property was only relevant if the Council was intending to sell the property which was not the case. Residents wanted high street rejuvenation, economic development and affordable housing as demonstrated by there being 1180 households on the housing waiting list. The Council would deliver social value that private developers would be likely to overlook, and Councillors could be assured that Officers were able to draw upon expert advice from consultants.
- 42.10 The Borough Solicitor confirmed that the resolution of Council would be authorisation to proceed on the matter as set out in the report. Further, and

in response to Councillor Hyman, it was clarified that in order to move into exempt session a motion, duly seconded was required.

- 42.11 Councillor Martin proposed, duly seconded by Councillor Goodridge that the meeting move into Exempt session, accordingly the Mayor moved the recommendation and it was **RESOLVED 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 Property matter on the grounds that it was 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 the item, there would be disclosure to them of exempt information (as defined by Section 100I of the Act) of the description specified Paragraph 3 of the revised Part I of Schedule 12A of the Local Government Act 1972, namely: Information relating to the financial or business affairs of any particular person (including the authority holding that information).**
- 42.12 At 7.30pm the Council moved into Exempt session to consider the matters set out in the Exempt report.
- 42.13 At 8:15pm the Council returned to open session and the Mayor moved the recommendations set out in the report en bloc. Councillor Martin stood to request a recorded vote, supported by five other Members.
- 42.14 A recorded vote was undertaken by roll call whereupon it was **RESOLVED to approve**
- I. **a budget of £230,000 (Exempt Annexe 2), to be met from the Asset Investment Reserve, to progress Phase 1 of the revised project. This will be to deliver the commercial element of the project to RIBA Stage 4 (the detailed design phase) and to enable the submission of a planning application for the commercial unit.**
  - II. **an overall capital budget of £1.96 million (including the £230,000 referred to above), as per the breakdown in Exempt Appendix 4, to cover the anticipated cost of the capital works to the commercial unit, with delegation to Executive to approve the final budget once tender returns for the construction contract have been received.**

For (27)

Councillors Busby, Clark, Crowe, Davidson, Duce, Fairclough, Follows, Gale, Keen, Kiehl, Law, Long, Macleod, Mirylees, Morrison, Munro, Nicholson, K. Reed, R. Reed, Paul Rivers, Penny Rivers, Robini, Spence, L. Townsend, P. Townsend, Weldon and Williams.

Against (10)

Councillors Atkins, Barker-Lomax, Cockburn, Deanus, Goodridge, Hyman, Martin, Relleen, Staunton and Wicks.

Abstentions (2)

Councillors Higgins and Murray.

The meeting concluded at 8.20 pm

Mayor