

WAVERLEY BOROUGH COUNCIL

EXECUTIVE

8 JULY 2020

Title:

Property Matter - Broadwater Golf Course
Options Appraisal

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)

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

Background Papers

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

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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