

WAVERLEY BOROUGH COUNCIL

MINUTES OF THE EXECUTIVE - 1 NOVEMBER 2022

SUBMITTED TO THE COUNCIL MEETING – 13 DECEMBER 2022

(To be read in conjunction with the Agenda for the Meeting)

Present

Cllr Paul Follows (Chair)
Cllr Peter Clark (Vice Chair)
Cllr Penny Marriott
Cllr Mark Merryweather

Cllr Paul Rivers
Cllr Liz Townsend
Cllr Steve Williams

Apologies

Cllr Andy MacLeod, Cllr Kika Mirylees and Cllr Nick Palmer

Also Present

Councillor Steve Cosser, Councillor Peter Marriott and Councillor David Munro

EXE 44/22 MINUTES (Agenda item 2)

The Minutes of the Meeting held on 4 October 2022 were confirmed and signed as a correct record.

EXE 45/22 DECLARATIONS OF INTERESTS (Agenda item 3)

There were no declarations of interest raised under this heading.

EXE 46/22 QUESTIONS FROM MEMBERS OF THE PUBLIC (Agenda item 4)

The Executive received the following questions in accordance with Procedure Rule 10:

1. From Mr Richard Benson

Godalming Regeneration Project webinar 19th October.
Subject : Cost of heating the Burys Office Accommodation

During the webinar Cllr Merryweather made the following points:

- 9mins 33secs : "The amount it costs to heat this building is astronomical"
- 40mins 34 secs: "and with our energy bills...we're looking at hundreds of thousands of pounds...two to three hundred thousand pounds a year just to try and heat the building".

The cost of gas to heat the Burys office accommodation in 20/21 was £23,733 and in 21/22 was £33,438. The year on increase was £9,705 or 41%. The cost of gas for the first quarter 22/23 was £10,871, which when annualised would give a cost of £43,484. (source: Payments to suppliers over £500).

If the Q1 22/23 cost of £10,871 was annualised and then doubled, it would still only amount to £87,000.

Questions:

- a. Do the Executive agree that my figures are correct?
- b. Do the Executive agree that the claim, “the cost of £200,000 to £300,000 just to try and heat the building”, is not correct?
- c. What is the Executive Committees revised estimate for the cost of heating the Burys Office accommodation for 22/23?

Response from Councillor Mark Merryweather, Portfolio Holder for Finance, Commercial and Assets:

“Specific just to the cost of gas, those on the payments database for F20/21 and F21/22 are by definition historic and as Mr Benson says they showed a 41% increase even before the more recent acceleration in inflation. For completeness I should note that the payments database is not structured on an accruals basis, and one of the two bills recorded in the first quarter F22/23 actually relates to March in F21/22, and so the actual cost for the first quarter – again just for gas - was £10,724.51 which if annualised would equate to £42,898.04. The first quarter is a lower cost quarter in the year and costs are continuing to increase, but our base case forecast for this year F22/23 is actually slightly lower than Mr Benson’s estimate at around £69,000 with full years from F23/24 running at about £75,900 annually just for gas. That’s an annual increase of over 300%, or nearly £50,000 over the F20/21 baseline, equivalent to nearly £500,000 over the same 10 year horizon that’s used for the maintenance programme.

But, the figures just for gas exclude the direct financial cost of securing a serviceable boiler itself and the other direct and indirect costs - financial and environmental - of the status quo, and which include not just building maintenance backlog but also just for one other example our other energy cost – electricity - too, which include for other non-gas heating, ventilating and air conditioning and cooling systems and appliances.

Our baseline electricity cost in F19/20 was £76,832 which we expect to increase to around £167,000 just for this year F22/23 and £183,700 for the full years from F23/24 – an annual increase of over £100,000 or around 240%. While we don’t track what proportion of that electric cost is attributable solely to climate control I would emphasise again that two of the key energy related points of this project are not just to reduce our energy use but to secure as much sustainable electricity as possible from the retrofit to reduce all electricity costs regardless of what they are for.

For completeness I need to mention that all of our current financial assumptions are under review as part of our mid-year update of our Medium Term Financial Plan. We’re seeing increased upwards costs and supply pressures on our revenue and capital costs, while our powers to take effective short-term counter-measures is frustratingly limited. So, we’re on our own financially and have to watch every penny and that means planning well ahead just as much as fighting the most immediate challenges.”

2. From Mrs Kathy Smyth

I refer to the Project Initiation Document (Corporate & Service Projects) entitled The Burys Project dated July 2020 which is available online. In the Project Background section on page 2 it states as follows:

"In November 2018 Lambert Smith Hampton were commissioned to undertake a Strategy and Options Evaluation of office accommodation for the Council which was funded by a Government grant."

Please provide more details of this government grant to include if possible...

1. When was the grant applied for?
2. When was the grant awarded?
3. How much was applied for and how much was awarded?
4. Which WBC Council department applied for the grant?
5. Who within WBC authorised the grant application - officer and/or committee and/or Councillors/Portfolio Holder, and when?
6. What was the grant for?
7. What was the nature and purpose of the funding offered by this grant?
8. Which Government Department awarded the grant?
9. When was the money received and when was it spent and was all of it used on the Lambert Smith Hampton report or did it pay for other items, and if so what were these?

Response from Councillor Mark Merryweather, Portfolio Holder for Finance, Commercial and Assets:

1. "The grant was applied for in 2017, and
2. was awarded in December of that same year.
3. £50,000 was applied for and awarded;
4. it was the Council's Estates Team that applied for the grant, and
5. the decision to proceed with the bid was made by the Council's Management Board and approved by my predecessor Portfolio Holder at the time.
6. The grant was for a Waverley led project to work with the wider public services in the area to utilise public assets in the vicinity of The Burys office building under the "One Public Estate" programme operated by the Cabinet Office in conjunction with the Local Government Association. The programme encourages Councils to look at "locally-led partnerships of public sector bodies to collaborate around their public service delivery strategies and estate needs", the intention being to utilise and maximise assets by joining together and ultimately release sites for regeneration and housing.
7. The nature and purpose of the grant was to cover Lambert Smith Hamptons fees and additional officer time to conduct the feasibility study for the Waverley Borough Council office project.
8. The grant was awarded by the Cabinet Office, and
9. the money was received around October 2018. £38,621.50 was used on the Lambert Smith Hampton report and the balance was applied toward officer time to conduct the feasibility study."

3. From Mrs Anne Gray

Over 3,000 residents from Godalming, the surrounding villages and further afield have so far signed a petition of objection to the Central Godalming Regeneration Project proposals. The petition, created by the Save Crown Court Action Group, will be presented to Waverley Borough Council in due course.

- As the formal Waverley consultation ends would the Finance Portfolio Holder please accept early sight and scale of this petition while the Group continues to gather signatures?
- Would the Finance Portfolio Holder accept that the petition is perfectly legitimate in its position and does not contain incorrect or misleading information?

For information the petition is worded as follows:

“We, the undersigned, oppose the building of houses on the main Godalming Car Park at Crown Court and/or the construction of a multi-storey car park at the Waverley HQ site at the Burys.

We call on Waverley Borough Council to:

- 1. Terminate plans to close or partly close Crown Court Car Park*
- 2. Stop plans to build houses on Crown Court Car Park*
- 3. Reject proposals to build a multi-storey car park at the WBC site (or at Crown Court)*

Crown Court Car Park is Godalming’s largest car park, is used by large numbers of residents and visitors and is often full. It is easy to use and conveniently sited at the heart of the Town, close to shops and retail establishments in High Street and Church Street, the Parish Church, the Bandstand, children’s play facilities and Moss Lane School. A multi storey car park at the WBC site on the edge of the Conservation Area overlooking the Lammas lands is inappropriate for Godalming and would be much less easy and convenient to use.”

Response from Councillor Mark Merryweather, Portfolio Holder for Finance, Commercial and Assets:

“I believe that Mrs Gray is referring to an unofficial petition being promoted independently of the extensive official engagement on the Godalming project which I’ve referred to before, not least in both the most recent Executive on 4 October and the full Council on 18 October. As of now we’ve had no formal notice of this petition and until we do I can only remark on what Mrs Gray describes it to be. But what I said on 18 October applies equally now and I very much hope that the Save Crown Court Action Group as well as Mrs Gray and everyone else with a constructive contribution to make will engage with us and I sincerely urge them to do so.

As to whether I personally accept that the petition is perfectly legitimate in its position and does not contain incorrect or misleading information, you may recall that at Council on 18 October I also expressed concerns over reports from residents who were feeling misled into signing petitions and in some cases had done so only to regret doing so afterwards – and I quoted one specific example. So, in the interests of full transparency what would be really helpful indeed would be if the Save Crown Court Action Group could also share with us details of any related

canvassing activities and material that were used to promote their petition it to its signatories, so that it can be more fully understood in that context.

But this isn't a matter just for me personally, and neither do I know if it's this particular petition that's caused the concerns I've mentioned. Specific only to Mrs Gray's question though, I am afraid that some of the text does seem to be confused if not inaccurate. But the test of whether something is misleading actually has a broader scope than that because something can be misleading not just by inclusion but also by omission. That's a principle that's so generally accepted that in some cases it's even enshrined in law, for example in Consumer Protection Regulations. So it is that in assessing this petition we'd be expected to take into account what it doesn't say about the project which, at least from what Mrs Gray has put in front of us here, seems to be a great deal indeed.

But for now we very much look forward to receiving this petition along with all and any other constructive engagement feedback which we've always committed to considering without prejudice, fairly and reasonably."

EXE 47/22 QUESTIONS FROM MEMBERS OF THE COUNCIL (Agenda item 5)

There were no questions submitted from Members of the Council.

EXE 48/22 LEADER'S AND PORTFOLIO HOLDERS' UPDATES (Agenda item 6)

The Leader and Portfolio Holders gave brief updates on current issues not reported elsewhere on the agenda:

- The Leader invited Councillor Williams and the Executive Head of Environmental Services to give a presentation on the Waste and Street Cleaning Contract industrial action which was due to commence on 3 November. The presentation outlined the planning and priorities; the legal and financial implications; and communication and operational issues. The Leader then invited non-Executive members present both in person and on Zoom to ask questions of the Portfolio Holder and Executive Head of Service. Councillors Cosser, Munro, Reed, Gale, Heagin, Peter Marriott and Seaborne all spoke on this item. The Leader thanked all those present for their contributions and the officers involved for their work.
- Councillor Liz Townsend provided an update on the Local Plan Part 2 examination and the advice received from the Inspector that no additional modifications would be required other than those identified through the course of the examination, and no additional sites would need to be identified, in order to make the plan sound and legally compliant. It was hoped that Local Plan Part 2 would proceed to adoption in early 2023. The Leader thanked the officers for their work.
- Councillor Merryweather advised that the next Resources Overview and Scrutiny Committee would be considering an update on the MTFP for the current financial year and encouraged all to read. Assumptions had been adjusted to take into account inflation, which was expected to peak at a higher level. The change added £5m over the MTFP period and the unresolved budget shortfall was now almost twice the value anticipated in February 2022.

EXE 49/22 FREEHOLD ENFRANCHISEMENT PURCHASE OF 1-32 WYATTS CLOSE

GODALMING AND SURROUNDING LAND GU7 (Agenda item 7)

Councillor Paul Rivers, Co-Portfolio Holder for Housing (Operations) introduced the report which sought approval for the purchase of the freehold of 1-32 Wyatts Close, Godalming for the provision of secure social housing.

Councillor Heagin spoke in support of the recommendations, however expressed concern over the omissions in the governance route which had resulted in the item being taken under urgency procedures and highlighted the need for a more robust project and programme management system to avoid the situation arising again.

The Leader advised that the Executive had also raised concerns with officers over the governance route and was assured that those issues had now been addressed.

RESOLVED

- 1. That the Executive use its delegated authority to approve the purchase of the unencumbered freehold interest of 1 to 32 Wyatts Close and wider site for the total costs of £1,236,000 to be funded from the Housing Revenue Account.**
- 2. that the Executive receive the background documents to the enfranchisement:**
 - **Opinion Letter from Bishop & Sewell LLP dated 28 September 2022 [Annexe One]**
 - **Valuation Report from Perry Hill dated 19 October 2022 [Annexe Two]**
 - **Settlement Agreement dated 28 September 2022 [Annexe Three]**
 - **Draft Agreement for Sale National Corp Limited (1) and Waverley Borough Council (2) [Annexe Four]**
 - **Transfer of Part (TP1) SY788504 £1,015,000 (freehold to houses at 1-32 Wyatts Close) [Annexe Five]**
 - **Transfer of Part (TP1) SY788504 £10,000 (roadways, verges and remainder of site) [Annexe Six]**
- 3. and upon having considered matters in light of advice received from its advisors the Executive approves to:**
 - i ratify the settlement agreement entered into between National Corp Limited and the Council on 28 September 2022, and**
 - ii approve the budget virements schedule as at Annexe Seven**
- 4. The Executive approve:**
 - iii the purchase of additional land;**
 - iv to exchange and complete the statutory contract for the purchase of the freehold to the houses in accordance with the provisions of the Leasehold Reform Act 1967; and**
 - v to authorise the Interim Executive Head of Legal and Democratic Services to enter into any documentation required to effect the transaction.**

Both steps being simultaneous as set out in the draft Settlement Agreement.

Reason:

The Council in securing the freehold of this site will consolidate its holding in this site, to provide social housing and secure control for the future and the ability of considering it in combination with nearby holdings.

EXE 50/22 BIODIVERSITY POLICY AND ACTION PLAN (Agenda item 8)

Councillor Liz Townsend, Portfolio Holder for Planning and Economic Development presented the report which set out a draft Biodiversity Policy and Action Plan, created following considerable research by officers working with the Surrey Wildlife Trust. This would ensure that the Council's open spaces were managed in a way to maximise biodiversity and provide access to diverse open spaces for residents.

Councillor Williams spoke in support of the draft Policy, which was part of a suite of policies, and had been through a lengthy consultation process with input from Overview and Scrutiny. The Policy was aligned to the corporate commitment to biodiversity and tackling the climate and ecological emergency.

The Leader thanked the Portfolio Holders and hoped that secondary legislation would be forthcoming from the Government to help local authorities implement the provisions of the Environment Act.

RESOLVED

That the Biodiversity Policy and Action Plan be adopted as council policy.

Reason

Public, Government and industry awareness of Climate change and the fragile state of our environments, local, national, and international have never been higher or the importance of action so urgent. As a responsible leading local Authority, it is our duty to lead from the front and demonstrate real commitment to recognising the great important of our natural environment and our extreme reliance we place upon it in terms of financial activity, mental health, and wellbeing.

There is a need for a consistent and a comprehensive approach to the Councils management of habitats and wildlife in order that biodiversity is enhanced and increased wherever possible in the borough.

The Council needs a policy that puts the environment into the heart of everything we do, embeds new Legislation such as the Environment Act 2021, and take steps to protect our environments for our future generations.

This Biodiversity policy (Annexe 1) provides the central structure to support the Councils staff and ensure that biodiversity implications are considered central to decision making.

The new Environment Act introduces the requirement for Biodiversity reports, Local Nature Recovery Strategies and the examination and approval of biodiversity gain plans.

Executive 8
01.11.22

The meeting commenced at 6.00 pm and concluded at 7.00 pm

Chairman