

SURREY COUNTY COUNCIL**CABINET****DATE: 26 OCTOBER 2021****REPORT OF CABINET MEMBER: NATALIE BRAMHALL, CABINET MEMBER FOR PROPERTY MEMBER****LEAD OFFICER: LEIGH WHITEHOUSE, EXECUTIVE DIRECTOR FOR RESOURCES****SUBJECT: ACQUISITION OF LAND AT TICE'S MEADOW, FARNHAM****ORGANISATION STRATEGY PRIORITY AREA: GROWING A SUSTAINABLE ECONOMY SO EVERYONE CAN BENEFIT/ ENABLING A GREENER FUTURE****Purpose of the Report:**

Cabinet is asked to approve acquiring the freehold interest in approximately 55 hectares (137 acres) of land, a restored former quarry, at Tice's Meadow Farnham. The proposal is for Surrey County Council to purchase the land in conjunction with some of its district, borough and neighbouring authorities for the purposes of supporting the community and offering additional benefit through mutual management controls. Purchasing the land will not only safeguard it but also enable the development of an important natural habitat adjacent to existing county and district holdings for recreational and habitat creation purposes in support of Surrey County Council's wider green agenda.

Recommendations:

It is recommended that Cabinet:

1. Approves the freehold purchase of land known as Tice's Meadow, Farnham, dependent on receipt of 45% of the purchase price from a consortium of key partners, as previously agreed. The purchase price and transaction costs are commercially sensitive at this time and are set out in the Part 2 report.
2. Delegates authority to the Director of Land and Property and the Executive Director of Resources, in consultation with the Leader and Cabinet Member for Property, to conclude contracts and completion and to recover agreed capital contributions from its key partners. The capital contributions are commercially sensitive at this time and are set out in the Part 2 report.
3. Agrees that Surrey County Council takes over as lead accountable body for the Aftercare and Management Scheme, in partnership with its public sector partners and approved private bodies.
4. Notes that Surrey County Council will become responsible for the Aftercare Management Scheme as set out in paragraph 8 in this report, and the associated costs noted in the Part 2 report.

Reason for Recommendations:

It is recommended that Cabinet approves Surrey County Council purchasing land in Farnham as set out in the Part 2 report. The land is a former quarry which has been restored and remains subject to a 20-year management plan for its enhancement and protection delivered in partnership with Waverley Borough Council, Farnham Town Council, Guildford Borough Council, and both Hampshire County Council and Rushmoor Borough Council, supporting the Blackwater Valley Partnership.

The purchase of land, on behalf of its local authority partners, protects against the risk of a private purchaser taking over and seeking to reduce public access or amenity benefit, and also averts the risk of land disposal possibly into small parcels that would make future purchase potentially more complex and expensive.

The Council's Natural Capital Estate provides 10,000 acres of high-quality landscape and recreational space. However, in Waverley open space of this kind is currently limited, so the purchase of this land provides an ideal opportunity to expand space available for residents and visitors. The area complements Surrey's existing land ownership known as Tongham Pool to the immediate east, and the Blackwater Valley Way (owned by Rushmore Borough Council) which sits along the northern boundary. It will also provide the opportunity for a number of circular walks within the site, and an additional attraction for visitors to explore wildlife and the natural environment.

Since the landscape quality of the site as a quarry was very low, there is a high net biodiversity value to be gained from active management of the site to maximise value delivered by the new wetland, woodland and grasslands.

By approving the purchase of the land Surrey County Council will support both its public sector partner authorities and the Greener Futures priority objectives.

Executive Summary:

Background

1. The Council has been working closely with the current owners of the quarry, Hanson Quarries Europe Limited, over the restoration of the former quarry and since 2016 has developed a close working relationship with its public authority partners to further develop the land, and the governance arrangements for its management.
2. The land provides an excellent opportunity to create a range of socio-economic and environmental benefits for the area, generating new opportunities for public access to new habitats for ecology, development of natural green space aligned to wider educational agendas. In addition, there is an element of strategic planning given the land could be acquired by an investor/developer seeking to use the land for Suitable Alternate Natural Green (SANG) space to offset, support or enlarge local housing development.
3. Following the Council's Climate Emergency declaration in July 2019, the Greener Future agenda is a key strategic priority for the Council with a commitment to becoming a net-zero county by 2050. The science behind the emissions reduction pathway to 2050, which underpins the Council's Climate Change Strategy (2020), shows that there will still be a need to offset around 5% of emissions to reach net-zero. This need for vegetation to draw in (sequester) and "offset" carbon dioxide from the atmosphere was a driver for the Council's target of planting 1.2 million trees over the next decade.

4. Tice's Meadow presents an opportunity to purchase land that can be used to facilitate and enable tree planting, promote wider habitat enhancements whilst creating accessible green spaces for Surrey residents and visitors.
5. Opportunities align with local aspirations:
 - Active Travel: connecting communities and providing access to the countryside.
 - Countryside: improvement to areas providing ecology, public amenity and recreational facilities.
 - Environment: improved habitat for ecology, carbon offsetting (through sequestration), tree planting and sustainable energy, and potential SANGs.

Business Case

6. There are circumstances where Surrey County Council and/or its public authority partners may be required to purchase land:
 - Where owning land can be the most efficient way of safeguarding the access requirements for operations and maintenance.
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 - Where purchase can prove to be the most cost-effective way of compensating a landowner who is seeking to divest their interest.
7. Surrey County Council, acting as lead party on behalf of Waverley BC, Farnham Town Council, Guildford BC as well as the neighbouring Hampshire authority and Rushmoor BC, has been offered the opportunity to purchase the whole site ahead of further marketing where several investors were seeking to secure an interest for possible enhancement of SANG value and which could add risk through loss of local management control.
8. The key aims of the Management Scheme are as follows:
 - i. To undertake measures over the 20-year aftercare and maintenance period which will develop the restored land into a valuable and beneficial addition to the Blackwater Valley network of open spaces and habitat zones.
 - ii. To develop and maintain a network of permissive footpath routes throughout the restored site in accordance with the revised restoration proposals in order to enhance local public recreation and amenity.
 - iii. To develop and maintain the meadow grassland areas in accordance with the cultural requirements of National Vegetation Classification (NVC) type MG5 or similar, in order to maximise its nature conservation benefits.
 - iv. To develop and maintain the seasonally wet meadow grassland areas in accordance with the cultural requirements of NVC type MG8 or similar in order to maximise its nature conservation benefits.
 - v. To develop and maintain the riparian corridor associated with the River Blackwater to promote habitat and species diversity.
 - vi. To develop and maintain the areas of reed swamp, tree and scrub regeneration and rough grassland / tall ruderal vegetation associated with the former silt lagoons, to promote habitat and species diversity.

- vii. To develop and maintain the area of standing open water and marginal wetland areas to benefit breeding and overwintering wildfowl and provide a diversity of ephemeral habitats.
 - viii. To develop and maintain areas of native broadleaved woodland both on the old silt lagoons and around the site edges in order to promote links with existing woody vegetation, add habitat diversity and to screen and buffer the site from the A31 and adjoining built development.
9. An Aftercare Management Committee (AMC) has been established to oversee aftercare operations and monitor development of the site throughout the 20-year aftercare period. Members include Surrey County Council, Waverley BC, Farnham Town Council Guildford BC, Rushmoor BC, Hampshire CC and the Tice’s Meadow Bird Group. This type of management structure allows targeted and compartment specific maintenance operations to be identified each year and resources allocated in order to achieve the work required, as well as providing an effective monitoring mechanism to evaluate previous work carried out, which is fundamental to the long-term success of the site.
10. The AMC would initially be chaired by a representative from Surrey County Council with membership drawn from the Council’s public authority partners as well as invited individuals and organisations with an expertise in nature conservation and/or links to local communities, who already have an inherent interest in the site and able to devote energy into the future management and development of the landscape and ecology of the site.
11. The detail of the land, the proposed purchase price and the anticipated revenue costs are set out in the Part 2 report.

Consultation:

- 12. Cllr Tim Oliver, Leader, Surrey County Council.
- 13. Cllr Natalie Bramhall, Cabinet Member for Property.
- 14. The Leader of the Council has consulted with the Leaders and senior officers from Waverley BC, Guildford BC, Rushmoor BC, the Town Clerk from Farnham Town Council and the Executive Member for Recreation, Heritage and Rural Affairs at Hampshire County Council.
- 15. Cllrs Catherine Powell (Farnham North) and Matt Furniss (Shalford).
- 16. Cllr Mark Merryweather, Portfolio Holder for Finance, Assets and Commercial Services, Waverley BC.
- 17. Surrey County Council officers in the Environment, Natural Capital and Greener Futures teams.

Risk Management and Implications:

	Risk Description	Mitigation Action/Strategy
1	The Vendor withdraws.	The Vendor is aware that the bid is made on behalf of a consortia of public bodies who have a long-term interest.

	Risk Description	Mitigation Action/Strategy
2	Access or Use of the land is compromised by third parties.	Management and Governance in place to enable swift action.
3	Failure to secure capital contributions to the purchase price indicated by key partners.	Ongoing dialogue with each partner, to seek their formal governance approval as soon as possible.
4	Contamination from former uses requires unforeseen clean-up work.	Professional Team to be appointed to carry out survey of the site to ensure no extraordinary control measures required, or to reflect cost in reduced purchase price.
5	Reputational.	Clear and precise Management and Restoration Plan in place to accord with approved S106 obligations, continual engagement with partners, members and services.
6	Change in laws e.g., additional measures to deal with Nature assets.	Stakeholders to keep up to date on all legal matters and forward plan.
7	Failure to complete purchase.	Vendors to be regularly updated and ensure legal processes are expedited.

Financial and Value for Money Implications:

- 18. Details of costs and financial implications are included in the Part 2 report.
- 19. As part of a consortia approach, the Leader of the Council held discussions with the immediately adjacent local authorities to ascertain their interest in securing the land and, subject to Surrey County Council leading the purchase, each authority has offered to contribute towards the purchase cost, meaning that 45% of the purchase costs should be covered by contributions, with each party continuing to support the local Management Board with a local community interest group.
- 20. An application to the Natural Environment Readiness Fund is being prepared, for submission to the second round of funding by the Council’s Environment, Transport and Infrastructure team, to facilitate future investment in Natural Capital sites and provide longer term funding for maintenance and ongoing improvements in nature recovery and recreational provision.
- 21. The site is of a size and design to secure enhance designation as a SANG space alongside the County’s adjacent land holding should planning regulations require one.

Section 151 Officer Commentary:

22. Although significant progress has been made over the last twelve months to improve the Council’s financial position, the medium term financial outlook beyond 2021/22 remains uncertain. The public health crisis has resulted in increased costs which may not be fully funded. With uncertainty about the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an

onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.

23. The Section 151 Officer supports the proposal to purchase land at Tice’s Meadow Farnham but notes the ongoing revenue pressure this creates and requires a review and reprioritisation of existing Natural Capital workplans to ensure that these costs can be contained within existing budget envelopes.

Legal Implications – Monitoring Officer:

24. This report sets out a proposal for the Council to purchase the freehold of land at Tice’s Meadow, Farnham in partnership with its public sector partner authorities to facilitate the Greener Futures priority objectives.
25. The Council is empowered by section 120 of the Local Government Act 1972 to acquire land for the purposes of any of its functions.
26. Cabinet is under fiduciary duties to local residents in utilising public monies and in considering this proposal Cabinet Members will want to satisfy themselves that it represents an appropriate use of the Council’s resources and that adequate safeguards have been included, notably, (i) to ensure that the overage provisions restricting commercial development of the south eastern part of the land are reviewed in detail to understand the financial and legal implications on any proposed future use; and (ii) that the proposed financial contributions from its public sector partner authorities (to purchase the land) and any ongoing responsibilities post purchase are documented to ensure that the Council’s financial and legal position are protected prior to entering into any financial and legal commitments with the seller, Hanson Quarries Europe Limited.

Equalities and Diversity:

27. It is not anticipated that the acquisition of the site will have any impact on residents or staff with different protected characteristics. Further work will be required to fully understand any impacts, particularly regarding access, for those who use mobility aids once it has been agreed that the acquisition will go ahead.

Other Implications:

28. The potential implications for the following Council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No significant implications arising from this report.
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report.
Environmental sustainability	No significant implications arising from this report, only benefits of protecting the Nature Reserve.

<p>Compliance against net-zero emissions target and future climate compatibility/resilience</p>	<p>The Surrey County Area Natural assets account shows that natural habitats make up 170,500 hectares of land in the county. Woodlands and grasslands in Surrey annually sequester 239,795 and 44,385 tonnes of carbon dioxide (CO₂e) respectively, which makes them a valuable asset to achieve net-zero ambitions. The land to be acquired, with proposed management interventions, will continue to sequester carbon emissions with the existing vegetation cover and any additional woodland and grassland establishment would sequester 5.7 and 0.642 CO₂e equivalent emissions per hectare per year respectively, according to Surrey County Council's Current Natural Capital Accounts. Acquisition of this land will also support active travel measures acting as a corridor which help to reduce Surrey's transport sector emissions and will have greater positive climate mitigation and adaptation benefits for Surrey County Council and residents of Surrey.</p>
<p>Public Health</p>	<p>No significant implications arising from this report.</p>

What Happens Next:

- 29. The Council's solicitors will be instructed to progress legal documentation and due diligence whilst the professional team will undertake physical due diligence on the land, including ground surveys, to establish any unanticipated liabilities and to secure full details of the Management Group and Monitoring activity for the Aftercare plan.
- 30. Subject to confirmation that the acquisition is approved, final terms agreed, and due diligence is satisfactorily completed, the acquisition is being targeted to complete by 31 October 2021.

Report Author:

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Consulted:

Cllr Tim Oliver, Leader, Surrey County Council
 Cllr Natalie Bramhall, Cabinet Member for Property
 Cllr Matt Furniss, Cabinet Member for Transport and Infrastructure, and Local Member for Shalford
 Cllr Catherine Powell, Local Member for Farnham North
 Cllr Mark Merryweather, Borough Councillor for Waverley, and Portfolio Holder for Finance, Assets and Commercial Services, Waverley BC
 Leader and senior officers from Waverley BC, Guildford BC and Rushmoor BC

The Town Clerk, Farnham Town Council
Executive Member for Recreation, Heritage and Rural Affairs, Hampshire CC
Katie Stewart, Executive Director for ETI
Carolyn McKenzie, Director – Environment
Katie McDonald, Natural Capital Group Manager
Katie Sargent, Greener Futures Group Manager
Surrey County Council Finance and Legal teams

Annexes:

Part 2 report

Sources/background papers

None