

Please note that the information redacted is not in respect of WFC

COUNCIL – 25 JULY 2019

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Not for publication by virtue of the following paragraph(s) of Part 1 of Schedule 12 A (L.G.A. 1972):

Paragraph 3: Information relating to the financial or business affairs of any particular person (including the authority holding that information).

[NOTE: DECLARATIONS OF INTEREST

In accordance with the Officer Employment Procedure Rules, Peter Bryant (Head of Democratic and Legal Services) has declared an interest in Questions 8, 23, 24 and 25 arising from him (i) being a member of the Cards Trust, the supporters' club for Woking Football Club and (ii) providing occasional unpaid assistance to Woking Football Club, e.g. acting as Returning Officer for the election of directors. The interest does not prevent Mr Bryant from advising the Council on this matter.

In accordance with the Officer Employment Procedure Rules, Leigh Clarke, (Finance Director) has declared an interest in Questions 8, 23, 24 and 25 arising from her husband having a small shareholding in the Club. The interest does not prevent Mrs Clarke from advising the Council on this matter.]

QUESTIONS TO COUNCIL – 25 JULY 2019

The following questions have been received under Standing Order 8.1. The draft replies, which are subject to amendment, are set out below.

“Councillors are thanked for their questions.”

[REDACTED]

8. Question from Councillor M Ali

“Why are the details of the GolDev deal being kept secret from the public, whose money is being given to GolDev?”

Reply from Councillor A Azad

“The aspect of the GolDev transaction which remains confidential is the loan arrangement agreed by the Council. In accordance with standard commercial practice, the Loan Agreement between the Council and GolDev Woking Limited contains confidentiality obligations. The Council would be in breach of these if it disclosed the existence, or nature, of the finance arrangements. It is appropriate that the need for confidentiality is reviewed in the light of changing circumstances (including GolDev consulting the public on the proposed development). The Monitoring Officer met with GolDev on 24 July to discuss the extent to which the confidentiality obligations should be relaxed. The Monitoring Officer has told me that he will shortly advise all Members what information is no longer confidential.”

23. Question from Councillor D E Hughes

“What security does GolDev Woking offer against the value of the revolving loan until such time as there are actual building assets to exchange?”

Reply from Councillor A Azad

“The security arrangements for the loan advances are as reported to Full Council on 6 December 2018, i.e.

- i) A legal charge over GolDev Woking Limited's property interests in the Kingfield and Egley Road sites; and
- ii) A debenture over GolDev Woking Limited's assets.

The loan agreement obligates GolDev to pay to the Council 90% of the sale proceeds of each residential property, when it is sold.”

24. Question from Councillor D E Hughes

“What risk assessment has been undertaken against the financial agreement with Goldev Woking to protect the Council's money?”

Reply from Councillor A Azad

“The Monitoring Officer and the Finance Director undertook a risk assessment before recommending to the Executive and Council that the loan facility should be provided. The report to Council stated that the Monitoring Officer was satisfied that (i) the proposed loan arrangements protected the Council's interests and (ii) it was lawful, reasonable and prudent for the Council to proceed with the loan arrangements. The Finance Director was satisfied with the proposed financial arrangements, not least the projected loan margin income of £14m. The loan agreement subsequently entered into provides considerable security to the Council, as lender. This agreement was only completed once the Monitoring Officer and Finance Director were satisfied that it protected the Council's interests.”

25. Question from Councillor D E Hughes

“Now that the contract has been signed, 30.1.19, why are the financial arrangements of this contract not yet disclosed to the members of the public, i.e. the Council loan of £250 million to GolDev Woking? Surely this information should now be open to our residents?”

Reply from Councillor A Azad

“I have dealt with this in my reply to Councillor Ali's question (question 8). In accordance with standard commercial practice, the Loan Agreement between the Council and GolDev Woking Limited contains confidentiality obligations. The Council would be in breach of these if it disclosed the existence, or nature, of the finance arrangements. It is appropriate that the need for confidentiality is reviewed in the light of changing circumstances (including GolDev consulting the public on the proposed development). The Monitoring Officer met with GolDev on 24 July to discuss the extent to which the confidentiality obligations should be relaxed. The Monitoring Officer has told me that he will shortly advise all Members what information is no longer confidential.”

Date Published:

25 July 2019

REPORT ENDS