

SOUTHWOLD TOWN COUNCIL

Minutes of the Meeting of the Town Council of Southwold, held in the Council Chamber at 6pm on Wednesday 22nd June 2022.

PRESENT:	Councillor	J Windell – Town Mayor
	“	D Beavan
	“	Miss A Betts
	“	I Bradbury
	“	S Flunder
	“	Mrs P Goldsmith
	“	Mrs J Jeans
	“	Mrs J Jordan
	“	M Ladd
	“	M Rowan-Robinson
	“	J Sutton
	“	R Temple

Also present; Alison Ayers - Clerk, High Steward, and 8 members of the public in person at the Town Hall.

The Town Mayor started by thanking Alison Ayers for clerking the meeting tonight in the absence of the Town Clerk.

The Mayor reminded councillors that due to the sensitive nature of some of the details within the agenda item, if discussions started to stray into specific areas of detail i.e., of commercial sensitivity, the public would need to be excluded and discussions would need to be held within a confidential session.

1. **Apologies:**

To receive apologies for absence. There were no apologies for absence.

2. **Declarations of interest:**

a) *To receive any declarations of Personal Interest regarding the agenda.*

Nil.

b) *To receive any declarations of Disclosable Pecuniary Interests regarding the agenda.*

Cllr Temple noted that it was either none or all to declare an interest as the property was owned by the Town Council.

c) *To note the decision of the Town Clerk regarding requests for dispensations relating to this agenda.* Not applicable.

d) *Councillors to be reminded of the requirement for them to individually update their Register of Interests as appropriate.* Noted.

3. **Public Participation**

To receive comments from Southwold electors on matters on the agenda (*each elector will be allowed a maximum of 3 minutes*).

(10 minutes will be allocated overall for this section- subject to Town Mayor discretion).

A member of public advised that they had submitted questions previously and had spoken to numerous people in and out of Southwold and the consensus of these people was that offices were not required, and where was the shortfall of money coming from? A member of the public advised that given the plans for flexibility for final use, and the landscape changing, this would give opportunities for proper breakeven use and that it has to go ahead with no further discussion needed with electorate as they have had enough time to engage with this.

4. **To consider, and if agreed approve, to enter into a contract to proceed with the construction for the redevelopment of Station Yard (as per terms of constructor tender as updated June 2022).** (*Project = as per Town Council priorities 2019 – 2022 b) Diversify and enhance the local economy).*

See confidential papers for information.

(Some aspects of this agenda item may be confidential)

Councillor Rowan-Robinson asked if there had been any announcement of how the shortfall is to be financed and if the Council would take on any debt, noting that STC has already discussed and agreed who is to be the operator and the contractor, so the final stage for consideration is whether the finances are in place.

The Town Mayor advised that the shortfall has been funded.

Question was asked as to who are the other funders and on what terms?

A member advised that at a recent ESC Cabinet meeting, members agreed a £600,000 investment into the project in partnership with Southwold Town Council, therefore there would be surplus funding of £152,000 available.

Cllr Beavan advised that the ESC terms have not been formally agreed - they would need to value the yard, assess the income, and expect a minimum of 2% return according to a letter from ESC.

The Town Mayor advised that the funding is not a loan.

The meeting was asked whether it could be clarified whether ESC will take equity or a debt.

Cllr Ladd reminded the meeting that the project originally started some 10 years ago, as Station Yard was not fit for purpose, and the 100 year old buildings needed investment. As this will be a potentially historic decision, Cllr Ladd advised that it should be a recorded vote. Thanks were extended to ESC for investment of £600,000 which would include 20% equity stake only if/when sold in the future. 2% income equates to about £12,000 year. Members were reminded that ESC has assisted with this project, especially the Economic Development Team, and that this is not electors' money as no precept has been used to fund this, funding having been obtained from the sale of 2 properties, a grant from the Coastal Communities Fund and ESC.

Cllr Beavan read highlights of the letter received regarding the £600,000 investment from ESC and advised that this was not a done deal as a valuation of the site would need to take place. Cllr Beavan advised that the project divides council members and explained why it should not happen, referencing ex Cllr Tucker's vision of diversifying the local economy, which he supported, but questioning the wisdom of putting all eggs in one basket and the focus on offices, advising that currently 60 office spaces lie empty in Reydon and that the predicted income, assuming 90% occupancy, has fallen from £150,000 a year to £15,000 after paying interest to ESC. A payback of a period of 200 years. Breakeven is 75%, and the market is saying that the space is not needed. It was

suggested that another public meeting be held. Cllr Sutton advised that £12,000 interest paid per year was £60,000 over 5 years and that the project may not make this sum. Cllr Goldsmith suggested that ESC would not be willing to invest if they did not think that the project was worthwhile.

Cllr Bradbury asked for evidence about the information regarding the 60 offices vacant in Reydon.

Cllr Rowan-Robinson reminded the meeting of the analysis of the petition in 2020, in which the majority that signed online were from abroad or outside 25 miles of the area. Members were reminded of other factors including the information that 84% wanted small businesses and employment to be provided.

Cllr Jeans reminded the meeting that 2 years ago the buildings were considered dangerous and demolition costly. In the end, there was not much contamination at the site and was within budget. The previous garage tenants were relocated to Reydon. A respected adviser suggested bringing in an operator early, so an operator was found, not just for Station Yard but to assist the High Street overall. There are 14 desks in the old hospital which although not open yet, 40 people signed up for. The operator has said this project can be a success and will be successful if everyone works together for the town. Project Cost- STC has a final price with a good contractor. Project management – a project manager is on the professional team and ESC is on project board, so the Town Council has the capacity to deliver. The final piece was the finance which is now in place. The public has had opportunity to attend meetings and express views about the project. The planning application only had 5 people who wrote in, with no opposition. The Neighbourhood Plan supports creation of this type of space, and of the 300 people who voted, 89% were in favour of N plan.

Cllr Bradbury asked that members should come to debate with an open mind and vote accordingly.

Cllr Flunder suggested that STC should know what the actual terms from ESC before agreeing, and that as opposition to the project has been created, a public meeting should be held to be transparent.

Discussion about the need to communicate to all people, with a range of measures. Cllr Ladd advised that he had seen the opening of the new Felixstowe Business Hub, which was very impressive, and that the terms from ESC would seem to be £12,000 a year (2%) and a 20% equity stake if sold - ESC are very keen on Enterprise hubs and see this as a very good project and will be a great partner on the project board. Cllr Ladd was also keen to thank all those people who had assisted in getting STC to this place.

It was proposed by Cllr Ladd, seconded by Cllr Goldsmith, that STC enter into a contract to proceed with the construction for redevelopment at Station Yard (as per terms of constructor tender updated June 2022).

Vote: For – the Town Mayor – Cllr Windell, Cllrs Bradbury, Betts, Goldsmith, Jeans, Jordan, Ladd, Rowan-Robinson. Against: Cllrs Flunder, Beavan, Sutton and Temple. Motion was carried 8/4 in favour

5. **Date of next Town Council Meeting:** Tuesday 28th June 2022 at 7.30pm.

6. **Exclusion of Public and Press if required during discussions:** Pursuant to section 1 (2) of the Public Bodies (Admission to Meetings) Act 1960 it might need to be resolved, due to the confidential nature of the business to be transacted, for the public and press leave the meeting during consideration of the following.

If required for legal, staff, or tender discussions.

And See 4 Above for details of the resolution.

Confidential papers relating to tender for Station Road redevelopment.

There being no further business the meeting closed at 6.45pm.

Signed

Dated