



Summary Property Report - Asset Disposals (Part 1)
71-72 North St, Guildford

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1.0 Property description and location

1.1 Retail unit on ground floor with offices on first and second floors. The plan below shows the boundary of the land area under consideration for disposal highlighted in red.



2.0 Summary findings from the Asset Management Framework decision tree process

- 2.1 The Asset Management Plan showed an Outcome of ‘Sell – Asset does not meet Council’s corporate objectives. This outcome was based on the rental income receivable being only a peppercorn (nil rent) subject to a long lease with 113 years remaining with no rent review and no real opportunity therefore to improve the asset’s investment performance. There is no effect on the Council in terms of any loss in income by no longer owning the property.

3.0 Historic and current use

- 3.1 The building is believed to date to the late 1890’s and is currently retail use on the ground floor and offices on first and second floors.
- 3.2 The property is subject to a long lease granted in 1988 at a peppercorn rent for a term of 150 years. In March 2024 the lease was assigned, and the new long leaseholder (Council’s tenant) submitted an enquiry to the Council to purchase the Council’s freehold interest. The retail unit trades as ‘Rugmart’.
- 3.3 When the long lease was granted in 1988 a premium of £710,000 was paid to the Council in return for the right for the tenant to hold exclusive possession of the land for 150 years. The Council chose to retain the freehold interest of the land at the time. This disposal report examines the opportunity to sell this freehold interest to the leaseholder alongside a surrender of this lease.

4.0 Legal Title

- 4.1 This property forms part of a larger freehold title SY741829 the area of which goes beyond the boundaries of the proposed asset for sale. Consideration has been given as to how the land is divided and any rights the Council wishes to retain over the land.
- 4.2 The property is held under section 125 of the Local Government Act 1933 and the Council can sell the property in accordance with section 123 of the Local Government Act 1972, as amended.

5.0 Planning context and planning history

5.1 Brief summary of the relevant planning history:

- Single storey roof extension to create three flats. Granted (30/05/2023).
- Change of use of the first floor of the property to three flats – 2 no. one bed and 1 no. two bed. Prior Approval granted (06/06/2024).

5.2 Current use: Retail on ground with offices on first and second floors.

5.3 Potential Development Options to be considered (in planning terms):

- Continued use in accordance with extant permission: To be operated in accordance with existing uses &/or extant permissions.

6.0 Planning Services Comments

6.1 Extant planning permissions are considered to maximise the development potential of the site.

7.0 Property Market Commentary (See Part 2)