Guildford Borough Council		
Report title: Asset Disposal Programme – Clay Lane Barns & Field		
Report to: Executive		
Date: 5th November 2026		
Executive Portfolio Holder: Councillor Phil Bellamy **Contact Email: phil.bellamy@guildford.gov.uk**		
Report of Strategic Director: Jo Knight, Joint Strategic Director of Finance & Resources **Contact Email: jo.knight@guildford.gov.uk**		
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Wards affected: Worplesdon. **Ward councillors informed:** Yes		
Exempt from publication: Partially		
Key Decision: Yes	**If a Key Decision, date registered on Forward Plan:** 7th October 2026	
S24 Specific Consent Required from Shadow Executive: Yes		
Report cleared for publication by:		
Finance	Candice Keet	08 October 2026
Legal	Trusha Lukha	07.10.2026
Governance	Angela Watson	6 October 2026
Human Resources	Jo Knight	12th October 2026
Equalities	Jo Knight	12th October 2026
Strategic Director	Jo Knight	12th October 2026
Democratic Services	Carrie Anderson	14 October 2026
Executive Portfolio Holder final consultation		14 October 2026

1. Executive Summary

1.1 This report details a recommendation to the Executive to approve the freehold interest disposal of the asset known as Clay Lane Barns and Field, Worplesdon, in line with the Asset Disposal Strategy approved by the Executive on 18 April 2024

2 Recommendations:

2.1 That the Executive resolves to:

2.1.1 **Delegate authority to the Joint Director of Assets and Property, in consultation with the Portfolio Holder for Finance and the Joint Strategic Director for Finance and Resources, to market for sale and agree terms for a disposal of Clay Lane Barns & Field, Clay Lane, Guildford, at best consideration, subject to consent from West Surrey Shadow Authority.**

2.1.2 **Recommend the proposed transaction to the West Surrey Shadow Executive for approval in accordance with the requirements of the Section 24 Direction and the General Consent Order.**

3 Reason(s) for recommendation:

3.1 To enable the Council to generate capital receipts through the sale of approved property and land assets to contribute to the target, as set out in the Financial Recovery Plan to reduce Council debt and to achieve a sustainable financial position.

4 Next steps

4.1 Officers will undertake an appropriate procurement exercise for the appointment of external agents, to commence marketing for sale of the asset via the open market.

5 Exemption from publication

5.1 Part of this report is exempt from publication.

5.2 The content of the Summary Property Report Appendix 2 (Part B) is to be treated as exempt for the purposes of the Council's Access to Information

Procedure Rules due to its commercial sensitivity and is therefore exempt by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act as follows:

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

5.3 The content is restricted to members of the Executive.

5.4 It is likely that the exempt information can be expected to be made available for public inspection on completion of a sale.

6 Background and Proposal

6.1 The purpose of this report is to request approval for the disposal of the Council owned asset known as Clay Lane Barns & Field, Clay Lane, Worplesdon, and authorise the Director of Assets and Property to market the asset and approve the disposal at best consideration, entering into all relevant legal documentation to complete the sale.

6.2 The property comprises a field of approximately 1.3 acres together with 2 dilapidated barns situated off Clay Lane close to its junction with Jacobs Well Road and is described more fully in the accompanying Summary Property Report (Appendix 1).

6.3 The property forms part of the Council's wider ownership at Burpham Court Farm under title number SY608216. A public footpath runs diagonally across the site from Clay Lane to Jacobs Well Village Hall and car park located off Jacobs Well Road. Access to the property is off Clay Lane over land held by the Council under a different title.

6.4 The property is currently let for grazing purposes with the lease being renewed from September 2026 for a period of two years with a rolling break subject to 6 months' notice. The tenant would be unaffected by the disposal in the short term, however the purchaser would be able to secure vacant possession either at the expiry of the lease in September 2028 or earlier by serving the break notice.

6.5 The Financial Recovery Plan endorsed by the Council at its meeting on 30 August 2022 included a workstream to review

the Council's property assets and consider those which could be suitable for disposal to help reduce the Medium-Term Financial Plan (MTFP) budget gap.

7 Links to our Strategic Priorities

7.1 The proposed disposal of this asset as part of the Asset Disposal Programme aligns with the Council's key priority to be a resilient and well-managed council – the capital receipt generated from the disposal of the property for the General Fund will contribute towards the Council's finances, reducing its debt repayments and borrowing requirements.

8 Opportunities for Collaboration and Local Government Reorganisation implications

8.1 The Surrey (Structural Changes) Order 2026 ("the Order") came into effect on 10 March 2026. The Order places certain duties on the Council with effect from 10 March 2026 through to Vesting Day on 1 April 2027. Following the making of the Order, the Secretary of State for Housing, Communities and Local Government issued guidance to the Council advising that it should now, amongst other things, be exercising its functions to further the purposes of the Order.

8.2 For the purposes of this report, this means that the Executive needs to be satisfied that the activities to be approved are necessary and proportionate for ensuring continued service delivery up to (and beyond) the transfer of its functions to West Surrey Council. Officers are satisfied this is the case because the sale of the asset will deliver a capital receipt.

9 Consultation

9.1 The client service for this asset has confirmed that ownership by the Council is considered to be non-essential and does not feature in either longer term strategies; they therefore support the proposal for disposal.

9.2 Consultations have taken place with the Lead Councillor for Finance and Resources and other relevant Councillors regarding the proposed disposal of the asset. The

recommendation to proceed with the proposed disposal has been endorsed by the Lead Councillor.

9.3 Summary Property Reports (attached as Appendices 1 and 2 to this report) have been prepared for the asset. Officers in the Council's Legal and Planning services have been consulted. Legal Services have completed a review of the legal title to provide a summary of any restrictive covenants or potential encumbrances on the land. Planning Services have provided advice on development potential to enable robust consideration to be given to the commercial implications.

9.4 The Summary Property Reports set out any practical property considerations to be dealt with as part of the disposal of this asset. Summary Property Report Appendix 2 includes information on an independent RICS (Royal Institution of Chartered Surveyors) Red Book valuation prepared by an external firm of surveyors appointed to act on the Council's behalf and who have expert local knowledge in the sector.

9.5 Officers will keep Ward Councillors informed of progress for the assets being considered for disposal.

10 Key Risks

10.1 The Key Risks identified are that the asset, following marketing, does not sell or achieve bids below the level of the valuation. Each of these scenarios could result in the targeted capital receipts not being realised by the end of March 2027 and the overall net proceeds target subsequently not being achieved.

10.2 Encumbrances are identified that may frustrate or prevent the sale concluding. To mitigate this risk, the Council will obtain a report on title for the asset and identify any potential encumbrances which may impede a sale completing or may impact on achieving the market valuation ahead of the asset being marketed.

11 Options

11.1 Option 1 - Do nothing and adopt a business as usual approach to this asset, continuing to receive limited rental income from the current tenant of the asset. This option will not generate a capital receipt to contribute towards the targeted capital

receipts and is also likely to result in the Council incurring future revenue and/or capital expenditure to manage the asset in the future due to its current condition.

11.2 Option 2 (Recommended) – To proceed with the freehold disposal of the Clay Lane Barns and Field, subject to the existing lease, for a capital receipt as detailed at section 2.0 of the Summary Property Report (Appendix 2 (Part B)) appended to this report. This option is expected to achieve a capital receipt to contribute towards the target and absolve the Council from any future maintenance and repair liabilities.

12 Issues for consideration

12.1 Financial implications

12.1.1 The proposed disposal forms part of the Council's approved Asset Disposal Programme and supports delivery of the capital receipts targets contained within the Financial Recovery Plan. Whilst the final receipt will be determined through an open market disposal process, the sale is expected to generate a capital receipt that can be applied in accordance with the Council's wider capital and treasury management strategies.

12.1.2 Appendix 2 (Part B) provides information on the financial appraisal.

12.1.3 All costs incurred including agent’s fees for valuation/marketing and legal fees will initially be funded from the Council’s General Fund revenue budget and then subsequently financed from the proceeds of sales. Sufficient revenue funds have been set aside to accommodate these initial costs. The capital receipts will be utilised to offset the budgetary pressures, ensuring financial stability over the medium term.

12.1.4 It is expected that external costs related to legal, marketing, and consultancy services, including the appointment of external agents, will be incurred during the disposal process. These costs are anticipated to be proportionate and as stated, have been factored into the net receipts calculations. These expenses are essential to ensure the disposals are managed efficiently and in compliance with regulations.

12.1.5 The capital receipt generated from disposal will be used to offset existing borrowing or reduce the need for future borrowing by the Council. The cost of borrowing is measured as both the interest on the loans and the Minimum Revenue Provision (the value of the asset apportioned over the asset life).

12.1.6 The asset currently generates only a nominal rental income and requires the Council to retain responsibility for insurance and certain structural and external repair obligations. Given the age and condition of the barns, these liabilities could become significant in future years. Disposal therefore removes the Council's exposure to ongoing maintenance liabilities and associated financial risks.

12.1.7 Whilst the Field is tenanted, there will be a revenue loss upon disposal resulting from the future income ceasing to be received by the Council that will need to be accounted for in future anticipated income budgets. It is anticipated that the lost revenue will be covered by savings in Financing costs as a result of a reduction in interest payable on debt for the council.

12.1.8 The Secretary of State issued a direction under s24 Local Government and Public Involvement in Health Act 2007 (the “s24 Direction”) which requires that Guildford Borough Council, Runnymede Borough Council, Surrey Heath Borough Council, Waverley Borough Council and Surrey County Council (the “West Surrey Councils”) obtain the written consent of the executive of the West Surrey Shadow Authority (the “Shadow Executive”) before entering into certain contracts or completing certain land disposals. The purpose of the s24 Direction is to ensure that the Shadow Executive considers and approves land disposals or contracts that will become the responsibility of West Surrey Council, and to ensure that West Surrey Council is in the best possible financial position on vesting day (1 April 2027).

12.1.9 At its at its meetings on 9 June 2026, 21 July 2026 and 15 September 2026, the Shadow Executive agreed to give some General Consents to the outgoing West Surrey Councils to allow them to continue to undertake certain matters. The matters which fall within the definitions of the General Consents can proceed in the normal way and

require no further consent to be obtained. Nevertheless, in these cases it is expected that the outgoing West Surrey Councils will ensure that contracts and agreements allow the maximum flexibility to the new West Surrey Council to achieve future economy, efficiency and effectiveness. Decisions made under the General Consents will be reported to the West Surrey Council.

12.1.10 Where matters fall outside the definition of the General Consents then the consent of the Shadow Executive will be required if the land disposal is not to be void.

12.1.11 The proposed transaction constitutes a disposal of an interest in land and therefore falls within the scope of the Section 24 Direction. Due to the aggregation provisions within the Direction, the cumulative £100,000 threshold for land disposals has already been exceeded and the transaction is accordingly subject to the S24 consent regime. The proposal does not fall within any of the categories covered by the General Consents. Therefore, specific consent from West Surrey Shadow Authority will be required.

12.2 Legal implications

12.2.1 Supplementary information relating to the legal implications of disposing of an asset can be found in Background Paper – The Asset Disposal Strategy as approved by the Executive on the 18 April 2024. The specific legal implications relating to the sale of the asset is contained within the Summary Property Report Appendix 1 and legal advice has been sought on the transaction.

12.2.2 There are various powers available to the Council when disposing of land and the power being exercised will depend on the purpose for which the land is held. There are different requirements for disposals depending on the power being relied upon.

12.2.3 The general power of disposal is section 123 of the Local Government Act 1972 which gives the Council the power to dispose of land held by it in any manner it wishes provided that the Council achieves the best consideration that can reasonably be obtained. Whilst there is no specific guidance as to how best consideration should be assessed there

should be evidence to show that this has been evaluated and is being achieved. This assessment is set out in the individual Summary Property Report.

12.2.1 As set out in the report asset management officers have considered that the proposal, including those set out in Appendix 2 (Part B), achieve best consideration.

12.3 Human Resources and Equality and Diversity Considerations

12.3.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

(a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
(b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
(c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

12.3.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

12.3.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will have a disproportionately adverse impact on any people with a particular characteristic.

12.3.4 This duty has been considered in the context of this report and it has been concluded that there are no equality and diversity implications arising directly from this report.

12.4 Climate Change / Sustainability Implications

12.5 Leased sites do contribute to Guildford Borough Council's climate impact through Scope 3 emissions. However, reporting requirements for leased assets within the Council's scope 3 emissions inventory are still being developed and are therefore not currently included in our reportable greenhouse gas (GHG) emissions. The Council will continue to work with tenants through contract management arrangements to improve emissions reporting and understanding of these impacts.

12.6 Internal Carbon Pricing is not applicable in respect of this report.

13 Overview & Scrutiny Comments

13.1 Not applicable

14 Suggested issues for Overview & Scrutiny

14.1 None

15 List of Appendices

15.1 Appendix 1- Summary Property Report – Clay Lane Barns & Field, Clay Lane, Guildford

15.2 Appendix 2 (Exempt) – Summary Property Report – Clay Lane Barns & Field, Clay Lane, Guildford (Part B)

16 List of Background papers

16.1 Asset Disposal Strategy approved by the Executive on 18 April 2024