

Another Surrey borough heading for bankruptcy?

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Surrey Heath Borough Council's desperation to fight off bankruptcy crystallised further after it agreed to sell a car park and land in order "to keep the lights on". The council has to make huge cuts this year to balance its budget after long-delayed audits revealed millions of pounds was missing from its balance sheet. This included more than £8m wiped off its reserves effectively overnight and the downgrading in value of its major assets bought as part of a £100m regeneration project.

On Tuesday, May 21, the council agreed to sell Woodend Road car park in Deepcut and land on London Road in Camberley to begin to claw back desperately needed cash. Failure to balance its books would result in the loss of support given to the community through things such as meals on wheels type services, funding for Citizens Advice Bureau, children's play parks, and other non-statutory provisions. It comes as the council must shed £1.74m this year through savings, reduced interest payments and a further £500,000 from "service delivery reviews". The purpose of any potential disposal of land, the meeting heard, is to bring in money for a council "in financial distress and we cannot incur further related costs".

Shaun Macdonald, leader of Surrey Heath Borough Council, said: "Car park, play parks, discretionary services, the support we give to the local community will go in the blink of an eye, so yes these are tough decisions but these were the tough decisions we were elected to make in order to protect the most vulnerable in our society. Two to four play parks can be renovated (instead) for young people to enjoy for the next 15 years. How many young people will benefit from that? Citizen's Advice Bureau funding, it can also support, potentially the provision of meals in people's homes."

These are the first tranche of sales the council is deciding on. Decisions made are being based on what the council considers is best for the entire borough, rather than the specific area affected. Car parking in Surrey Heath is particularly vulnerable as, by law, it does not need to be provided - and any council that declares itself bankrupt cannot spend money on discretionary services that do not pay for themselves. Parking in Surrey Heath loses money.

The London Road land sale, described as a "small plot", is said to have no value financially to the council but incurs unnecessary costs. Cllr Murray Rowlands (Labour: St Michaels) said it had been "blighted with fly-tipping and parking" and was "a serious problem that affects the whole of that part of Camberley." Cllr Macdonald added that it was "a fly tippers' paradise."

The Deepcut car park sale proved more divisive, and not just among the opposition members who were calling for the sale to be halted on the grounds that it would deprive the area of much needed parking spaces. Deepcut is undergoing a massive transformation with the former military barracks being turned into a huge redevelopment.

Cllr Cliff Betton (Liberal Democrats: Mytchett and Deepcut) said: "I fully understand the need for the council to raise funds from the sale of assets surplus to requirements. We have to have a balanced budget at least until the time the new unitary authority comes into being. After that, Surrey Heath Borough Council will cease to exist and it will be up to others to make decisions for the people of Deepcut. Everyone knows there are plans approved for Deepcut and it's now renamed Mindenhurst; 1,200 homes are being built, some are already completed and there are still another 800 still to come. Parking for the old Deepcut village pre-Mindenhurst was ok, it worked, sometimes a bit crowded but the car park was well used. But this will see just eight car park space increases in a village with 800 new homes, a ratio that doesn't even meet Surrey County Council's standards. If we want to build a better future for Deepcut, and Mindenhurst is part of that, we cannot build in parking blight from the outset. Woodend Road needs to stay as a car park."

Cllr Kel Finan-Cooke, property and economic development portfolio holder said: "We would prefer to not have to make decisions like this. We would prefer to not be in a position where we are need to achieve capital receipts to keep the lights on at Surrey Heath for the next two years but that's the situation we are in. We don't want to have to consider the sale of lands but we absolutely must."

Woodend Road Car Park in Deepcut (image Google)