



Council Finances Under Strain as National Insurance Rises and Reorganisation Looms

6 March 2025



A new report from the Local Government Information Unit (LGIU) has raised serious concerns about the financial sustainability of councils across England, including those in Surrey. The 2025 *State of Local Government Finance* report reveals that fewer than one in ten senior council officials are confident in the future stability of local government finances. With spiralling service demands and National Insurance Contribution (NIC) rises adding further pressure, councils are facing a perilous financial future.

The government's plans for local government reorganisation are also causing alarm, with fewer than one in four council officials believing it will improve council finances. Only one in ten feel they have been properly involved in the process, while just one in five think the proposed timescales are realistic. The lack of clarity around reorganisation has left many councils uncertain about their financial future.

The LGIU report warns that 6% of councils could be effectively bankrupt by the end of this financial year unless urgent reforms are made. Without significant changes, that figure could rise to 35% of councils by 2030, meaning over 100 local authorities may be forced to issue Section 114 notices - the legal declaration of financial failure.

Surrey Councils at Risk

Surrey's councils are already feeling the strain. Epsom and Ewell Borough Council recently admitted that it faces severe financial challenges, while neighbouring authorities such as Surrey County Council and Guildford Borough Council have been forced to make significant budget cuts. Just last year, Woking Borough Council issued a Section 114 notice, effectively declaring bankruptcy due to unsustainable borrowing and financial mismanagement.

There are concerns over how the government's reorganisation plans might impact Epsom and Ewell. If plans for widespread restructuring go ahead, smaller councils like Epsom and Ewell could face further financial uncertainty and potential absorption into larger authorities, reducing local accountability.

Tax Rises, Cuts, and Borrowing

To plug the financial gap, councils across the country - including those in Surrey - are turning to drastic measures. The LGIU survey found that:

- 94% of councils plan to increase council tax
- 88% will raise fees and charges for services
- 22% intend to borrow more money
- 63% will reduce spending on services
- 56% will use their financial reserves to balance the books

For many councils, this will be the second year in a row of raiding their reserves - a short-term fix that is not sustainable.

In Surrey, these pressures have already led to service cutbacks. Epsom and Ewell Borough Council has warned that further reductions in public services may be necessary, while Surrey County Council is grappling with a funding gap running into tens of millions of pounds. The rising demand for temporary accommodation, adult social care, and children's services continues to place unbearable strain on local budgets.

Calls for Urgent Reform

The LGIU report highlights near-total consensus among council leaders on the need for major financial reforms. A massive 92% of respondents support the introduction of multi-year financial settlements, which would allow councils to plan their budgets with greater certainty. Additionally, 77% of officials back council tax reform, while around 75% want more fiscal powers, such as the ability to introduce tourism taxes or local sales taxes, as seen in other countries.

Jonathan Carr-West, Chief Executive of LGIU, said:

"At the end of last year, the government made clear that devolution, reform of the local government finance system, and public sector reform should go hand in hand. Our survey shows in stark detail that they are not currently aligned in any meaningful way."

While there is some optimism about multi-year settlements, councils are deeply concerned about the impact of reorganisation and NIC increases on already overstretched budgets. Councils do not believe they have been given sufficient clarity, involvement, or time to prepare for these changes."

The LGIU has called for the government to introduce a standing commission to oversee local government reorganisation and for councils to be given greater financial powers. Without urgent reform, councils across England - including in Surrey - face an increasingly bleak financial future.

Related reports:

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Toyota Epsom donates electric carriers to local hospital

6 March 2025



Epsom HQ based Toyota UK has strengthened its support for the local community by providing two Proace battery-electric people carriers to the Queen Elizabeth's Foundation for Disabled People (QEF). The Leatherhead-based charity, which helps disabled individuals achieve greater independence, will use the vehicles to enhance its transport services.

The electric people carriers will assist QEF's retail teams across its network of 15 charity shops and at The Grange in Kent, where residents with learning disabilities will benefit from group outings. The donation is part of a wider strategic partnership between Toyota and QEF, aimed at improving mobility for disabled people.

Toyota's commitment extends beyond vehicle provision, with plans to collaborate on fundraising events, volunteer opportunities, and awareness campaigns. Proceeds will support QEF's Mobility Services, which help individuals increase their independent mobility through driving assessments, lessons, and mobility advice.

Michelle Giles, QEF's Mobility Services Manager, expressed her gratitude for Toyota's contribution: "The electric vehicles will enable supported individuals to enjoy outings and engage more with their local communities. They will also make our retail operations more sustainable by reducing vehicle emissions."

She added: "This partnership will make a significant difference to those who rely on our Mobility Services, whether for driving assessments, mobility advice, vehicle adaptations, or accessible transport."

Scott Thompson, President and Managing Director of Toyota (GB), highlighted the importance of the collaboration: "Improving mobility for all is at the heart of what we do at Toyota. It's wonderful that QEF, a charity close to our head office in Epsom, will benefit from our Proace Verso electric people carriers. We look forward to continuing our support for QEF as one of our dedicated charity partners."

QEF, a Surrey-based charity with 90 years of experience, provides expert services to nearly 10,000 disabled people annually. Its work includes mobility services, neuro rehabilitation, specialist assistive equipment, and residential care for people with learning disabilities. The partnership with Toyota marks another step in enhancing the charity's ability to support those who rely on its services.

Epsom Schools Lead the Way in Pioneering Mobile Phone Pilot

6 March 2025



Glyn School and **Rosebery School** in Epsom are at the forefront of a groundbreaking initiative aimed at tackling smartphone distractions in the classroom. The schools, both part of the GLF multi-academy trust, are participating in a pilot scheme that restricts social media and messaging apps during school hours.

The initiative, which also includes Meridian High School in Croydon and Merstham Park School in Surrey, will see all students in Years 7-9—around 2,300 pupils—install an app called Blackout. This app blocks access to non-essential apps such as social media, games, cameras, and web browsers while still allowing calls, SMS, maps, and calendars. The restriction will only apply during school hours and term time.

Glyn and Rosebery schools, both well-respected within the Epsom community, have been chosen to help test whether this technology can improve student wellbeing and classroom focus. The rise in smartphone usage has been linked to increased anxiety and reduced concentration, and educators are keen to explore solutions that promote healthier digital habits.

A parent at Rosebery School voiced strong support for the initiative, saying: "Well done to Rosebery and GLF Schools for trialling the Blackout technology. Teachers are on the front line every day, dealing with the disruption caused by smartphones. If this helps students focus and reduces distractions, I'm all for it."

The pilot will continue after the February half-term, with students required to install the app if they bring a phone to school. Glyn and Rosebery's existing phone policies will remain in place, with additional checks to ensure compliance.

Julian Drinkall, CEO of GLF Schools, emphasised the trust's commitment to exploring new approaches to mobile phone use in education: "We understand why some schools have introduced outright mobile phone bans, but we believe technology can be part of the solution rather than just a problem. Blackout offers a way to encourage positive digital habits while still allowing essential communication between students and parents."

Amy Anderson, Headteacher at Meridian High School, echoed this view: "This pilot allows us to take a more refined approach to phone management. Instead of just confiscating devices, we can use technology to help students engage more fully in their learning environment."

The effectiveness of the trial will be assessed through student, parent, and staff feedback, with key metrics including improved concentration, reduced classroom disruptions, and enhanced student wellbeing. If successful, the initiative could be expanded to more schools in the GLF network and beyond.

Privacy concerns have been addressed, with Blackout confirming that the app does not access personal data such as messages, browser history, or location tracking. It simply blocks non-essential apps during school hours.

Glyn and Rosebery's participation in this pilot reinforces their reputation as forward-thinking schools, willing to embrace innovative solutions to enhance student learning and wellbeing. As local pupils and parents adjust to the new system, the Epsom community will be watching closely to see if this pioneering approach proves to be the key to a more focused and productive school day.

Nescot Students Celebrate Success at Epsom Downs Ceremony

6 March 2025



Ewell based **Nescot College** students marked the culmination of their hard work earlier this month at the institution's annual Higher Education (HE) Awards ceremony, held at Epsom Downs Racecourse on 7 February. Around 90 graduands, accompanied by 250 guests, gathered to celebrate their achievements.

The event had a distinct Nescot touch, with students from various disciplines contributing to the proceedings. Travel and Tourism students welcomed attendees, while Music Production students provided DJ sets and live music throughout. Two Performing Arts students delivered solo performances during the formal ceremony, adding a special touch to the occasion.

Principal Praises Student Achievements

Addressing the graduates, Nescot Principal and CEO, **Julie Kapsalis**, described the event as "a wonderfully uplifting and poignant occasion," bringing together students of all ages.

"Higher education at Nescot attracts learners from diverse backgrounds, whether school leavers or those returning to education later in life. Many of our students have taken an alternative route to university, using our courses to embark on a new career or reignite a passion for learning. What unites them all is their inspiring journeys of personal and professional transformation," she said.

Degrees Awarded Across a Range of Subjects

Awards were conferred by Nescot's university partners, including the University of Greenwich, Kingston University, London South Bank University, The Open University, and the University of West London. Courses spanned subjects such as teacher education, osteopathy, animal management, sports therapy, counselling, healthcare play specialism, business, creative media, public services, and sport and exercise science.

Inspiring Guest Speaker Shares Career Journey

Among the guests of honour was **Dee Mathieson**, Senior Vice President and Managing Director of Elektta, a global leader in medical technology. A former Nescot student, she shared her career journey in the science and medical sector, highlighting her contributions to cancer treatment. Encouraging graduates to seize opportunities, she advised: "Take a chance. If it isn't the right opportunity, look for another."

Also in attendance were Cllr **Steve Bridger**, (RA Stamford) Mayor of Epsom & Ewell, **Helen Maguire** MP for Epsom and Ewell, Julie Giles MBE, Chair of Phab, and representatives from the Rotary Clubs of Epsom and Ewell, along with business leaders and other guests.

Annual Awards Recognise Outstanding Students

A number of special awards were presented during the ceremony:

- **The Olatunde Idowu Memorial Prize**, awarded to Holly Stuart for outstanding business awareness.
- **The Richard Maryan Prize**, recognising excellence in osteopathy, awarded to Luke Tanner.
- **The Dr John Osborn Memorial Cup and Prize**, awarded to Michaela Joseph in honour of the late Dr Osborn, who played a key role in Nescot's HE provision.
- **The Rotary Club of Epsom Raj Amodia Trophy and Prize**, awarded to Spencer Holmes.
- **The Rotary Club of Ewell Cup and Prize**, awarded to pre-degree HE student Jackie O'Connor.
- **The Principal's Prize**, awarded to Sienna Campbell, selected by Principal Julie Kapsalis.

Honorary Fellowships Recognise Exceptional Contributions

Two Honorary Fellowships were awarded at this year's ceremony, an accolade introduced in 2023 to mark Nescot's 70th anniversary.

The first was presented to **Yvonne Spencer**, Director of Science Capability at the Animal & Plant Health Agency (APHA). A former Nescot student, Spencer has been instrumental in developing the college's Level 6 Degree Apprenticeship in Laboratory Science. Her work has strengthened the partnership between Nescot and APHA, providing career development opportunities for science professionals.

The second fellowship was awarded to **Val Neame**, a former Nescot staff member, in recognition of her 47 years of service to the college. Described as a mentor and friend to many, Neame was praised for her dedication and the lasting impact she has had on both staff and students.

A Student's Perspective

Delivering the student vote of thanks, Jackie O'Connor, who graduated with a Foundation Degree in Supporting Teaching and Learning, reflected on the encouragement she had received throughout her studies. Paying tribute to her tutor, Mark Warner, she said: "I believe that if you have someone who helps you rethink how you see yourself and how others see you, that is a truly special person."

A Silver-Rated Institution

Nescot's Higher Education provision has been recognised with a **Silver rating in the 2023 Teaching Excellence Framework (TEF)**, including Silver ratings in the new categories of Student Experience and Student Outcomes. The accolade highlights the college's commitment to high-quality teaching and student support.

For more information about Nescot's university-level courses, visit their website.

Photo: Julie Kapsalis, Principal and CEO with Nescot Class of 2024 graduates at the HE Graduation Ceremony held at Epsom Downs Racecourse

Epsom and Ewell Leads South East in Small Business Growth

6 March 2025



Region	% Growth in Small Businesses (2023 to 2024) in the Region	Top Authority	Small business number 2023	Small business number 2024	% Growth in Small Businesses (2023 to 2024)
East Midlands	-1	Dadby and Wigginton	2060	2155	4.61
East of England	0.4	Hartle	3215	3360	4.51
West Midlands	-1.35	Solihull	7815	8145	4.22
London	0.55	Camden	39930	35290	4.01
South East	-0.09	Epsom and Ewell	3470	3570	2.88
North West	-0.53	Fylde	3250	3330	2.46
South West	-0.24	Tewkesbury	4180	4280	2.39
Scotland	0.39	Na h-Eileanan Siar	1170	1195	2.14
Northern Ireland	0.85	Mid and East Antrim	4990	5085	1.9
Wales	-1.72	Isle of Anglesey	2610	2650	1.53
North East	-0.77	Stockton-on-Tees	5285	5350	1.23
Yorkshire and the Humber	-1.51	Kirklees	15070	15070	0

Epsom and Ewell has emerged as the fastest-growing local authority in the South East of England for small businesses, according to new data from the Office for National Statistics (ONS) analysed by BusinessFinancing.co.uk. The borough gained 100 new small businesses in 2024, representing a 2.88% increase—the highest growth rate in the region.

This growth is particularly significant given that the South East as a whole experienced a slight decline in the number of small businesses, with a recorded drop of -0.09%. Epsom and Ewell's performance stands in contrast to this regional trend, highlighting the borough's resilience and business-friendly environment.

The latest analysis was conducted by BusinessFinancing.co.uk, which examined data from the ONS to determine small business growth rates across local authorities in the UK. Their study identifies the areas where entrepreneurial activity is thriving, despite the economic challenges of recent years, including Brexit-related trading difficulties and the lingering impact of the Covid-19 pandemic.

The strong performance of Epsom and Ewell may be attributed to its strategic location, well-connected transport links, and the continued support for local enterprise initiatives. Business owners in the borough have also benefited from improved access to credit, as financial institutions report an increase in successful loan applications for small firms.

Local business leaders have welcomed the findings, seeing them as an encouraging sign that Epsom and Ewell remains an attractive destination for entrepreneurs. "It's fantastic to see our borough leading the South East in small business growth," said **Richard Excell** of Epsom based **Excell Design & Marketing** and the **Epsom Business Club**, "This reflects the hard work and resilience of our local entrepreneurs who continue to drive innovation and employment in our community."

BusinessFinancing.co.uk has also created a nationwide map showcasing their findings across the UK, which illustrates the varying rates of small business growth. Their analysis highlights Aberdeen as the UK's leading city for small business expansion, with a 1.95% increase.

With Epsom and Ewell bucking the regional trend and proving to be a hub for entrepreneurial activity, the future looks promising for small businesses in the borough. Continued investment in local infrastructure and support networks will be key to sustaining this momentum and ensuring long-term prosperity for the area's business community.

Epsom Stands in Solidarity with Ukraine on War's Third Anniversary

6 March 2025



Epsom's Market Place was a scene of unity and reflection today as residents, dignitaries, and members of the Ukrainian community gathered to mark the third anniversary (24th February) of Russia's full-scale invasion of Ukraine. Organised by the Epsom & Ewell Refugee Network (EERN) and Epsom based Surrey Stands With Ukraine (SSWU), the event served as a powerful demonstration of the town's enduring support for those affected by the war.

The Worshipful The Mayor of Epsom & Ewell, Councillor **Steve Bridger**, (RA Stamford) and the Mayoress, Carol Bridger, attended the commemoration, reaffirming the borough's commitment to standing in solidarity with Ukraine.

"Kindness Will Prevail"

The event opened with a speech from **Jo Sherring**, co-founder of EERN, who highlighted the strong bonds forged between the local and Ukrainian communities. "We are privileged to have met and worked with such wonderful people, and we will continue to support them as long as they need our help," she said. EERN supports as many as 80 or more families from Ukraine. Mainly women and children.

Roy Deadman, Chair of SSWU, praised the tireless efforts of volunteers who have dedicated time and resources to aid Ukraine. "The support for Ukraine we have seen today from this wonderful community still shows us that kindness will prevail in a world that feels very dark right now," he said. SSWU has sent a van of civilian aid nearly every week since the war began and thousands of pounds of aid for humanitarian projects in Ukraine.

The two charities work together in offices generously provided by the Ashley Centre and for which the Council has waived all business rates.

MP's Message of Support

Epsom & Ewell's MP, **Helen Maguire**, who was unable to attend in person, sent a statement which was read aloud to the assembled crowd. She paid tribute to Ukraine's resilience and urged continued support for its fight against Russian aggression.

"Three years ago, the world watched in horror as Putin launched his brutal and unprovoked invasion of Ukraine. I am proud that Epsom's community has gathered here today to say what we have said from the very beginning: We stand with Ukraine. We stand with its people. And we will not waver," she said.

Ms Maguire described Ukraine's battle as one for "democracy, sovereignty, and the right of nations to choose their own future." She praised the courage of the Ukrainian people, whether on the battlefield or in communities enduring relentless attacks, displacement, and loss.

"To our Ukrainian friends here today: you are not alone. We have not forgotten you, and we will continue to support you, in both word and action, for as long as it takes," she added.

The MP also called for the UK to take a leadership role in supporting Ukraine's victory, advocating for military assistance and the seizure of Russian assets to aid in reconstruction. "The future of Ukraine must be decided by Ukrainians," she said.

Emotional Tributes

The gathering featured a powerful performance by **Helin Konyar**, a third-year student at Laine Theatre Arts and a Ukrainian national, who sang Ukraine's spiritual anthem *God Save Ukraine*. Her performance deeply moved those in attendance.



A particularly poignant moment came from **Constantin Ryzhikov**, a blind Ukrainian refugee, who shared his heartfelt gratitude for Britain's support. He spoke about the difficulties faced by Ukrainians both in their homeland and those who have sought refuge abroad, moving many in the audience to tears.

The event also included a prayer led by Deacon **Gary Carter** of St Joseph's Church in Epsom, calling for peace and strength for those suffering in Ukraine.

A Show of Unity

The commemoration ended with the Ukrainian national anthem, once again performed by Helin Konyar. The assembled crowd joined in a moment of solemn reflection, standing in solidarity with Ukraine.

As the war enters its fourth year, the event served as a poignant reminder of Epsom's unwavering support for Ukraine and the power of community in times of crisis.

Ukrainian Culture

Since the war talented Ukrainian musicians and a local Ukraine Choir come together for the 11th Ukraine Music Evening since the war began. Held at 6pm on Saturday 22nd March in the Worship Area of the Epsom Methodist Church in Ashley Road. Entry is free and a leaving collection is dedicated to support the musicians whose livelihoods have been cut in their homeland.

For more information on how to support Ukraine locally, visit:

- **Epsom & Ewell Refugee Network:** www.epsomrefugeenetwork.org
- **Surrey Stands With Ukraine:** www.surreystandswithukraine.org

Image: Roy Deadman of SSWU addresses the crowd alongside Jo Sherring of EERN and Deacon Gary Carter (Credit Nina Kaye)

Related reports:

Sir Ed supporting Epsom based Ukraine charities

Fire Assembly for Ukraine

2 years on Epsom to gather in solidarity with Ukraine

Epsom Man's 56-Mile Walk to Raise Mental Health Awareness

6 March 2025



A local Epsom resident, Nicholas Mark Dulake, is set to complete an extraordinary challenge this Sunday, 23rd February 2025, as he concludes a 56-mile walk in aid of the mental health charity, Mind. Nicholas embarked on this challenge in January, aiming to raise funds and awareness about mental health issues and the stigma that surrounds them.

His journey is deeply personal. On 20th February 2024, Nicholas attempted to take his own life. His survival led to five weeks in a coma, multiple hospital transfers, and several life-saving operations, during which he was resuscitated four times. As a result of his ordeal, he now lives with a tracheostomy, which presents daily challenges with his breathing. However, rather than allowing his experience to define him negatively, he has chosen to channel his energy into raising awareness and supporting others struggling with their mental health.

To date, Nicholas has raised an incredible £3,705 in sponsorship for Mind. To mark the completion of his challenge, he has arranged a final walk around Epsom Downs and is inviting the local community to join him in showing solidarity for mental health awareness.

"I've had an overwhelming response from people who have read my story and reached out to tell me how much it has helped them," Nicholas shared. Through his personal blog, *Start Again Monday* (www.startagainmonday.co.uk), he continues to share his journey and offer support to others facing similar struggles.

His mission is clear: to break down the stigma surrounding mental health and ensure that those who are suffering know they are not alone.

Local residents are encouraged to take part in the walk on Sunday to show their support for this important cause. For those who wish to donate, details can be found on Nicholas's blog.

Nicholas is also keen to share his experiences in greater detail following the completion of his challenge. If you would like to learn more, follow his blog or reach out to him directly.

For those struggling with mental health issues, charities like Mind provide crucial support and resources. Nicholas's story serves as a powerful reminder that recovery is possible and that support is always available.

Surrey Uni Zebrafish Study Links Blood Pressure Drug to Potential ADHD Treatment

6 March 2025



A commonly prescribed blood pressure medication could offer a safer alternative for treating ADHD symptoms, according to a new study involving the University of Surrey. The findings suggest that amlodipine, a well-established drug for managing hypertension, may help reduce hyperactivity and impulsivity, key characteristics of attention-deficit/hyperactivity disorder (ADHD).

From Fish to Humans: Genetic Links in ADHD Research

The study, published in *Neuropsychopharmacology*, tested five potential drugs in rats genetically bred to exhibit ADHD-like symptoms. Of these, only amlodipine significantly reduced hyperactivity. To validate the findings, researchers turned to zebrafish (*Danio rerio*), an important model organism in neurological studies, which shares approximately **70% of its genes** with humans. The zebrafish trials confirmed that amlodipine reduces hyperactivity and impulsivity, and for the first time, researchers confirmed that the drug crosses the blood-brain barrier, directly influencing brain function.

Further analysis of human genetic data reinforced the findings, showing that ADHD is linked to calcium channels in the brain—the same targets of amlodipine. A review of UK-wide patient records further strengthened the case, revealing that individuals taking amlodipine reported fewer mood swings and a lower tendency for risk-taking behaviour.

Dr Matthew Parker, co-author of the study from the University of Surrey, noted:

"Repurposing amlodipine, a well-established blood pressure medication, offers a promising and swift pathway to address ADHD symptoms. Our research indicates that, due to its existing approval and safety profile, amlodipine could be rapidly redeployed as a treatment option for ADHD, potentially providing relief to patients sooner than developing new medications."

Why Zebrafish? The Genetic Overlap with Humans

Zebrafish have become an invaluable model in medical research due to their high genetic similarity with humans. In fact, they share a greater proportion of their genes with humans than many might expect. Some examples include:

- **Chimpanzees** (~98-99%) – our closest genetic relatives.
- **Mice** (~85%) – widely used in biomedical research.
- **Dogs** (~84%) – studied for genetic diseases and neurological conditions.
- **Zebrafish** (~70%) – a crucial model for studying brain function and drug effects.
- **Fruit flies** (~60%) – key for understanding genetics and neurobiology.

Because of this genetic overlap, zebrafish are often used in drug discovery, particularly for neurological disorders. Their transparent embryos and rapid development allow scientists to study the effects of medications in real-time.

A Safer Alternative to Existing ADHD Medications?

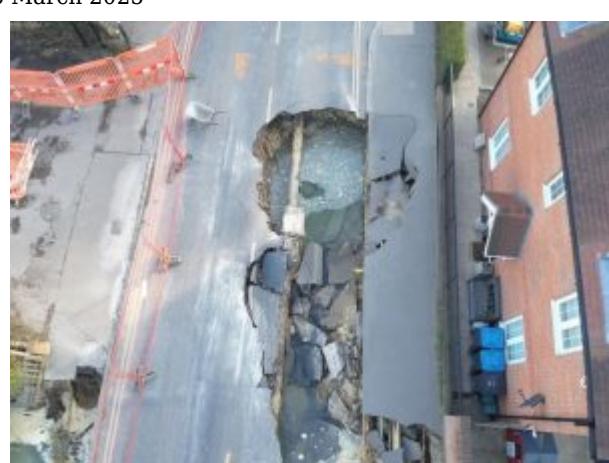
Current ADHD treatments, such as stimulant medications, are effective but often come with significant side effects, including appetite loss, high blood pressure, headaches, and sleep disturbances. Additionally, stimulant medications carry a risk of misuse. Amlodipine, already widely prescribed and well-tolerated, could offer a new alternative with a safer profile.

With approximately **25% of ADHD patients not responding well to existing treatments**, the need for new options is urgent. If further clinical trials confirm these findings, amlodipine could be repurposed as an ADHD treatment much faster than developing a brand-new drug, providing relief for patients sooner.

The study highlights the importance of genetic research in understanding brain disorders and demonstrates how unlikely connections—such as a heart medication treating a neurodevelopmental condition—can lead to breakthroughs in medical science.

Surrey sink-hole major incident

6 March 2025



A significant sinkhole has emerged on Godstone High Street in Surrey, leading to evacuations and widespread disruptions. The incident began on Monday night when a section of the road collapsed, revealing a hole filled with water. By Tuesday morning, the sinkhole had expanded to approximately 20 metres in length and 6 metres in width.

Surrey County Council has declared the situation a major incident, with the Surrey Local Resilience Forum overseeing the response. Assistant Director for Safer Communities, Carl Bussey, stated that efforts are underway in collaboration with emergency services, utility companies, and Tandridge District Council to ensure public safety and restore essential services.

The sinkhole's rapid expansion has led to the evacuation of around 30 properties within a 100-metre cordon. Residents have been advised to avoid the area while investigations and repairs are conducted. The incident has also resulted in the closure of Godstone High Street between Oxted Road and Bletchingley Road, with diversions in place for the foreseeable future.

The cause of the sinkhole is believed to be a burst water main. SES Water has confirmed that engineers are on-site working to repair the damaged pipe and restore water supplies to affected homes. In the interim, bottled water is being distributed to residents.

Local residents have expressed concerns over the incident. Some evacuees have reported hearing cracking sounds and witnessing the sinkhole's growth overnight. One resident described the scene as resembling the aftermath of an earthquake, with buckled roads and pavements.

Authorities are urging the public to follow updates from Surrey County Council, Surrey Highways, and Tandridge District Council on social media for the latest information regarding the situation.



Epsom & Ewell Borough Council: Financial Crisis or Manageable Deficit?

6 March 2025



Epsom & Ewell Borough Council is under increasing scrutiny following the resignation of Councillor **Alex Coley** (Independent Ruxley Ward) from the ruling Residents' Association (RA) group. His resignation letter cites a failure to address the "unhappy truths" about the borough's finances and warns that 2026 could be the year the Council "runs out of money". But is this a political exaggeration, or do the financial documents substantiate these concerns? A recent 78-page financial report prepared for councillors at the end of January 2025 sheds light on the borough's economic standing.

Cllr Coley, who has served in various leadership capacities—including Vice Chair of Audit & Scrutiny and Chair of Community & Wellbeing—states that despite his efforts to get clarity on the financial trajectory of the Council, he has been left without clear answers. His conclusion? The Council is heading for a financial crunch by 2026 with no viable plan in place to prevent it.

The specific concerns he raises include:

- Budget uncertainty for 2025/26 and beyond.
- Financial instability of Council-owned properties, which could have wider implications for the borough's assets and revenue streams.
- A lack of a clear strategy to prevent the Council from exhausting its financial reserves.

The Financial Report: Does It Confirm the Warnings?

The Financial Strategy Advisory Group's report (31 January 2025) is a key document shaping the Council's budget. Several aspects of this report support Cllr Coley's concerns:

1. A Deficit on the Horizon?

The Council's 2025/26 budget is delicately balanced, but its long-term financial plan suggests a deficit by 2026/27, growing further in 2027/28:

Year	Net Expenditure (£m)	Expected Income (£m)	Funding Shortfall (£m)
2025/26	10.27	10.27	0
2026/27	11.48	10.40	1.08
2027/28	12.24	10.72	1.52
2028/29	12.85	11.06	1.79

The projections indicate a potential funding crisis by 2026/27 unless new revenue streams or savings are identified.

2. Property and Investment Risks

- The Council relies significantly on income from its commercial property portfolio, including investments through Epsom & Ewell Property Investment Company Ltd (EEPIC).
- Rental income from commercial properties contributes £1.35m annually to the Council's budget, but there are concerns over sustainability if market conditions shift.
- In addition, £448,000 of this income is required to fund day-to-day services, raising questions about financial resilience.

3. Shrinking Government Support

- The New Homes Bonus (NHB), which has provided additional income, is set to shrink dramatically from £498,000 in 2024/25 to just £6,000 in 2025/26.
- The Government's Core Spending Power allocation to Epsom & Ewell Borough Council is effectively stagnant at £10.2m, meaning the Council is not receiving inflation-adjusted increases.
- The Fair Funding Review scheduled for 2026/27 could further reduce financial support for district councils like Epsom & Ewell.

4. Business Rates Volatility

- The Council is highly dependent on business rates, yet its share of retained rates is forecast to fluctuate. In 2025/26, it expects to retain £1.8m, but past years have shown this figure is not guaranteed.
- There is a £282,000 deficit in the business rates collection fund, a concern for future budgets.

Council Tax Increases as a Stopgap?

To address some financial pressures, the Council is proposing a 2.98% increase in Council Tax for 2025/26, which would:

- Raise an extra £228,467.
- Increase the average Band D household bill from £226.17 to £232.92 per year.
- Be just below the government's 3% cap before requiring a referendum.

However, even this increase will not be enough to fully close the funding gap beyond 2025/26.



What This Means for Residents

If Cllr Coley's concerns hold true, services could be at risk in 2026 and beyond. Potential consequences include:

- Cuts to local amenities, including cultural venues and community support.
- Higher fees for Council services, as seen in the proposal to increase charges by 6% in 2025/26.
- Reliance on reserves, which could lead to financial instability in the future.

Local Government Reorganisation: A Game-Changer?

Surrey County Council has been advocating for the creation of a unitary authority, which would absorb district and borough councils like EEBC. This move could:

- Reduce Bureaucratic Costs - Eliminating multiple layers of government could generate savings.
- Redistribute Resources - EEBC's financial issues might be alleviated if its budget were merged with Surrey's broader funding pool.
- Dilute Local Control - While cost efficiencies could be achieved, decision-making might shift away from community-focused governance.

If reorganisation proceeds, EEBC's financial crisis may become a moot point as budget planning is absorbed into the county-wide strategy. However, if the process is delayed or abandoned, the borough must act independently to avoid financial distress.

Conclusion: A Crisis in the Making?

While the Council insists its 2025/26 budget is balanced, the financial report confirms a growing structural deficit, aligning with Cllr Coley's warnings. The reliance on property income, shrinking government support, and an increasing budget gap suggest that by 2026, tough financial choices will be inevitable.

Cllr Coley's warnings are not entirely unfounded, but the financial data suggests that EEBC is not yet on the brink of insolvency. The real risk lies in the structural deficit and growing debt burden, which must be addressed through a combination of revenue generation, cost-cutting, and strategic planning.

The key question remains: What is the Council's plan beyond short-term fixes? Without a comprehensive long-term strategy, the borough may indeed be heading towards the financial cliff that Cllr Coley has predicted.

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