

# A Surrey Council's finances don't add-up for 6th year running

25 January 2026



Spelthorne Borough Council's finances are still so muddled that they will not be fully fixed before it disappears into a new mega-council in West Surrey, says a new report. External auditors have once again refused to sign off the accounts, warning "time is not necessarily on the [council's] side".

Audit firm Grant Thornton told Spelthorne councillors at an Audit Committee meeting on January 22, that they cannot get enough evidence to say the numbers of the council's 2024/25 accounts are right. The auditors said they will issue another "disclaimer of opinion" on the council's 2024/25 accounts.

It is now the sixth year in a row Spelthorne has failed to get a clean audit. Meaning, the council cannot show all its balance sheets add up. This means the local authority does not know how much usable reserves it has or the true value of its assets.

The core problem is historic. For years the council's accounts were not properly audited, leaving big question marks over old balances, reserves and property values. As auditors cannot trust the starting figures, they cannot fully trust the current ones either.

Auditors said the lack of assurance will carry forward into next year and even into the new West Surrey unitary council when local government reorganisation happens.

Cllr Chris Bateson said: "And there's nothing we can do about that.?" To which, one auditor responded: "Time is not necessarily on your side." But she added, most of the councils in Surrey face the same challenging position of being sure of their accounts.

## What does this mean for residents?

This is not a bankruptcy notice, the council has not run out of money. Residents' bins will still be collected and parks will be maintained. But this signals a long-running uncertainty about how solid the council's position really is.

For instance, this means big financial decisions are being made with an incomplete map and so increases the risk of mistakes. However, if finances are unclear, the council is monitored more closely by the financial watchdog and less likely to make major investment decisions

As Spelthorne is heading into a new unitary authority in 2027, these historic accounting issues will be transferred to the new council. The new West Surrey Council will have to deal with not just Spelthorne's accounts, but potentially five other ones.

## Some progress but still serious problems

It was not all bad news. Auditors said Spelthorne's finance team has improved over the past year. Records are better organised, responses to questions are quicker, and the draft accounts were in better shape than before. So Grant Thornton could check more figures than last year.

One long-running mystery is a £17.6m gap between two key financial measures. The difference has been sitting in the accounts for years and still has not been fully explained, according to the report.

Auditors also found the council has been using the wrong method to set aside money to repay borrowing, something that affects long-term financial stability. A £9.9m property value increase was also put in the wrong set of accounts and now has to be reversed.

On top of that, there were dozens of technical mistakes and missing disclosures that auditors said should have been spotted internally before the accounts were sent over.

## Bigger worries about value for money

In a separate verdict, auditors said they are not satisfied the council currently has strong enough arrangements to ensure it is spending money efficiently and sustainably.

Council officers said they have strengthened the finance team and are building more time into the process of preparing next year's accounts. But with reorganisation looming, the clean-up job now looks set to become the new council's problem too.

Emily Dalton LDRS

Spelthorne Borough Council offices in Knowle Green, Staines. Credit: Emily Coady-Stemp

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## Process matters – but so does the balance sheet

25 January 2026



Epsom & Ewell Times has recently published a run of stories raising concerns about process, openness and transparency at Epsom & Ewell Borough Council (EEBC). Those issues matter. A council can deliver services and still fall short on how it explains itself, records decisions, shares information, and responds to scrutiny.

But if we are going to judge the borough fairly, we should also place EEBC in a wider Surrey context – particularly on the question that has become existential for parts of local government: financial resilience. In this respect we are all lucky not to be living in one of a number of other Surrey boroughs which carry massive debt.

### A Surrey league table no council wants to top

Using each district and borough council's reported borrowing position and dividing by population, the county picture is stark. A small number of councils sit in an entirely different universe of debt-per-resident – Woking and Spelthorne above all, with Runnymede also far ahead of the pack.

At the other end, councils such as Reigate & Banstead report minimal borrowing compared to the Surrey outliers.

EEBC, on the same simple "borrowing per head" measure, is firmly in the low-debt group – nowhere near the high-risk profile that has dominated headlines elsewhere.

### What this means for EEBC's story

It would be a mistake to pretend that "good finances" cancels out "poor process". It doesn't. Residents are entitled to proper explanations, accessible records, timely disclosure, and a culture that treats scrutiny as a civic asset rather than a nuisance.

But it would also be a mistake to ignore that, in Surrey terms, EEBC's financial position looks comparatively restrained – particularly when set against the scale of borrowing reported by the county's worst-affected councils.

That relative prudence matters because Surrey is heading toward local government reorganisation. When structures change, it is the underlying financial inheritance – and the habits that created it – that shape what services survive, what investments stall, and what risks get handed on.

### The Residents' Association question

EEBC is unusual in one respect: it is dominated by Residents' Associations rather than the national parties. Some voters might reasonably assume that an administration not driven by national political goals would be **best-in-class** on the basics of local stewardship – especially finance.

Yet "not being party political" is not, by itself, a guarantee of excellence. A locally rooted administration can still fall into bad habits: weak challenge, insularity, a defensive attitude to information, or an over-reliance on officer-led process that leaves elected members appearing remote from key decisions.

If EEBC wants to claim the mantle of the "competent local alternative", then the test is simple: keep the financial discipline – and raise the bar on transparency to match it.

Cllr Shanice Goldman's defection to the Conservative Party and her reasons contain some irony in this context. The super-debt league leaders of Surrey Districts' table of financial infamy are or were Conservative led during their plunges into debt despair.

## A constructive conclusion

EEBC's comparatively modest borrowing position gives it something precious: room to manoeuvre. The council should use that room not to relax, but to improve how it governs: publish clearer narratives, make decision trails easier to follow, treat FOI and public questions as part of democratic health, and build trust through routine openness rather than reactive disclosure.

In other words: Surrey shows us what happens when the balance sheet breaks. EEBC should ensure that, locally, the democratic culture doesn't.



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## Surrey districts "debt per head" league table

(£ per resident; higher = more debt per head)

1. **Woking** - ~£21,145 per head (total borrowing ~£2.180bn at 31 Mar 2025).
2. **Spelthorne** - ~£10,299 per head (long-term borrowing ~£1.042bn at 31 Mar 2025).
3. **Runnymede** - ~£6,553 per head (long-term borrowing ~£587.1m at 31 Mar 2025).
4. **Surrey Heath** - ~£2,029 per head (borrowing ~£183.4m at year end).
5. **Guildford** - ~£1,842 per head (borrowing shown as £74.040m short-term + £201.508m long-term at 31 Mar 2025).
6. **Mole Valley** - ~£1,192 per head (*see caveat*) (snippet-reported "external borrowing" ~£103m, referenced to its audited 2022/23 position).
7. **Tandridge** - ~£1,088 per head (*see caveat*) (figure inferred from the draft accounts extract available in search results; I was not able to open the full PDF again to verify the precise borrowing line-item).
8. **Epsom & Ewell** - ~£796 per head (borrowing ~£64.427m at 31 Mar 2025).
9. **Elmbridge** - ~£353 per head (*see caveat*) (accounts page was blocked to me; borrowing figure comes from the published accounts snippet indicating borrowing outstanding at 31 Mar 2025).
10. **Reigate & Banstead** - ~£33 per head (balance sheet shows **£5.0m short-term borrowing** and **no long-term borrowing** at 31 Mar 2025).

Caveat

Councils report "deficit" in several non-equivalent ways (e.g., accounting deficit on provision of services, general fund outturn variance, in-year overspend funded by reserves). EET had difficulty sourcing the figures for Waverley.

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## What to do with an old Town Hall - lessons for Epsom?

25 January 2026



Hundreds of thousands of pounds have been spent on consultants – yet Elmbridge Borough Council still does not know what to do with its offices, say opposition councillors.

They have now criticised the council claiming it has “little to show for it after years of delay”.

Changing ideas, multiple funding injections, fresh consultant commissions and repeated delays have left people uncertain about what will actually happen to the council’s headquarters and the wider town centre vision.

Around £402,000 has been paid to external consultants across four years as the local authority pursued what it described as a “flagship” regeneration project in Esher town centre. The scheme includes council offices, a library, car parking, a bowling club, tennis courts and temporary accommodation units.

But the council has accepted that earlier business cases are no longer valid due to Local Government Reorganisation (LGR), which will see Surrey split into two mega unitary authorities. Under the plans, Elmbridge will be absorbed into East Surrey.

Two consultancy firms received payments, of around £200k each, linked to the Civic Centre project between 2022 and 2025, according to a Freedom Of Information (FOI) request:

#### Urban Vision

- 2022: £97,200
- 2023: £116,400

#### 31ten Consulting Limited

- 2023: £28,587.60
- 2024: £143,886
- 2025: £16,200

These figures do not include a further £50,000 approved by Cabinet and Council in November and December 2025 for additional consultancy work. FOI officers confirmed that this allocation has not yet been spent.

Despite the scale of consultancy spending, the council confirmed it has not carried out any surveys, tests or marketing of the Civic Centre building as part of the scheme. In its FOI response, the authority said it does not hold any information on costs for such work “as no such surveys, tests or marketing have been undertaken”.

**Cllr John Cope, Leader of the Conservatives and Opposition, Elmbridge Borough Council:** “Spending over £400,000 of residents’ money on consultants, with little to show for it after years of delay, sums up how the Liberal Democrat-led council has operated in Elmbridge for the past eight years.

“This comes on top of millions wasted on a failed Local Plan that was rejected by the planning inspector, and £50,000 spent on a climate change citizens’ panel PR stunt that has delivered no clear benefit for local taxpayers.

“At a time when Elmbridge has one of the highest council tax bills in the country, residents are right to expect far better. The council should be cutting waste, especially at a time it is ending support for things that residents value, like Meals on Wheels and the local community centres. Their approach is wrong, and local Conservative councillors will continue to fight for residents’ interests.”

Before the government announced devolution in Surrey, the council had prepared a full 40-year business case. This work recommended entering into a joint venture with a developer to deliver housing on the Civic Centre site, while relocating council offices by purchasing an existing office building in Esher.

Consultancy firm 31ten was appointed in August 2023 to develop a detailed financial model setting out the implications of redevelopment over a 40-year lifespan.

But, as a result of LGR, the entire business case is now defunct, making it necessary to seek new advice on a potential disposal of the site. Despite this, the council has said that redevelopment remains “integral” to Esher placemaking ambitions and could still “significantly enhance the vitality of the town centre”.

#### **Cllr Simon Waugh, Leisure, Portfolio Holder for Culture & Commercial Strategy**

“Our Esher vision, supported by local businesses and residents, as well as Councillors, sets out aspirations for Esher to be a vibrant town centre, providing residents and visitors with the opportunity to come together and take part in shared activities.

“At the December 2025 Elmbridge Council meeting it was agreed that limited funding was needed for a property

consultant to assess the Civic Centre site for housing development within the context of the Esher vision.”

Portfolio holder said the civic centre is “no longer suitable as a modern workplace” as it is costly to maintain and environmentally unsustainable. He said Elmbridge council has continued to review options to ensure value for money, act in the best interest of residents and deliver a smooth as well as effective transition to the new unitary authority.

The council has cited several reasons for continuing work on the site, including government housing targets requiring councils to help deliver 1.5m new homes nationally.

Cllr Waugh said: “The demand for new homes remains strong across the country, including in Elmbridge. The government continues to set ambitious targets to address the housing crisis and Elmbridge Borough Council is firmly committed to supporting the delivery of housing within the borough.

“The Civic Centre site presents this Council with an opportunity to provide extra homes in Esher and to deliver on improved connectivity to the town - providing a community meeting point for markets and events currently lacking in the town. For residents and businesses, we foresee economic benefits for the high street, and improved connectivity around Esher town centre, as well as much needed housing. We will bring an update to Elmbridge Cabinet and Council in the coming months.”

The council is now seeking fresh advice on disposal options, even as responsibility for the site is expected to transfer to the new East Surrey authority by April 2027.

Emily Dalton LDRS

Elmbridge Civic Centre, where Elmbridge Borough Council is based. Photo credit Emily Coady-Stemp, LDR.

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## Cllr Dallen accused of £1/2 m Epsom & Ewell Council cover-up

25 January 2026



BBC LDRS reports: A Surrey council [Epsom and Ewell] must pay out up to £500,000 after failing to properly check the condition of a major leisure centre before handing it over to a new operator. Poor ventilation, damp and ‘possible roof cracks’ were cited as some of the problems related to the “fabric” of the building.

Epsom and Ewell Borough Council has agreed to cover the costs of urgent repairs at Rainbow Leisure Centre after the new contractors took over the site and uncovered a long list of issues, some relating to the structure and fabric of the building. Places Leisure took over the contract on October 1, 2025, but has not yet signed on the dotted line, the LDRS understands.

The pay out was approved via a confidential urgent decision, seen by the Local Democracy Reporting Service (LDRS), after Places Leisure said it should not be responsible for fixing the issues.

An urgent decision is when a council cannot wait until the usual decision-making committee process as it could harm the public or council interests.

Some of the problems relate to the fabric of the building, for which the council is responsible, the LDRS understands. This is despite the council previously insisting it had carried out such checks.

In a public report dated June 2025, Epsom and Ewell Borough Council said it had commissioned a stock condition report to make sure the building was handed over in good nick.

As the LDRS understands, council officers believed the centre would be handed back in good condition. An external consultant was used, but their inspection was not invasive, meaning hidden problems may not have been picked up. But just six months later, the authority is now facing a bill of up to £500k to fix problems that either were missed or not properly dealt with because the council did not know about them.

When Places took over, it found issues it believed the previous operator should have fixed. Some of the problems raised include:

- Fire alarm faults

- Lift issues
- Broken seating
- Damaged glazing
- Faulty toilets
- Poor ventilation
- Damp
- Possible roof cracks
- Machinery at “end of life”

Some were flagged as health and safety risks, meaning urgent action was needed to keep the centre safe and open.

The council has now agreed to let Places carry out the repairs and reclaim the costs by reducing the management fee it pays back to the council. Officers said this is the “most cost-effective” option, but it effectively means residents are picking up the tab.

#### **Why is the council paying?**

Under the contract, some repairs fall to the council as landlord responsibilities. Others may be recoverable from former operator GLL, but legal experts warn the council is unlikely to claw back the full amount. GLL has been contacted for comment. [See below for additional reporting.]

The authority plans to dip into its ‘dilapidation’ reserve, a pot of money set aside for building repairs, to cover the shortfall. Officers admit the final cost is still being worked out, but estimate it could reach up to £500,000.

#### **Opposition fury**

Councillors have slammed the council for not knowing the state of its own properties.

Cllr **Alex Coley**, member of the Independent group (Ruxley), said: “I’d have hoped that the council as landlord would understand the condition of the leisure centre to establish its potential liability.”

Labour group leader, Cllr **Kate Chinn**, (Court) hit out at the ruling Residents’ Association (RA), calling the situation a “shocking scandal”.

She said: “This secrecy wasn’t about keeping the costs involved from the parties to the negotiations as they already know them. It was about preventing the public from learning how incompetent the RA are.”

She added: “Cllr **Neil Dallen** (RA Town) has rightly owned this fiasco, but without realising that his ‘nothing to see’ attitude that council tax payers should expect to be routinely stuck with bills on this scale shows how complacent he is with their money.”

She accused the ruling group of being distracted: “The RA have clearly taken their eye off the ball as they focus on a self-serving attempt to create new parish councils and new roles for themselves.”

Cllr **James Lawrence**, leader of the Liberal Democrat group (College), said the situation shows “the importance of maintaining key properties so they are in good working condition and ensuring the status of our properties is communicated to both councillors and residents in good time.”

#### **Council response**

Council leaders defended the decision, saying negotiations are normal during handovers. Councillors **Neil Dallen** and **Clive Woodbridge** (RA Ewell Village) said: “Rainbow Leisure Centre transferred to a new operator, Places Leisure, on 1 October 2025. Since then, we’ve been pleased to see a number of improvements at the centre.

“This marks the beginning of an exciting new chapter for the leisure centre... including significant investment to upgrade the gym, studios, swimming changing rooms and more, which are already underway.”

They added: “With any handover, it is normal practice for there to be negotiations around works to be carried out which form part of the contract finalisation.”

However, they refused to release further information, saying: “Details relating to terms and financial arrangements are commercially sensitive and therefore not in the public domain.”

#### **Places Leisure**

A spokesperson said: “Places Leisure took over the operation and management of Rainbow Leisure Centre in partnership with Epsom and Ewell Borough Council on 1st October 2025. We are excited to work closely with the Council to implement changes and significant investment at the centre to make a positive impact for the local community.”

Emily Dalton LDRS – the BBC’s Local Democracy Reporting Service

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#### **Additional reporting from Epsom and Ewell Times:**

In a further twist GLL has supplied Epsom and Ewell Times a response to the issues: *“GLL was proud to partner with Epsom and Ewell Council on the design and opening of Rainbow Leisure Centre over 20 years ago. This innovative and award-winning centre has been extremely successful over the 20 years of GLL’s tenure, engaging millions of local residents in activity, improving their health and wellbeing.*

*“GLL is unaware of any legal claim that the Council is looking to bring in relation to the standard of the building on*

*handover, especially as there are set protocols to deal with building handovers prior to any instigation of legal action. As background, the Council undertook, via specialist contractors, a full survey of the building prior to GLL exiting. As is normal in all leisure transfers, items that were identified for [repair or rectification] in that survey for GLL were all completed prior to handover and signed off by the specialist contractors on behalf of the Council. GLL handed the building over to the standard required by the Council and under the contract."*

It is normal practice for Councils as landlords to have rights of periodic entry and inspection of premises it engages contractors to manage. Either the Council was negligent in failing to insert such rights in the contract with GLL or the Council has been negligent over an extended period of years in failing to carry out inspections or to carry out inspections properly.

The Council has made fully public announcements that Places commenced its contract on 1st October 2025. See Epsom and Ewell Times report: Epsom's Rainbow Leisure Centre Places new operators. The Information Commissioner has made plain that Council's cannot evade accountability by claims of ongoing contractual negotiations. The tender process having ended for both GLL and Places means there is little if any financially sensitive information to protect justifying a confidential label on information that exposes probable Council incompetence.

Epsom and Ewell Times asked Epsom and Ewell Borough Council a series of questions about these issues and received the same "nothing to see here" response from Cllr Dallen as obtained by the BBC's Local Democracy Reporting Service (LDRS) reporter Emily Dalton, as above. The Epsom and Ewell Times has thus submitted to Epsom and Ewell Borough Council formal Freedom of Information Act demands for relevant information.

Sam Jones - Reporter



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## Surrey to sell off property in Epsom and elsewhere to fill budget gaps

25 January 2026



Surrey County Council is looking to bank a major cash boost by selling off a string of properties sitting idle across the county. The money is earmarked to help plug budget pressures and support future investment in council services.

Cabinet members gave officers the green light to pursue the sale of six unused council sites at a meeting on November 25. Cabinet papers show the deals are expected to generate significant capital receipts, while saving taxpayers thousands more in ongoing security and maintenance costs. The detailed sale values were kept behind closed doors in restricted documents due to commercial sensitivity.

The properties, spread across Staines, Ewell, Tongham, Wallington, and Mickleham, include former social care and nursery buildings, vacant houses, and small plots of land. The sales follow open marketing campaigns and recommended offers from prospective buyers.

Properties up for sale include:

- 33 Rookery Road, Staines: Former supported living houses, now demolished, being marketed for residential redevelopment.
- Former Fairways Day Centre, Staines: A large, partially vacant building in a flood zone that the council said would be costly to maintain.
- **Beechcroft Nursery, Ewell:** An empty house and three acres of scrubland, with 11 bids received from

developers.

- Land west of Oxenden Court, Tongham: Small 0.03-hectare plot with access and contamination issues.
- 42 Little Woodcote Estate, Wallington: 3-bed house previously leased to Halsey Garton Residential Ltd, now vacant. Sale includes surrender of the lease.
- 2 Pressforward Cottages, Mickleham: Terraced 3-bed house with a leasehold to be surrendered before sale.

Together the properties have been vacant and unused for months, in some cases years, leaving the council to pick up costs for business rates, insurance and preventing vandalism. By selling them, the authority says it will cut those losses and funnel the money into frontline priorities: ensuring the stable provision of services for Surrey county council and the future unitary authorities.

Officials stress that legal checks, including anti-money-laundering safeguards, will be completed before any contracts are signed. Cabinet is also being asked to give senior directors delegated authority to finalise the deals swiftly, avoiding developer drop-out and market risk.

Decisions on the disposals will be made at upcoming Cabinet meetings, with the detailed sale values kept behind closed doors for now due to commercial sensitivity.

Emily Dalton LDRS

Image: Beechcroft Nursery Reigate Road Ewell Epsom - Google maps

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## Surrey consults on next year's budget

25 January 2026



Surrey County Council has opened a public consultation on its draft budget for 2026/27, asking residents across the county to comment on proposals ahead of final decisions next year. Each year the council sets out how it will fund essential local services including adult social care, children's services, special educational needs provision, highways, libraries, public health programmes, fire and rescue, and environmental maintenance. The authority says the coming year presents one of its most difficult financial challenges for over a decade due to the government's Fair Funding Review, which will reduce Surrey's central government grant and increase reliance on council tax and other locally-raised income. At present, the council reports a provisional £21.3 million funding gap for 2026/27.

The Fair Funding Review is a long-anticipated national reform intended to change how Whitehall allocates money to local authorities. Early modelling indicates that areas with strong tax bases such as Surrey will see reduced relative need-based funding, while more deprived areas gain. Surrey has already seen its core government grant fall dramatically over the past decade. According to publicly available Local Government Finance Settlement figures, Surrey's Revenue Support Grant dropped from over £130 million in 2010 to effectively £0 in recent years, leaving the council heavily dependent on council tax, which already accounts for around 74% of its income. Rising inflation, growth in demand for adult social care and special educational needs services, and ongoing cost pressures linked to contract inflation and staffing shortages have compounded these challenges.

Councillor Tim Oliver, Leader of Surrey County Council, said Surrey was "facing one of the most challenging financial periods in its history". He added that the government's new funding approach "has a direct impact on the services we provide", stressing that protecting the most critical functions remains the priority, including support for vulnerable adults, children, and families and the infrastructure that keeps the county moving. He noted that this is the final budget to be set before Surrey's existing county structure is dissolved and replaced with two new unitary authorities, East Surrey Council and West Surrey Council, from April 2027 following the government's recent decision on local government reorganisation.

Surrey County Council has pointed to its past record of setting balanced budgets in contrast to several authorities nationally that have issued Section 114 "bankruptcy" notices in recent years, including Northamptonshire, Croydon, Slough, Woking and Birmingham. However, the council's financial resilience has been tested. The county faces one of the largest high-needs deficits for special educational needs in the South East.

Councillor David Lewis, Cabinet Member for Finance and Resources, said that reduced government support combined with rising costs means the authority must "plan even more carefully to ensure support reaches those who need it most". Adult social care, children's services, and SEND support together account for close to two-thirds of the council's entire net budget. He acknowledged that residents also value "visible services" such as road maintenance, libraries, and community spaces, emphasising the importance of public feedback in prioritising investment.

The draft budget consultation will shape the final budget papers to be published in January 2026 and submitted to Full

Council in February. Residents can view the proposals online and submit comments until 11.59pm on Sunday 4 January 2026.

Sam Jones - Reporter



Image: Surrey Budget graphic from Surrey County Council Youtube video

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## Need to sell Council property spelt out for Spelthorne

25 January 2026



Spelthorne Borough Council has been warned it must sell off its commercial property empire fast or risk losing tens of millions of pounds and plunging even deeper into financial crisis. The financially-stricken authority agreed on November 17 to overhaul the way it repays its £1.1bn debt, adopt a new debt-repayment policy ordered by government commissioners, and start a rapid sell-off of its investment portfolio.

If the council delivers the plan on time, it could strengthen its budget by around £37m over the next decade, thanks largely to a £361m discount for repaying long-term Public Works Loan Board debt early. But the window to the cash in is narrow. Council officers say that slipping just six months behind schedule would slash the benefit to £12m, and a 25 per cent drop in sales prices could wipe out around 60 per cent of expected gains. The message from senior officials was blunt: delays are dangerous.

The warning triggered fierce rows in the chamber. Conservative councillors argued members still lacked key information and should not be rushed into decisions with such huge consequences. Cllr Margaret Attewell said the analysis so far was "all interpretation and it is not right", calling for more advice before committing to the strategy.

But others insisted hesitation would be reckless. Cllr Howard Williams said rejecting the new repayment policy would be "the most irresponsible thing this council could do", warning that commissioners could seize control and force a fire sale if Spelthorne failed to act.

Tory members remained unconvinced. "I don't see how Spelthorne residents are going to be the winner in this," said Cllr Sinead Mooney. "Why rush this through now?" Cllr Karen Howkins added that councillors had once believed their previous investment decisions were sound and could not be certain history wouldn't repeat itself.

Behind the political clash lies a collapsing property empire. The council bought £1.077bn of commercial buildings over several years; they're now valued at just £552m. Selling them is essential to meet government demands, but the council must still prove it is getting "best value" for every disposal.

The financial strain will be felt quickly. The amount Spelthorne must set aside for debt repayments, its Minimum Revenue Provision, will jump to £59m next year before slowly dropping to £9m over the next decade.

With stakes this high, the council plans to hire external property specialists to handle valuations, marketing and negotiations, admitting its in-house team is far too small to manage such a vast sale programme.

What this all means for residents is still unclear, but councillors warned cuts and higher council tax are almost inevitable. "We've looked purely at the financial side," said Cllr Paul Woodward. "We have no idea what impact on our residents this is going to be."

Emily Dalton LDRS

Image: Spelthorne Borough Council offices in Knowle Green, Staines. Credit: Emily Coady-Stemp

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## Epsom and Ewell Borough Council to stay put awaiting its demise

25 January 2026



Epsom and Ewell Borough Council's Strategy and Resources Committee has formally abandoned the plan to relocate the Town Hall to East Street, voting on 11 November to remain in the existing building until Local Government Reorganisation in 2027. The meeting also agreed to recommend a 3% staff pay award for 2026/27 and to support adoption of the Real Living Wage.

The decisions reverse the direction taken in earlier years which saw the Council identify **70 East Street** as the future civic office site, a plan covered previously by the Epsom and Ewell Times. The East Street building will now instead be **declared surplus and placed on the market**.

### Town Hall stays put

Members unanimously approved **Option 1**, an approach which keeps both the New and Old Town Hall buildings in use with only legally-required and essential health and safety works carried out. Officers advised that the council must now implement recommendations from the building's fire risk assessment, previously deferred when a move to East Street was expected.

The work will cost **£431,000**, with a total capital provision of **up to £517,200** once contingency is included. A further deferred-liabilities fund could be needed if ageing equipment fails during the next two to three years.

With Local Government Reorganisation due by April 2027, the report said investing more heavily in a short-term location would offer poor value. Options involving the Old Town Hall's closure or bringing the decommissioned second floor of the New Town Hall back into service were judged significantly more expensive.

### Sale of 70 East Street

Under a later agenda item, the Committee agreed that **70 East Street should be declared surplus to operational requirements** and prepared for sale with a budget of up to £10,000 for marketing and upfront costs.

This effectively ends the former civic office relocation project. Surrey County Council's departure from the second floor of the New Town Hall, the worsening condition of parts of the estate, and the uncertainties of a possible unitary-authority future all contributed to the reassessment.

### Staff pay award: 3% recommended

The Committee unanimously backed recommending a **3% pay increase** for 2026/27, alongside granting all staff an extra day of annual leave. Officers reminded councillors that the September CPI stood at 3.8% and that around 18% of staff at the top of their pay scales would not receive incremental rises.

Members also supported adopting the **Real Living Wage** from April 2026. The financial impact, estimated between £35,000 and £68,000 depending on next year's National Living Wage, will be built into the Council's Medium Term Financial Strategy.

### Coley raises concerns over transparency and financial risk

During the public session, Cllr **Alex Coley** (Independent Ruxley) spoke to highlight his continuing concerns about the handling of major financial decisions, particularly those arising from Local Government Reorganisation. He noted that asset-transfer discussions risked obliging future parish-level bodies to take responsibility for community facilities without

councillors being given the information they needed about long-term maintenance liabilities.

He told the Committee he had attempted several times to obtain estimated maintenance costs and values for potential transfer assets and warned of “blank cheques with unknown risks and liabilities” that could fall on residents through an uncapped parish precept.

Cllr Coley thanked the Section 151 Officer for constructive engagement on reserve reviews but cautioned colleagues not to proceed with decisions without full supporting data.

His remarks contributed to a wider discussion later in the meeting, after the press and public were excluded, on the Council’s strategic priorities and preparation for possible reorganisation.

## Funding pressures still ahead

Officers confirmed that the 3% pay award would increase the projected 2026/27 budget deficit to around **£2 million**, with work continuing to close the gap before the February Full Council budget.

Councillors approved all recommendations put before them on the evening.

Sam Jones - Reporter



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# Residents sigh of relief if Government bail out bankrupt Woking

25 January 2026



The government’s whopping £500m bailout for debt-ridden Woking Borough Council may not be the last. The cash injection, announced as part of Surrey’s local government reorganisation on October 28, will cover roughly a quarter of Woking’s debt. But ministers have described it as only the “first tranche” of support. Surrey County Council leader Tim Oliver said commissioners appointed to oversee Woking’s finances are still selling off property assets to reduce the total debt and the government has left the door open to further payments.

“They’ve called it a first tranche. So this is £500 million now to get on with selling down the assets, reducing the debt as much as you can, and then we’ll have a conversation about that balance,” he told the Local Democracy Reporting Service. “The expectation is that whatever the rump of the debt remains, the government will pick it up.”

Woking’s debts, which peaked around £2bn, stem from a series of risky property investments that left the council effectively bankrupt. The government’s intervention prevents the shortfall from being passed on to other Surrey residents, something Cllr Oliver said ministers have been “very clear” would not happen. “It’s nobody’s fault, least of all residents’, but they were at risk of being penalised just for living in the wrong place,” the council leader said. “We worked hard to make sure that didn’t happen.”

He added that securing government support for Woking’s debt was a collective effort between Surrey’s council leaders and MPs. Cllr Oliver added that ministers were keen to stress Woking’s situation was “exceptional” to prevent other indebted councils seeking similar bailouts. Although Woking council may be able to breathe a slight sigh of relief with the government’s handout, residents are still left wondering what will happen with the rest of the debt across Surrey.

Cllr Oliver said the coming months would be focused on “getting the detail right” and ensuring that the reorganisation delivers simpler, stronger local government. “It’s great to get a decision, but now the hard work starts,” he said. “We’ll make sure this works for residents and that the government honours its commitment to clearing Woking’s debt.”

The announcement came alongside confirmation that Surrey will be split into two new unitary councils, replacing the current county and district system by 2027. While more than half of those who responded to the public consultation backed a three-way split, ministers said the two-unitary model was “more likely to be financially sustainable”. Local government minister Alison McGovern said the decision “does not set any precedent” for other areas, but acknowledged Surrey’s “unique financial context”: a hint that more support could still be needed. The Ministry of Housing, Communities & Local Government have been asked for comment.

Emily Dalton LDRS

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Image: Woking Victoria Square Towers (View From North)

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## Dorking’s “behemoth” of a “black hole”

25 January 2026



The “behemoth” that is Dorking Halls has been labelled a “black hole” that sucks in all resources around it after an additional £3.34million in maintenance work was approved.

The new money comes on top of the originally agreed £11.2m the refurbishment project was expected to cost after delays and lead paint saw the bills spiral.

The work has been labelled as essential by those who see the building as a Dorking icon that must be preserved for future generations. Critics have accused Mole Valley District Council of treating the public purse like ‘Monopoly’ money.

The decision was made at the October full council meeting where the second stage of the project was signed off and confirmed Dorking Halls would again close, this time from April 2026 through until early December.

Councillor Nick Wright, cabinet member for leisure and community assets, said: “Dorking Halls is the largest publicly owned performance venue anywhere in east Surrey.

“Dorking Halls typically gets about 180,000 visitors, there are over 60,000 registered customers of which only about half live in Mole Valley.

“Of the Mole Valley residents, approximately one third have postal codes in Dorking itself, 26 per cent from Leatherhead and the north of the district, and about 40 per cent from rural areas. So the Halls really do serve the entire Mole Valley community.

“But it’s not just Mole Valley, with its 900 seated grand hall plus two other halls, two cafe bars and a conference room, this is the largest performance venue anywhere in Surrey and it’s owned by us, the public. This iconic building should and must be cherished and preserved for future generations.

“It’s old, it’s built in 1931, but it has national significance as a venue for classical and choral music and now embraces everything from rock pop musicals, theatre pantomime, comedy lectures, to cinema and circus.”

The building came into public ownership in 1947 and had its first big upgrade and expansion in the 1990s when much of the current tech was installed.

He added: “But after 30 years of continuous daily use, it was showing its age, breakdowns were occurring and running costs increased.” The council had originally approved £11.2million of spending across the two phases; the first was completed late last year in time for the Christmas panto season.

Costs leapt when lead paint was found in the building and needed to be removed – so the council has had to top up the pot with an additional £3.34m this time around. The phase one work concentrated on replacing the ceiling of the grand hall which was failing but the discovery of the toxic paint made the entire project more complex.

This time the council will upgrade the Halls heating cooling, air-conditioning and electrical systems – as well as the technical infrastructure inside the grand hall – bringing it up to modern standards. Council said the extra costs of phase one, together with three years of inflationary pressures has meant a further £3.34 million is needed to finish the job.

The money also includes a one-off “unavoidable growth” of £584,000 to cover the loss of earnings during the Halls’ closure. Cllr Wright said: “Without phase two this building would run the risk of falling into disrepair”.

Cllr Chris Hunt (Independent: Ashtead Lanes and Common), said was one of the first to speak out against the added costs. He said: “This isn’t fair on council tax payers. Nobody is saying it’s a bad building. I was arguing that the scheme should be built quicker. The administration said ‘no slow it down’, they have got to be responsible to this overspend, this monopoly (money) approach to council tax.”

Cllr Patricia Wiltshire (Independent: Ashtead Lanes and Common) said: “This is a massive, massive, overspend and there are people in Mole Valley who are desperately resentful of all these resources going into this one building. Every time we ask for something, little things we get told ‘there’s no money’, or ‘the budgets are too tight’.

“Yet here we are with this behemoth of a building, like a black hole absorbing the resources going into it. It’s a nice venue, it’s useful, people enjoy themselves, but don’t kid yourself that every single person in Mole Valley enjoys it or uses it. It’s a relatively small number in comparison to the whole population.

She added that the burden should fall on those who use Dorking Halls instead and that, if you want to go to the theatre you should pay without expecting everyone else to cover the cost.

Defending the project however was Cllr Stephen Cooksey (Liberal Democrats : Dorking South). He said: “It’s a big chunk of money but if we don’t spend it we could lose Dorking Halls.”

Chris Caulfield LDRS

Image: Dorking Halls - Google.

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## Epsom and Ewell Borough Council reveals scale of vacancies and agency costs

25 January 2026



Epsom and Ewell Borough Council is currently carrying 56 vacant posts, according to figures released under the Freedom of Information Act. The disclosure sheds light on the staffing challenges facing the Borough at a time when discussions continue over local government reorganisation (LGR) across Surrey.

The Council confirmed that five senior officers have left since April 2022, with all but two of those positions permanently replaced. Two roles were deleted as part of an internal reorganisation.

Despite the vacancies, the Council reported no “vacancy savings” for the current financial year. In previous years, however, unfilled posts generated savings of £286,000 in 2023/24 and £340,000 in 2022/23.

EEBC’s expenditure on agency, consultant and temporary staff remains significant, totalling £1.47 million so far in 2024/25, following £1.76 million in 2023/24 and £1.89 million in 2022/23.

The figures show that Operational Services consistently account for the largest share of agency spending — around £985,000 this year — followed by Property Management (£181,000) and Venues (£130,000). Other notable areas of spending include Community Services, Environmental Health, Finance and HR.

No senior management posts are currently filled by consultants or agency staff. The Council also said it holds no internal reports identifying recruitment difficulties or pressures linked to potential LGR changes, and no shared service arrangements have been entered into as a result of staffing shortages.

While EEBC stated it aims to operate “as an open, transparent authority”, the figures highlight the extent to which local authorities are relying on temporary staffing amid wider uncertainty over Surrey’s local government future.

Sam Jones - Reporter



## Surrey gets a sinking feeling over cost of its holes

25 January 2026



Has Surrey become Britain's sinkhole capital? Well, the figures certainly point in that direction.

Surrey County Council is on track to spend a staggering £1.6m fixing the collapsed 65ft hole in a section of Godstone High Street - a bill that dwarfs what most local authorities spend on sinkholes.

Figures obtained through Freedom of Information (FOI) requests show councils across the UK have spent more than £6.2m tackling over 7,000 sinkholes since 2020. But Surrey alone accounts for almost half of that total, shelling out over £3.1m making it by far the country's biggest spender.

The Godstone collapse, which first appeared in February, has left the part of the High Street shut for months and businesses struggling.

Surrey County Council has already spent £850,000 on emergency responses, surveys, roadworks and consultancy fees, including £360,000 on just site establishment.

Another £800,000 is forecast for stabilisation work, filling in the mine tunnels, and further repairs - taking the final bill to £1.65m. This will amount to just over a quarter of the total UK bill on sinkholes for the last five years.

### What is driving the cost?

The British Geological Society has stated that Surrey is particularly prone to sinkholes due to the underlying sands in the county, which are weakly cemented.

According to council documents, the ground beneath Godstone sits on the Folkestone Sandstone Formation - a weak, sandy foundation that made the area vulnerable to collapse. CCTV images provided under FOI request confirm the collapse was worsened by an old sand mine tunnel running beneath the High Street.

While the council insists the road should reopen by December 16, locals are not holding their breath. Residents have been struggling for months with the road closure, diversions, fall in trade and general feel of chaos. That being said, an official report shown to SurreyLive by the council does state that the project is tracking towards a final inspection date of December 16th.

A Surrey County Council spokesperson said: "This continues to be a highly complex incident involving a number of investigations led by our Highways Officers and other agencies, including specialist teams and utility companies.

"Work is underway to reconstruct the final footpath affected by the collapse and we're now planning how we stabilise the collapsed area and fill in the tunnel network.

"We are updating local residents and businesses as we progress through each stage of the process and expect the final two residents to be back in their properties by the end of September.

"Once our stabilisation work and the SES works to reconnect and relay the mains through the collapse area are completed, the area will be refilled and repaired permanently. We are currently planning to complete our repairs and reopen the High Street during December."

### A nationwide problem

The Godstone collapse may be dramatic, but it's part of a wider and growing problem. Since 2020, sinkholes have been recorded everywhere from Reading to Scotland, with councils spending millions to patch them up.

The top spenders after Surrey include Reading (£976,500), East Sussex (£767,238) and Transport Scotland (£602,000). If you take away the Godstone sinkhole expenditure, Surrey still comes up top with over £2.2m being put towards sinkholes.

Lloyd Allen, Infrastructure Team Manager for Surrey County Council, on Godstone high street. (Credit: Surrey County Council).

Emily Dalton LDRS

Additional reporting from Sam McEvans

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