

West Surrey's debt woes worry its Unitary Council

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A single commissioner team will oversee the combined financial messes across Woking and Spelthorne as fears mount that their enormous unsupported debts and tangled property webs could spill over and impact the newly formed West Surrey Council.

If the problems are not fixed, government-appointed commissioners could remain in place at the new authority, the Department for Local Government said this week.

The government has already committed £500 million to support Woking - and more is expected - and the council is currently selling off its assets left, right and centre in an effort to bring down its unprecedented multi-billion-pound debt. These sales may need to continue past vesting day, when Surrey's councils merge into two mega-authorities.

In Spelthorne, commissioners have said there are still challenges over its financial sustainability, commercial portfolio and capacity to deliver changes. With the councils set to dissolve in April 2027, the government is concerned the problems could transfer into the new West Surrey authority.

At the same time, commissioners will work in a more joined-up way with West Surrey, letters from government ministers read, to provide advice, challenge decisions and offer independent assurance on how the new council will run from day one of the new authority. This will include its financial strategy, management of inherited risks and governance framework - although at this stage they will not have executive powers at the new authority.

Woking and Spelthorne remain two of the most indebted councils in the country after years of financial mismanagement and have been under watch to oversee their turnarounds.

Alison McGovern, Minister of State for Local Government, wrote to inform the councils that their special measures will remain in place and of the changes that will be made.

The letter read: "Significant challenges...remain, particularly financial sustainability, continued reliance on reserves, risks within the commercial portfolio, and capacity pressures. I agree that maintaining pace in the final phase of the intervention and managing these risks through transition will be critical.

"Findings reinforce the need for a more integrated approach to risks across Spelthorne and Woking. I have therefore decided to establish a single commissioner team across both councils."

They will be tasked with providing an independent view of the financial, commercial and governance challenges that West Surrey may inherit from Woking and Spelthorne.

It added: "Their assessment will inform the department's view of whether West Surrey has sufficient grip of those challenges and whether any further supportive arrangements may be needed beyond vesting day."

On April 1, Woking, Spelthorne, Guildford, Surrey Heath, Waverley and Runnymede borough councils will dissolve and be merged with the western half of Surrey County Council to create West Surrey Council, which will be responsible for all services in the area.

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