

Woking's whopping bail out and tax rise

5 March 2024



Woking Borough Council has raised its share of tax by 10 per cent. It comes as the bankrupt council was offered an “exceptional” £785 million Government bail out

The major bailout package aims to offset its debt and was signed off last night during a full council meeting. The offer was dependent on the council increasing its share of council tax by 10 per cent and comes on top of the previously agreed £8.4m in spending cuts.

Deputy leader of the council **Will Forster** said the total package of £785m was “the largest ever set of measures required for a council in intervention” He added: “Just let that sink in. Not the largest ever in Surrey, the largest ever in the country, not this year, ever.”

Coupled with the rises announced by **Surrey County Council** and the police, B and D Council Tax homes will now pay £2,371.60 a year, up from £2,248.77. Had councillors failed to agree on the package, the local authority would “grind to a halt and be acting unlawfully” the meeting heard. Staff would go unpaid and services stop.

Leader of the council, Councillor **Ann-Marie Barker**, said a vote against the tax rise was to vote against the government’s offer. She said: “A vote against the tax rise is to turn down the offer. I wanted a better offer but it’s the offer we’ve got.”

The council also announced that there would be £100,000 in hardship money to help ease some of the pain caused by the massive spending cuts, price hikes and tax rises.

Groups such as the bustler transport service, Citizens Advice Woking and the Lightbox have been forced to find new funding if they wish to continue. Some have approached the national lottery.

Woking Council has said the money would be for those most impacted by the added cost or loss of so many services. It includes £25k for a Council Tax hardship fund, £50k for Citizen Advice Woking and £25k for grants that replicate the Government’s Household Support Fund.

Speaking after the meeting, Cllr Barker said: “Despite the council’s complex financial situation, I am pleased that we have overcome this important hurdle and set a robust budget for the forthcoming financial year. I welcome the significant and unprecedented support package offered by Government which gives us flexibility to deal with money that should have been put aside for borrowing and allows us to capitalise our debt over the long-term.

“The conditions set out by Government align with work already being undertaken on asset rationalisation, debt reduction and improved commercial governance as part of our Improvement and recovery plan. I know residents will find any increase in council tax difficult which is why we are putting in place support for those who find it hard to meet the cost of rising bills.

“These critical decisions are ones I did not want to make. However, they are necessary if we are to continue to provide essential services, set a balanced budget in future years and begin to return Woking to long-term financial sustainability. The future remains difficult and challenging. I am determined that Woking will recover to become a better council focused on delivering essential services to local people.”