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# RIVERSIDE RESIDENTS NEWSLETTER

14 November 2025

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## **CURTAIN-CALL ON COUNCIL GAMBLING SPREE 'CATASTROPHE'?**

**... with consequences for residents yet to emerge ...**

SPELTHORNE COUNCIL WILL DECIDE NEXT MONDAY a series of actions that will begin to deal with what one senior Councillor has described as a financial "catastrophe". The decisions will be based on recommendations from the Council's Corporate Policy and Resources Committee that met earlier this week. The current rush to find a solution begins a lengthy curtain-call on the Council's gambling spree mostly in 2016-19. The Council borrowed more than £1.1billion from the bank-of-mum-and-dad (ie a government fund) to place bets equivalent to some 100 times the Council's core spending power. Almost all the money was used to buy property in one class of assets (commercial offices) that today are worth about half what was paid for them. The Council leader at the time of the 'investments' told the *Sunday Times* a few years later how "laughably easy" it had been to borrow the money.

The full consequences of this for residents are yet to emerge; but cuts in Council services and higher Council tax are inevitable. [Click here](#) for more on the Corporate Policy and Resources Committee meeting and related issues on the BBC this morning (with a health warning that none of the financial numbers are yet settled).

The complexities and sheer scale of uncertainties and risks in any solution to the borough's financial crisis, and the urgent need to find one, is what made the government appoint expert commissioners this year to advise on and oversee the needed actions. The Council now has to follow national accounting standards. One significant outcome is that it must pay off much of its £1.1billion debt earlier than originally planned and at a higher rate of interest. The commissioners have indicated that the government will reduce what's owed to it by perhaps as much as £360million if the debt is rescheduled in this way. However, this is still likely to leave an unfunded debt of considerably more than £100million, so the Council may try to go back to the government in due course with its begging bowl and "please sir, can we have some more". The deadlines yet to be set for meeting the new loan arrangements will determine how quickly assets need to be sold. Complicating the whole process will be the disappearance of Spelthorne Council when the borough is merged with five others into the new West Surrey unitary authority in the Spring of 2027.

*"Councillors at the Corporate Policy and Resources Committee this week are to be congratulated on their close questioning of Council officers to reveal the detail of the problem and proposed solution,"* says a spokesperson for the Riverside Residents (Staines) Coalition. *"The overwhelming majority of today's Councillors were not on the Council when the debt was created, and by no means all members of the then Council were involved. However, to date, no-one has apologised for the crisis or been held accountable. Maybe an enquiry will be needed to determine how decisions were taken, by whom and with what motivation and advice to help prevent such catastrophic decisions in the future."*

**Riverside Residents (Staines) Coalition** – a working group of six residents' organisations serving the interests of residents on both sides of the river.  
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