

Question from Rory O'Brien**Context:**

As a Lender of monies, it is Westminster's responsibility to run due diligence and underwriting activities, of any loans made to Spelthorne Borough Council. With the anticipated use of these funds being well documented and publicly available, over the years.

Spelthorne Borough Council (up to now), have a sound credit relationship, meeting their annual debt repayment obligations, for the past 8 years.

A Lender holds the risk for default and manages this through interest fees on the principal loan amounts. If similar actions were taken by a Mortgage Lender or Bank seeking to change fixed and agreed loan interest rates, there would be FCA (Financial Conduct Authority) or other Watchdog authorities, protecting the rights of the borrower.

Local Government serves as a vital check and balance on overt Central Government control. With the Courts playing their role to inspect legislation and its legal interpretations.

Independent treasury advice was sought from Arlingclose to interpret the legislation and this has seemed fit for purpose these past 8 years. Under these circumstances it should be the Courts to decide grey areas of Government legislation. Not the Government marking their own homework, especially as the financial ramifications for Spelthorne Residents, are so great!!

The Risks to Reward ratio are asymmetrical, (costs of seeking legal counsel are miniscule when compared to the monies and impacts saved from changes to loan repayments).

Question:

Would the Leader of the Council please explain how they've decided to abandon all financial responsibility to their Residents, by not engaging with Legal advice or seeking a judicial review into mid-term loan changes from the PWLB funds?

We have seen the highly unusual approach of Westminster assigned Commissioners interpreting the legal framework of Loans and subsequently imposing an increase per year, of loan repayments, from £22.9million to £56.1million. A rise of 144% and exposing Spelthorne Residents to incredible debt risks.