

Councils spend too much

In the three years to 2019 Councils spent £ 6.6 bn on buying up commercial property. I was against this at the time. Property had risen in value and the private sector was keen to offload shops and retail centres, seeing the rise of on line retail. The Councils were able to borrow cheaply thanks to the low interest rate regime, and expected rental income to exceed their costs.

Unfortunately for them covid lockdowns and new drives to on line shopping and working from home accelerated the negative trends for many of the shops and offices they bought. The collapse of many commercial property values will have hit valuations of Council owned property.

The Councils who had all this money to buy these assets often now claim to be short of cash. Maybe they should sell these assets to raise money where the values are still sensible. Maybe they should cut their losses when they can where they made bad investments as going forward they will be paying more interest on borrowings than when they first bought. They should stop adding to these portfolios. Wokingham taxpayers should not be made to buy a solar farm. The Council is not skilled in such an area and claims to be short of money. The risk is not acceptable for a public body.

Many Councils have redundant or surplus assets beyond these speculative portfolios some bought. They should be selling. Many Councils are spending far too much on consultants on top of the salaries of officers meant to be qualified to undertake many of the specialist tasks. Many are still annoying many drivers with expensive schemes to delay the vans and cars more. Save the money and spare us the aggro.

What is the most annoying waste of money from your local Council? How many extra admin staff have they taken on in recent years?