

**Full Council – 20 November 2023**

**Labour Group Motion**

**Save our Services**

This Council notes:

- The ongoing campaign by both Unison and the Local Government Association highlighting the devastating impact of cuts and the £3.5bn shortfall in funding for the local services we all rely on every day.
- During the pandemic, councils spent billions of publicly accountable funds, to protect the most vulnerable residents – and now after 13 years of cuts, local services that were already stretched are at breaking point.
- Over the last thirteen years core funding from government has decreased by 78%. On top of the £210m of cuts made since 2010 we now must find a further £8m in cuts between 2024/25 and 2025/26.
- While funding has decreased, demand for our services has exponentially increased. There are now 800,000 more Londoner's and overall funding across the capital remains a fifth lower than 13 years ago.
- Rather than fully fund local government from the centre, successive Conservative Chancellors have moved the responsibility onto residents – using Council Tax, a tax aimed not at the wealth of the occupants but based on your property value as rated in 1991. The Government has consistently declined other equitable alternatives to raise funding.
- Successive Conservative Chancellors have insisted that Core Spending Power has increased in local government – but this metric is a smokescreen and reliant on all local authorities increasing Council Tax by the maximum amount.
- In a recently published study, London Councils, a cross-party organisation representing all 32 boroughs, has found that councils across the capital face a £400m shortfall in 2023. Of this figure, nearly £90m is due to unprecedented pressures on Temporary Accommodation. They also found that 9 in 10 boroughs were expected to overspend on their budgets this year.

- The cross-party Local Government Association has published analysis ahead of the Chancellors Autumn Statement, showing that inflation has added £15 billion nationally to the cost of delivering council services in just 2 years.
- A survey of 47 local authorities in the SIGOMA group revealed that five are in the process of deciding whether to issue a Section 114 notice and a further nine councils may have to declare bankruptcy next year, with at least 12 other councils across the country also considering issuing a section 114 notice in 23/24.

**This Council also notes:**

- Over the last 13 years of austerity, difficult decisions have been taken to allow this council to pass a legally balanced budget each year. In doing so, funding has been directed to protect frontline statutory services and ensure no resident is left behind – with to date, £14.5m invested in the Residents Support Fund and £32m dedicated to our Council Tax Support Scheme each year.
- Sadly, Brent like authorities up and down the UK, is experiencing an unprecedented demand for housing, driven by spiralling rents, catalysed by high interest rates.
- If demand continues at the same rate, the housing needs service will receive a total of 7,700 applications this financial year, an average of 148 applications every week, the highest it has ever been.
- In the last year, we saw more new homes built in Brent than anywhere else in the country. In contrast Liberal Democrat controlled Richmond, Kingston and Sutton built less than 200 between them.
- Yet our increased supply cannot keep pace with unparalleled demand, with a 22% increase in the number of residents presenting as homelessness, when compared to last year.
- The Chair of the G15 group of major housing associations has said that the capital is now facing the “worst situation” in regards to housing, ever seen. With inflation in the construction sector running at between 25% and 43% many major projects will need to be paused to await more favourable economic conditions.
- The seriousness of the Council's financial position cannot be understated. Fulfilling our statutory duty to support those at risk of homelessness has driven a potential overspend estimated by officers at £13m.
- As a result, we are bringing in additional spending controls across the council to help balance our budget this year. These sensible, proactive and prudent measures will ensure vital services are safeguarded at the same time as protecting our financial position.

**This Council believes:**

- Austerity was always a political choice not an economic necessity.
- The government should be held accountable for its role in every Section 114 notice issued by councils of all political colours across the country.
- It is the essential role of all Councillors to set a balanced budget, which ensures the long-term sustainability of this council.

**This Council welcomes:**

- The recommendations of Labour’s Commission on the UK’s future, chaired by Gordon Brown, setting out a plan for what Labour would do for local government – bringing decisions closer to the people affected by them; and with longer-term financial settlements, moving away from a model of ad-hoc bidding for funding pots.
- The Leader of the Labour Party’s recent comments outlining how a Labour government would fix how councils are funded and move away from short-term funding settlements. In contrast, Prime Minister Rishi Sunak said “it was up to councils to manage their own finances”.

**This Council resolves:**

- 1) To request that the Leaders of all Group’s should write to the Chancellor of the Exchequer and call on the government to take responsibility for providing the long-term sustainable funding that councils so desperately need.
- 2) To ensure that budget proposals taken by Brent Council prioritise the protection of frontline services and the support available to residents most in need.
- 3) To support London Councils five-point plan to address the housing crisis in the capital:
  - Raising Local Housing Allowance (LHA)
  - Supporting councils to buy accommodation sold by private landlords
  - Boost Homelessness Prevention Grant funding
  - Increase Discretionary Housing Payments
  - Bring forward a cross-departmental strategy to reduce homelessness

Councillor Teo Benea  
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