

Labour – non-strategic theme motion

Standing Up for Merton Residents

Council notes that:

- The Conservative government crashed the UK economy, and they now want to make Merton residents pay for it by forcing councils to consider drastic savings and cuts to crucial services that residents rely on to pay for Conservative incompetence.
- Twelve years of Conservative austerity, supported by the Liberal Democrats in coalition, has decimated funding for local councils – with the real terms equivalent of 60p out of every £1 being slashed from council budgets since 2010.
- Despite the cuts which have been imposed on us by central government over the last twelve years, our fantastic and hardworking council staff, working together with our partners and our incredible Voluntary and Community Sector, have remained completely committed to delivering for the residents of Merton and helping the most vulnerable.
- When Labour took control of Merton in 2010 the council faced an immediate budget gap of £70 million, and the Conservative-Liberal Democrat coalition took away half of our grant funding. Despite twelve years of austerity, sound financial management from Labour has allowed this council to pass a balanced budget each year, and kept council tax lower than all of our neighbouring outer-London boroughs.
- Conservative economic mismanagement, soaring energy costs, rising bills and inflation reaching a 41 year high, mean Merton is now under unprecedented pressure to balance our budget. This is on top of a significant loss of income from fees and charges since the pandemic, and yet another real-terms cut in funding by the Conservative government.
- The cross-party Local Government Association has long highlighted that council tax rises, particularly the adult social care precept, have never been the solution to the long term pressures faced by councils.

Council welcomes:

- The work of councillors and officers to identify the necessary savings to bridge the funding gap Merton Council is facing, while protecting service delivery. And that these proposals have been produced in line with our values.
- That the Autumn Statement from government in November last year went some way to plugging budget holes, but not nearly far enough, and lacked the long-term sustainable funding plan local government needed.

- The increase in local government core spending power announced in the provisional Local Government Finance Settlement for 2023/24, which will help to alleviate the pressures put on council finances by the government's failure to properly tackle rising inflation, growing demand for social care, and the cost of living emergency. However, this government's funding plans expect councils to raise council tax by the maximum amount permitted without a referendum in order to meet the gaps in funding, effectively forcing councils to raise tax during a cost of living emergency to cover the government's unwillingness to fund councils properly.
- The support this Labour Council is giving Merton residents, including one of the most generous council tax support schemes in the UK, a £60 cost of living voucher for 10,000 residents in receipt of council tax support, paid from the Council's £2 million Cost of Living Fund, and the proposed 1% discount on council tax bills for council taxpayers living in Bands A-D.
- The recommendations of Labour's Commission on the UK's Future, chaired by Gordon Brown, that decisions should be taken as close as meaningfully and practicably possible to the people affected by them and with longer-term financial settlements for local government, in order to provide certainty and move away from the model of ad hoc bidding for central government funding pots.

Council resolves:

- That the Leader of the Council should write to the Chancellor of the Exchequer and call on the government to take responsibility for their reckless mismanagement of the economy, to stop taking it out on Merton residents, and to provide the long-term sustainable funding that councils so desperately need to deliver the vital services and support that people in our communities, especially the most vulnerable, rely on.
- To ensure that measures taken in Merton Council's budget process prioritise the protection of service delivery, in particular those which support the most vulnerable in our communities and support our residents through the cost of living emergency.
- To ensure that Merton maintains comprehensive council tax support provision to assist those households who cannot afford to pay.

Councillor Ross Garrod

Councillor Eleanor Stringer

Councillor Billy Christie