

## The Labour Group's Alternative Budget 2022 – Good Lives for All

The Labour Group would like to acknowledge the hard work of officers in desperate times of continued austerity for local government and the impacts of Covid. The impact these factors have had on council budgets up and down the country cannot be underestimated. We, as a group, fully understand the pressure that these cuts from central government, compounded by the fall in income from Covid, have had on our Council funding and appreciate the work carried out by the officers in producing this budget under these extreme pressures.

We applaud the cabinet decision to cease our contract with Streetwise and return the street cleaning services in-house. The push to subject local government to market forces and to starve councils of resources as well as out-sourcing services to companies is showing to be an inefficient system for providing services, which in its worst examples, such as Northamptonshire County Council, resulted in the Conservative led council becoming insolvent. We see that the choice to bring Streetwise in-house will save the council £200,000 per year going forward - it is pleasing to see that the council is making choices that are better for our residents as taxpayers and not simply being driven by an ideological push to privatisation. We look forward to the extra yearly revenue being used to enhance our services in the future. We also look forward in anticipation to the possibility of moving other services in-house in future when contracts come up for discussion and renewal in the coming years both as an efficiency saving and crucially as a way of ensuring a clearer line of accountability.

We do however have some crucial changes that we would like to see to this budget that the Labour Group would prefer to see given the circumstances that our residents find themselves facing due to the current cost of living crisis and the climate emergency that the people of Rushcliffe are living through.

Our ideas for changes to the council's budget would see the greatest improvements to the most amount of people and not just a few select beneficiaries.

There are 4 key areas that we would like to see action taken differently.

### Investments

As mentioned already, The Labour Group welcomes the bringing of Streetwise back in-house. We also believe that the tide is turning when it comes to how councils invest taxpayer funds. We would like the council to spearhead a move to more ethical and sustainable investments of our reserve money by looking at the social and environmental credentials of investment portfolios and not simply being driven by economic goals. We feel it is no longer acceptable to invest in the likes of Goldman Sachs for extremely small return - if any at all. Although we understand the restraints that the council finds itself, we need to

look at pushing for change in this area as a way of improving the boroughs green credentials and as a more palatable way of investing taxpayers' money.

### Community Wealth Building

Community Wealth Building is an ethos that supports the local economy. Council should commit to auditing where it gets its supplies from paper in the photocopier to the sandwiches in the café. Can this be sourced locally? Can the gains made to our local businesses, residents and economy outweigh a possible extra initial cost? We feel that as a community pays the price for always using the cheapest option.

We would look at ways to write into our budget a requirement to procure most of our council resources and services locally. This local procurement has had amazing impact in places like Preston where the council has encouraged local anchor institutions to support local businesses by procuring resources from them. This has had a major impact on the local economy, keeping wealth and prosperity in the community by spending local taxpayers' money in the local economy.

### Climate Change Action Reserve

The well-titled Climate Change Action Reserve denotes action yet spending £0.2M of this reserve to initially fund the Freeport project that sees a rubbish burning incinerator on its land and whose feedstock will be shipped in 6 times a day by road cannot be spun as a green initiative even with the greenest of intentions sometime in the distant future. We would like to see the funds spent on actual, present day, simple green initiatives that impact our residents, such as the collection of glass and food waste curb side. Something residents have been asking for decades. It remains a glaring issue of inequality that those who are unable to carry glass to the bring bins cannot do their part in our borough when other councils in the country have been doing this for years. This initiative could also be supported but the cost savings we will gain by bringing Streetwise in-house plus the extra tax revenue from our growing tax base due to so many new houses and the year-on-year tax increases imposed on residents through the increase of Council Tax. We would also like to see a Climate Action Plan that runs alongside these funds and links to our Corporate Strategy. Money sitting in a pot does nothing to negate years of damage done, it needs to be spent now and then committed again year after year until we come to grips with the problem.

### Council Tax

Worryingly, the mishandling of the economy by central government means that there is a lack of certainty and delay around the Fairer Funding Review, local government will need to deal with the loss of the New Homes Bonus and there remains uncertainty around Business Rates. It is therefore understandable that we would look to Council tax as our only certain guaranteed form of steady income left available to us. The increase of Council Tax year on year for our residents coupled with the increased tax revenue from new housing Rushcliffe see a steady and certain income that is set to grow by 2% each year. However, it seems to be incredibly poor timing to put forward this increase in tax in the current climate. It already looks like the conservative government will be faced with carrying out yet another U-turn this time on their planned increase of National Insurance about which the business lobby group "Make UK" which represents 20,000 businesses in the UK has stated "the proposed

increase remains illogical and will be even more ill-timed given how circumstances have rapidly changed since it was announced” Surely it is ill-conceived for us as a borough to plough ahead with a tax rise now and pass the pain onto our residents whilst sitting on reserves. Tragically we find ourselves entering 2022 in a cost-of-living crisis with rampant inflation and a decade of stagnated wages. This is a terrifying prospect for many residents who are struggling to feed their families amid rising household bills and prices. We oppose a rise in council tax because of the looming Cost of Living Crisis due to increased energy bills, petrol cost, food increases and the lack of windfall from Brexit. A rise in the council tax now would be a wholly unfair way of increasing revenue and would be an extra cost for our residents at a very difficult time. We should be using our position as a local borough council to push central government to increase funding to councils to improve certainty and then increase taxes centrally in a more progressive fashion on the wealthy minority and the large corporations who can more easily shoulder the burden and should be paying their fair share.

We will continue to vote against a budget that every year blindly accepts the terrible fate brought down by central government without challenge. We will be voting against a tax increase at a time when household budgets are being squeezed in an unprecedented way. We are voting against the budget because it can no longer be ‘business as usual’. Innovation and new ways of providing for our residents needs to prioritise above the technocratic blandness being put forward today where lack of ideas means our residents pay the price through increased cost to their own household budget. The budget we have been presented with is not a budget for households but rather one allows a system of injustice to tick over unchallenged.