
SPECIAL MOTION NO. 5 – LOCAL GOVERNMENT FINANCE

Standing in the names of:

- (i) Councillor Rowan Ree
- (ii) Councillor Patrick Walsh

This council notes the total cuts to council funding by central government of £15bn between 2010 and 2020, and a cut in the central grant to Hammersmith & Fulham of 56% in real terms since 2010.

This council notes recent section 114 notices issued by Northamptonshire, Croydon, Slough, Nottingham, Northumberland, Woking, Thurrock, and Birmingham, as well as the warnings from many councils that their budget gaps are becoming unmanageable. This summer a BBC investigation found that local councils will face a £5.2bn “blackhole” in finances by 2026.

This council recognises the hard work of councils across the country to try and provide essential services, and the impact that these cuts have had on their ability to do so.

In light of these difficulties facing local authorities, this council wants to reassure all residents of Hammersmith & Fulham that our finances are in a healthy state.

Since coming to power in 2014, this Labour administration has cut £118m of wasteful spending inherited from its predecessor without cutting or reducing any services. Despite the pressures on council finances last year, the administration ran a budget surplus and increased general balance reserves to £22.8m.

Through prudent management of council resources, this administration has been able to cut or freeze council tax five times in the last nine years and to freeze charges in Adult Social Care, Childrens’ Services and Housing Services. All while providing the most comprehensive council tax support scheme in the country, with 47% of Council Tax payers receiving a discount, and those least able to pay paying nothing at all.

Despite the cuts to local funding from central government, this administration has managed to not only protect front line services, but to expand them and create the unique Law Enforcement Team, made up of 72 officers. This council recognises that we are the only local authority in the country to have introduced:

- Free home care;
- Free school breakfast for primary school children; and
- End the predatory use of bailiffs to collect council tax.

This has only been possible due to the policy decisions of this administration, and the hard work and ingenuity of officers across the council. Unless there are changes to the way that local government is financed more councils across the country will find themselves in difficulty.

In order to prevent local authorities across the country being unable to meet their financial obligations, and facing effective bankruptcy, this council calls on central government to:

- Adequately fund councils for the vital services that it expects them to provide;
- Provide multi-year funding settlements to allow councils to plan for the future; and
- Reduce the restrictions on grant funding to allow councils to develop innovative solutions to the problems that they face.