



LABOUR COUNCILLORS FIGHTING AUSTERITY

CAMPAIGN BRIEFING FOR LABOUR PARTY MEMBERS

www.councilsatbreakingpoint.com

Council budgets are now at #BreakingPoint – and Labour councillors are saying that enough is enough

Councils are facing a funding crisis and the Tory government is to blame. Austerity has caused huge damage to communities up and down the UK, with devastating effects on key public services that protect the most defenceless in society – children at risk, disabled adults and vulnerable older people – and the services we all rely on, like clean streets, libraries, and children’s centres.

Ahead of the Budget, Labour councillors launched the ‘**Breaking Point**’ campaign demanding that the Prime Minister and Chancellor truly end austerity in local government by:

- Using the Budget to reverse next years planned £1.3bn cut to council budgets;
- Immediately investing £2bn in children’s services and £2bn in adult social care to stop these vital emergency services from collapsing;
- Pledging to use the Spending Review to restore council funding to 2010 levels over the next four years

The Breaking Point petition became the **most-signed petition of Labour councillors ever** – with over 5,000 Labour councillors adding their name before it was handed in to 10 Downing Street.

But despite the Prime Minister claiming that ‘austerity is over’ the Budget confirmed the further £1.3bn cut to council budgets next year, with just £650m put back for adult and children’s social care. **Councils can’t go on like this – it is vital that we put pressure on the government to fund services properly.**

HOW LABOUR PARTY MEMBERS CAN HELP:

- **Support your local Labour councillors by helping to raise awareness and collect signatures for our public #BreakingPoint petition**
- **Invite your local Labour councillors to discuss #BreakingPoint at your next branch and CLP meeting**
- **Write to your MP asking them to support #BreakingPoint**
- **Visit www.councilsatbreakingpoint.com to learn more about the crisis in local government funding**

For free campaign materials, background information, and facts about local government funding in your area visit: www.councilsatbreakingpoint.com

BITE-SIZE BRIEFING: FACTS ABOUT COUNCIL FUNDING

Why do councils need more money?

Not only has funding gone down but there is increasing demand on services for vulnerable children and adults, leaving these vital services strapped for cash and in desperate need of investment. Councils face a funding gap of £7.8 billion by 2025 just to keep services 'standing still'. Even Lord Gary Porter, the Conservative Chair of the Local Government Association, has said 'councils can no longer be expected to run our vital local services on a shoestring'



But council tax keeps going up - so why are local services in crisis?

It is a myth that council tax pays for council services – it makes up part of their income, but traditionally most of what a council needs to spend comes from central government. But Tory austerity has seen central government funding to councils slashed – councils have lost 60p out of every £1 that the last Labour Government gave to councils in 2010.

Why don't councils increase council tax to make up for the cuts?

Council tax is an unfair and regressive tax based on property values - even the most expensive mansions in an area only have to pay three times as much as the very cheapest properties. Councils with a lot of expensive properties can raise much more money overall than poorer areas, and so can get away with setting lower council tax rates - which is why Buckingham Palace receives a council tax bill for just £832, but even the smallest property in Nottingham gets a demand for £1234!



Areas with poorer populations generally have greater demand for vital services but conversely aren't able to raise as much in local taxes as richer councils – so council tax can't fill the gap. The increase in council tax needed to replace government funding would be huge – for instance, to replace the £140m in cuts that Hackney has received since 2010 they'd have to put council tax up by 315%! And more than that, they'd have to get the support of

local people – any proposed council tax rise over 3% currently requires councils to win a referendum.

Have Labour councils really had bigger cuts than Tory councils?

Yes. By changing the funding formula to ignore factors like deprivation the Tories have sought to protect funding for richer areas, and have cut more heavily in the poorer areas that Labour tends to represent. Even including council tax and other local sources of income, Labour councils have £510 less to spend per household since 2010, but Tory councils have lost an average of just £102.



Can councils refuse to make cuts?

No. If councillors refuse to set a budget then the officers are required by law to step in and set it instead – and the government would likely intervene to take powers away from councillors. This would be disastrous for the local residents who depend on vital services to be protected from the worst cuts. But Labour councillors are using the #BreakingPoint campaign to raise awareness and put pressure on the government to truly end austerity in local government.

For more information visit: www.councilsatbreakingpoint.com