

LONDON BOROUGH OF LEWISHAM

COUNCIL MEETING

3 OCTOBER 2018

Question by Councillor Hall
of the Mayor

Question

In light of the new UNISON report, 'Councils at breaking point' which details how council workers and council services are suffering as a result of centrally imposed cuts to council budgets, what representation is the council making to a) the Government and b) local MPs to call for more funding for local councils in the November budget in Westminster?

Reply

I warmly welcome the excellent UNISON report 'Councils at breaking point'.

I recently met with UNISON to discuss the report and to support their campaign to reverse the damaging cuts imposed on us from central government.

I recently joined 24 other council leaders calling on the government to recognise the impact of austerity on local government and reverse it. A copy of the letter I signed to Theresa May is copied below:

"We, the undersigned, call upon the government to recognise the catastrophic impact which eight years of uninterrupted austerity has had on local government.

Local government is the primary provider of numerous essential services, which allow our country to operate on a day-to-day basis. It is the first port of call for children in need of care, for those facing homelessness and those fleeing domestic abuse and violence or caring for the elderly. We are responsible for quality controls on housing in the rental sector, responsible for maintaining our local infrastructure, preserving our public green space and bin collections and local sanitation.

Budget restrictions (in the form of direct cuts and budget pressures) have meant losses of almost 50% for councils across the country. This has had

disastrous knock-on impacts for services, as the stop-gaps that were once in place to prevent destitution have been stripped back. Already, a number of councils have cut their services to a statutory minimum, with more likely to follow in the coming months and years.

The Local Government Association believes that councils will have lost 77% of their budget by 2020, and Conservative Chair of the LGA, Gary Porter, says that will leave an £5.8bn funding gap for local government: “We won’t be cleaning the streets, we won’t be cutting the grass, we won’t be putting streetlights on at all, your libraries will go, your potholes won’t get filled up.”

We believe that the huge increase in crime we have seen in recent years, decline in life expectancy and increase in foodbank usage, homelessness and rough sleeping are inevitable consequences of the destruction of the social contract between citizen and state. We believe government’s current path of austerity leads to infrastructural and social collapse.

We therefore call on government to reverse the disastrous policy of austerity that has dominated thinking in the Treasury since 2010 and has been disproportionately weighted against local authorities. We demand:

- 1. A needs-led approach to funding methodology for Local Government, recognising the differences in demand for services between different local authorities in different geographies, as well as different available levels of income (e.g. Council Tax and Business Rates collection).*
- 2. More freedom for local authorities to set local taxes, retain local revenue and allow the proceeds of growth to be kept locally. A movement away from funding via ring-fenced grants, and towards allowing more discretion and local democratic oversight over spending by Local Authorities.*
- 3. A reversal of the national drive towards Business Rates Retention as an alternative to central government funding, which creates a patchwork quilt of local authorities competing with one another to lower their rates.*

In addition, I have joined lobbying campaigns led by the Local Government Association and London Councils against central government cuts.

I regularly meet with Lewisham’s MPs to discuss how we can work together to call for more funding, including at the Spending Review and Budget in November 2018. This includes briefing MPs on Council funding so they can raise issues in Parliament.

QUESTION No. 2
Priority 1

LONDON BOROUGH OF LEWISHAM

COUNCIL MEETING

3 OCTOBER 2018

Question by Councillor Copley
of the Cabinet Member for Housing

Question

What assessment has the Council made of the additional borrowing capacity that would be available if the government lifted the HRA borrowing cap and allowed Lewisham Council to borrow prudentially to build much needed new council homes?

Reply

In 2012 the Council undertook an exercise to establish the level of debt the Housing Revenue Account (HRA) could sustain, to fund much-needed new Council homes, if there were no artificial cap on borrowing imposed by central government.

This showed that Lewisham's HRA could afford to borrow up to 35% of the value of its stock, which is approximately £350m. The Council's current cap is £130m and as such there is £220m of house-building investment within the HRA that is currently being blocked solely by the artificial borrowing cap.

The estimate used for the Council's house-building programme is that a new home costs approximately £250k, and under the GLA's new funding regime £100k of this can be funded by grant subsidy. This means that the Council needs £150k of borrowing for every new home, and so the £220m of capacity that is artificially blocked could fund approximately 1,460 new council homes.

This number of homes would be sufficient to properly house three-quarters of the homeless Lewisham families who will spend tonight in unstable and high-cost temporary accommodation, which works only for the private landlords who own it.

But we cannot sit still and accept 'no' as an answer. That is why at Mayor & Cabinet on 20th September we agreed to seek an additional £51.4m in HRA borrowing.

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Question by Councillor Hall
of the Cabinet Member for Parks, Neighbourhoods and Transport

Question

As the 100th anniversary of the end of the First World War approaches, will the Mayor ensure that the Grade II Listed Livesey Hall War Memorial is maintained in good order and will he monitor progress?

Reply

The Council does not own Livesey Memorial Hall or the associated War Memorial. However the Council will contact the owners of the building and memorial to ensure they have an appropriate plan in place to provide long term maintenance of them both.

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COUNCIL MEETING

3 OCTOBER 2018

Question by Councillor Hall
of the Cabinet Member for School Performance

Question

Is the Council committed to continuing outdoor education provision for local schools?
How do they plan to progress this?

Reply

Schools in Lewisham are very committed to providing outdoor education experiences for their pupils in the interests of health, personal and educational development. It is for individual schools to identify the best provision for their pupils and to complement their wider curriculum. All use a range of providers both near to Lewisham and further afield. Schools are working together to help ensure that their needs are met in the future, including through future provision in Beckenham Place Park.