



FOR IMMEDIATE RELEASE

8th March 2023

Labour councillors vote against 5% Council tax increase

Bexley's Labour Group of councillors voted against Bexley Conservatives 5% increase in Council tax at tonight's council tax setting meeting. The 2023/24 budget includes a 2.99% increase in the share of Bexley's Council Tax and a 2% increase in the Adult Social Care Precept, a total of 4.99% increase to hard pressed households in Bexley. This follows years of cuts to services and Council tax increases, coming at a time of a 'cost of living' crisis with rising energy bills, increasing mortgage costs and high inflation.

Cllr. Stefano Borella, Leader of Bexley Labour Group said 'Bexley residents are facing another yearly rise in Council tax rise of £76.22 per year on a Band D property in the middle of a cost-of-living crisis. This is going to impact on households finances this year, in addition to the fact that fees and charges like the garden waste collection charge will be going up by an eye watering 20%. The government needs to start funding local councils and public services to an adequate level, so they can deal with inflationary pressures.'

The scale of the issues facing the council's finances is demonstrated by the projected revenue budget overspend of £3.197m (at Period 9/December 2022) for 2022/23, which will require the unsustainable use of reserves to balance this year's budget. In addition, the growing Dedicated Schools Grant deficit as at the end of 2021/22 was £16.336m and is projected to exceed over £18 million by the end of 2022/23.

The amendment moved by Labour Councillors but voted against by every Conservative councillor, would have supported an additional £500,000 investment in the highways resurfacing capital budget and a review of parking charges across the borough to support local businesses. Labour councillors highlighted in the budget debate that not only were these issues a significant concern raised by residents and businesses across the borough regarding the condition of the council's roads and pavements, but the unfairness that Londoners pay £500 million of road tax yearly, which is spent on maintaining roads in other parts of the country.

Cllr Daniel Francis, Shadow Cabinet Member for Finance and Corporate Services said "Since 2010, Councils have lost sixty pence of government funding for every pound they spend and it is clear that the Council's financial position is not sustainable. This is demonstrated with further raids on the council reserves and the lack of capacity in the council to deliver high quality services, like a decent waste collection service that Bexley residents deserve'.

Cllr Mabel Ogundayo, Shadow Cabinet member for Climate Change, Transport, Environment and Leisure said "Many residents across Bexley have raised concerns at the state of the boroughs roads and pavements, yet Bexley Conservatives voted against our amendment increasing this funding to deal with our crumbling roads and pavements. Shockingly they voted against the council investigating innovative solutions like decreasing car parking charges and introducing 1-hour free parking, something local businesses have asked for over many years to help footfall in our town centres."

The Council projects that usage numbers of the Council car parks in 2022/23 will have fallen by 29.8% since 2019/20; and that this position has been exacerbated by the decision to increase car parking charges in the region of 30% in 2021. The Council has not published an annual parking performance report for 2019/20, 2020/21 and 2021/22 allowing full analysis of the issues with the Council's parking department.

-ENDS-

BEXLEY LABOUR GROUP PRESS RELEASE



Notes to editors

- For further information, please contact Cllr Stefano Borella.

Below is the Labour Group's budget amendment presented to the council tax setting meeting on 8th March.

This Council notes:

The 2023/24 budget includes a 2.99% increase in the share of Bexley's Council Tax and a 2% increase in the Adult Social Care Precept, a total of 4.99% increase to hard pressed households in Bexley. This follows years of cuts to services and council tax increases, coming at a time of a 'cost of living' crisis with rising energy bills, increasing mortgage costs and high inflation.

There is a projected revenue budget overspend of £3.197m (as Period 9/December 2022) for 2022/23, which will require the unsustainable use of reserves to balance the budget. The growing Dedicated Schools Grant deficit as at the end of 2021/22 was £16.336m and is projected to exceed over £18 million by the end of 2022/23. Regardless of a Safety Valve agreement with the Department for Education, there remains a significant financial risk to the Council, who will rely on the Schools Forum top slicing 0.5% of school budgets every year using overstretched school budgets to finance chronic underfunding in high needs funding.

The Council projects that usage numbers of the Council car parks in 2022/23 will have fallen by 29.8% since 2019/20; and that this position has been exacerbated by the decision to increase car parking charges in the region of 30% in 2021 despite the proposal being overwhelmingly rejected by residents and businesses in the Council's consultation relating to the 2021/22 budget. The Council has not published an annual parking performance report for 2019/20, 2020/21 and 2021/22 allowing full analysis of the issues with the Council's parking department.

The concerns of residents and businesses across the borough regarding the condition of the council's roads and pavements and the fact that Londoners pay £500 million of road tax yearly, which is spent on maintaining roads in other parts of the country.

This Council therefore resolves to:

1. Increase the Capital Highways Major Resurfacing capital allocation in 2023/24 only by a further £0.500m funded through existing unallocated Section 106 receipts.
2. Call on the Government to return Londoner's share of road tax to Transport for London and Councils across London.
3. As a matter of urgency, ask the Cabinet to publish a Bexley Parking Action Plan outlining ways in which innovative, affordable and flexible parking charges: including decreasing parking charges in underused car parks and trialling 1-hour free parking to support local businesses, that can be introduced across the borough to help local businesses during the current difficult trading conditions to bring an increased footfall into shopping areas across Bexley.
4. That the Leader of Council and the Cabinet recognise the unsustainability of the present budget position with continued overspends, raids on Council reserves and uncertainty over whether the 2023/24 budget contains enough funds to manage inflationary pressures, with these issues exacerbated by the disastrous mini-budget of September 2022 supported by Bexley's Conservative MPs; and therefore calls upon them to ask the Government to conclude and announce the results of the Fair Funding Review in the next calendar year.