



**FOR IMMEDIATE RELEASE**

**7<sup>th</sup> March 2024**

## **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 2024/25 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 £117 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 parking charges for short stay parking for 30 minutes will be going up by an eye watering 10%. The government needs to start funding local councils and public services to an adequate level, so they can deal with inflationary and demographic pressures.'

The scale of the issues facing the council's finances is demonstrated by the projected revenue budget overspend of £9.331m (as Period 9/December 2023) for 2023/24, which will require the unsustainable use of reserves to balance this year's budget and the use of £8.5m of voluntary Minimum Revenue Position and £9.3m of reserves to fund the 23/24, this means the level of reserves have gone to £31.7m, which is a high level of risk for the council.

The amendment moved by Labour Councillors but voted against by every Conservative councillor, would have provided £3.546m of payments provided by developers to be given to the council's development company BexleyCo to assist them building more affordable housing and investigate building more affordable rented properties on their developments.

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 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 better roads and pavements that Bexley residents deserve'

Cllr Zainab Asunramu, Shadow Cabinet member for Children's Services and Education said "The recent appalling SEND inspection result, shows that the council does not have enough capacity or resources to deal with growing demographic pressures in Bexley, the government need to provide more funding for local government Remove the uncertainty surrounding the household support fund which provide much needed support which has helped households across Bexley during a cost-of-living crisis"

**-ENDS-**

### **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 6<sup>th</sup> March 2024.

## BEXLEY LABOUR GROUP PRESS RELEASE



This Council notes:

It faces an unprecedented budget position with the largest in-year overspend (projected to be £9.331 million) and the largest budget gap (£26.706 million) for the following year's budget in its history.

Given the need to use £8.469 million of the voluntary Minimum Revenue Provision to balance this year's budget, it is clear that the council's budgetary planning in previous years along with the level of one year only grants provided in this year's local government finance settlement are insufficient to address the financial pressures the council faces.

In addition, the Household Support Fund for which funding for 2024/25 has only been confirmed in today's budget until October 2024, has provided valuable support to residents of Bexley including providing meals to families during school holidays and delivering payments for energy payments for our most vulnerable residents.

It has failed to spend £2.752 million inserted in the budget in March 2022 to provide investment for the affordable housing delivery within the Borough which would help contribute to getting Bexley building again.

While it wishes to thank our hardworking staff, it has significant concerns that the area SEND inspection of the Bexley Local Area Partnership undertaken in December 2023 found "there are widespread and/or systemic failings leading to significant concerns about the experiences and outcomes of children and young people with special educational needs and/or disabilities (SEND), which the local area partnership must address urgently."

This Council therefore resolves to:

1. Allocate the £2.752 million of affordable housing payments within the budget along with the £0.794 million of existing unallocated Section 106 receipts for affordable housing, to provide £3.546 million to be given to BexleyCo to assist them to build more affordable housing and investigate building affordable rented properties on their developments.
2. To send a message of thanks to our staff within Children's Services and Education and urgently bring an action plan to all Councillors to understand how the Bexley Local Area Partnership will address the findings within the SEND inspection of December 2023.
3. To censure the political leadership of the council for the appalling SEND inspection grading of "There are widespread and/or systemic failings leading to significant concerns about the experiences and outcomes of children and young people with special educational needs and/or disabilities (SEND), which the local area partnership must address urgently."
4. To ask the leaders of both political parties to write a cross-party letter to the Chancellor of the Exchequer to ask him to commit to funding the Household Support Fund in the 2024/25 financial year for the full 12 months.
5. That the July 2024 cabinet meeting recognises the unsustainability of the present Medium Term Financial Strategy position and publish proposals to deal with the projected budget gap for 25/26 and beyond, in addition, in the event that the 2024/25 budget does not contain enough funds to manage rising demographic needs, inflationary pressures, budget overspends, reducing levels of reserves alongside the economic issues caused by the mini-budget of September 2022; calls upon them to ask the Government to provide sufficient funding to allow the council to address the projected budget gap of £26.706m for 2025/2026.