

<b>Item No.</b> 3.2	<b>Classification:</b> Open	<b>Date:</b> 13 July 2022	<b>Meeting Name:</b> Council Assembly
<b>Report title:</b>		Motion on the Theme: Supporting Southwark Residents with the Cost of Living Crisis	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Proper Constitutional Officer	

## **BACKGROUND INFORMATION**

The theme for this meeting is Supporting Southwark Residents with the Cost of Living Crisis.

The relevant cabinet member shall submit a motion on the theme. All other political groups on the council are allowed to submit one amendment to the motion. The cabinet member's motion and the amendments do not need to be seconded. The cabinet member will present the motion to the meeting, followed by the lead opposition spokesperson's response and moving of their amendment, if any. Following this, the subject matter of the theme will be open to debate. Amendment(s) from other opposition groups on the council can be moved during this part of the meeting.

### **Motion from Councillor Stephanie Cryan, Cabinet Member for Finance, Democracy and Digital**

#### **Tackling the cost of living crisis**

1. Council assembly notes that:
  - a. The people of our country and borough are facing a cost of living crisis, with inflation rising at the fastest rate for 40 years, and food and fuel costs spiralling. As a result, millions of families are struggling to make ends meet and facing impossible choices between heating, eating and paying their rent.
  - b. Ofgem are predicting that the number of households facing fuel poverty across the UK could double to 12 million next year. The price of food is also soaring, with the average price of pasta up by more than 50% since April 2021 and 94% of adults reporting that the price of their food shop has increased over the last month.
  - c. These spiralling costs follow a decade of Conservative and Liberal Democrat government policies that have cut the incomes of millions of families across the country, with almost 4 million children now living in poverty and national demand for foodbanks up 81% over the last five years. In our borough, the Southwark Foodbank supported

almost 19,000 people in 2021 (of which 7,000 were children), a 289% increase from 2019/20.

- d. Citizens Advice Southwark estimates that 31% of households in Southwark are in poverty, with the cost of living crisis likely to exacerbate this further. The council's revenues and benefits team has identified over 22,000 residents in need of financial support. Voluntary sector partners have also reported a rapid rise in the number of working people unable to make ends meet, as wages fail to keep up with the cost of living.
- e. A recent Southwark Council Housing Residents' Working Party produced a report "Pulling at the Roots" which highlights the economic and financial impact of COVID on our council housing residents and made a number of helpful recommendations to support council tenants and homeowners in debt.
- f. We have a strong voluntary and community sector in Southwark, with a community support alliance set up to ensure that residents who need help the most can get support from the sector and council. These organisations, however, have become inundated with residents facing challenges as a result of the cost of living crisis.

2. Council assembly also notes that:

- a. Since 2010, successive Liberal Democrat and Conservative governments have imposed austerity on the country, creating hardship and destitution on a scale not seen for decades.
- b. This includes measures such as the benefit cap, the cap to the local housing allowance, child benefit caps, and a bedroom tax which the previous Liberal Democrat MP for Bermondsey and Old Southwark voted for 8 times.
- c. It also includes the Conservative's and Liberal Democrat's failed economic policies, which have delivered the worst decade for wages our country has seen since the Napoleonic wars. Working families' pay is now falling by £1,300.
- d. As a result, many of the gains made before 2010, including lifting 1 million children out of poverty, have sadly been reversed in the past decade.
- e. That Rishi Sunak, who reportedly owns three homes in the UK, will receive £1,200 of help through the government's cost of living schemes, whilst many in Southwark with far greater needs will receive only £400. Analysis suggests that £620 million will go to people who own two or more homes.

3. Council assembly welcomes:

- a. Southwark Labour's success in maintaining the Southwark Emergency Support Scheme after the coalition government ended ring-fenced funding for Council Tax Support in 2013.
  - b. That Southwark Labour will support our most vulnerable households with over £5m of funding in the new Southwark Council Cost of Living Fund which brings together the Household Support Fund, the Discretionary Council Tax Rebate Fund and the Council's own contribution of £471,000.
  - c. The Mayor of London's announcement of a £43m warmer homes fund to further support residents.
  - d. The national Labour Party's successful campaign for a windfall tax on energy companies to fund support for people hit hardest by the cost of living crisis (resisted by the Conservatives for weeks, which led to the announcement of a package of measures announced on 26 May 2022).
4. Council Assembly also welcomes Southwark Labour's 10 point plan to tackle the cost of living crisis by:
- a. Creating of a new Cost of Living fund with over £5 million of critical funding that will support families who are struggling to make ends meet.
  - b. Launching a Southwark Energy Savers Service, so residents can access the best advice to keep gas and electricity bills down while prices continue to spiral.
  - c. Continuing our free healthy school meals provision for all primary and nursery school children and our holiday food programme for children during the summer period.
  - d. Making Southwark a Right to Food Borough. This means working with local businesses, community groups and schools to ensure everyone in Southwark has access to healthy, affordable food within a short walk of their home. Meanwhile the council will do all it can to campaign for the national action needed to end food poverty for good.
  - e. Delivering more homes at truly affordable rents. Building on our success starting 2,500 new council homes, by starting 1,000 more new council homes by 2026 and ensuring that new development delivers at least 35% truly affordable homes including at least 25% at social rents.
  - f. Strengthening Southwark's network of community-led hubs, continuing to invest in our local voluntary sector, including independent advice services, so wherever you live you can access free advice on money matters and find free local activities.

- g. Helping reduce energy bills for residents with a commitment to making our council homes warmer and greener with better insulation and modern heating.
  - h. Creating a new Southwark Living Wage Unit to double the number of London Living Wage employers in our borough and make work pay for more of our residents.
  - i. Delivering 2,000 new apprenticeships and 3,000 new training opportunities and free support to get a job for people who face the most barriers, so local people can take up careers in our borough's growth industries. We'll also create 250 paid internships for young people from the most disadvantaged backgrounds.
  - j. Keeping council tax low. Despite ongoing cuts to our budgets, we have kept council tax low and will continue to do so, only raising it to protect services for the most vulnerable.
5. Council Assembly also recognises that after a decade of Conservative and Liberal Democrat cuts to local government funding, the council does not have sufficient resources to alleviate the impact of the cost of living for every resident in need. Therefore council resolves to:
- a. Ask the Leader of the Council to write to the Chancellor of the Exchequer to demand:
    - i. An above inflation increase in the government's National Living Wage, to lift millions of people out of poverty
    - ii. A Great Homes Upgrade, to save on energy bills now and in the longer term by insulating millions of homes, whilst cutting carbon emissions too.
    - iii. A fair benefits system that ensure everyone in our country can afford the basics in life including enough food to eat, a warm home and a roof over their head. Including; reversing the Conservative Party's £20 cut to universal credit, ending the two child limit which now impacts nearly a million children and has forced many thousands families into poverty, and uplifting the Local Housing Allowance which is currently set so low that it does not cover the cost of renting a home in the private sector in Southwark.
    - iv. Better targeted approach to support people hardest hit by the cost of living crisis, rather than the Government's current system that disproportionately benefits second homeowners.
    - v. A new national industrial strategy, to ensure we buy, make and sell more in Britain. Ending the Conservative Party's failed economic policies that have delivered the worst decade for wages in two centuries and replacing them with a new national plan to invest in our industries and infrastructure to deliver good jobs and real social and environmental benefits. Including an ambitious green new deal.

- vi. Increased investment in council house building and the building of other social rent homes, given the transformative impact of having a truly affordable home in lifting people out of poverty.
  - vii. Increased funding for all public bodies and services, so public sector workers, from the nurses to the refuse collectors, who have supported our country through the pandemic can receive a fair pay rise.
- b. Ask Cabinet to work with the Community Support Alliance and other voluntary and statutory partners in our borough to alleviate the cost of living crisis for residents and to lobby for the changes that the Government needs to make to ensure we can end this cost of living crisis.

## BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Cabinet members Motion	Constitutional Team 160 Tooley Street London SE1 2QH	Constitutional Team <a href="mailto:Constitutional.Team@southwark.gov.uk">Constitutional.Team@southwark.gov.uk</a>

## AUDIT TRAIL

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