

Resolution Date: 12th January 2016

Resolution Title: Local Authorities to Set Legal No Cuts Budgets

This branch welcomes the resolution (below) passed by the Unite Local Government NISC.

We endorse this strategy as crucial for defending the jobs and conditions of members in the Community, Youth Workers and Not for Profit sector, as well as maintaining vital services for the wider community.

We pledge to work with local government colleagues in campaigning for this approach:

“That this NISC has heard how the Bromley Branch in its heroic fight against the Tories has during the campaign highlighted reserves held by the Council in excess of £300 Million.

English Councils control £114 billion pounds. The combined budgets of the 58 Labour – led Councils standing in the May elections come to £32.7 billion. They hold around £4.5 billion in general fund reserves and another £1.36 billion in Housing revenue Account and capital receipt reserves. This does not include the vast reserves held by Labour controlled Councils in London.

That there is no legal impediment stopping Labour Councils pooling reserves.

That local authorities have significant borrowing powers. This includes “Prudential” borrowing (unsupported borrowing) alongside capital borrowing. Local authorities have and continue to use these powers.

That under the Localism Act, local authorities have a “power of competence” to do “anything apart from that which is prohibited”.

That even with the above procedural points, a campaign is needed to unite service users, communities and trade unions in a fight against the Tories to protect local government.

That the factors above show that Councillors do in fact have options.

This NISC agrees that our position is:

To call on Labour Councils to set legal no cuts budgets, use reserves, capitalise eligible general fund expenditure and borrow prudentially to generate resources so that no Labour Council need make cuts. These are short term measures to buy time to build a national campaign.

That the financial measures must be combined with a national campaign, linking Councils, trade unions and communities in a fight against the Tories austerity programme.

To call on the unions political officers/department to prepare a strategy to take the points in this motion forward.”