

## A Fair Deal for Waltham Forest

This council notes that:

- Councils up and down the country are in financial crisis. Six councils of varying political leadership have issued section 114 notices since 2021.
- The Local Government Association are clear that if nothing changes, councils are facing a funding gap of £4 billion over the next two years, with at least 26 councils facing bankruptcy in the near future according to SIGOMA.
- Since 2010, the real terms funding from government to Waltham Forest Council has reduced by 37% (adjusted for inflation).
- The government has made a deliberate plan for councils to raise funds locally through council tax increases as it now accounts for more than half of our total funding, 54% in 2023/24 compared to 30% in 2010.
- The Council is facing structural pressures that have built up since 2010 – a period in which we have had to find £120 million in savings and during which our residents have struggled with Covid-19 and a cost-of-living crisis, against a backdrop of crumbling public services.
- We are looking after 1,000 more people with complex needs since 2018/19. The 2% Council Tax rise ringfenced for adult social care is not keeping pace with demand which has risen 13% in the past year alone.
- At the same time, the average cost of adult social care packages has risen 13% in the past year alone.
- London is at the epicentre of the national homelessness crisis. We are seeing over eighty families a week present to us in housing need in Waltham Forest and this is increasing every month.
- Although we welcome the Chancellor's recent commitment to unfreeze the Local Housing Allowance (LHA) rates, we note that rents rose in London by 16% last year, much higher than the LHA increase of 6.7%.
- Since 2020 we are Corporate Parents to an additional 39 children and another 1,200 children are receiving an Education, Health, and Care Plan, an increase from 1,800 in 2018/19 to 3,000 now.
- Austerity, coupled with the effects of rampant inflation and the dramatic rise in demand for social care, means councils have been forced to use reserves to pay for essential services. This is compounded by only receiving one-year funding

settlements for the past eight years, which has prevented us from effectively planning for the long-term.

- The Household Support Fund has supported thousands of families in our borough and provided £4.6m of funding in the last round. The fund is due to end in March 2024 which means reduced support for our most vulnerable residents.
- For decades, Waltham Forest along with other outer London boroughs, has been disadvantaged by our funding settlement. The funding formula does not reflect deprivation levels that drive our spending. Inner London boroughs like Kensington & Chelsea have less deprivation but receive almost 1.5 times our council funding per person.
- Kensington & Chelsea have less deprivation but receive over 2.5 times our public health funding per person, because funding is based on an outdated formula from 2011. For example, Waltham Forest's funding for Local Outbreak Plans was less than half of Hackney's and over £1m less than Islington, despite having a larger population than both.
- The Government's Office for Budget Responsibility has downgraded predictions for growth and drawn attention to the £19 billion gap in public finances by 2028/29 created by the Chancellor's Autumn Statement. Many residents are still suffering the impacts of Liz Truss's disastrous budget, with the average monthly mortgage payment up £220 since September 2022.

This Council believes that:

- Well-funded public services are the backbone of our economy and democracy and are essential for meeting the needs of every member of our society.
- The Coalition government of 2010-2015 and successive Conservative governments have overseen the intentional decline of public services and as a consequence, our public services are struggling to serve the immediate needs of our residents and communities.
- The chronic underfunding of other public services, such as the NHS and police, is increasing the burden on the council and is causing even greater strain on our ability to support residents.
- The current system of bidding for pots of money undermines long term planning and is a waste of public money.

- This Government has shown its contempt for communities by moving responsibility for funding local service onto residents – using Council Tax, a tax aimed not at the wealth of the occupants but based on their property values as rated in 1991.

This Council resolves to:

- Demand that the government urgently reverses the intentional decline of public services and presents a proper plan for investment and funding reform.
- Lobby the Government urgently to:
  - o confirm that the Household Support Fund will be extended beyond April 2024.
  - o Support the London Councils campaign for an increase to local government funding by at least the same level as last year (9%).
  - o End one-year settlements which lead to financial uncertainty.
  - o Fix the broken social care system so that it works for vulnerable Adults and Children
  - o Increase the homelessness prevention grant.
- Call on the government to increase all its centrally set fees and charges by inflation, as per pensions and benefits rates increase. Fully fund the recent local government pay award and review all recent taxation and levy legislation that negatively impacts on local government initiatives and revenues. Fully fund all extra burdens.