



COUNCIL MEETING – 22 SEPTEMBER 2022

NOTICES OF MOTION

Motion 1: Declaration of cost of living emergency

Moved by Cllr Saiqa Pandor

Seconded by Cllr Mick O'Sullivan

This Council notes:

- On 1 April 2022, Ofgem increased the energy price cap by 54%. This means that households across the UK would be experiencing anywhere between a £600 to £1000 increase in energy bills.
- In Islington, this could amount to a £631 increase, with the average gas and electric bill rising from £907 to £1,538.
- On 26 August 2022, Ofgem confirmed a further energy cap increase of 80% from Saturday 1 October. This means energy bills are expected to rise from £1,971 to £3,549 per year on typical usage.
- The rise in the energy price cap is significantly further than Ofgem's original prediction in May, which is what Central Government based its cost of living support package on.
- These continued rises will impact our most vulnerable families in the borough. To put this into context, we have 27,399 people in low-income households (on housing benefit or council tax support). 11,673 of our families are in fuel poverty, meaning the household's income after fuel expenditure would bring their income below the relative poverty line. The number of households in relative poverty now stands at 9,901 (as of July 2022).
- The rate of inflation – the price of goods and services – rose to 10.1% on 17 August 2022, hitting a new 40-year high. It is expected to remain high for the next two years – the Bank of England expects inflation will not reach its 2% target until the third quarter of 2024.
- In Islington, 905 businesses closed during the first quarter of this year (2022), the highest number since 2017. This was 27.6% higher than the average rate of closure since 2017. Although the 905 figure had fallen back by Q2 this year to 770, this was still the fourth highest number of closures out of the last 22 quarters since 2017.
- In the UK Government's Business Insights Survey for August 2022, 45.6% of businesses reported that input prices (all the costs that go into producing a good or service) had increased in July 2022, up from 16.3% at the end of May this year.

- The rising cost of energy is seen as the most important factor behind imminent input price rises expected by the largest group of businesses surveyed (44%). Rising energy costs are followed by over a third of businesses expecting price rises in raw materials (35.1%), and labour (34.4%).
- Unlike households, businesses are not protected by the energy price cap and government support is only planned for six months. As fixed rate deals come to an end in the latter part of this year, several businesses have reported energy bills scheduled to rise sixfold
- Wages are falling, in real terms, by more than since records began, with the latest figures showing real wages falling by 3%
- While Central Government has offered some help in September 2022, this will still see energy prices double for households this year and only offers support for businesses for six months
- The increased energy price cap, coupled with pre-existing inequalities that were magnified by the pandemic have resulted in local businesses and charities becoming 'warm havens' to support struggling families unable to eat and heat their homes. This will only put further economic pressure on our local organisations and businesses as they provide warmth for vulnerable people and families trying to shelve their own energy costs.

This Council further notes:

- In January 2022, Islington Council unveiled its budget to create a more equal Islington in the face of the cost of living crisis.
- The Budget invested an extra £676,000 into our Council Tax Support Scheme to further reduce the council tax bills of around 19,000 low-income working age households.
- It also quadrupled the size of the childcare bursary scheme to £160,000, enabling up to 300 more parents to afford to get back into work or training.
- Up to 4,000 small and medium-sized businesses in Islington have effectively had their Business Rates Bills cancelled out this year thanks to a £17 million council scheme designed to help those affected by the pandemic.
- In July 2022, a £2.6 million support scheme was announced by Islington Council to help families and households in the borough struggling to cope with the cost of living crisis.
- The work undertaken locally to become north London's first Living Wage Borough, has built a growing network of local employers paying at least the London Living Wage.
- The Council's inclusive approach to economic growth and support for microbusinesses through our affordable workspace programmes for tech, digital and creative start-ups, and targeted support for underrepresented groups.

This Council resolves to declare a cost of living emergency, using our available resources to support our residents and local businesses:

- We will make use of the of the UK Shared Prosperity Fund money to provide grant aid on energy costs

- Explore where improvements could be made in our own invoice payments to small businesses and freelancers. According to the Federation of Small Businesses (FSB), around 50,000 businesses close every year due to late payments. We will therefore reduce our Prompt Payments from a 28 day period to a 14 day period.
- Promote a whistle-blowing service so in turn, we can report substantiated breaches to the Small Business Commissioner's Office and companies can be struck off the Prompt Payee register.
- As part of Social Value asks of a contractor, ask them to pay their supplies within 14 days, rather than 30 days of the Prompt Payment Code.
- Launch an internal hack-a-thon to encourage Council staff to shop local and highlight Shop Local alternatives to the big suppliers.
- Investigate potential for bulk buying of energy and facilitate local business consortia.
- Promote support the Council already offers through the Local Economies team, affordable workspaces, construction directory, and employment services, as well as grants available from Islington Sustainability Partnership (formerly ISEP).
- Run Business Rates workshops to ensure that businesses are paying the correct amount.
- Work with the BEIS Small Business Commissioner to consult on a package of support for small businesses in the borough.

This Council resolves to build an inclusive local economy that works for all. We call on the Government to:

- Secure our energy future and support a new generation of skilled green jobs by investing in a rapid rollout of renewables and storage technology, held in common ownership for the public good.
- Increase the National Minimum Wage to the level of the real Living Wage, as identified by the Living Wage Foundation
- Uplift Universal Credit and all other benefit payments in line with inflation
- Introduce universal free school meals for all children, as Islington Council has done for primary school children since 2009.
- Allow the Mayor of London to bring in rent controls, saving tenants money and supporting people through the cost of living crisis.
- Implement the official national opposition's proposal to freeze gas and electricity prices immediately to give people breathing space over the winter. This means the domestic energy price cap would stay at its current level of £1,971 from October to April rather than £2500 price cap announced by Prime Minister Liz Truss; it would mean no rise in household energy bills until April 2023 with pensioners and low to middle income families still receiving planned additional support with already elevated bills.
- Support a £1bn fund to help energy intensive industries with the higher cost of energy.
- Increase the business rates threshold for small business rates relief (from the current threshold of £15,000 to £25,000), to give SMEs a discount on their business rates bill for 2022/23, ahead of more fundamental reform proposed by the government.

Motion 2: Bring water back into public ownership

Proposed by Cllr Fin Craig

Seconded by Cllr Praful Nargund

This Council notes:

- The recent burst water pipe on Tollington Road which caused flooding and damage to homes and businesses in the local area, as well as Sobell Leisure Centre
- That there have been a number of burst water pipes on Offord Road in recent years, causing damage to properties and causing concern for local residents
- Thames Water's own figures show that it loses 24% of the water it supplies through leaks, almost 600 million litres per day
- The impact of the climate emergency and dry weather this summer which has led to low water levels across the UK
- Thames Water has implemented a hosepipe ban due to drought conditions across London and the South East
- Water companies have pumped raw sewage into Britain's seas and rivers for more than nine million hours since 2016, an increase of 2,553% over five years, according to the Labour Party's analysis of Environment Agency data
- Thames Water dumped raw sewage into rivers 5,028 times in 2021
- Increased raw sewage has led to safety warnings and closures at beaches across the UK this summer

This Council further notes:

- In August 2022, Council Leader Kaya Comer-Schwartz wrote to Thames Water, following the Tollington Road burst, to call for increased investment in making our water pipes more resilient to avoid lost water
- The work of Islington Council's Policy and Performance Scrutiny Committee to hold Thames Water to account
- In 1989, England and Wales became the first countries in the world to privatise its water system
- Water is a monopoly, meaning that customers have no choice who they get their water from
- Last year, Thames Water made an operating profit of £488 million, out of total revenues showing over £2 billion
- Water companies across the UK made £2.8 billion in profits in 2022
- Between 1989, when water companies were privatised, and 2015, water bills increased by 40% in real terms
- Polling suggests that 69% of the British public want water back in public hands

This Council resolves to:

- Continue calling on Thames Water to invest further in water infrastructure to avoid the burst water pipes and leaks we have seen in Islington this summer
- Call on Thames Water, and all other water companies, to cease the release of raw sewage into seas and rivers, to keep our waters clean and safe
- Write to Central Government to ask for the water industry to be brought back into public ownership, delivering better services for the benefit of local people

Motion 3: Cost of living crisis

Moved by Cllr Caroline Russell

Seconded by Cllr Ernestas Jegorovas-Armstrong

This Council notes:

- The cost-of-Living crisis is affecting thousands of Islington households.
- The UK's rate of inflation jumped to 10.1 per cent in July, the first time it has registered a double-digit annual increase in more than four decades, with Bank of England projections pointing to inflation accelerating further later this year.
- Rising domestic energy and food price inflation will likely have a harmful effect on the health and well-being of Islington residents, with many people having to choose between heating and eating.
- Trussell Trust statistics show food bank use more than doubling in Islington from 2015 to this year with 5,784 parcels given out across the latest year.
- Inflation and uncertainty over the extent of business energy bill support is expected to affect employment opportunities for people living in Islington as businesses struggle to keep trading.
- Local Authorities have a duty of care to their citizens to promote and protect their well-being and to do what they can to prevent avoidable harm under the Care Act 2014.

This Council further notes:

- The help being provided to people through the Council's Resident Support Scheme, Here to Help scheme, Income Maximisation Team, and distribution of government grants to support people facing financial hardship.
- The SHINE programme pioneered in Islington, and now rolled out across London providing energy advice.
- The Council's Community Wealth Building offer for Economic Wellbeing to empower residents to build financial resilience, future proofed skills, and secure and retain good quality jobs.

This Council resolves to:

- Work with residents, NGOs and community groups to provide warm and welcoming spaces this winter on estates, in community centres and in other local facilities, where people can keep warm and comfortable and where they can receive council support and advice services to lessen the impact of food and fuel poverty.
- Promote union membership to Islington residents and work with unions and workers to ensure everyone working for Islington Council is fairly paid in the face of rising inflation and an escalating cost of living crisis.
- Develop a scheme to increase the Council's council tax reduction scheme to 100 per cent so that eligible households pay no council tax
- Set out a timetable to insulate remaining council properties without insulation along with a priority list for tackling the work

- Write to the Secretary of State for Work and Pensions asking for restoration of the £20 Universal Credit uplift along with a further increase taking the uplift to £40.
- Write to the Secretary of State for Business, Energy and Industrial Strategy asking for reform of business rates to provide support for businesses struggling with uncapped energy bills.