

Revenue and Capital Budget 2020/21 to 2023/24

Green Group Opposition Budget

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Introduction: Our priorities and principles

We are currently in the middle of an unprecedented period in British politics; we are faced with a climate and ecological emergency, Brexit and communities are suffering from years of Tory austerity. Local authorities must stand up and speak out against government cuts and do what they can to mitigate the worst effects of these, particularly on our most vulnerable residents. Under Labour in Lambeth we are now witnessing the closure of children's centres, cuts to adult social care support and the stripping down of our libraries to little more than "self-service bookshelves briefly attended by librarians".

Lambeth cannot afford to continue down the path we have been led by Lambeth Labour with money being thrown at socially and environmentally damaging projects such as the estate demolition scheme (over £80m spent so far without a single new council house to show for it) the ongoing sale of council homes which have lengthened housing waiting lists (over 300 council homes sold by the council since 2011, many to buy-to-let landlords and overseas investors, and communication campaigns that are seen by many residents as little more than Labour propaganda. We must start thinking creatively to form and adopt budget proposals which will support marginalised residents, will tackle the climate emergency and will make Lambeth a truly accountable and transparent council.

This alternative budget is anti-austerity, green and progressive and will help us take the vital steps to achieve carbon neutrality by 2030, mitigate the worst effects of cuts, tackle our housing crisis, improve working conditions for staff and increase the council's accountability to local residents.

Our key priorities are set out below and detailed figures are included at the end of the document.

Last year's budget: Where Greens Lead Others Follow

Last year, the Green Group's alternative budget, suggested increasing council reserves by slightly less than was proposed in order to increase the spending for the borough's children's centres to keep them open. The Labour Group spent much of the budget council meeting opposing this idea and justifying the closure of children's centres. One councillor even wrongly said the Green budget was an illegal budget when the S151 officer had clearly stated in the budget pack not just that the Green budget would be "legal", but also "reasonable" and balanced.

We hope that this year the Labour Group will be more constructive and less tribal in its approach, and explore the Green group's ideas further because a report to Cabinet of 3rd February has now confirmed that the council has in fact done what the Green Group proposed. In the current financial year the council is spending more than budgeted on children's centres and funded that increase from general fund reserves in the way the Green Group proposed. (In fact coupled with other overspending it has actually decreased the council's reserves on what was forecast rather than increase them - something that the Green Group did not propose and does not support).

The council's unallocated reserves are now forecast to end the financial year 2019-20 at around £22.7m (8% of current spending and a decrease from the £23.8m forecast in 2018-2019). This leaves the Council's reserves as significantly less than at the forecast level of £25.2 million or the Green Group's proposal of £24 million, forecast for 2019-2020.

In this year's budget we set out how reserves can be increased to 10% of council expenditure at the end of the Medium Term Financial Strategy (MTFS) while also safeguarding vital frontline services

which the council appears still intent on closing. We hope that once again, where Greens lead, the Council will follow.

1. Real action to tackle the climate and ecological emergency

Where Greens lead, Lambeth follows One year ago, in January 2019, Lambeth made history by becoming the first London borough to pass a Green Party motion declaring a climate emergency and committing to become carbon neutral by 2030. It is imperative that this commitment is at the core of all council work and decision making if we are to prevent overshooting the Paris Agreement's 1.5°C Global Warming limit and mitigate the effects of climate breakdown.

Unfortunately we have not seen action happen fast enough in Lambeth Council since the climate emergency declaration over a year ago and there is very little evidence in the proposed budget to suggest that Lambeth Labour will be ambitious enough in their plans in order to become carbon neutral borough by 2030.

Our alternative budget prioritises tackling the climate emergency in the following ways:

A Carbon Budget

Alongside the Revenue and Capital budget the council should set a Corporate Carbon budget to work towards the council reaching zero carbon by 2030. This budget would require sign off in much the same way as the financial budget does, meaning decisions would have to be scrutinised and signed off based on carbon emissions, and the carbon budget targets would be set by Council each year. This budget is of course subject to proper carbon baselines which the council must establish as soon as possible.

In addition, we propose that the council also take the opportunity each year to set a borough-wide carbon emissions target alongside its own Corporate Carbon budget. Various tools are already available to the council for calculating a carbon budget such as [Scatter Cities](#) or analysis from the [Tyndall Centre for Climate Change Research](#).

Workplace Parking Levy

Last year the Green Party proposed a Workplace Parking Levy. This is an idea that was opposed by some Labour councillors, but is rapidly gaining widespread support. We think that Lambeth Council should show leadership in London by taking this forward.

Lambeth was ranked as the 9th highest borough in London for people commuting in from other places in London. 21,491 people drive a car or a van into Lambeth according to the 2011 census and another 1110 come in as passengers. This contributes to toxic air in Lambeth and the council is not tackling it.

Many of these commuters park in private bays off the street. Based on a 2005 survey, there were an estimated 8,900 (non-central) and 1,300 (central) private non-residential employee parking spaces in Lambeth.

The Green Group would carry out a workplace parking levy feasibility study on businesses owning ten or more parking spaces (with exemptions for those who need them – for example disabled residents and hospitals). This would be aligned with the wider London proposal now being explored by the Mayor of London and TfL.

A briefing prepared by Lambeth council officers estimated that the levy could generate £979,200 per year in revenue, totalling £2,937,600 over three years.

This would also discourage commuting into the borough by motor vehicle, helping to tackle Lambeth's air pollution crisis.

Revenue: £979,200 per year over 4 years. **Total:** £2,937,600.

Investing in sustainable transport

Investing in sustainable modes of transport and moving away from car-use except when absolutely necessary is vital if we are to clean up Lambeth's air and to move towards becoming a carbon-free borough. The Green Group would prioritise spending on initiatives to do this and would use the revenue from the proposed workplace parking levy to invest in walking and cycling infrastructure and on Liveable Neighbourhoods (bringing forward the timeline for implementing these), School Streets as default, walking maps and other projects that will help Lambeth's transport become more sustainable. If implemented this would be the biggest increased investment in sustainable transport made by any London borough ever.

2. Reversing cuts to frontline services

We appreciate that Lambeth Labour have tried to stand up for vulnerable residents however, under their watch, residents will have to pay more for adult social care services, families are losing vital support as children's centres are closed and libraries, which act as important hubs and resources for local communities, have had their funding and staffing reduced drastically.

Whilst Lambeth Labour rightly point the finger and blame central government for cuts in its funding, Green proposals show that there is still a way of mitigating the cuts that Lambeth Council is now implementing.

The Green Groups proposes making initial savings from councillor allowances and the communications budget. These savings can be invested in bringing some services in house and better contract management in order to make more substantial long-term savings, which can be invested in frontline services. This will also enable the council's reserves to be increased.

The Green Group would reverse cuts to frontline services:

Adult social care

The Council have recently consulted on changes to adult social care fees and charges which would see residents pay more for services such as Meals on Wheels, community alarms and a second carer when two carers are required at the same time. The changes proposed are likely to have large financial and psychological impacts on some, already vulnerable, individuals. It has been predicted that these changes will save the Council £600,000 a year; this is a small amount as a percentage of the total council budget but a considerable and unbearable cost for many disabled or older recipients of social care.

We must not allow disabled residents to bear the burden of budget pressures. The Green Group would reverse any changes to fees and charges for those in receipt of adult social care services by investing in better contract management and using the savings to reverse the cuts (see proposal under section 3).

Cost: £600,000 per year

Children's Centres

In April 2019 the Labour Cabinet decided to proceed with the closure of 5 children's centres and a reduction in service at 7 more, despite widespread political and public opposition. Children's Centres

provide a vital source of support for families, particularly for more vulnerable groups such as those suffering from mental health issues, isolation or those who are victims of domestic abuse. 42.8% of Lambeth's children are living in poverty and it is these children who will suffer most from the closures.

Greens would reverse the decision to close any children's centres, using money saved from increasing the reserves by slightly less each year in the very short term, and would ensure Lambeth's children are given the best start in life. The reserves would then be brought up to the council's medium term financial strategy levels using savings made from better contract management, which would also fund Lambeth's children's centres on a longer-term basis.

Cost: £1.4 million per year

Libraries

The Green Group are opposed to any cuts and closures of Lambeth's libraries and support the proposal to keep all 10 libraries open, fully staffed and running a full service. This is why we have stood alongside Lambeth Library campaigners against any closures and spoken out against plans to convert four libraries into little more than self-service bookshelves.

Greens support the Lambeth Libraries and Archives Staff and Community Mutual proposal which would allow all 10 libraries to remain open and running a full service. Council officers estimate that the proposed mutual option would cost £517,000 a year more than the current libraries budget.

However, in 2017/18 the libraries budget saw an overspend of £408,000. In 2018/19 it saw an overspend of £257,000. The Council has not made the savings expected, and the council's strategy is clearly not working for the benefit of either the council's finances or the residents of Lambeth.

The Green Group would adopt the Mutual Proposal, written by the Head of Libraries at Lambeth, which would keep all 10 of Lambeth's much-needed libraries open.

Cost: £517,000 per year

3. Better Procurement and Contract Management

Lambeth currently spends £507 million each year on external contracts and currently outsources many services from housing repairs to leisure services. Many residents report a poor quality of services from council contractors and the council loses a large amount of money each year as a result of contracts simply "rolling-over" due to a lack of resource in teams to carry out proper contract management. Through better management of contracts with external suppliers, the insourcing of the Leisure Services contract, and an invest-to-save approach, the Green Group propose to make substantial savings in this area as other boroughs have done.

Fully resourced contract management team

Increased resource for the council's Procurement team would result in savings as a result of more effective contract management.

The Procurement Team currently has very little capacity to support council directorates in contract management; this leads to many contracts being extended or rolled-over without going out to re-tender. Steps have been taken by the Head of Procurement in recent years to address this issue and a Senior Contract Manager has been employed – this move has been welcomed by the Green Group as an important first step in preventing spend on contracts from getting out of hand.

The Green Group propose that the council now invest in 5 dedicated contract managers for each council directorate in order to support the Strategic Directors with contract management.

The upfront cost for this would be £350,000 per year (£70,000 per FTE) which would be funded from savings in councillor allowances and the communications budget (see proposals under section 5). This would then generate significant savings for the council in the medium and longer term which would be used to reverse cuts to adult social care services, fund the Libraries Mutual Proposal and replenish the council's reserves.

Based on estimates from Brighton and Hove, investing in a well resourced contract management team could save up to 5% on third party spend. However here we are proposing a very conservative estimate, which is a fraction of that, and amounts to just a 1% saving on third party spend. Based on the annual spend in 2018/19 this would in time lead to a £5 million a year saving for Lambeth.

Cost: £350,000 per year

Saving: £5 million

Insourcing the Leisure Services Contract

The Council currently has a contract with Greenwich Leisure Ltd (GLL) for the management of the borough's leisure facilities; the value of this contract is £19,859,083. The Green Group would bring this contract back in-house when it expires in March 2022.

The Green Group have not yet received the modelled proposal for the insourcing as this is not due until March 2020 however we anticipate it being revenue neutral as a result of better management of the leisure facilities. The potential for possible savings should however also be explored.

4. Tackling Lambeth's Housing Crisis

In Lambeth, over 2000 households live in temporary accommodation and the number of rough sleepers have increased year on year since 2016. More must be done to urgently tackle the housing crisis faced in Lambeth. Lambeth Labour's focus on estate demolition and rebuild as the magic fix to this crisis is naive, dangerous, already causing hardship to residents and demonstrably isn't working. The council must start thinking creatively to build the council housing so desperately needed by Lambeth's residents and to ensure that existing accommodation, both private and council-owned, is of an acceptable standard.

The council urgently needs to look to alternatives for housing developments such as infill on existing estates, supporting community land trusts and investing in bringing empty properties back into use. Affordable, secure and comfortable accommodation is a basic human right and Greens have been championing the voices of residents in fighting for this right for many years now. Green's and resident's proposals have shown that there are alternative ways to provide housing in Lambeth without demolishing people's homes and tearing apart communities.

Empty Properties

It is not acceptable that over 2,000 residential properties sit empty in Lambeth whilst thousands of residents live without a secure roof over their heads.

Members Enquiries reveal that there have been no compulsory purchases of private properties by the council in the past 5 years, despite the fact that the council has identified 1,005 privately owned properties that have been empty for more than six months, and 2,331 empty properties of all tenures.

Lambeth council has instead pursued a policy of selling off 'shortlife' housing, held outside the Housing Revenue Account (HRA). Work by the People's Audit has shown that over 300 council homes have been sold off by the council as a deliberate policy, at a cost of £1.5 million in staff and legal fees. This property has gone to buyers in Spain, Singapore, Malaysia, Taiwan and the United Arab Emirates. Offshore developers based in the British Virgin Islands, Hong Kong, the Isle of Man and Kuwait have purchased it with much of it going to buy-to-let landlords.

The Green Group proposes an end to this approach and instead to compulsory purchase empty properties, funded by loans from the Public Works Loans Board which would be paid back through the proceeds from rental of those properties at London Living Rent levels. These properties would be held outside the Housing Revenue Account.

Private Landlord Licensing Scheme

Newham Council run a scheme whereby landlords must have a licence for every home rented out privately in the borough. The Green Group proposes the council move to set up a similar scheme in Lambeth which would help ensure good quality of homes rented out and would help to crack down on rogue landlords.

According to the Council's estimations, this scheme would generate between £6-8 million annually. The fees would be based on the cost of the service and so there would be no net income that could be used elsewhere however, the money generated could be used to drive up housing standards and energy efficiency standards in private homes, therefore helping in Lambeth's ambition towards becoming a carbon neutral borough by 2030.

Revenue: £6-8 million per year (to be reinvested into private housing sector standards and energy efficiency standards private sector housing)

Ending the use of enforcement agents

In 2015 Lambeth Council agreed to end the use of enforcement agents against those in receipt of Council Tax Support (CTS) when they fell into council tax arrears after Green Councillor Scott Ainslie highlighted that the practice was pushing Lambeth's poorest residents into further hardship. However, 1,504 CTS cases were referred to the Council's enforcement agency Equita in 2017/18 and 928 in 2018/19. In the same year, Lambeth charged all 4,319 CTS claimants who had fallen into arrears, costs for being served with a court summons – adding an extra £100 to their bills.

This practice causes significant levels of stress and anxiety for some of Lambeth's most vulnerable residents and results in costly court summons and fees.

The Green Group propose that the Council adopt a similar approach to that of Hammersmith & Fulham Council by taking on an Ethical Debt Collection Policy in which no cases of council tax arrears are referred to enforcement agents. It is predicted by Hammersmith and Fulham Council that this approach will result in no net loss to income being brought in.

5. A democratic, accountable and fairer council

Throughout all its operations, Lambeth council should strive to represent and empower residents as well as putting their needs at the heart of all decision making. Unfortunately, under Lambeth Labour we have not seen this happen; instead we have seen all decisions made by the all-Labour Cabinet with very little resident involvement and we have seen money funnelled into Special Responsibility Allowances and Corporate Campaigns whilst vulnerable residents have suffered from cuts to vital frontline services.

The Green Group call on this council to follow their words with actions and to become truly democratic, accountable and transparent in all decision-making and spending. In the proposals below the Green Group outlines how savings made from councillor allowances and the Strategy and Communication budget (£371,004.23 per year in total) could be invested into a fully resourced contract management team which would generate long term savings in order to replenish the General Fund reserves, reverse the cuts made to adult social care services and fund the Libraries Mutual Proposal.

Councillor Allowances

While Lambeth's most vulnerable residents experience the terrible impact of cuts to vital public services, Lambeth's politicians continue to claim their own large additional allowances (Special Responsibility Allowances). The Green Group does not consider that so many additional paid allowances are necessary and would cut unnecessary posts and allowances.

In the coming financial year we would abolish some posts and immediately remove Special Responsibility Allowances from others as follows:

- Remove the allowance for the Deputy mayor
- Abolish one Cabinet post
- Abolish three deputy cabinet member posts
- Remove allowances for the two Vice-Chairs of Overview and Scrutiny Committee
- Remove allowances for three policy leads

Bringing the SRA budget down to £432,692.64 (including on costs) (see *Appendix 1*).

The remaining additional SRAs would also be cut by 40%, saving a further £173,077.06 in the first financial year.

In the medium term, we propose moving away from the Cabinet system to a committee system to enable more resident engagement, cross-party working, closer scrutiny and rigorous testing of ideas before decisions are taken. This would go some way to help the council meet the challenge raised in the last LGA Peer Review which identified a strong appetite among Lambeth residents to be engaged, to be involved and to be heard but which highlighted concerns about the Council's ability to deliver on objectives, stating that the council had not brought residents along with it on many projects .

Saving: £271,004.23 per year. **Total:** £1,084,016.91 over 4 years

Strategy and Communications budget savings

The Green Group would make further savings from Corporate Campaigns, Direct Mail, Marketing and Corporate Branding from within the communications budget, saving another £100,000 a year. Whilst communication and engagement with residents is vital, much of the money currently spent on these areas of communications is seen by many residents as propaganda.

Saving: £100,000 per year. **Total:** £400,000 over 4 years

Four day working week pilot

Greens on Lambeth Council have led the way in bringing about improvements to pay and conditions of those who work for Lambeth Council. It was Green Councillor Becca Thackray who tabled the motion in 2008 to make Lambeth a Living Wage employer, and the Green Group continues to press for this to be extended to all contractors, which is still not the case. Lambeth Greens have also encouraged the council to adopt initiatives such as extra parental leave for council staff who are

parents of premature babies and successfully campaigned for Lambeth to sign the Time to Change employer pledge to support staff mental health in the workplace.

The Green Group proposes in the medium term, to move council employees to a four day week beginning during the next four years, with pay kept at existing rates so employees would be paid for five. The morale of council employees as well as conditions need to be improved. Trials of four day working weeks have shown to improve productivity and equality, particularly for those with caring responsibilities, and to lower stress levels. The trial would also help the council achieve its aim of becoming carbon neutral by 2030.

General fund reserves

The Green Group proposes to increase the reserves by the same amount as the council in four years, in line with the Medium Term Financial Strategy. However, in the first few years the Green Group would increase them by slightly less than the council is proposing. This would mean a saving of £1.2m a year which could be used to keep Lambeth's children's centres open in the immediate future - as the council has itself done in this financial year. This would still immediately bring the level of reserves up to 8.2% of the council's net cash requirements (still at the higher end of the 5-10% recommended by the Council's S151 officer).

Longer-term savings from contract management (see above) would then be used to increase the reserves to the levels proposed in the council's budget, meaning the Green Group would bring reserves up to the 10% level over four years as the council proposes.

Saving: £1.2m per year. **Total:** £4.8m over 4 years

Appendix 1: Savings on Special Responsibility Allowances

Post	Basic (£)	13.8% on costs (tax/NI) (£)	Totals (£)
Deputy Mayor	5,319	734.02	6,053.02
Cabinet Member	28,518	3,935.48	32,453.48
3x deputy cabinet members	32,715	4,514.67	37,229.67
2x Vice Chairs OSC	12,000	1,656	13,656
3x Policy leads	7,500	1,035	8,535
Total annual saving:	86,052	11,875.17	97,927.17