

COUNCIL

27 OCTOBER 2022

MOTION 1

PROPOSED BY: Councillor Leonora Thomson
SECONDED BY: Councillor Jess Moultrie

This Council deplores the economic chaos wrought by the Chancellor's September 'mini-budget' which resulted in

- *Sterling crashing to its lowest ever value against the dollar, pushing up the cost of imports*
- *Interest rate rises and the withdrawal of hundreds of mortgage products*
- *Liquidity threats to several major pension schemes, prompting a multi-billion, taxpayer-backed, Bond buy by the Bank of England to "restore market functioning"*

all of which directly worsened the already significant impact of the Cost of Living Crisis on Cardiff residents.

The Council notes with concern that the 'mini-budget' provided no new support for public services, and further notes that the subsequent decision to postpone the Spending Review will result in a significant real-terms cut to Council budgets, at a time when we are dealing with both unprecedented inflationary pressures and a surge in demand for services, noting as well that £300 million has already been cut from this Council's budget as a result of a decade of austerity.

In particular, the Council expresses extreme concern that the budget gap facing the Council in the next financial year now stands at £53 million, and will result in deep cuts unless the UK Government commits to properly funding public services in all 4 nations.

The Council welcomes the work Cardiff Council is undertaking to best support residents at this challenging time - including establishing warm spaces in our hubs, strengthening money advice and into work services, expanding support to help homelessness, and the establishment of a Cost of Living Taskforce to co-ordinate help with other partners - but also recognises that even more help will be needed if the UK Government fails (as threatened) to increase benefits in line with inflation.

The Council resolves

- *To declare a Cost of Living emergency in recognition of the unprecedented financial pressures facing residents and Council services*
- *To promote and publicise the support the Council and partners are offering in response to the crisis*
- *To condemn the Government's recent mishandling of the UK economy, and to call on the Prime Minister and Chancellor to properly fund Public Services including Councils*
- *To support the principle that those most able to pay – whether individuals or corporations - should shoulder the greatest burden in responding to the Cost of Living Crisis and balancing the nations' finances*
- *To request Cabinet provide the Council with a regular updates as to the impact of the Cost of Living crisis on the delivery of Council services, and on our work to help the most vulnerable in our City*