

Council: 19 January 2022

Opposition Motion in the name of Cllr Gabriel Rozenberg

Tackling the cost of living crisis

Council notes that:

1. Some 27,223 households in Barnet were on Universal Credit as of August 2021, up 9.5% from a year ago
2. There were 9,749 residents of Barnet who were beneficiaries of Foodbanks in November 2021, up 44% from a year ago
3. The number of children entitled to and hence requiring free school meals in Barnet has steadily risen throughout 2021

Council notes, with alarm, that Barnet residents face a “cost of living crisis” as a result of negative decisions by the Conservative government:

1. The Government’s refusal to update income tax thresholds in line with inflation will push more Barnet residents above the lowest income tax threshold, and other residents will pay higher taxes. Analysis by Liberal Democrats suggest that there will be an average hit to incomes of £500 per London household by 2026
2. The rate of employee national insurance will rise by 1.25 percentage points in April, reducing Barnet residents’ take-home pay. At the same time, local employers will face a 1.25 percentage point increase in employer NICs, meaning they will struggle to raise wages to compensate their employees
3. Barnet households will suffer from the government cap on energy bills being lifted in April. The typical energy bill is set to rise, according to one estimate, by 56%, from £1,277 to nearly £2,000. All Barnet residents will struggle badly to meet this cost pressure, but the worst hit will be poorer families who have to spend a larger proportion of their income on essentials like gas and electricity bills
4. The energy price rises come at a time when prices are going up across the economy. Goldman Sachs expects prices to be up by 6.8% in April versus a year earlier, considerably higher than the rise in average earnings, pensions or the minimum wage

Council therefore calls on the Leader of Barnet Council to write to the Chancellor of the Exchequer and the Secretary of State for Work and Pensions, calling for action on energy bills in line with the following Liberal Democrat proposals:

1. The Government should impose a “Robin Hood Tax” on firms who have made huge profits from record high gas prices, which could raise up to £7 billion
2. The proceeds should be spent on doubling and extending the Warm Homes Discount to cover all those on Universal Credit and Pension Credit; doubling the Winter Fuel Allowance; a new ten-year home insulation scheme; and supporting energy intensive businesses.

Under Full Council Procedure Rule 17.17: if my item is not dealt with by the end of the meeting, I ask that it be voted upon at the Council meeting.

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