

Amendment in the name of Cllr David Longstaff
The Cost-of-Living Crisis and Council Support

Proposer: Councillor Ammar Naqvi
Amendments in bold

This council notes:

1. That **mortgage rates will increase as a result of inflation and thousands of Barnet Families will be facing these increases.**
2. **That the Energy Bill Discount removed £400 off energy bills for households in Great Britain. This automatic, non-repayable discount will be applied in six instalments between October 2022 and March 2023.**
3. **That the Government provided a £650 one-off cost of living payment for those on means-tested benefits such as Universal Credit, job seekers allowance and pension credit.**
4. **That the Government also provided a £300 one-off Pensioner Cost of Living Payment for pensioners in receipt of the Winter Fuel Allowance, while individuals on disability benefits received an additional, one-off £150 payment in September.**
5. **Following Ofgem raising the price cap in April, the Government put forward a three-part support package to help both lower- and middle-income earners with the immediate adjustment. This includes:**
6. **The Energy Bill Support Scheme ran from October 2022 to April 2023 and provided £400 off energy bills for households in Great Britain. This was an automatic, non-repayable discount which was applied in six instalments.**
 - **Cost of Living Payment: A payment of £650 for households on means-tested benefits, including Universal Credit, Pension Credit and Tax Credit was made in instalments over 2022/23. A second Cost of Living Payment of £900 is being made in 2023/24, the first instalment of which has been paid.**
 - **Disability Cost of Living Payment: A £150 payment in September 2022/23 and a second such payment in 2023/24 to help with extra costs for individuals on disability benefits. This is in addition to the £650 and £900 Cost of Living Payments for disabled people who also receive means-tested benefits.**
 - **Pensioner Cost of Living Payment: Two Cost of Living Payments of £300 for pensioners, paid as an automatic top-up to the Winter Fuel Allowance. The first £300 payment was made in 2022/23, and the second payment will be made in Autumn 2023.**
7. **That the substantial increase in inflation is mainly due to the illegal invasion of Ukraine by Russia, dealing with the effects of Covid 19 and lack of financial planning by Central Banks.**
8. **That the statistics used by the Labour party on average mortgage rises has been found to be misleading and incorrect by 'Full Fact' on the 30th of June who stated " Using statistics without appropriate context and caveats can damage public trust in both the statistics and politicians. MPs should use data transparently and with all relevant context and caveats when a claim is first made, and quickly rectify oversights when they occur."**¹
9. That Finchley and Golders Green is **forecasted to be** one of the ten most adversely

¹ <https://fullfact.org/economy/labour-2900-mortgage-penalty/>

affected areas in the country, with households facing an average increase in annual mortgage payments of more than £7,800 per year.

10. That Barnet's Labour administration has put £9million into initiatives to help those affected by the cost-of-living crisis, including the Barnet Resident Support Fund, Council Tax Relief and Housing Payments **including £1,445,000 from the Government in Discretionary Housing Payment and £2.5 million for the Housing Support Fund.**
11. That this is a national problem, which ultimately requires a national solution.
12. **The latest market indicators (FCA; UK Finance) show that mortgage arrears and defaults remain below pre-pandemic levels.**
13. **That the Chancellor of the Exchequer, Jeremy Hunt, met with CEOs of key lenders and together agreed a Mortgage Charter covering 85% of the UK market. All Lenders have agreed:**
 - **Anyone worried about their mortgage repayments can contact their lender for help and guidance, without any impact on their credit file and we would encourage you to contact your bank who are there to help.**
 - **Support for customers who are up to date with payments to switch to a new mortgage deal at the end of their existing fixed rate deal without another affordability check (Applies to 97% of the mortgage market, where customers are up to date with payments and not seeking to borrow more or change their repayment type or term).**
 - **Lenders will provide well-timed information to help customers plan ahead should their current rate be due to end.**
 - **Lenders will offer tailored support for anyone struggling and deploy highly trained staff to help customers. This could mean extending their term to reduce their payments, offering a switch to interest only payments, but also a range of other options like a temporary payment deferral or part interest-part repayment. The right option will depend on the customer's circumstances.**
14. **Signatories to the Mortgage Charter have agreed:**
 - **From 26th June, a borrower will not be forced to leave their home without their consent unless in exceptional circumstances, in less than a year from their first missed payment.**
 - **With effect from 10th July customers approaching the end of a fixed rate deal will have the chance to lock in a deal up to six months ahead. They will also be able to manage their new deal and request a better like for like deal with their lender right up until their new term starts, if one is available.**
 - **A new deal between lenders, the FCA and the government permitting customers who are up to date with their payments to:**
 - **Switch to interest-only payments for six months or**

- **extend their mortgage term to reduce their monthly payments and give customers the option to revert to their original term within 6 months by contacting their lender.**

15. That the Labour Party has proposed a plan **which does not go as far as the agreed Charter.**

This council resolves:

1. To continue to administer the additional £2m Resident Support Fund, and the total £9m cost of living support package to help those Barnet residents most in need.
2. To write to the borough's three MPs to urge them to support **the Mortgage Charter and make their constituents aware of their rights under this charter.**

Under Council Procedure Rule 15.5 this motion is to stand referred to the Executive as an executive side function