

Bristol Green Councillors' Budget Response: A wider look at Bristol's Economy

1. Introduction

This document gives a Green's perspective on the current economic plans and proposals for Bristol's economy. As Greens we want to look holistically at our situation, and as government is so centralised in this country it includes the national and regional perspective. In a nutshell, we oppose the policy of austerity which is being used to shrink the state for ideological reasons. Locally, there are ways we can raise money to offset some of the cuts and we are making some concrete suggestions. The City deal was negotiated by an out-going Lib Dem administration, and for Bristol is largely centred on Bristol West and ignores the strategic aims for south Bristol written into the Core Strategy. The economic future of the city is important which is where the West of England Local Enterprise Partnership comes in we have looked at their economic plan and found it profoundly lacking in vision.

2. The National Context: We oppose Austerity and the Cuts

George Osborne uses austerity politics to make the poor pay for the mistakes of the rich who almost bankrupted our economy through their casino banking and excessive profits. His policies are failing and the debt continues to rise which gives him an excuse to cut public services even further.

There is a £35 billion tax gap in this country.¹ This figure, produced by HMRC, is a reasonable estimate of the tax that should be paid but isn't. Why should we be reducing services for the elderly, closing public toilets, reducing our pollution control efforts, reviewing our library provision, and cutting management of our childrens' centres when there is such a large amount of money going astray?

If the missing £35 billion was divided between every single adult in the UK (population 64 million), there is almost £550 per adult. Multiply this by the population of Bristol (430,000 approx), and that equals over £230 million of lost funding potential for this city. Which is plenty to provide quality public services.

The economic model pursued by the Coalition government is based on the idea that a country cannot have economic prosperity with high public debt, however recent independent work² has shown that this assumption does not stand up to scrutiny and that the government's core arguments are thus flawed.

3. The City Context: Ways to raise and save money

We oppose the Coalition's cuts but accept our responsibility to offer suggestions on how funding could be raised to alleviate those cuts being handed down to us:

3.1 Council Tax

In recent years the Lib Dem controlled council has accepted the National Government bribe to 'freeze council tax'. They are calling on the Mayor to do the same again this year. By doing this they have accepted a series of one-off payments in exchange for an on-going revenue stream. This is economic madness!

We proposed increasing council tax in 2012 and again in 2013. It should therefore be no surprise that we support the Mayor's proposal to increase council tax this year. Every one percent of council tax raised, raises an extra £1 million in revenue. If council tax had been raised in 2012 we would have £ 6.42 million less to cut now.

We ask those who do not support the increase to say what services they would cut instead to offset the reduced revenue income.

3.2 Workplace Parking Levy³

Bristol's transport infrastructure needs substantial investment. It seems unlikely that significant funds are going to be available from central government for sensible transport plans for the foreseeable future.

As we suggested two years ago we would begin the process of introducing a Workplace Parking Levy. In Nottingham where it already exists it raises just under £8 million per year.

There are 13,000 parking spaces in the city, at £300 per year these would produce revenue of £3.5m per year, after the cost of running the scheme is deducted.

3.3 Park and Ride⁴

At the moment, Bristol subsidises the Park and Ride schemes around the city by £1.2m. We believe that any subsidy required should be paid by the local authorities whose residents use the facilities.

Furthermore, as Residents Parking Schemes are established within central Bristol we anticipate that the Park and Rides will benefit from higher occupancy rates and as a result require less subsidy.

Therefore we propose that the subsidy given to these schemes should be substantially reduced over the three year period covered by this proposed budget.

3.4 The Lord Mayor's Car

The Lord Mayor contributes a great deal to civic life in the city but at what cost? We believe when faced with the choice of spending money on vital public services or ceremony, public services should take precedent and so ask for a review of the costs of the Lord Mayor's car.

The Mayor could use the City's excellent taxi services, drive a more energy efficient vehicle or a solar powered smart car. The Lord Mayor's numberplate: AE1 could be worth up to £100,000.⁵

3.5 Councillor Parking

At present, councillors are entitled to a free car parking pass in the Council car park. We propose to eliminate this subsidy and ask that Councillors pay for parking when they need it.

3.6 Reduce subsidy to Museums by charging non-residents

The Mayor should introduce a "Citizen Card" for Bristol residents so they can still access museums, galleries and other leisure facilities for free, whilst charging for visitors to the city. This would mean that we could reduce the subsidy to the Museums instead of expecting Bristol residents to directly subsidise these facilities alone.

4 The Regional Context: The West of England LEP

4.1 A Response to the Consultation – Economy⁶

The West of England LEP is wildly unambitious. The recently prepared economic plan for the area looks at the key industries and skills in our area. What it fails to have is a powerful theme that will see the Region become more competitive and gain competencies that will be in demand throughout the world.

The most important challenge to economic prosperity in the future is the ever increasing price of energy. Therefore the West of England should aim to become the most energy efficient region in the world, in all its sectors.

In relation to energy, car transport will also inevitably rise in cost. The region should have an aim to become less and less car-dependent. This will have two outcomes: reducing congestion thus allowing commercial traffic to move more efficiently, and reducing the carbon footprint of the region.

The second important challenge, particularly for manufacturing industry is the issue of resource scarcity. If the West of England can use its extensive intellectual muscle to develop industries that can grow whilst relying on an ever-decreasing material through-put it will become the envy of the world. We are well-placed to take on this challenge.

4.2 Working and Caring – A key economic issue

In terms of the workforce and skills, the engagement of women is key to a successful economy. Again, the West of England could lead the way in having the best

employment offer for women. This includes flexible employment for both women and men to allow them to raise their children and remain economically productive. It includes provision of low-cost childcare, and support for women to have caring roles and work. A region that has family-friendly policies at its forefront and supports all women will attract both the high-flying women and enable those who are most deprived to become economically active.

4.3 Four Cross-Cutting Themes for our Economy:

1. Building an economy that combines economic success with ever reducing material consumption (emphasis on resource efficiency)
2. Building an economy that aims to reduce reliance on the car as the preferred means of transport across the region.
3. Building the most energy efficient economy possible
4. Recognising that caring responsibilities are an important economic factor for many people, and pioneer policies that enable people to combine these with economic activity at all stages in their careers.

4.4 Governance of the LEP

We note the proposed governance arrangements for the LEP. The proposed decision making body consists of just the three Local Authority leaders and Bristol's Mayor, and some businessmen.

Authority	Population (2011 Census)
South Gloucestershire	266,100
North Somerset	202,566
Bath and NE Somerset	176,015
Bristol	432,500

The simple analysis above shows that there is a clear democratic deficit in terms of representation. Every voter in Bristol has half the amount of representation than a voter from one of the smaller local authorities . This is despite Bristol being the economic power house of the area.

We question the way in which the business representatives are appointed to the board. Are they even elected by business organisations, or are they self-selecting and endorsing? This represents a risky strategy and provides little accountability to the people of the West of England LEP area, particularly if business representatives outnumber democratically elected politicians. There needs to be clear decision making accountability within the LEP and clear, transparent and fair selection processes. The LEP is to be entrusted with large volumes of public money to spend, but shows no sign of how it will implement the public sector equality duty. Thinking

of Bristol's neighbourhood partnerships where only the Councillors are allowed to make decisions on spending money, the LEP will be spending millions but decisions will be made by people who are not elected.

We would also like to point out that the LEP has no underlying legislation and so has virtually no constitutional basis. All organisations that deal with money, especially public money, should have some kind of recognised structure, for example charity, limited company, association limited by guarantee etc.

5. The City Context: The Lib Dem City deal⁷

We urge the Mayor to negotiate a new City Deal with the government. In the run up to the Mayor election we were repeatedly promised that a Mayor would be given new powers by central government. There has been scant evidence of this since the election in November 2012. The current City Deal includes just one Local Enterprise Zone, in the area around Temple Meads. This ignores the plans in Bristol's Core Strategy to develop Hengrove Park and economically regenerate South Bristol. The Lib Dem City deal was notable amongst City Deals negotiated by the Core Cities in that it lacks any detailed support for Low Carbon initiatives. This is inexcusable for a 'Green Capital' and the Mayor should go back to government to ask for a better deal that recognises the Core Strategy's objectives for South Bristol, and includes real devolution of power from London to Bristol.

References:

1. The tax gap: <http://www.hmrc.gov.uk/statistics/tax-gaps/mtg-2013.pdf>
2. The Riehnart-Rogoff flawed calculations: <http://bbc.co.uk/magazine22223190>
3. Work Place Parking Levy: <http://www.transport-network.co.uk/Comment-Workplace-parking-levy---a-good-move-for-Nottingham/9283#.UsqHnnlhwpE>
4. Park and Ride Subsidy at £1.2M <http://www.bristol.gov.uk/page/council-and-democracy/budget-consultation-2014-17-alternative-options>
5. <http://www.newreg.co.uk>
6. The West of England Partnership View:
<http://www.westofenglandlep.co.uk/news/city-deal-to-bring-jobs>
7. The City Deal: <http://www.bristol.gov.uk/page/business-bristol/city-deal-new-powers-boost-bristol's-economy>