

MOTION ON NOTICE

SUPPORTING THE FINANCIAL TRANSACTION TAX (FTT)

Council notes that:

- Local government has seen massive real term cuts in central grant funding under the Coalition over the last few years. The June 2013 Comprehensive Spending Review places further extreme pressure on public sector budgets for the foreseeable future;
- Many of these cuts have had a direct detrimental impact on the City's most vulnerable and needy residents. For example, the introduction of a local Council Tax Support scheme, with less funding, providing less benefit to those people who are struggling to pay their daily living expenses;
- There are better, and fairer, ways of generating central government revenue that will ease the need to squeeze local government to the point of crippling front line services and vital support to our citizens;
- Extending the current Financial Transaction Tax, (FTT), on shares to other asset classes such as bonds and derivatives could raise £20bn of additional revenue in the UK a year;
- At least 11 European nations including France, Germany, Italy and Spain are moving ahead with FTTs on shares, bonds and derivatives estimated to raise £30bn a year.

Council believes that:

- Revenues from the FTT could help repair the damage caused by cuts in public services since 2010 and that;
- Local government deserves to receive a significant proportion of FTT revenues, making an important contribution to both capital and revenue expenditure such as reversing cuts to council tax benefits;

Council motion:

This council notes the suffering forced upon local residents as a result of this Coalition government's cuts programme and asserts that there is an alternative to its ideologically driven attack on public services – namely the levy of a financial transaction tax on the speculative activities that have accelerated the recent enrichment of the few to the detriment of the many. The council therefore calls upon Government to enact the FTT and use the revenues from this measure to reverse on-going shrinkage in central grants to our council and instructs the Chief Executive to write to the Prime Minister and Chancellor to this effect.

Proposed by Councillor

Cllr Nicky Williams

Seconded by Councillor

Cllr Chris Penberthy

Dated

15 July 2013