

7 – Administration Motion for Debate - The Government must protect businesses and livelihoods in Tower Hamlets – Conservative Group Amendment

Proposer: Councillor Andrew Wood

Seconder: Councillor Peter Golds

Additions in Bold and Underlined.

Deletions struckthrough

This Council notes:

1. A further national lockdown requires additional economic support across all sectors.
2. The Office for Budget Responsibility does not expect GDP to recover to pre-pandemic levels until late 2022.
3. Universal Credit – a lifeline to ~~around 43,000~~ **26,788 people not in employment and 14,380 in employment for a total of 41,170 Tower Hamlets residents as at October 2020** people in the borough – ~~is due to be cut by £20 in April.~~ **That the £20 per week increase in Universal Credit which started in March 2020 has not yet been confirmed beyond April 2021 with government Ministers apparently in dispute over whether to end or extend it.**
4. As a Council we've stepped up to support our businesses and distributed ~~over a~~ **£194.3** million pounds to businesses **from the government.**
5. **The Council has received £62.5 million in additional grants from government in 2020/21 to help combat COVID. That the latest report to the Overview & Scrutiny Committee (calculated just before the 3rd national lockdown started) that money received by the Council exceeds the cost of COVID by £3.6 million.**
6. **That the unemployment rate for Tower Hamlets residents was 8.9% in November 2020 versus 3.4% in November 2019.**

This Council believes:

- That there is a potential catastrophic growth in unemployment and poverty for which we cannot prepare without adequate support from Government. To support families and individuals the Government must:
 1. avoid cliff edges and last-minute announcements and consider extending the furlough scheme beyond the end of April, further extending the bans on evictions and repossessions, and mortgage holidays
 2. maintain the £20 per week uplift to Universal Credit ~~which is currently due to be cut in April~~ **whose extension beyond April 2021 has not yet been confirmed** and which is a real lifeline to those that receive it and the local businesses where it is spent.
 3. set out additional support for the self-employed and working parents impacted by the closure of schools.
 4. give councils the resources to properly cover discretionary payments for the £500 isolation scheme, as boroughs like Tower Hamlets have seen a high uptake.
- As well as the impact on families and individuals, the continuing impact on our economy and businesses is deeply concerning. London's economy will continue to be severely impacted and is at risk from a ~~triple~~ **quadruple** whammy' of the pandemic, **working from home**, Brexit and the Government's so-called 'levelling up' **agenda to shift resources to the more deprived working class areas of the north of England.**
- Small businesses are the lifeblood of our economy in Tower Hamlets.
- Inner London faces specific challenges of reduced footfall and areas like the City Fringe and Canary Wharf will have to adapt and require specific support.
- The Government must take further action to support businesses, including:
 1. extending the current VAT relief scheme for the whole of 2021 and

- extending the business rates relief scheme.
2. expanding the grants programme delivered by local authorities and adjust it so it is based on the number of businesses within a borough rather than the number of residents.
 3. providing targeted support to night-time economy businesses.

This Council resolves:

1. To call on the government to set out a comprehensive plan to protect jobs and support our economy.
2. **To set out a comprehensive plan for how Tower Hamlets Council will use its capacity and resources to protect jobs and support the Tower Hamlets economy.**
3. For the Mayor and lead Cabinet member to write to the Chancellor making the case for the interventions listed above.
4. **For the Mayor and lead Cabinet member to communicate to residents how they intend to support businesses and jobs in the Borough.**
5. **To investigate whether the population of Tower Hamlets has declined due to the return home of many workers hard hit by the pandemic and whether that change is permanent or not?**
6. To continue to lobby the Government for adequate economic support and work with our business community.
7. **To set up a Commission (modelled on the Brexit and BAME Commission) to examine the threat of working from home to existing businesses, the changes to the economy post-Brexit and post-COVID and how we can adapt to both. How can we make Tower Hamlets the best place in the UK to open new businesses?**
8. **A clear focus on making the growth areas in Tower Hamlets more attractive places for businesses, workers and residents, to retain those we have and to attract new ones. That like other Boroughs we will need to be more pro-active in creating great places that are not “soulless” but which rather offer the best combination of business, leisure and sports opportunities.**
9. To lobby for adequate support for individuals and families affected by the economic impact of Covid-19.
10. **To have a clear focus on making Tower Hamlets the best place to live and work in London.**