

This Council resolves to support Action Aid's campaign TOWNS AGAINST TAX DODGING, for tax justice, supporting the motion:

“While many ordinary people face falling household income and rising costs of living, some multinational companies are avoiding billions of pounds of tax from a tax system that fails to make them pay their fair share. Local governments in developing countries and the UK alike would benefit from a fairer tax system where multinational companies pay their fair share, enabling authorities around the world to provide quality public services. The UK government must listen to the strength of public feeling and act to end the injustice of tax dodging by large multinational companies, in developing countries and the UK.”

The council notes:

--- It has been estimated that the UK Treasury loses as much as £12 billion, although recent estimates from PWC put it much higher at £120 billion in tax dodging by multinational companies every year - enough to significantly reduce the UK national deficit which is putting such pressure on Local Council budgets.

--- Developing countries lose three times more to tax dodging than they receive in aid each year, enough to give a basic education to the 57 million children currently missing out.

--- The UK has a particular responsibility to end tax dodging, in the 1 in 5 world's tax havens in the British Overseas Territories and Crown Dependencies.

--- The use of tax havens by UK companies is rife, with 98 of the FTSE 100 companies routinely using tax havens.

--- Large multinational companies pay as little as 5% in corporate taxes globally, while smaller businesses pay up to 30%, this cannot be right, or morally justified.

This council believes:

--- As a local authority we have a duty to provide the best possible public services. This council has faced significant cuts to services which is set to continue for future years, which is directly impacting disproportionately on the poorest and most deprived wards. Our ability to maintain quality local services would be significantly enhanced by the increased revenues from the Government tackling tax dodging.

--- This local authority believe that Southend-on-Sea would benefit from any incoming Government redeployment of public sector staff away from London in supporting of this motion to collect lost tax.

--- All who benefit from public spending should contribute their fair share.

--- The UK must take a lead role in creating a fairer tax system and combating tax dodging.

(Submitted to Council on 26th February 2015 by Councillor Nevin)