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Communities and  
Local Government

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I am writing further to your emails of 4 March and 18 March, relating to the Parliamentary exchange of 3 March during Oral Questions for the Department for Communities and Local Government. I am very happy to address your points and help inform the public debate about how councils can deliver sensible savings.

- Liverpool City Council has the worst council tax arrears in the country, equivalent to £528 per dwelling.<sup>1</sup> The total arrears figures were provided by your Council to my department.
- Similarly, the figures the City Council's reserves were provided by the Council in the annual statistics return, and the £136 million was the most recent annual figure that my department has published. There is no prescriptive national guidance that specifies a minimum or maximum level of reserves.<sup>2</sup>
- A Freedom of Information Act response from the City Council has stated that the Council has provided two company cars to officers as benefits in kind – a Mercedes E350 and a BMW 530i M Sport. It stated they were used by the Chief Executive and the Director of Regeneration and worth £87,178.<sup>3</sup> I am happy to clarify this relates to “luxury cars” rather than a single “car” for council officers.
- I would observe that the City Council has confirmed it has hired spin doctor, Mark Fletcher-Brown, at a cost of £650 a day.<sup>4</sup>
- In relation to the expenditure of £2 million on Beatles memorabilia, Liverpool City Council Councillor and Chairman of Merseytravel, Cllr Liam Robinson, has publically admitted that “the interests of the taxpayer were not well served in the original negotiation”.<sup>5</sup> In the year that the Merseyside Passenger Transport Authority authorised the funding, the Authority issued a levy of £35.5 million on council tax payers through Liverpool City Council (an increase of 2.5 per cent on the year).<sup>6</sup>

<sup>1</sup> [http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm131216/text/131216w0002.htm#131216w0002.htm\\_wqn83](http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm131216/text/131216w0002.htm#131216w0002.htm_wqn83)

<sup>2</sup> [http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm130307/text/130307w0001.htm#130307w0001.htm\\_wqn43](http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm130307/text/130307w0001.htm#130307w0001.htm_wqn43)

<sup>3</sup> [https://www.whatdotheyknow.com/request/company\\_cars](https://www.whatdotheyknow.com/request/company_cars) and  
[https://www.whatdotheyknow.com/request/company\\_car\\_mileage?unfold=1](https://www.whatdotheyknow.com/request/company_car_mileage?unfold=1) and reported at  
<http://www.liverpoolecho.co.uk/news/liverpool-news/liverpool-council-taxpayer-funds-luxury-3351068>

<sup>4</sup> <http://www.liverpoolconfidential.co.uk/News-and-Comment/The-One-To-Watch/Revealed-Joe-Andersons-650-a-day-spin-doctor>  
<http://blogs.liverpooldailypost.co.uk/dalestreetblues/2013/05/liverpool-councils-650-a-day-p.html>

<sup>5</sup> <http://www.liverpoolecho.co.uk/news/2m-liverpool-taxpayers-cash-spent-6130038>

<sup>6</sup> <http://liverpool.gov.uk/media/140856/guide2008-09.pdf>

Given the Authority is governed by councillors and the cost was passed on through Liverpool City Council onto council taxpayers, I believe it is entirely reasonable to hold councillors to account and note this illustration of municipal waste.

- In relation to cultural spending, I am happy to clarify that this relates to media commentary that Liverpool spends a quarter of its net budget of on cultural events, regeneration and leisure centres.<sup>7</sup> More precisely, I note that the City Council's most recent Accounts state that 'cultural and related services' comprise 17 per cent of the net cost of services.<sup>8</sup>

Oral Questions in the Commons require condensing public debate into concise exchanges, but as explained above, I very much stand by my comments to the House.

I believe this illustrates that there is significant scope for councils to deliver sensible savings as outlined in my department's best practice document, *50 ways to save*.<sup>9</sup>

I am copying my reply to Steve Rotherham MP, and I am placing it in the Library of the House given it relates to points he raised in the House on 5 March.

**BRANDON LEWIS MP**

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<sup>7</sup> <http://www.bbc.co.uk/news/uk-england-merseyside-24348712>

<sup>8</sup> <http://liverpool.gov.uk/media/578467/statementofaccounts2012-13june.pdf>

<sup>9</sup> <https://www.gov.uk/government/publications/50-ways-to-save-examples-of-sensible-savings-in-local-government>