Letter from councillors regarding attacks on local democracy

Proposed regulations would give central government powers to veto investment decisions made by democratically elected local councils if it believes that local decisions conflict with the views of Westminster politicians.

Scores of councils have in recent years taken steps such as adopting fair trade principles or excluding fossil fuel, tobacco and arms companies from their investment portfolios, following campaigns by pension fund members and local citizens.

Many councils have passed motions stating they will not procure services from companies that avoid tax, aid and abet Israeli violations of international law or from construction companies that blacklist trade union members.

The Government now aims to undermine the right of councils to make democratic decisions reflecting local public opinion and the views of local authority pension fund members, who under current proposals would have less rights to influence pension fund investment decisions than those investing in personal pensions.

These proposals fatally undermine the government's stated commitment to transfer power to local government and communities and represent a serious attack on local democracy.

We urge the government to reconsider.

Initial signatories

Cllr. Mick Bowman, Newcastle (Lab)

Cllr. Ruthi Brandt, Oxford (Green)

Cllr. Richard Kemp, Liverpool (Lib Dem)

Cllr. Tom Miller, Brent (Lab)

Cllr. Gerry Lyons, Waltham Forest (Lab)

Cllr. Marsha De Cordova, Lambeth (Lab)

Cllr Gina Dowding, Lancashire (Green)