A GUIDE TO LOBBYING YOUR LOCAL COUNCILLOR

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INTRODUCTION

Firstly, thank you for taking action for the Robin Hood Tax. This guide will provide you with the information and tools you need to ask your local council to stand up in support of the Robin Hood Tax. We want Local Councils all over the country to adopt a motion in favour of the tax to show the Government we mean business.

THE ROBIN HOOD TAX: WHY IT MATTERS

The impact of the economic crisis is hitting the poorest people hardest, both in this country and around the world. In a nutshell, the big idea behind the Robin Hood Tax is to generate billions of pounds to help change this. That money raised will fight poverty in the UK and overseas. It will help to combat climate change. And it will come from fairer taxation of the financial sector.

A tiny tax on the financial sector could generate £20 billion annually in the UK alone, and as much as £250 billion globally. We suggest this money should be split: 50% to UK | 25% to Climate Change | 25% to International Development. This money could help protect schools and hospitals. It could help stop massive cuts across the public sector. It could help build new lives all around the world.

It’s time for justice for ordinary families and businesses. For the one in five British families faced with a choice between buying food or paying the heating bill. For the millions of people around the world forced into poverty by a financial crisis they did absolutely nothing to bring about.

The banks can afford it. The systems are in place to collect it. It won’t affect ordinary members of the public, their bank accounts or their savings. We need to make sure we have all the support possible.

This is why we want you to ask your local councillors to stand up in support of a Robin Hood Tax, and for them to ask your local council to support the tax too.

In this document you’ll find a step by step guide to lobbying your local councillors. Good luck! And don’t forget to keep us up to date.
FAST FACTS FOR A FINANCIAL TRANSACTION TAX (FTT)
An FTT is estimated to raise £20bn in revenue every year, which is a huge amount of money. But what does that mean for the UK?

FTT revenue would help protect and improve our public services
- It would take less than three minutes of FTT revenue to be enough to employ one newly qualified nurse, teacher AND a police constable for a year.1
- In just over 5 days FTT revenue could pay for 10,000 newly qualified teachers to be employed for a year - replacing all the teaching jobs lost in 2011.2
- It would take less than one week of FTT revenue to fund the salaries of 4,000 new police constables, 4,000 newly qualified nurses and 4,000 teachers.3
- It would take less than two weeks of FTT revenue to pay for an extra newly qualified teacher in every primary school in the UK.4

It would benefit ordinary lives
- One day of FTT revenue would pay for over 3 million additional hours of home care to help some of the most vulnerable people in society.5
- 3 days of FTT revenue would pay for at least 1,000 new affordable homes to be built.6

or...
- Two and a half weeks of an FTT would deliver the same amount of money that families are losing through having their child benefit frozen for 3 years.7

It could provide vital extra funds for the (devolved) nations
- One week of FTT revenue could increase the main source of funding to Welsh councils by 10 per cent.8
- Two weeks of FTT revenue could increase the main source of funding to Scottish councils by 10 per cent.9
- Four weeks of FTT revenue could increase the budget Northern Ireland receives from Westminster by 20 per cent.10

THREE WAYS YOUR LOCAL COUNCILLOR CAN HELP:
1. They can table the motion “Supporting the Financial Transaction Tax (FTT)” with your local council, which you can find in this pack.
2. They can show support for the Robin Hood Tax campaign by becoming a champion and sending us a photo for our website - champion@robinhoodtax.org.uk.
3. They can send a supportive press release to local media.
A Robin Hood Tax is a tiny tax on the financial sector that could generate billions of pounds annually to fight poverty and climate change at home and abroad. Small change for the banks – big change for those hit hardest by the financial crisis.

Also known as a Financial Transaction Tax (FTT), a Robin Hood Tax is a tiny tax of about 0.05% on transactions of stocks, bonds, foreign currency and derivatives, which could raise £20 billion a year for the UK Treasury. FTTs are well-tested, inexpensive to implement and hard to avoid. In fact, there are already lots of different transaction taxes implemented by many countries, including one on shares in the UK. They all work on the same principle: taxing every transaction a very small amount. We think there should be a lot more of them, particularly in areas not yet commonly taxed, like bonds and derivatives. Importantly, transaction taxes are also good in that they would reduce the number of the most risky transactions, the gambling which helped to trigger the financial crisis.

WHY TAX THE FINANCIAL SECTOR?
Because it’s responsible for a big part of the mess we’re in. And it has an obligation to all of us to help clear it up. Because the International Monetary Fund (IMF) and many other financial commentators believe that the sector is under-taxed and has grown to become dangerously large and destabilising for the global economy. Financial Services Authority (FSA) Chairman Lord Turner has described a portion of the financial sector as ‘socially useless’; it’s time for the financial sector to make a greater contribution to the society it serves.

CAN THE UK FINANCIAL SECTOR AFFORD TO PAY?
Yes, research by the Institute for Public Policy Research (IPPR) shows that the sector can afford another £20 billion in tax. Banking is an immensely profitable industry, which doesn’t pay VAT and enjoys a massive subsidy from the Government.

CAN THIS WORK WITHOUT GLOBAL AGREEMENT?
International agreement would be great, but it’s not necessary. The IMF has clearly stated that Financial Transaction Taxes exist in all the major financial sectors already, without driving business away. The best example of this is the UK which already has a tax of 0.5% on all share transactions, which raises about £3bn a year. In Europe at least 11 EU countries are taking the lead to implement a Financial Transaction Tax in 2014 which would raise €37 billion a year (or £30 billion). Revenues will not go to Brussels but to Finance Ministries of participating countries.

WON’T BANKS JUST MOVE THEIR BUSINESS OFFSHORE?
There are many reasons why the banks would not leave the UK, not least that they need a big enough government to bail them out if things go wrong. But the best evidence that they won’t leave is right here in the UK: our unilateral Financial Transaction Tax on shares raises more than £3bn for the Exchequer each year without a significant loss of business. Crucially, the tax is designed so that no matter where in the world a UK share transaction takes place the tax can still be collected in the UK. A similar approach can be adopted for other Financial Transaction Taxes, meaning the threat of relocating trades to avoid paying the tax is not realistic.

WON’T THE COSTS JUST BE PASSED ONTO US?
Financial Transaction Taxes are aimed at banks and hedge funds. It is these companies, particularly those making thousands of transactions a day, rather than ordinary individuals, who will pay the vast majority to the tax. The IMF has studied who will end up paying Financial Transaction Taxes and has concluded that they would in all likelihood be ‘highly progressive’. This means they would fall on the richest institutions and individuals in society, in complete contrast to VAT, which falls disproportionately on the poorest people. Furthermore, UK workers who save in pension schemes should not pay the additional costs of Financial Transaction Taxes. These should fall squarely on the shoulders of financial intermediaries.

WHAT HAS THE UK GOVERNMENT DONE SO FAR?
Chancellor George Osborne introduced a Bank Levy in January 2011 to generate £2.5 billion a year, which is already falling short of this target. It’s nowhere near enough – and it’s also partly offset by a cut in corporation tax. The sector’s profits and bonuses total more than £100 billion. One of the reasons the government has not done more is the immense power of the financial sector in lobbying and influencing politicians. That is why huge public pressure is needed to convince the government it is more costly to ignore the people than to ignore the banks – including local support.
HOW TO LOBBY COUNCILLORS

WHAT IS LOCAL GOVERNMENT?
Councils are usually run on a system similar to that of central government, with an executive (or cabinet) to decide on policy and make decisions, and other councillors to scrutinise or examine them in detail. There are lots of different types of councils, from a county, district and parish levels. In England and Wales alone there are over 400 local authority areas. You might also have a local mayor in your area to govern city affairs.

FIND OUT MORE ABOUT YOUR LOCAL COUNCIL
All councils will have leaflets to explain how people can stay informed and what public opportunities there are to attend meetings, ask questions and submit petitions. This often includes online information – so take the time to check out their website. All councils have a ‘duty to involve’ the public and chances for the public to hold them to account.

WHAT DO LOCAL COUNCILLORS DO?
Councillors are people that are elected by their local community in order to make decisions about local services on your behalf. They also agree the local authority budget and set the policy framework as well as appointing chief officers and making constitutional decisions.

However, the primary role of a councillor is to represent their ward and the people who live in it – that’s you.

HOW TO CONTACT YOUR LOCAL COUNCILLOR
Your voice is powerful. Use your voice to make sure that your Local Council uses theirs. Your local council can influence your local MP, local constituents and their respective party affiliations.

You can find the names and contact information for your local councillors by using the website of your local council.

While some local government wards are represented by only one councillor, some will be represented by as many as three councillors. You can contact as many as you want.

SEND AN EMAIL
We’ve made this as easy as possible! If you want to email your local councillors we have set up a handy tool on our website. Just visit: robinhoodtax.org.uk

BOOK AN APPOINTMENT
If you want to meet with your local councillor you should be able to arrange this either within their ward or at the local town hall. In addition, most councillors hold surgeries in their ward so that members of the public have regular opportunities to speak with them about any Council problems or issues that they have. Details of these surgeries can usually be found on your council’s website.

During your meeting be clear and concise. Tell them why a Robin Hood Tax is important to you. Be prepared to summarise the issue and your request in 5 minutes. Give them the 3 options showing how they can support the campaign:

1. They can table the motion “Supporting the Financial Transaction Tax (FTT)” with your local council, which you can find in this pack.
2. They can show support for the Robin Hood Tax campaign by becoming a champion and sending us a photo for our website – champion@robinhoodtax.org.uk.
3. They can send a supportive press release to local media.

Sometimes it helps to meet your councillor in a small team or delegation, where a couple of people can present the facts and another can take notes. It is really important that you make a note of what the councillor says – this will enable you to follow up on any promises that were made and report back.

WRITE TO YOUR LOCAL PAPER
If you have written to your local councillors to ask them to support a Robin Hood Tax, write to your local paper to let them know. You can use the FAST FACTS sheet to back up your points and make your message clear.

Remember:
Remember that councillors are not just interested in the council-wide argument but also the local perspective of their ward and how their constituents are affected. Be prepared therefore to talk about the issues as they relate to your area – what, for example, could FTT revenue help pay for in, say, your local school, your Sure Start centre, or your neighbourhood generally?

WHAT NEXT?
Congratulations! You’ve taken action in the fight for a Robin Hood Tax. Let us know how it went on our Facebook page or tweet @robinhood or email councilscampaign@robinhoodtax.org.uk Your news could help inspire someone else to take action. And do follow up with your local councillors to say thank you and to see what may develop.
RESOURCES

• Everything you need to know: http://robinhooodtax.org.uk/how-it-works/everything-you-need-to-know
• Order some resources: http://robinhooodtax.org.uk/get-involved/get-resources
• Email your questions to councilscampaign@robinhooodtax.org.uk or to find out more
• Keep up to date http://robinhooodtax.org.uk/latest
• website: www.robinhooodtax.org.uk
• facebook: www.facebook.com/robinhooodtax
• twitter: @robinhoood

MOTION

Model council motion: Supporting the Financial Transaction Tax (FTT)

Council notes that:
• unemployment in this authority is currently X, as a result of the economic crisis;
• local government will see real term cuts in central grant of 28% over the 2010 Comprehensive Spending Review period, meaning a cut of £6bn in annual grant by 2015;
• extending the current FTT on shares to other asset classes such as bonds and derivatives could raise £20bn of additional revenue in the UK a year; and
• 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;
• 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; and that
• whilst an FTT might have a negligible effect on jobs in the City of London, investing FTT revenues in a smart and progressive way would see a significant increase in employment levels in other sectors.

Council resolves that:
• the UK government should extend the current FTT on shares to other asset classes, such as bonds and derivatives.

Council further resolves to:
• write to the Prime Minister, Deputy Prime Minister, Leader of the Opposition, Chancellor and Shadow Chancellor of the Exchequer, and Secretary of State for Communities and Local Government stating this council’s support for extending FTTs; and
• write to all local MPs outlining the Council’s position.
Footnotes

1 Assuming newly qualified nurse basic pay of £21,176, newly qualified teacher basic pay of £21,588, and starting police constable basic pay £23,259 per year plus adding 30% of on costs (supplementary costs an employer must bear when hiring and employee). Pay rates via http://www.education.gov.uk/get-into-teaching/salary.aspx; http://www.nhscareers.nhs.uk/working-in-the-nhs/pay-and-benefits/agenda-for-change-pay-rates/ and http://www.police-information.co.uk/policepay.htm#constables

2 Based on the above starting salary, building in 30% on costs, and http://www.bbc.co.uk/news/education-17840447

3 Again building in on costs.

4 There are a total of 21,665 primary schools in the UK.

5 Assuming care costs between £13 and £17 per hour.

6 Assuming building costs of £150,000 each.


8 Revenue support grant at c. £4bn as per http://wales.gov.uk/about/cabinet/cabinetstatements/2011/18octlocalgovsettlement/?lang=en


10 HM Treasury: Budget: 22 June 2010: http://www.hm-treasury.gov.uk/junebudget_documents.htm; Northern Ireland Executive