

Austerity measures hit North West of England

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The austerity measures being imposed by the Conservative Party/Liberal Democrat coalition are beginning to be implemented throughout Britain, alongside those already put in place by the previous Labour government.

The North West of England, with a population of 6.85 million people, includes the counties of Cumbria, Lancashire, Greater Manchester, Merseyside and Cheshire. Drastic cuts are being imposed by city councils in the region, resulting in the loss of critical social services and the destruction of health, education and cultural facilities.

Many councils in England now face huge reductions in funding from the central government due to a £1.16 billion reduction in grant funding from the Department for Communities and Local Government. This cut was part of the £6.2 billion in spending reductions that the Conservative/Liberal government announced immediately upon assuming office in May.

The Greater Manchester and Merseyside areas in the North West are amongst the worse to be hit nationally. The 10 councils comprising Greater Manchester are losing Department for Communities and Local Government funding totalling £30 million.

Of these Manchester is being cut by £7.1 million, Bolton £4.1 million, Salford £3.5 million and Tameside £2.3 million. Wigan, Rochdale and Oldham will each lose more than £2.8 million. Conservative-run Trafford council and Bury are being cut by £1.5 million and £2 million respectively, while Liberal Democrat-controlled Stockport loses £1.7 million.

The cuts in funding will apply to this year's budgets and come on top of severe reductions in services and thousands of job losses that have already been announced by councils. Figures released by councils reveal the largest share of the cuts will come from their education budgets.

At an August 11 meeting, Trafford Council voted for £70 million worth of cuts to be spread over four years. Considering the population is just above 200,000, these are substantial cuts. Following the meeting it was announced that the first round of cuts will result in 81 job losses, further austerity measures and the possible closure of Brookside Care Home.

The Labour group on Trafford Council, who called the extraordinary meeting, feigned concern regarding the plight of the poor, yet failed to admit that had they retained control at Westminster similar cuts would have been imposed.

Trafford Conservative and Liberal Democrat councillors are not alone in voting for cuts that will hurt the neediest in some of the poorest districts in the UK.

Labour controlled Bolton Council has voted to cut the budget of its adult and children's services to save £60 million over the next four years. The authority warned earlier this month it had agreed proposals to shed jobs to further reduce spending. At the end of June it agreed to cut more than £6 million from its adult services allowance for 2011-12, affecting the elderly and vulnerable. A further £3.5 million will be slashed from its children's services budget. Three hundred fifty jobs will also have to go.

According to BBC Manchester, 2,700 jobs are expected to go at councils in Greater Manchester and Cheshire over the next five years. Oldham Council with a Liberal/Conservative coalition council, employs 3,700 staff, and expects to reduce that total by around 500 in the next five years. Before the May election the council had earmarked £10 million of cuts, including reducing refuse collection teams by a third. The biggest cuts in the North West could fall in Cheshire East, where the council is expecting to reduce the number of people they employ by 5 percent, or 700 jobs.

Wigan Council, a Labour stronghold, is expecting spending cuts of up to 25 percent over five years, and announced they were in talks with trade unions on the loss of 820 jobs in order to reduce a £55 million budget deficit. The leader of Wigan Council, Lord Smith, said, "We are still at the very beginning of the process and at this stage are not in a position to say which service areas are likely to suffer".

Labour controlled Salford City Council has already announced 380 jobs losses to go over the next 12 months. In March, Salford Royal hospital announced 750 jobs were to be axed over three years to meet stringent targets imposed by the then Labour government. Managers were ordered to cut 15 percent of their budget—equivalent to £16 million—as part of a plan to save £950 million in public health costs in Greater Manchester by 2014.

The hung Rochdale Council run by the Liberal Democrats is to close two residential homes for the elderly as part of plans to save £100 million over the next five years. Cuts of more than £14 million have been agreed towards slashing £50 million from next year's budget. These include the merging of services, cutting of management posts and the termination of

some department budgets.

Rochdale's Children's Services department will be among the hardest hit in order to save £2.1 million. According to the UNISON trade union, "[J]ob losses across the borough will be inevitable". A representative of the union claimed the council had already issued 200 redundancy notices in Children's Services.

Labour Party controlled Manchester City Council said 100 jobs would go in the next year. Even before the May general election, the council announced £37 million in cuts over three years with £16.3 million coming from this year's budget.

Lancashire County Council is to make cuts totalling £22.9 million. In July the council cut 150 jobs from its environment department, saving £3 million in costs.

Councils in Merseyside are also being heavily stripped of cash from the Department for Communities and Local Government. The area will lose £25 million, with education provision being particularly hit. In Liverpool £9.2 million is to be cut with over £4 million coming from education. Another £3.5 million is being cut from neighbourhood renewal and £1.3 million from local enterprise grants.

In Sefton, St. Helens Wirral, Knowsley, and Halton councils a combined nearly £16 million in cuts are being made.

The newly elected Labour Council in Liverpool estimated that cuts would mean spending £50 less on every child in the city. It is also set to cut transport budgets—by up to 50 percent—potentially leading to cutbacks.

On top of the central government cuts to councils, the government also announced the ending of Regional Development Agencies in its June emergency budget. The nine RDAs created in 1999 have so far allocated £15 billion to various regions in the UK, mainly to facilitate economic development and regeneration.

The ending of the North West Regional Development Agency (NWDA) will have a severe impact in the region as it had a three-year budget of £1 billion. Uncommitted projects will not receive NWDA funding in 2010 and there will be no new financial commitments in 2011 as the agency scales back its work ahead of its abolition in 2012.

It is estimated that more than 101 projects will lose out after the coalition government told the NWDA to save £52 million from its budget.

More than a dozen projects in Liverpool are being hit by the funding cut. The promised grant to the Everyman Theatre in Liverpool, amounting to 10 percent of what is needed for a rebuild, was withdrawn at the end of July.

The Liverpool Science Park will lose £1.5 million towards an £8 million expansion to create a third building. The council, the University of Liverpool, and John Moores University, who jointly run the Science Park, hope to borrow the money to make up the difference. The University of Liverpool has lost funding for a number of research programmes—the Liverpool Institute of Vaccine Research, the Centre for Genomics Research, and

Clinical Fellowships Industry programme.

From April, the NWDA will also be cutting £450,000 it contributed towards the costs of running the city's regeneration agency, Liverpool Vision. The tourism and investment body, the Mersey Partnership, will lose £600,000.

Other major projects hit include a major regeneration project in Blackpool and Bolton council's redevelopment of the 73-acre Horwich Loco Works, to build 1,600 houses.

Chester Zoo's £225 million Natural Vision project, called the Eden of the North, was expecting £40 million from the agency. That is now withdrawn.

In Manchester some 25 social, educational and cultural projects will not receive pledged NWDA funding. Manchester Metropolitan University's was to receive a total of £8.5 million towards its £150 million Birley Fields Campus project. The Manchester International Festival, the Next Generation Access Broadband Manchester and the new National Football Museum are also to lose funding.

NWDA funding for other projects in Manchester is also being reviewed, including £7 million towards the redevelopment of the deprived Ancoats district, £4.6 million towards revamping the renowned Chetham's School of Music, almost £3 million for a National Indoor BMX centre at Sportcity in the east of the city and £6.5 million investment for a biomedical research centre.

NWDA funding for a performing arts project in Wigan that would have included a theatre, library and art gallery is also being withdrawn. A £2.8 million grant towards a new £6 million boys and girls club venue in Mesnes Park, Wigan, is also withdrawn.

If these or others in the region are still to go ahead, it is almost certain that already cash strapped councils will be forced to make up the shortfall.

After 2012 any claims for grants by cultural bodies will be directed towards the newly created Regional Growth Fund that will distribute grants through what it calls Local Enterprise Partnerships. It has a paltry £1 billion budget for the whole of England.

These cuts hit an area in which one in three children grows up in a jobless household. In Liverpool some 42 percent of the population live in what are described as "income deprived households". In Salford some 60 percent of the city's children already live in poverty. The loss of jobs and the loss of services entailed in these cuts from both the Conservative-Liberal Democrat coalition and the previous Labour administration will have a disastrous impact on the region.



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