

# UK: “Localism” flagship Bristol City Council on verge of bankruptcy

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The passing of the Localism Act in 2011 was hailed by the then-Conservative/Liberal Democrat government as the start of a new era of “people power.”

Former Communities and Local Government Secretary Eric Pickles declared the new legislation would herald “a ground-breaking shift in power to councils and communities overturning decades of central government control.” Bristol, the largest city in the southwest of England, with a population of 433,000, became a flagship of the coalition’s plans. It was to become the first city outside London to be governed by a directly elected mayor and a “rainbow” cabinet in which the Green Party played a key role. Now the city is on the verge of bankruptcy.

In 2011, the *World Socialist Web Site* warned that talk of giving local communities greater “choice and ownership” over “local facilities and services” was a cynical exercise designed to enable corporate and financial concerns to tailor locally administered public expenditure and assets to their interests. In the process, central government funding would be axed and local public services restructured and privatised.

Localism was part of a broader move in Scotland, Wales and the English regions, directed towards a layer of the upper middle class, who saw devolution as a means of obtaining for themselves a greater share of the wealth secured through driving up the rate of exploitation of the working class and imposing tax cuts and other measures to attract corporate investment.

The Tories borrowed the concept of localism from the 1997-2010 Blair Labour government.

The creation of a directly elected mayor was a key aspect of the Localism Act. Presiding over all executive functions, the mayor would control decisions relating to staffing, the tendering of council services and awarding of contracts, housing policy and planning permission.

Speaking of the plans for a directly elected mayor in Bristol in 2012, former Labour Council leader Helen Holland said, “I think this is going to bring some stability to the city.”

Stephen Williams, the former Bristol West Liberal Democrat MP, insisted, “It is going to mean that Bristol is going to be much more powerful.”

The Green Party, which has had some influence in the city, was opposed nationally to the creation of directly elected mayors, declaring they undermined local democracy.

In May 2012, Bristol and nine other cities—Manchester, Coventry, Nottingham, Bradford, Sheffield, Birmingham, Newcastle, Wakefield and Leeds—held referendums to introduce directly elected mayors. The hostility to the plans was such that in all the cities except Bristol they were thrown out. And in Bristol, the measure was just in favour (53 percent) on a turnout of only 20 percent. In one city ward, it was 6 percent.

Local millionaire architect George Ferguson was awarded the post. In the 1970s, Ferguson was the first Liberal to be elected to the City Council, a Labour stronghold for decades. Aware that he would never be elected as a representative of the despised Liberal Democrats, Ferguson resigned his membership shortly before the election and stood as an Independent.

Despite the unprecedented low turnout, a spokesman for the campaign in support of the mayor told the BBC, “It was one of the most significant days in Bristol politics in living memory.”

Today, Bristol City Council is suffering a 78 percent cut to its annual budget over 10 years from £201 million in 2010-2011 to £45 million in 2019-2020. Throughout this time, Labour and the Greens have been incapable of articulating any serious challenge to

Westminster's austerity demands, choosing attacks on services and wages as the only option.

The Green Party's manifesto for 2012 declared, "We do not agree with the logic of cutting public spending at a time of recession," and pledged to "fight for Bristol resources."

Newly elected Mayor Ferguson offered the Green Party councillor for the Ashley area of the city, Gus Hoyt, the position of cabinet member for neighbourhoods, environment and council housing in his six-member "rainbow cabinet." Although the Green Party was publicly opposed to directly elected mayors, Hoyt accepted—a decision unanimously endorsed by the local Green Party. Hoyt now declared the "rainbow cabinet" was a "positive and innovative new direction," and an alternative to the "ancient ideas of confrontational politics" at Westminster and sent "an important message to other cities around the country and Europe."

Shortly after his appointment, Hoyt and the Green councillor for Southville, Tess Green, declared that there was "no alternative but to accept the financial situation which has been imposed upon us." They voted to support £35 million in cuts to jobs and services in the 2013 budget, and raise council tax by nearly 2 percent.

Hoyt and Ferguson sought to force the council to drop its no-eviction policy for council tenants affected by the bedroom tax. Ferguson presided over unprecedented cuts to vital services from 2012-2015. The Green Party was key to their imposition.

In the Bristol mayoral election in May 2016, Ferguson was thrown out and Labour's Marvin Rees took his place, declaring on his investiture, "We will prioritise the public services that help the most vulnerable in our city to lead lives of dignity and respect. Together, we will be ambitious in driving our city forward in its task of becoming a leading European city."

Rees was strongly backed by party leader Jeremy Corbyn, who visited the city four times during his election campaign and once after his victory. He appointed six Labour councillors to his cabinet along with one Conservative, one Lib Dem and one Green—Fi Hance as cabinet member for city health and wellbeing.

Like his predecessor, Rees has wasted no time in implementing cuts and slashing jobs. With the council projected to face a budget deficit of £60 million for the

year 2019/2020, it was announced in August that up to 1,000 jobs are to go this financial year.

In early December, a freeze on "non-essential spending" was issued by Rees, halting "all maintenance of buildings, roads and parks unless there is a risk to people's health or safety. The council will also stop recruiting any permanent or temporary roles unless they provide legally-required services, and will not agree any new or extended contracts for goods or services without approval from the Chief Executive and statutory financial and legal officers."

Speaking to the *Bristol Post*, Rees declared, "Drastic cuts are just around the corner and hundreds of council staff will lose their jobs by the end of the financial year—but Council Tax bills will be going up from April."

At a projected rise of 3.5 percent, the average working class household will be expected to pay an additional £50 per year in Council Tax from April of next year.

Contrary to the rhetoric of "people power," and empowering local communities, localism has enabled a more effective imposition of the Tories' economic and political agenda. As demonstrated in Bristol, brutal austerity and the destruction of public services have proceeded using the services of the Labour Party and Green Party.



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