

UK: Labour-run councils impose Tory cuts under Corbyn's instruction

Margot Miller
16 January 2017

Local services in the UK, already at a breaking point, are to be further decimated, as mainly Labour Party-run councils prepare to impose even more austerity cuts. At least £100 billion has already been slashed from public spending bills in the last seven years, resulting in the gutting of vital public services relied on by millions.

Last year, Conservative Prime Minister David Cameron's government announced another £12 billion of cuts, and the phasing out of the £18 billion central government grant to Local Authorities.

Factoring in inflation, councils will face a further cut of 6.7 percent in real terms by 2019-2020.

In Newham, east London, the Labour council is threatening to sack up to 1,300 workers, and enforce new contracts with reduced maternity, overtime and night pay. Its funding has been reduced by 15 percent since 2010, down from £161 million in real terms in 2009-2010 to £136 million in 2015-2016. An estimated further £70 million is being slashed from its budget by 2020.

Another London council, Croydon, is to make 60 redundancies as part as a £36 million package of cuts over the next three years. Last year, it offered voluntary redundancy to almost all its workforce as a cost-saving measure.

Lewisham council in London is facing a growing funding shortfall of £20.8 million by 2019-2020, having already imposed cuts of £150 million since 2010.

The Labour-run council in Birmingham, the UK's second largest city with a population of 1.1 million, has slashed £650 million from its budget since 2010. A further £113 million will be cut in 2017-2018—a total cut of nearly £700 for every resident in the city since 2010. In 2008, the council employed 24,000 staff. Today there are just 12,500 employees and by 2020 there may only be 8,000. By then Birmingham will have imposed cuts totalling £800 million.

Despite a “windfall of £15 million” from Manchester

city council's shares in Manchester Airport, the Labour council is still looking at making cuts of £30 million over the next three years. The cuts include 77 job losses. The schools crossings budget will be cut by £220,000, putting children's lives at risk. The cuts are across the board, affecting waste, street cleaning and the parks department. The biggest cuts will fall on the Social Care budget, which is to be slashed by £27 million.

Manchester city council recently proposed to raise the local council tax from April over the next two years by 8 percent. This is the maximum rise allowed by law before a local referendum is required. The 8 percent includes 3 percent to cover the funding of Social Care.

Manchester is nearing the end of a bogus “public consultation” regarding the cuts. According to councillor John Flanagan, its results have “shaped proposals.” This cynical exercise is aimed as presenting any cuts as having public support, yet only 1,700 residents took part out of a population of more than 500,000.

Like Manchester, Labour-run Liverpool council is also raising the council tax as they face a budget shortfall of £90 million by 2020. There are “only two places we can get the money to pay for services affected by cuts,” commented Labour Mayor Joe Anderson, “more money from the government or asking the people of Liverpool to pay more Council tax.” Liverpool may hold a referendum on whether to raise the council tax by 10 percent.

Residents of Knowsley council in Merseyside are also being asked to engage in a phoney exercise in local democracy, to decide not if but where the axe should fall, in order to make savings of £16.8 million over the next three years. Nearby Halton Borough Council is facing cuts in its grant from central government of £17 million over the next four years.

In Sheffield, the grade 11 listed art deco central library is threatened with closure, with a five-star hotel being proposed as a possible replacement, as part of £51 million

worth of cuts.

Labour-run Glasgow city council is planning around £60 million in cuts savings, while Fife, also controlled by Labour, plans £30 million. In Dundee, Scotland, the Scottish National Party-led authority is making another £16 million in cuts, including a 15 percent cut in council-run care home places, even though they are at full capacity.

Torfaen Council in South Wales is discussing library cuts as part of proposed cuts of £26 million from 2016-2019. The public have been asked to vote for one of three equally unacceptable choices in another exercise in consultation—either a reduced manned book loan service in three libraries, a reduced manned book service in two libraries to two and a half days, or closing a library.

Also in Wales, Wrexham is facing cuts to its Streetscene department, which is responsible for keeping the streets clean. Since contracting out the service to the private company Kingdom Security, residents have complained about being fined over minor issues—including a mother fined after dropping her child's dummy. From April to September 3,153 fines were issued, compared to 43 for the whole of last year. Meanwhile, the company raked in the bulk of the £263,000 collected in fines, with the council receiving just 11 percent.

Lincolnshire County Council is reducing its Citizen's Advice service by £10,000 or 10 percent of its budget this year. Bath Council plans £37 million of cuts beginning this year up to 2020. Adult Social Care is to be cut by £5.6 million with a possible 150 job losses.

In the south of England, Southend Conservative council leader John Lamb said, "nothing is out of bounds" as the council plans job losses and council tax hikes to save £28 million by 2019-2020. Portsmouth city council has approved £9 million worth of cuts including cuts to Social Care and Public Health.

The bulk of funding for local government services comes from the central government grant, which is being phased out. In its place, funds will be raised solely from local council and business taxes. The latter is collected locally, sent to central government, and then redistributed to councils nationally as part of the central government grant. In future councils will collect the business tax and keep it.

Conservative Chancellor George Osborne announced the change last year to "make Councils more self sufficient and competitive." It will mean a race to the bottom as councils compete to offer low business rates, meaning less money for services.

As the more deprived areas receive a greater proportion of their funding via the government grant, poorer areas, which cannot collect as much as their wealthier neighbours via council and business tax, will lose out.

Labour runs the vast majority of the heavily-populated Metropolitan borough councils in England and London's 32 boroughs—the latter with populations ranging from 150,000 to 300,000. Its role in enforcing yet more savage cuts demonstrates that Labour remains a right-wing party of big business, despite the election of "left" leader Jeremy Corbyn.

Just months after his election in September 2015, Corbyn and his closest political ally, Shadow Chancellor John McDonnell, sent a letter to all Labour councils demanding they abide by the law and impose austerity cuts demanded by the Conservative government.

They have faithfully carried out the instruction to the letter. Corbyn's own parliamentary constituency is in Islington, London. Labour hold 47 of the 48 council seats on Islington Borough Council, which has had its central government grant halved since 2010. With a population of more than 215,000, that amounts to a cut of £1,000 a year per household. As everywhere else, Labour has enthusiastically rammed though cut after cut, with £220 million slashed from its budget in a decade. Islington now plans a further £70 million of cuts, with possible redundancies. In order to be able to charge for services, Islington's Labourites have set up a council-run private company called iCo.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact