

UK: Northamptonshire County Council and the obliteration of local authority services provision

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28 August 2018

Conservative-run Northamptonshire County Council (NCC), which provides essential services to 733,100 people, epitomises the obliteration of local government in Britain. It declared effective bankruptcy in February and has a £70 million budget shortfall.

Last week NCC leader Matthew Golby announced that the council would only provide what was absolutely required by law.

The crisis in NCC is a result of the decades-long onslaught, exacerbated since the 2008 financial crash, on the public provision of services by the British ruling elite, resulting in their outsourcing and privatisation for the benefit of big business. The aim is to provide the bare minimum and consign the impoverished to seek support from charities and volunteers.

In a desperate attempt to stave off its crisis, NCC proposed a restructuring that will replace the county council and its seven district and borough councils with two unitary councils.

Even its proponents do not claim the restructure is a financial solution, admitting that “it potentially risks only redistributing the existing financial instability of NCC across two new organisations.”

In February, NCC became the first UK local authority for two decades to resort to a section 114 notice, preventing all new expenditure and imposing “immediate spending controls.”

The restructuring proposal followed a week after NCC voted to reduce its services to the bare legal minimum of what “we are obliged to deliver in line with our statutory duties.” It warned of “radical service reductions and efficiencies,” saying its financial black hole could reach £180 million within three years.

The “core services” strategy aims to make £70 million of cuts. All aspects of social provision are at risk. A redundancy programme has been drawn up for the 3,400-strong workforce, but how many jobs will be lost is

not finalised.

NCC has already announced plans to close or sell 21 of its 36 libraries, 13 of them containing children’s centres. The decision was ruled unlawful last week by a judge, but experience of library closures nationally suggest this will simply make NCC offload their continued existence onto “community-run” (i.e., volunteer) services.

NCC’s claims that nobody will be endangered by the cuts are not credible as the bulk of its expenditure has been on the most vulnerable. Last year, £300 million of NCC’s £441 million budget was spent on adult and children’s social care services.

To reduce this expenditure, the council is reportedly “reviewing” how to reduce the number of children who are taken into care or placed under a child protection plan, cut support for those with learning disabilities and introduce fees or charges for services for adults.

NCC’s contracts with private suppliers, including its Private Finance Initiatives (PFIs) in schools, hospitals and street lighting, are also said to be under review. Reports suggest that by the time NCC’s seven PFIs end, taxpayers would have paid around £1.9 billion for building and maintenance projects that cost just £387 million in initial investment.

NCC is desperately attempting to raise cash by selling off its municipal buildings including the flagship head office, One Angel Square, just a few months after the building was formally opened by then Communities Secretary (now Home Secretary) Sajid Javid.

Even the advocates of the proposed restructure admit it will take “some years” to repay its costs. Colin Copus, emeritus professor of local politics at De Montfort University, said the restructure “solves the immediate problem” in the same way as if you “declare yourself bankrupt and go straight off and set up another company. But it doesn’t address the fundamental problems local government is facing.”

NCC is not an isolated case. After its insolvency was announced, the National Audit Office reported that up to 15 councils were at similar risk. Conservative-run Torbay council recently became the latest local authority to end all non-urgent spending in response to a projected overspend of £2.8 million this year.

Last month Conservative-run East Sussex County Council, lauded as a model administration, announced plans to cut services to the bare legal minimum. Chief executive Becky Shaw reported that the council had made £129 million of savings—read cuts—since 2010, but still faced a budget deficit of up to £46 million by 2021, making some statutory services, like school transport and concessionary fares for older people, financially unsustainable.

Shaw's report gives the lie to claims that slash-and-burn policies on social funding improve efficiency. They represent a systematic deprivation of the poorest.

Shaw said that the council's "early help" services to support families and prevent a surge in child protection cases was now at funding risk, at the same time as rising poverty levels meant an increase in child neglect cases.

The pioneer in the wholesale outsourcing and privatisation of public services is Conservative-run Barnet council in north London. Its 2012 "One Barnet Project" has become the model—and one followed by NCC in its 2014 announcement that it would outsource 95 percent of its services.

In Barnet last week, a witness reported to the Labour Party-supporting web site Skwawkbox that a woman in her 50s "had set fire to herself" in a council housing office in Barnet House. She is said to be in a critical but stable condition. The council were referring all questions to the police, who said only that they were continuing their enquiries.

Skwawkbox revealed that even the health and safety arrangements at Barnet House had been outsourced to Capita, that the fire alarms failed to work, and security checks—put in place because of earlier suicide attempts—did not flag up a plastic bottle containing an inflammable liquid.

Skwawkbox notes that neither Barnet, Capita, nor the police have disputed this was a self-immolation.

NCC's Labour councillors formally opposed the cuts, but have done nothing more. Councillor Mick Scrimshaw, insisting the budget would not balance, told media, "We are at the vanguard of the austerity project," but blamed "stupid local decisions." NCC was warned that the cuts would leave it "on the brink of providing illegal services."

Sections of the pseudo-left are attempting to promote a latter-day version of long-discredited "municipal socialism." The Socialist Party (SP) has supported local calls for forcing new local elections in Northamptonshire, saying it was "vital" that candidates "adopt a no-cuts budget approach,"

and support calls for a citizens' assembly to discuss a "genuine people's 'needs budget,'" while pressuring government to force extra funding.

Their budget template, however, is a 2016 document, which advances setting "a legal, no-cuts, balanced budget ... through a combination of using reserves and borrowing powers." This, they claim, would enable "a balanced budget without cuts for two years," i.e., in the hope a Labour government is elected which would then indemnify councils.

As the example to follow, they resurrect the myth of their predecessors in the Militant tendency in Liverpool who "took on the government in far tougher circumstances." What actually took place in 1985 is that, having secured an additional £30 million in loans, Militant carried out what it called an "orderly retreat" and produced a legal balanced budget. Their capitulation, and refusal to open up a second front with miners fighting for the jobs in the 1984-85 miners strike, paved the way for the rout that swept Militant out of office and the kicking out of its members from the Labour Party in a right-wing witch-hunt.

The SP's 2016 document was in any case produced after Jeremy Corbyn and Shadow Chancellor John McDonnell had already issued instructions to Labour councillors not to defy spending cuts. The SP's entreaties had, as we noted, already been repudiated by the leader they were courting.

Their notion of spending reserves on public services until the Corbyn revolution can begin is no more plausible. NCC Labour councillor John McGhee said services "should have been kept" public, but "while we are trying to make these cuts we know we don't have any money in reserves."

The crisis in Northamptonshire and nationally cannot be redressed through reformist nostrums under capitalism. It requires, through the mobilisation of the working class on a socialist programme, the reorganisation of all economic life for social need, not private profit.



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