



Future forecast: more misery on the front-line

The Chancellor's pre-budget report might have brought some short-term gain for the public sector. But pain looks inevitable in the longer-term for those who use and deliver front-line council services.

The £3b spending to be brought forward for public sector infrastructure projects, as part of Darling's £20b package of measures aimed at kick-starting the economy, is welcomed. Social housing will benefit from £775m a year brought forward for the next two years. Schools will get £800m investment. And earlier access to money for flood defences and motorways, along with £100m for energy saving measures in homes, is all good news.

But it will take longer for the Government's more painful fiscal plans to hit home. Demands for greater efficiency savings will make it necessary to shave an additional £5b off the costs of delivering public services by 2011. The Institute of Fiscal Studies also calculated that following the next general election the real reduction in public sector spending will amount to £37b. And the Chancellor himself admits that it will be 2015-16 before the national budget balances. All this means the services we use every day – including refuse collection, street cleansing, school meals, parks and leisure centres – are likely to be cut to the bone.

All this at a time when we are trying to encourage healthier eating, enhanced personal care, investment in recycling and initiatives such as free swimming as part of a drive for physical activity in the lead up to the London Olympics.

Councils that are already facing higher costs and financial constraints in the current tight spending round will now be asked to make further reductions as part of their contribution to those £5b savings. The impact of reduced investment on top of this is likely to mean vital services get savaged. With the opposition hinting at even more drastic cuts if elected, the future isn't exactly rosy.

Even previously untouchable statutory services, such as education and social care, are unlikely to escape this time. And, with many local authorities locked into 10, 15 or even 25-year inflexible contracts with the private sector for huge chunks of their activity, it is likely to be front-line direct services, along with the staff who deliver them and the communities who rely on them, who feel the real pain in the future.

Paul O'Brien is Chief Executive of APSE. This article first appeared in the Guardian December 2008