



Local Council Finance and Public Perceptions of Spending in Local Areas

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Coordination**

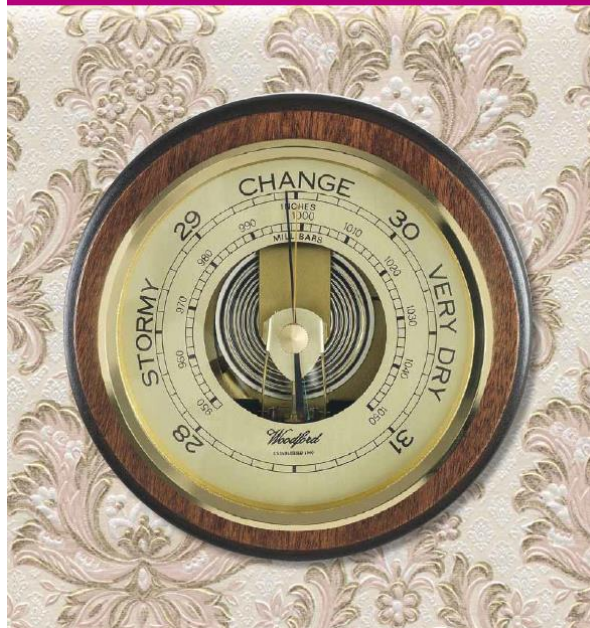
The big picture on finance



Sustainable local government finance and liveable local areas



Can we survive to 2020?



Reductions in spending



- Headline on core spending 0.5% but...
- New funding pressure on English local authorities over that period is estimated to be about 10%.
- If we protect social care spending then other services – liveability or neighbourhood services take a hit – the cuts in those areas nearer to 20%

The 2% (now 3%) 'precept'



- Will not provide the money needed
- Lower council tax band revenues
- Correlation between deprivation and highest need
- Impact on those authorities least able to raise more from council tax
- Even with the Better Care Fund and truncating the council tax increases still a shortfall of £518 billion by 2019/2020

Business rates?



Council tax

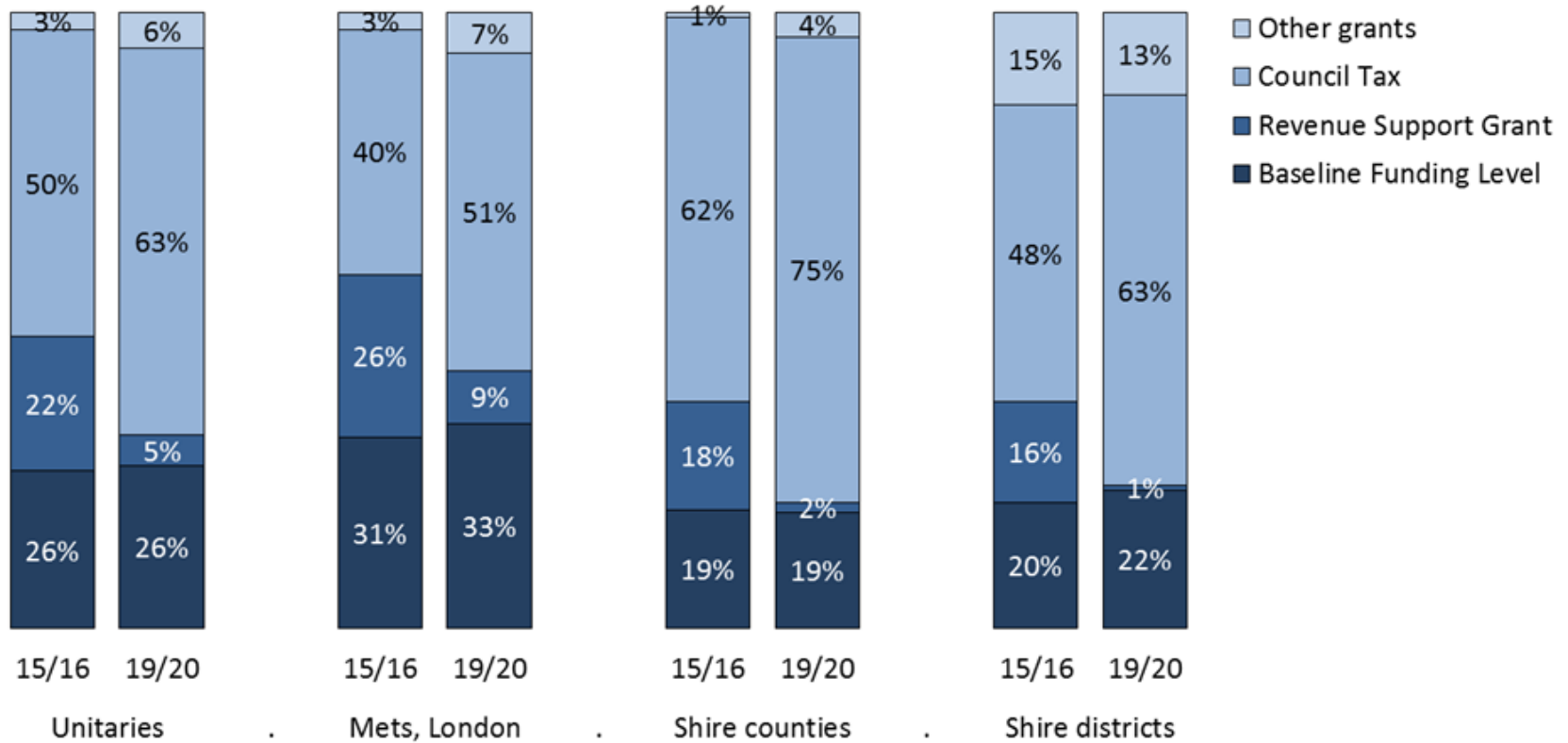


Finances now dependent upon.....

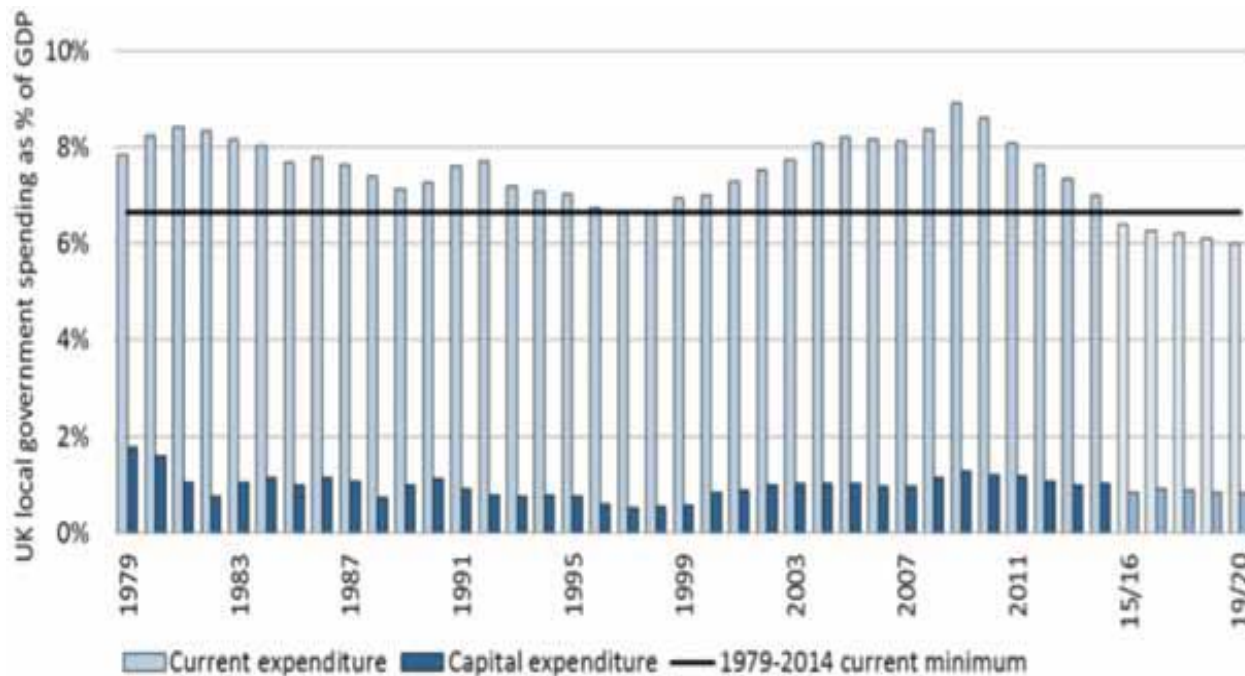


- Business rates but... A four way split – deprived / least deprived / capacity / little capacity
- Council tax Not everywhere will have new homes or equal ability to raise council tax revenue
- Redistribution of spend?
- Revenue Support Grant

What happens to RSG?



What does local government get as a percentage of GDP?



Where does that leave us?



Where does that leave us?



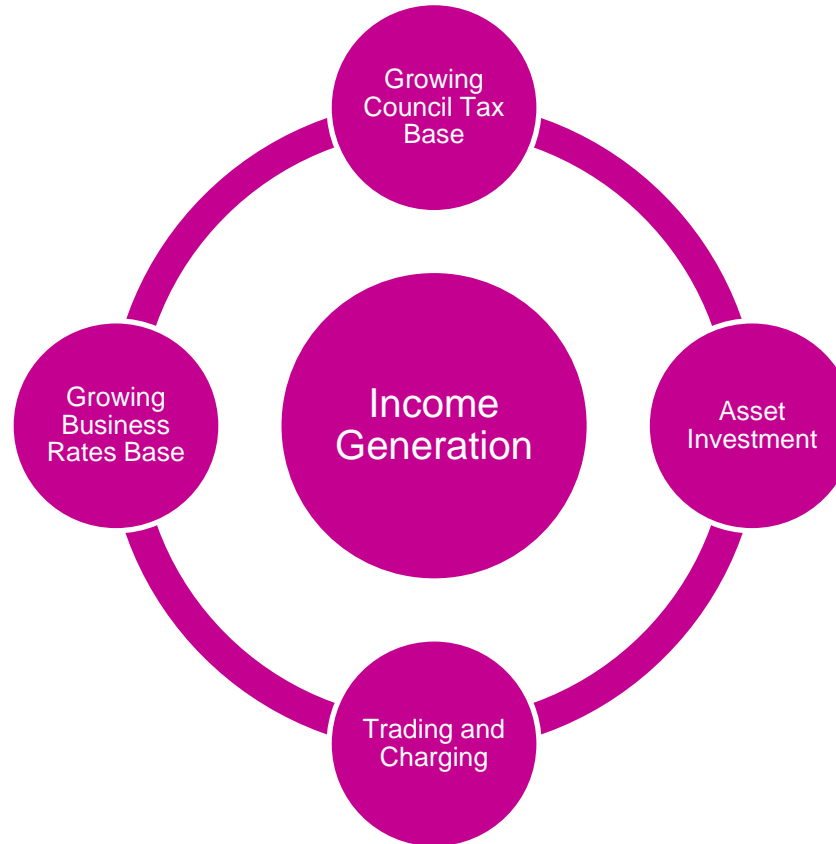
- Current expenditure fell further and faster than ever before (albeit a false high)
- Spending share in 2014 was still above 6.6% which was the lowest it had fallen since 1979.
- But from 2015/16 onwards, capital spending will stick close to its long term average of 1%.
- But current spending goes on falling, from 6.4% in 2015/16 to 6.0% in 2019/20.
- Current spending won't have been that low since 1964. Current and capital spending together won't have been that low since 1948.



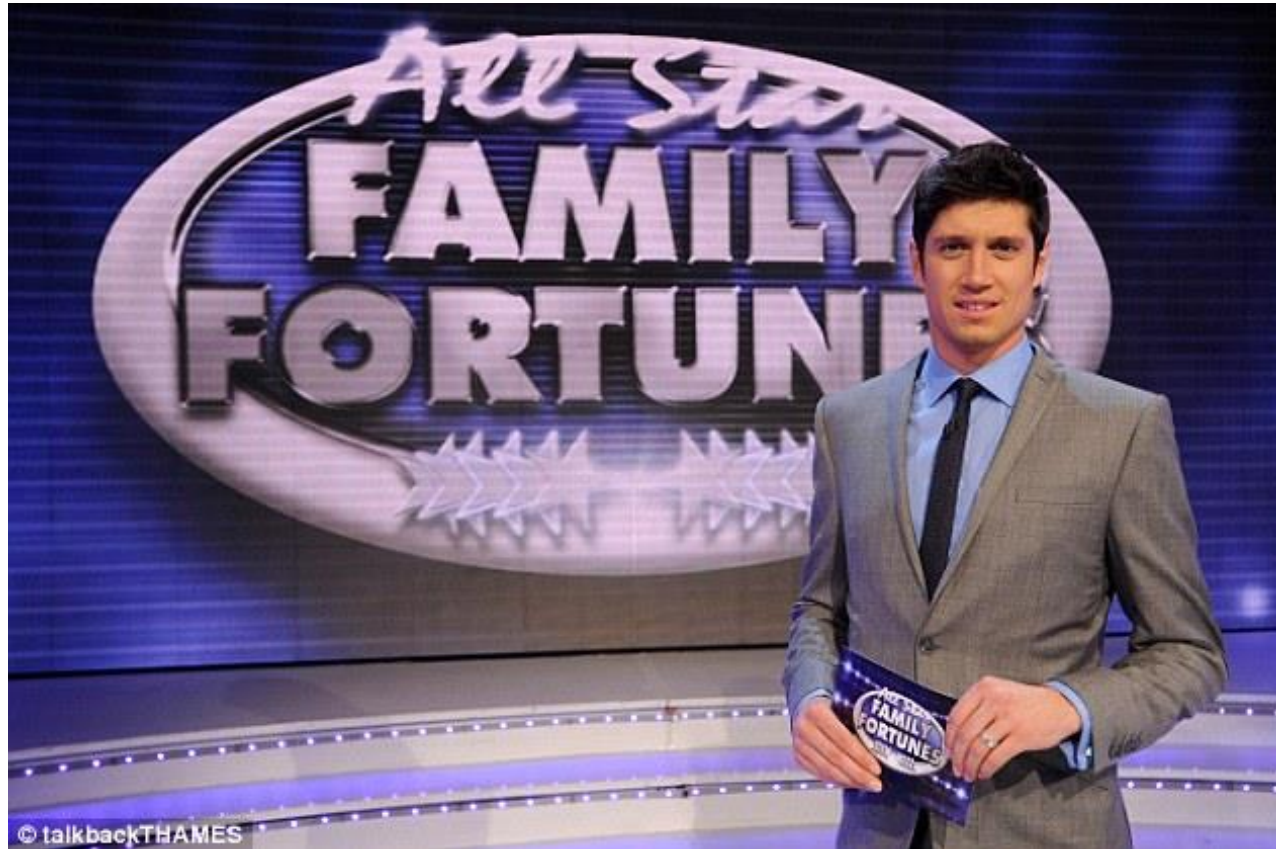
The choice?



Commercialisation



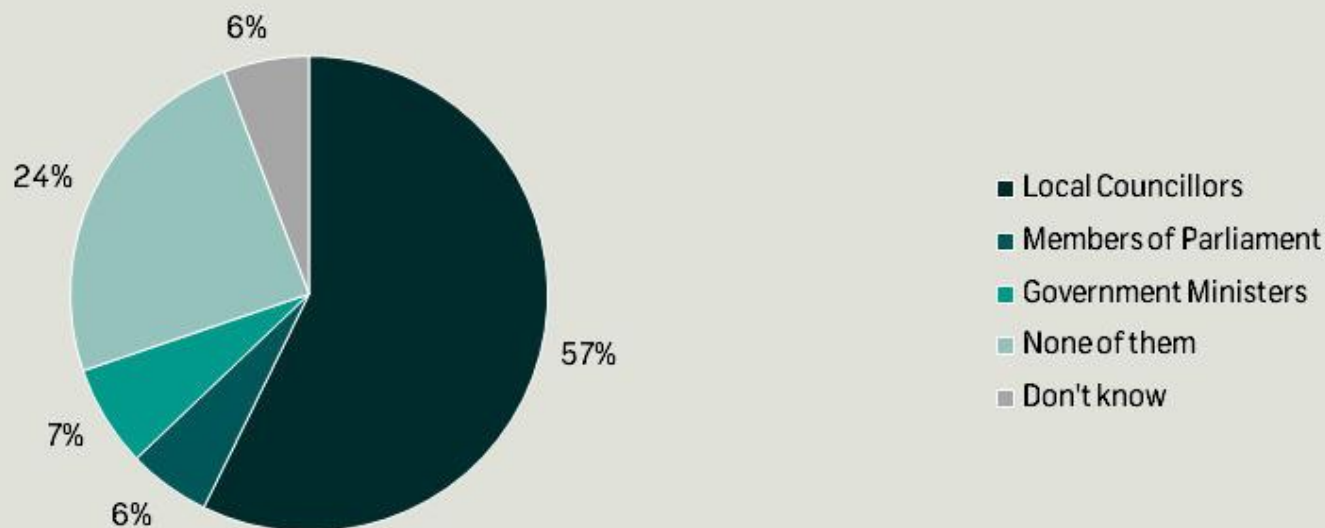
Do the public trust us to deliver?



Trust in decision making?



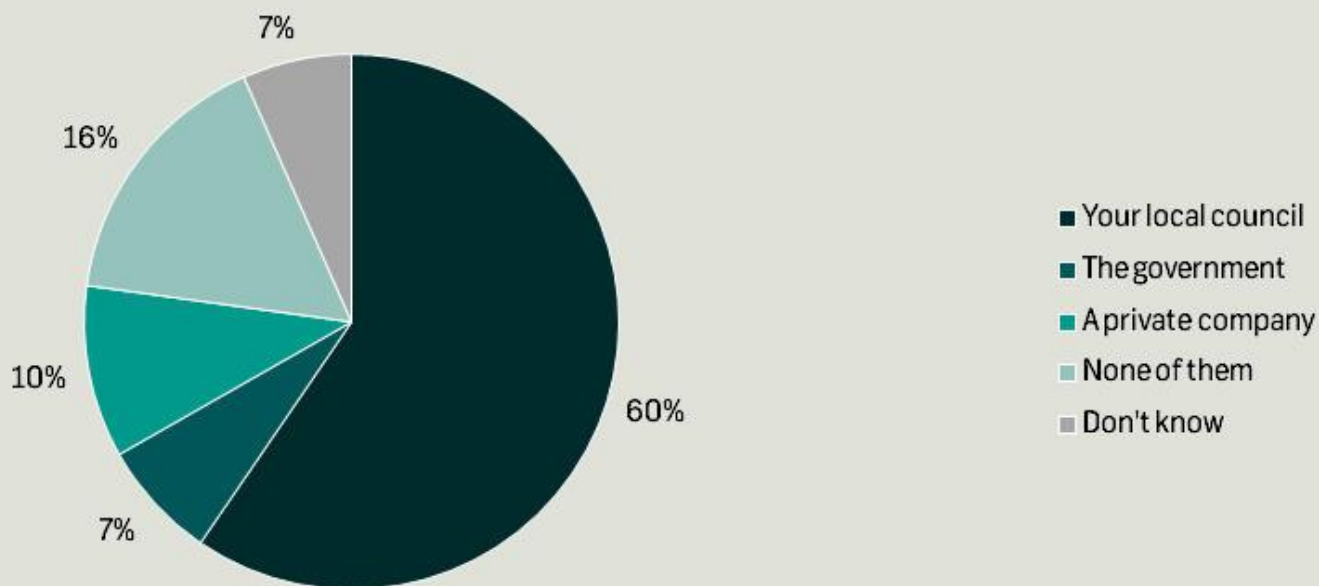
Who do you trust the most to make decisions about how services are provided in your local area?



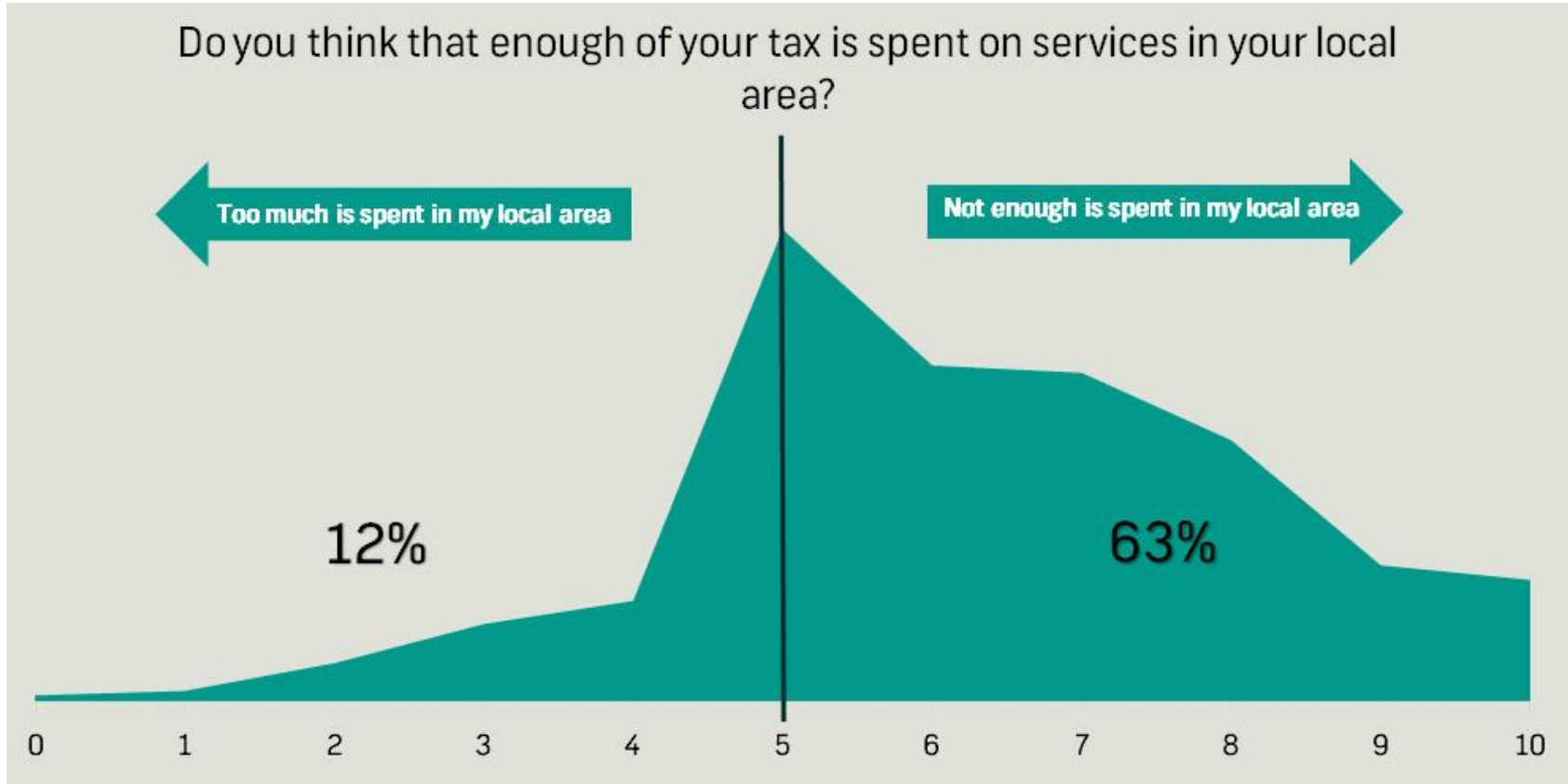
Trust in service delivery?



Who do you trust most to deliver services to your local area?



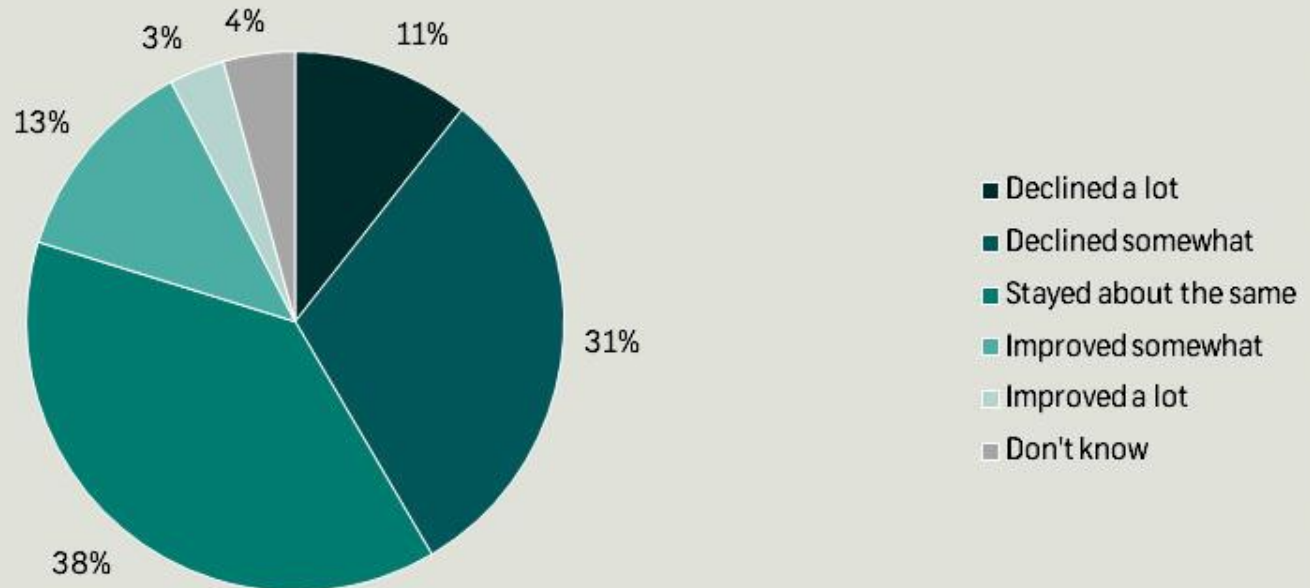
Is enough of your tax spent?



Have services declined?



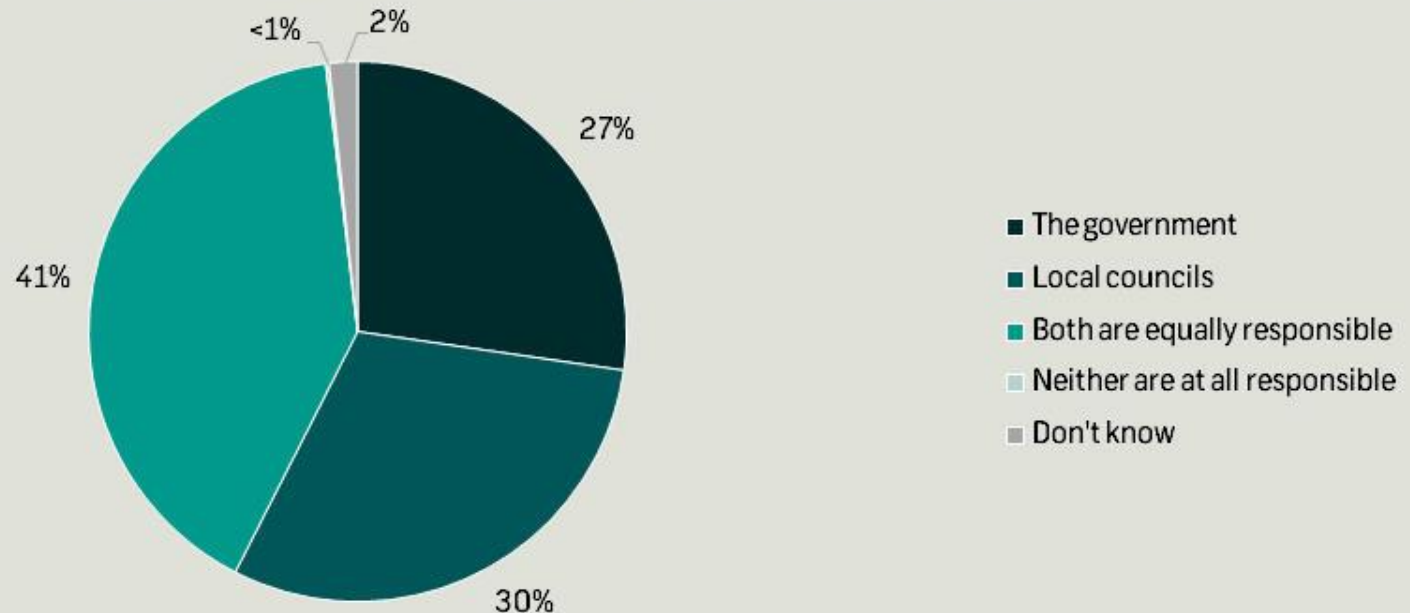
Do you think that local services have declined or improved in your local area in recent years?



Who is to blame for a decline in services?



Who do you think is the most responsible for the declining services in your local area?



Our survey said



- The public have seen a decline in local services but..
- Don't fully relate that easily to central government cuts '*Its the council*'
- Victims of our own success?
- Public satisfaction is high but...
- We need new funds

And so today...



LOCAL SERVICES

LOCAL SOLUTIONS



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