

# Public services and localism before and after Covid-19

**It is just possible that in the wake of Covid-19, we see a more egalitarian reset with a renewed social contract that recognises the contribution made by low paid health, social care, retail and delivery workers, and that seeks to rebalance the economy in favour of green growth.**



**Ben Page**

Chief Executive, Ipsos MORI

[@benatipsosmori](#)

The most marked shift of the last decade has been cuts in public spending – followed by a world turned upside down by Covid-19. The percentage worried that the government would do too little to help people in future rose from 50% in 2010 to 70% in 2019. Even before the Covid-19 crisis, the public were ready to see much more state intervention and public spending. By 2019 most of the public said they favoured increases in public spending, even if it meant their personal taxes would rise – and then of course, in a way no one expected after the Conservative victory of December 2019 – public spending rose to historic levels, with deficits projected to be at wartime levels.

Concern has been greatest about the NHS – by 2019 50% expected it to deteriorate in future, despite the government having announced a £20 billion cash injection. Perceptions of actual services were more mixed however; the British Social Attitudes study of 2019 showed rising satisfaction with NHS services. As it scrambled to get ready for Covid-19, we saw public confidence in it to deliver rise from 62% in March 2020 to 82% by late April – the NHS remained the closest thing the UK has to religion.

As we go to press it looks likely that the NHS will continue to do (relatively) better in spending terms than local government, which is already finding its local income much reduced and demands for spending on social care and housing much increased. With circa 50% cuts to the central government grant over the decade, local government has been deeply, deeply squeezed and even before the latest crisis, satisfaction with local authorities fell from around 72% in 2012 down to 63% in 2019 as Council Tax rose and spending on anything other than social care was cut. There is no sign of a post-Covid-19 reset that might involve any fiscal devolution to local government, and evidence from previous crises is that central government tends to become even more controlling in the situation we now find ourselves in.

Evidence from previous crises is that central government tends to become even more controlling in the situation we now find ourselves in

However, as before the Referendum, local government remains far more trusted and better regarded than Whitehall

Westminster politics came under sustained pressure after the Brexit vote in 2016. The Referendum vote was all about “taking back control” from London, from the elites, from Westminster itself. By 2019 the proportion saying our system of government needs a “great deal of improvement” had doubled since 2003. Trust in politicians fell to pretty much the lowest level since 1983.

There are some signs that the 2019 election at least pacified Leave voters, and of course during the Covid-19 crisis, Britain, as in most Western democracies, saw a “rally round the flag” moment. Satisfaction with the government and the Prime Minister rose to levels similar to the early Blair years, or Mrs Thatcher in the Falklands War – despite 66% also feeling the government had reacted too slowly at the start of the pandemic.

However, as before the Referendum, local government remains far more trusted and better regarded than Whitehall. When we asked recently who has the public’s best interests at heart for The Hansard Society, 44% say local government does, compared to only 33% for the government, and only 29% for political parties.

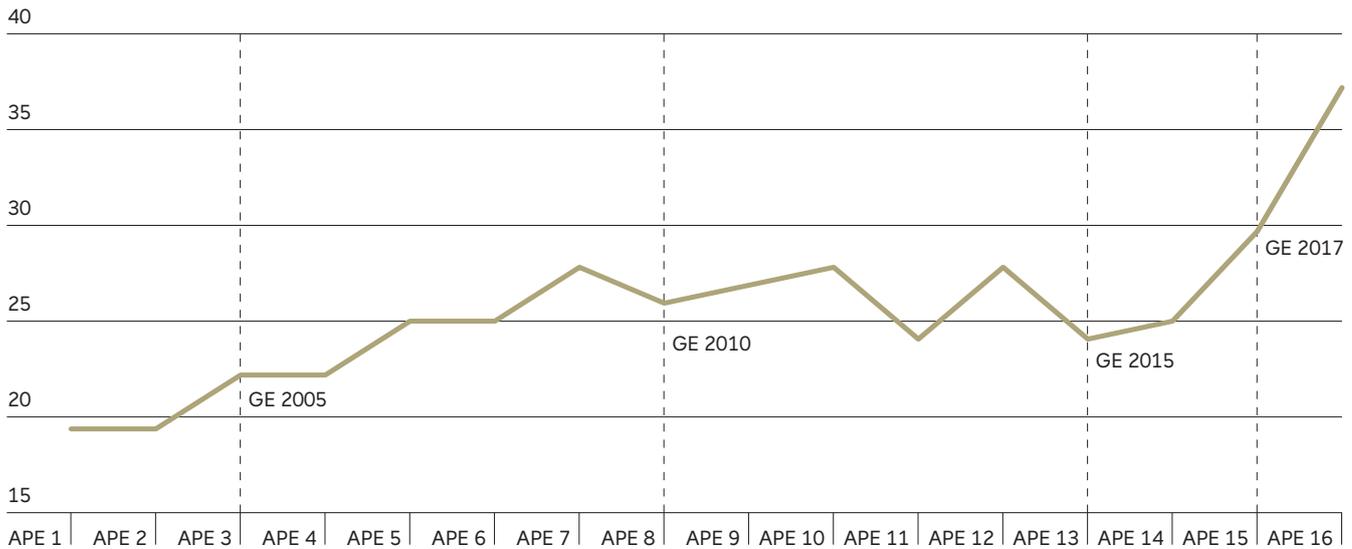
### Taking back control

So, what about more change to really “take back control”? One of our last big constitutional changes, the introduction of devolved administrations in Wales and Scotland, has been a qualified success in terms of its impact on public trust, with the devolved institutions well trusted by the public, ahead of the UK government’s ratings.

Can we see support for similar changes in England? There is relatively little sign in the dozens of different surveys that have examined different aspects of localism in Britain that older voters – who predominantly voted for taking back control in the Referendum – also favour taking back real local control from Whitehall government if it means significant institutional change, or local tax raising powers.

**The percentage saying that the system of government needs a great deal of improvement is much higher than it has ever been at nearly two in five**

% saying needs a great deal of improvement



While in Britain 57% say decisions about public services are better if made locally, only 40% say they support giving local councils more powers at the expense of central government, and 20% disagree. Re-organising local government is not what we social scientists call a “salient” issue. Some 52% agree that they do not care who makes decisions about local services if they are delivered well.

After a decade of largely top down “deals” from central government to agglomerations of authorities and no fiscal devolution of any meaningful kind, English localism is half-hearted. The public are not particularly keen on giving local councils more “real power”. Despite the dissatisfaction with the current political system in England, recent surveys show only 41% support an English parliament to match Welsh and Scottish ones, and there is limited support for regional government to run services like the NHS.

Ipsos MORI polling for the Joseph Rowntree Reform Trust found that 85% thought that local communities should have more say over decisions that affect them, and only 4% disagreed, but on taxation only 41% in the same survey agreed that “more of the money spent by local councils should be raised locally”, and some 30% disagreed.

When you start to talk about real tax and spend powers, support for localism dries up. A majority in Britain (55%) are opposed to giving the local administrations in London, Birmingham or Manchester the same tax raising powers – limited though they are – that the Scottish government has. The irony is that large cuts to the central government grant has increased local government dependence on taxes raised locally.

Ultimately, localism and the detail of local public service reform does not excite people. Local government, despite being more benign than central government, and more likely to be “on your side”, is not ultimately any more trusted over tax. There is support for hypothecated tax rises for the NHS, with 63% saying they would personally pay more tax for it, although of course Labour’s agenda of tax rises and nationalisations was summarily rejected in December 2019.

How does this fit with the public repeatedly saying they favour tax rises to pay for higher spending? It simply comes down to perceived competence. They did not think Jeremy Corbyn’s Labour Party was either fit to govern or competent. This is a familiar story. Back in 1997 as many people believed Tony Blair would put up taxes as had thought the same of Neil Kinnock in 1992 – but of course Blair won by a landslide and Kinnock lost.

As we enter the 2020s the public continue to profess an interest in more local control, and higher spending. They are not ideological about the size of the state, but do want competence in delivery.

Boris Johnson won by being seen as a better leader than Corbyn, being clearer on Brexit – and also promising investment in policing, education and the NHS. Localism did not feature. Yet as we enter the 2020s the public continue to profess an interest in more local control, and higher spending. They are not ideological about the size of the state, but do want competence in delivery.

Around 10% of the public tend to believe the state should run public services and another 25% that the private sector is generally more efficient. The majority are pragmatic. They are not enthusiastic privatisers but when privatisations broadly “work” they will tolerate them. Most are not arguing for British Airways, British Steel, or BP, for example, to be re-nationalised, although state ownership of the railways does have considerable support.

For proponents of building services around people and localities, the last decade has seen creativity in many local authorities, with places like Wigan national exemplars of ways of working across silos. Overall, however, cutting budgets, any budget, to balance shrunken finances created by removal of the central government grant has been the order of the day – rather than rethinking delivery and involving communities.

The proportion who feel their council does not act on the concerns of residents rose from 33% in 2012 to 40% in 2020. This is not surprising as performing consultation effectively, that reaches large numbers of people, rather than the already engaged takes time and money. The Conservative government made efforts to restrict local authority communications spend over this period and the proportion who felt their authority kept them informed about the services it provides fell from 66% to 60% over the same period.

So at the end of the decade of austerity, local government was struggling to maintain core services, and while some authorities were poised to benefit from the localisation of business rates, overall, those serving more deprived communities had seen some of the biggest cuts.

## Time for an egalitarian reset?

Covid-19 poses both a huge challenge and a huge opportunity. Most people in Britain wanted to see rises in public spending before Covid-19. Most thought that there was too much inequality, and 80% agreed we needed to act on climate change, fast – even if they did not necessarily agree on how, or want to make big sacrifices unless they knew they were fair.

It is just possible, with a Conservative government that has been “lent” votes by previously Labour voters, and representing a more diverse range of constituencies than before, coupled with the need to stimulate economic activity in the face of potentially massive unemployment, plus a widespread desire not to return to “normal”, that we see a more egalitarian reset.

We could see a desire to properly fund local public services that have been under immense pressure, and a renewed social contract that recognises the contribution made by low paid health, social care, retail and delivery workers, seeks to rebalance the economy in favour of green growth, and permanently reduces congestion and pollution to levels of the kind we currently enjoy in lockdown.

A serious stock taking and reflection, rather than a dash for growth at any cost, must be worthwhile – if only because of the scale of the sacrifices in blood, sweat and tears under lockdown in 2020

The digital acceleration of lockdown has shown that in much of the UK’s service industries workers do not need an office to be productive, or to spend one to two hours per day commuting. The resulting quality of life and productivity improvement, and decentralisation of growth could be part of remaking our economy outside the over-heated South East, in precisely the sorts of places that felt “left behind” in 2016. A serious stock taking and reflection, rather than a dash for growth at any cost, must be worthwhile – if only because of the scale of the sacrifices in blood, sweat and tears under lockdown in 2020. ●