

Does the perceived deterioration in public services matter in an election year?

Vicky Pryce

How important will the perceived deterioration of public services be in determining the next election result, due sometime in 2024? You don't have to look far- bankrupt councils, NHS waiting lists, difficulty with seeing a GP, worsening dental provision, lack of trains, crumbling schools, a postal service hit by scandals while branches are closing, cuts in refuse collections, potholes, weakening social support, worsening water quality, delays in the courts, inadequate defence capability at a time of worsening geopolitical tensions. cuts in defence. As I type this, the list is threatening to get longer and longer and my blog is in danger of running out of word space prematurely, but areas which are ostensibly run by the private sector though subject to regulatory oversight while providing services to the public are also struggling. This includes the privatised Royal Mail, seemingly unable to continue providing universal 6 day letter delivery; worsening water quality disappearing bank branches and ATMs from our high streets. I could go on..

Indeed, consumer polling by IPSOS last autumn showed that 80% of Britons believed that the quality of public services has dropped substantially over the last 5 years. And 75% said that they didn't think they would improve in the long term. That is a damning indictment but the start of that deterioration could be traced to the Cameron/Osborne austerity years of the 2010s.

A report by CIPFA last autumn also highlighted the drop in morale and reduced job satisfaction in our public services and found a deterioration across the board with 'every single major public service performing worse than before the pandemic'. And this despite manifesto commitments to recruit more 'front-line' workers- which was meant to result in an overall increase in the number of doctors, nurses and police officers for example. But achieving sustained net increases has proved difficult. Pay matters though, it is not perceived to be the only, or even the main factor. And churn is an issue, not least as it reduces collective memory. The Institute of Government (IFG) just published its latest Whitehall Monitor confirming that those issues were still very much with us. According to (IFG), some 12% of civil servants either moved to a different department during 2022/23 or left the civil service altogether.

It is not surprising that the public sector is the one that has seen the largest incidence of strikes over the last couple of years. Of course higher unionisation than in the private sector helps but public services have found it harder to recruit and retain workers. After the civil service expanded to deal with new 'front line' challenges in vital areas such as asylum requests processing and prison services, the Chancellor's announcement at the Conservative party conference in October 2023 of an 'immediate' cap on numbers at their current 488,000 and then also the setting out the intention of returning civil service numbers to where they were pre-pandemic would, according to the IFG, mean some 70,000 civil service roles disappearing.

Is the answer to improve efficiency, cull the civil service and raise public sector productivity? Francis (Lord) Maude, a former Cabinet Minister has been suggesting ways to improve civil service output and improve value for money for the taxpayer in yet another review of governance and accountability in the civil service to improve policy development and implementation. But this takes time, even if it were desirable to go down that route. But in the meantime dissatisfaction persists.

Reversing this perception during an election year won't be easy. Indeed the talk is now of the Treasury and the Office for Budget Responsibility(OBR) finding some room within the fiscal rules for tax cuts in a likely giveaway March budget. But for that to be possible without breaking fiscal rules on debt sustainability would require that the assumed cuts in real government spending over the next few years contained in the OBR's Autumn Statement 's fiscal assessment would have to be maintained, however implausible this might look in practice given the continued increase in demand for public services. That would have serious implications for growth and wellbeing and would start to look like the post- financial crisis austerity period returning.

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