

Institution: University of Glasgow (UofG)		
Unit of Assessment: UoA 13 Architecture, Built Environment and Planning		
Title of case study: The Cost of the Cuts: assessing and mitigating the impact of cuts to local government budgets on poorer households and communities		
Period when the underpinning research was undertaken: 2010–2019		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s): (1) Annette Hastings (2) Nick Bailey (3) Maria Gannon	Role(s) (e.g. job title): (1) Professor of Urban Studies (2) Professor (Urban Studies) (3) Research Associate	Period(s) employed by submitting HEI: (1) 1993–present (2) 1998–present (3) 2000–2019
Period when the claimed impact occurred: 2013–2020		
Is this case study continued from a case study submitted in 2014? No		
<p>1. Summary of the impact</p> <p>Local government budgets have been cut in real terms by 29% in England and 8.5% in Scotland (2010–2018). UofG-led research examined—and its use mitigated—the consequences for services relied upon by poorer households. The research: (i) underpinned Hastings’ successful case to the Scottish Government for a Fairer Scotland Duty (2018), requiring all public bodies to assess the impact of strategic decisions on poorer groups; (ii) provided evidence that enhanced political scrutiny of the impacts of national budgetary processes. Hastings, Bailey and Gannon drew upon the research to: (iii) develop a <i>Social Impact Tool</i> that enabled Scottish and English councils to assess the impacts of proposed cuts. In 2019, the Tool was made open-source in Scotland by the Improvement Service until at least 2021.</p>		
<p>2. Underpinning research</p> <p>UofG research responded to academic concerns that cuts in local government budgets would have socially undesirable outcomes if their distribution in relation to low-income groups was not fully understood. In a series of linked projects, funded by the Joseph Rowntree Foundation, commencing as the austerity period began in 2010, the researchers examined the scale and distribution of cuts to those council services most vital for the well-being of poorer households, such as housing, social work and social care.</p> <p>The projects involved examining the pattern of cuts nationally in England and Scotland: a telephone survey with 25 English local authority Chief Executives; mixed methods case studies in seven councils in England and Scotland, involving forensic analysis of savings plans and qualitative interviews with officials in strategic and frontline roles and with service users; and analysis of the detailed savings plans of all Scottish councils in three consecutive years.</p> <p>In order to analyse council savings plans and assess how the distribution of cuts impacted on poorer groups, the research team developed an innovative <i>Social Impact Framework</i>. This categorised different council services according to a ‘pro-poor’, ‘neutral’ and ‘pro-rich’ typology capturing different levels of use of and benefit from each service, which the team used to assess the social impact of savings plans.</p> <p>Three central research findings underpin the impact of the research:</p> <p>Firstly, the case studies demonstrated that pro-poor services experienced a substantial share of budget cuts—between 25–45% of all cuts in both England and Scotland [3.1, 3.3]. Further, the analysis of three years of savings plans of all Scottish councils conclusively showed that the largest proportion of savings came from pro-poor services (45%) [3.6].</p> <p>Secondly, the case study [3.3] and telephone survey work [3.5], revealed that many councils were keen to protect those services relied upon by poorer groups, but lacked the necessary evidence and tools. While the <i>Social Impact Framework</i> provided evidence that mitigating action was necessary, the case study interviews suggested that the Framework needed to be made more user-friendly before it could be adopted by councils. The UofG team therefore developed a <i>Social Impact Tool</i> which provides bespoke financial data for all English and Scottish councils, and can readily be used to assess the impact of cuts on services used proportionately more by poorer groups.</p>		

Finally, UofG research with senior council leaders in Scotland revealed an appetite for enhanced public sector accountability for the socio-economic impacts of policy decisions. Council leaders sought a means to legitimate the active protection of poorer households from budget cuts [3.6]. English council leaders surveyed across the political spectrum also expressed concern over the dismantling of previously used audit mechanisms as it meant that they lacked the means to assess the impacts of budgetary decisions on the services used by poorer social groups [3.3, 3.5].

All elements of the research were led by Hastings as Principal Investigator and conducted by UofG researchers in collaboration with Heriot-Watt University. Heriot-Watt led an analysis of national trends in local government finance (not part of this Impact Case Study), and an analysis of patterns of service use and benefit. The knowledge and insights from the latter underpin the *Social Impact Framework* and *Social Impact Tool*. Both the Framework and Tool were developed and implemented by the UofG team members Hastings, Bailey and Gannon.

3. References to the research

3.1. Hastings, A., Bailey, N., Bramley, G. and Gannon, M. (2017) [Austerity urbanism in England: the 'regressive redistribution' of local government services and the impact on the poor and marginalised](#). *Environment and Planning A*, 46(9), pp. 2007–2024. (doi: [10.1177/0308518X17714797](https://doi.org/10.1177/0308518X17714797))

3.2. Hastings, A., Bailey, N., Gannon, M., Besemer, K., and Bramley, G. (2015) [Coping with the cuts? The management of the worst financial settlement in living memory](#). *Local Government Studies*, 41(4), pp. 601–621. (doi: [10.1080/03003930.2015.1036987](https://doi.org/10.1080/03003930.2015.1036987)) [available on request from HEI]

3.3. Hastings, A., Bailey, N., Bramley, G., Gannon, M. and Watkins, D. (2015) [The Cost of the Cuts: The Impact on Local Government and Poorer Communities](#). Project Report. Joseph Rowntree Foundation, York. [[PDF available](#)]

3.4. Hastings, A., Bailey, N., Besemer, K., Bramley, G., Gannon, M. and Watkins, D. (2013) [Coping With the Cuts: Local Authorities and Poorer Communities](#). Project Report. University of Glasgow. [[PDF available](#)]

3.5. Hastings, A., Bramley, G., Bailey, N. and Watkins, D. (2012) [Serving deprived communities in a recession](#). Project Report. Joseph Rowntree Foundation, York, UK. [[PDF available](#)]

3.6. Gannon, M., Burn-Murdoch, A., Aiton, A., Bailey, B., Bramley, G., Campbell, A., Finnigan, K., Hastings, A., O'Connor, A. (2018) [Pro-poor to Pro-rich? The Social Impact of Local Government Budgets, 2016-17 to 2018-19](#). SPICe Briefing 18–82: Edinburgh.

Evidence of research quality: Outputs [3.1] and [3.2] are both published in highly esteemed international double-blind peer-reviewed journals. Output [3.2] was the 5th most cited paper in the journal between 2012 and 2016. Outputs [3.3, 3.4] and [3.5] were reviewed ahead of publication by the funder's Projects Advisory Board, including other academics, senior civil servants and senior officers from local government and the third sector. Output [3.6] was reviewed by senior staff in the Scottish Parliament Information Centre and signed off by its research and communications teams.

4. Details of the impact

4.1. Pathways to impact

Through solicited advice to Scotland's Independent Poverty Advisor (as outlined in section 4.2 below), partnership with the Scottish Parliament Information Centre (SPICe) (as outlined in section 4.3 below), and the co-production of an accessible *Social Impact Tool* in collaboration with Birmingham City Council (as outlined in section 4.4 below), the underpinning research has had three major impacts as follows:

4.2. National legislative change: the Fairer Scotland Duty

UofG research underpinned the Scottish Government's decision to bring the Fairer Scotland Duty into force in 2018. In the knowledge that Hastings had conducted research on the impact of austerity, Scotland's Independent Poverty Advisor invited her to three meetings in 2015. In these

meetings, Hastings drew upon the research [3.1] to show that austerity impacted disproportionately on poorer groups. Hastings also demonstrated local authorities' appetite for a means to make a socio-economic assessment of budget decisions [3.3], thereby making the case that the Fairer Scotland Duty—requiring such an assessment and already provided for in the 2010 Equality Act—should be implemented. As a result, the Independent Poverty Advisor's Report to the First Minister recommended that the Duty should be commenced, and Hastings was invited to endorse the report (confirmed by Shifting the Curve report [5A]).

Hastings' contribution (outlined above) is confirmed in an email from Scotland's Independent Poverty Advisor, who wrote: *'It is unusual to move from a roundtable meeting to connect ideas to a change in policy and legislation within 18 months [...] I believe such collaboration is essential to good policy making'* [5B]. Drawing upon the Independent Poverty Advisor's Report, both the [SNP Manifesto](#) (p.19) and [Scottish Labour Manifesto](#) (p.34) committed to adopt the Duty in the 2016 Scottish Parliamentary Elections. The [Fairer Scotland Duty](#) came into force in April 2018 with the election of the SNP Government.

The Fairer Scotland Duty is now embedded in Scottish legislation (e.g. Part 2, section 9 of the Coronavirus (Scotland) Act 2020 requires that Scottish Ministers must have regard to opportunities to advance equality and non-discrimination). The Scottish Duty catalysed calls for such a Duty in Wales, where a 2019/20 Government Consultation explicitly draws upon the Scottish approach. In England, grassroots activism citing the success of the Fairer Scotland Duty influenced the UK Labour Party to pledge in its 2019 [General Election Manifesto](#), *'to create a new ground for [non] discrimination on the basis of socio-economic disadvantage'*. In the Republic of Ireland, there is also now a campaign for a socio-economic Duty (each of the above points is corroborated by collated evidence [5C]).

4.3. Enhanced political scrutiny of the impacts of national budgetary processes

In Scotland, the research has allowed MSPs to understand how decisions about the allocation of the Scottish Budget to local government translated into particular service cuts with uneven consequences for communities (confirmed by SPICe statement [5D]). The research finding that budget cuts disproportionately affected pro-poor services [3.1] was communicated to national and local government via accessible publications and engagement activities (as confirmed by report [5E]). This activity led directly to a partnership with SPICe, and to three co-funded, collaborative projects, which analysed the distribution of cuts in the savings plans of all Scotland's 32 local authorities using the UofG team's *Social Impact Tool* (2015–2018). Each project concluded with a published briefing [e.g. 3.6] and a bespoke Parliamentary Committee evidence session.

One example of the impact of the projects with SPICe is that the Local Government and Regeneration Committee scrutinised the 2016/17 Local Government Settlement (approximately GBP10 billion of public spending) using the *Social Impact Framework*. A section of the Committee's Report explains that it used the Framework to explore, *'the extent to which local authority spending decisions prioritise funding for policies that are likely to reduce inequalities.'* A report from the Parliament's Equal Opportunities Committee also discussed and hyperlinked to the work (confirmed by collated evidence [5F]).

The projects also provided the foundation for joint learning between the Committee and local authority Directors of Finance. Providing feedback on behalf of the Committee, James Dornan MSP wrote: *'As we look more towards inclusive growth and the financial sustainability of Scottish local government, it's crucial that we have an understanding of the impacts of budget decisions on all of society. This work has supported that understanding and has helped the Committee to better scrutinise the impacts of central policy at a local level'* (SPICe statement [5D]).

4.4. Improved budgetary decision-making for councils in England and Scotland

As noted above, the research led to the development of a *Social Impact Tool*. This came about because Birmingham City Council wanted to use the *Social Impact Framework* described in research report [3.4] to analyse its budget. UofG researchers invited council officers to work with them to co-produce an accessible tool that would enable any of England and Scotland's 385 local authorities to analyse and visualise their savings plans, which they could use to inform the budget-setting process. The *Social Impact Tool* consists of an interactive Excel workbook, pre-

populated with financial data for all local authorities. It has been updated annually since 2015 (confirmed by collated evidence [5G]).

The *Social Impact Tool* has been used extensively across Scotland and England to mitigate the impact of cuts on services used by poorer groups. Over half of all Scottish, and over a quarter of all English, councils have downloaded the *Social Impact Tool* since 2015. The associated user guide, hosted by the Joseph Rowntree Foundation, has been downloaded over 1,157 times. 20 councils in England and Scotland have been supported by the UofG team to use the *Social Impact Tool* in their budget process, and at least 20 more have used it without support (confirmed by collated evidence [5G]). The *Social Impact Tool* directly informed Birmingham City Council's analysis of its service savings plans for the period 2014/15 to 2017/18 (worth approximately GBP98.5 million). Birmingham City Council is the largest local authority in Europe, and the Tool identified disproportionate impacts on older adults, adults with specialist support needs, and families in areas of deprivation. This evidence was successfully used to defeat an internal proposal to defund third sector advisory organisations within this period (confirmed by collated evidence [5H]).

The *Social Impact Tool* is now used by councils to support compliance with the Fairer Scotland Duty. The Improvement Service (which works with Scottish councils to improve services) hosts an enhanced version of the Tool on its Fairer Scotland Duty Knowledge Hub, alongside a video produced to support its use. The Improvement Service now advises that councils use the tool as part of the Integrated Impact Assessment, which is required by the Fairer Scotland Duty. The Head of Transformation, Performance & Improvement confirms that, '*The Social Impact Tool can be a very valuable resource for local government budgetary processes, assisting them to consider impact on populations of particular budgetary cuts*' (statement [5I]). Furthermore, following a presentation to the Scottish Parliament by the UofG team, the Head of Finance at COSLA (the voice of local government in Scotland) shared the *Social Impact Tool* with all 32 Directors of Finance in Scottish councils, encouraging them to use it in their budgetary processes (confirmed by statement [5J]).

5. Sources to corroborate the impact

[5A] [Shifting the curve: a report to the First Minister](#) (Point 15 ties in The Advisor's recommendations with the First Minister's actions) [PDF available].

[5B] Email from the Independent Advisor on Poverty to Scotland's First Minister [PDF available].

[5C] Collated evidence: (i) Welsh Government Consultation on Commencing the Socio-economic Duty <https://gov.wales/sites/default/files/consultations/2019-11/a-more-equal-wales-commencing-the-socio-economic-duty.pdf> (p. 11); (ii) Grassroots activism in England Newsletter (cites the success of the Fairer Scotland Duty and links to Labour Party policy, e.g. in the key points and outcomes of the meeting on the 5 March 2019 with Harriet Harman MP); (iii) All Together in Dignity (Ireland) is leading a campaign for a socio-economic duty citing Scottish experience: (p. 17–18) [PDFs available].

[5D] Statement from the Scottish Parliament Information Centre (SPICe) [PDF available].

[5E] (i) [The Cost of Cuts: The Impact on Local Governments and Poorer Communities](#); (ii) (email and spreadsheet confirming 7,605 downloads as of August 2019) [PDFs available].

[5F] (i) [Local Government and Communities Committee 27 January 2017: Official Report](#): (quote from p.2); (ii) claim corroborated by reference to Pro-Poor or Pro-Rich? The social impact of local government budgets, 2016–2017 to 2018–2019; (iii) Equal Opportunities Committee Budget Review Paper/Session 4 (2016) (UofG contribution confirmed on p. 3–4) [PDFs available].

[5G] Collated evidence: (i) The Cost of Cuts: A *Social Impact Tool* for Local Authorities: <https://www.jrf.org.uk/report/cost-cuts-social-impact-tool-local-authorities>; (ii) stats confirming 1229 unique page views of the tool hosted on UofG webpages (1 January 2015 to 8 December 2020); (iii) email confirming 1157 downloads of the associated user guide from the Joseph Rowntree Foundation website since 2015 (9 December 2020); (iv) details of councils in England and Scotland that have been supported to use the Tool by the UofG team [PDFs available].

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[5H] Collated evidence: (i) Interview with Birmingham City Council, Senior Strategic Research Officer in *Local Government Chronicle*, 26 November 2015 (p. 14–15 for additional detail); (ii) Birmingham City Council [Strategic Research](#) (p. 8–13) **[PDFs available]**.

[5I] Testimonial from the Head of Transformation, Performance & Improvement, Improvement Service (November 2019) **[PDF available]**.

[5J] Statement from COSLA (January 2020) **[PDF available]**.