

EIGHT YEARS OF FAILURE

**THE TRUTH BEHIND THE TORIES
'ENDING AUSTERITY' CLAIM**

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The truth behind the Tories 'ending austerity' claim

At this year's Tory Party Conference, Theresa May claimed that the Conservative Party was "ending austerity". But after eight years of relentless Tory cuts, too many people are suffering and too many vital public services are in crisis to settle for the Prime Minister's false promises and a few financial tricks.

In advance of the Budget, Labour has produced a dossier setting out the extent and impact that the Tories cuts have had on people and communities across the country; and what it would take for the Tories to truly "end austerity" in key departments.

The Tories have spent the last eight years in power running down our schools, local services and NHS:

- The NHS has experienced the slowest spending growth in its history
- Cuts to adult social care are expected to reach £7 billion by the end of 2018/19
- Direct funding for councils will see a cut of £5.8 billion between 2010 and 2020.
- School budgets are seeing cuts for the first time in 20 years

Their damaging austerity agenda has also created a crisis of low pay. Rising prices and stagnating wages mean people are £800 a year worse off than they were a decade ago, while at the same time, the Tories will have handed out £110 billion in corporate tax giveaways breaks by the end of this Parliament.

Unless the Philip Hammond sets out large-scale action to end austerity, and not some vague promises for the future or a few financial conjuring tricks, the Prime Minister will not be true to her word. This includes:

1. £19bn just to stop further cuts to departmental spend; £42bn to reverse the cuts since 2010
2. £7bn just to stop further social security cuts; an additional £17bn to undo cuts since 2010
3. £1.5bn by 2020 just to fill the funding gap in social care; it will take £8bn to reverse the cuts since 2010
4. £1bn to stop further cuts to per pupil school funding; more than £3bn to reverse the cuts to further and adult education since 2010; more than £1bn to reverse the cuts to Sure Start
5. £1.3bn to stop further cuts to local councils next year; £3.9bn to fill their funding gap in 2020
6. More than £3.5bn to reverse cuts to affordable housing grants

Austerity is not an economic necessity. It is a political choice made by the Conservatives to hack away at our public services and communities. And as long as Britain has a Conservative Prime Minister, the truth is there will never be an end to austerity.

Overall spending cuts in real terms

Top Line

- The IFS say that on the narrowest definition of ending austerity – stopping further cuts - the Chancellor will need to find £19 billion by 2023 to stop further cuts to departments – and an additional £7 billion to stop further social security cuts. This does not include the £20bn promised for the NHS.
- Even more will be needed to start to undo the damage caused by the £42 billion departmental spending cuts and more than £17bn social security cuts since 2010.

Cuts since 2010

- £42bn of real terms department cuts have been made since 2010¹
- IFS estimated that cuts since 2010 reduced social security spending by £17bn in 2015-16²
- Over the same period corporation tax cuts have cost the Exchequer £59bn according to HMT and OBR figures.

Cuts still planned

- £7bn more of social security are scheduled over the coming four years.³
- £4bn of department cuts are planned for next year.⁴
- £15bn of cuts to unprotected departments are implied 2019-20 to 2022-23 by the current spending envelope (£2bn total cut from department spending, but £13bn extra is needed for protected spending on NHS, International Development and Defence).⁵

Over whole period

- Between 2010 and 2020 the IFS estimate that an average of 15% reductions will have been made to departments' day-to-day spending budgets. This hides significant differences eg. between International Development (+37%) and Justice (-41%).
- By the end of this Parliament, the Tories will have handed out £110 billion in tax giveaways to corporations.

¹ Green Budget Figure 4.5 table, <https://www.ifs.org.uk/uploads/publications/budgets/gb2018/GB2018.pdf>

² <https://www.ifs.org.uk/uploads/publications/bns/BN160.pdf>

³ IFS Green Budget, <https://www.ifs.org.uk/uploads/publications/budgets/gb2018/GB2018.pdf>

⁴ IFS Green Budget, <https://www.ifs.org.uk/uploads/publications/budgets/gb2018/GB2018.pdf>

⁵ IFS GB Table 4.2

Health and Social Care

Top lines

- Under the Tories the NHS has experienced the slowest spending growth in its history.⁶ The Health Foundation described the summer announcement of 3.4% growth for the NHS as “simply not enough,” and the Government are yet to tell us where it is coming from.
- The Chancellor needs to find an additional £1.5bn by 2020 just to fill the funding gap in social care; it will take £8bn to reverse the cuts since 2010
- The Chancellor needs to cancel £800m planned cuts to public health. It will take £3.2 billion to reverse cuts since 2010.

Cuts since 2010

- NHS Trusts ended 2017/18 with a deficit of £960 million.⁷
- Funding for Adult social care is estimated to have been cut by £7 billion since the Tories came to power.⁸
- Local authority spending on adult social care fell by 10% in real terms between 2009–10 and 2014–15⁹.
- Spending was budgeted to be 3% lower in 2017–18 than in 2009–10. Taking into account population growth over this period, this is equivalent to 9% lower per person.¹⁰
- Public Health has seen a 5.2 per cent decrease in budgets since 2013/14, when they were transferred to local authorities.¹¹ The Health Foundation calculate that an additional £3.2 billion a year is needed to reverse Government cuts to public health services.

Cuts still planned

- The Health Foundation described the summer announcement of 3.4% growth for the NHS as “simply not enough”. Prior to 2010, funding increases in the NHS averaged 4% per year. After eight years in which NHS budget increases have averaged just 1.4% and there have been huge cuts to social care, the IFS estimated that 3.3% would be enough just to maintain existing levels.

⁶ <https://www.instituteforgovernment.org.uk/publication/performance-tracker-2018/hospitals>

⁷ <https://www.kingsfund.org.uk/projects/nhs-in-a-nutshell/trusts-deficit>

⁸ ADASS (2018) *Budget Survey*

⁹ Public Account Committee (2017) *Report on Financial Sustainability* p.12

¹⁰ <https://www.ifs.org.uk/uploads/BN240.pdf>

¹¹ <https://www.kingsfund.org.uk/projects/nhs-in-a-nutshell/spending-public-health>

- The King's Fund have estimated a £1.5 billion funding gap in social care budgets in 2020.¹² The Local Government Association estimates that this will reach £3.5bn by 2025.¹³
- Public health is being cut by £800m over six years to 2020/21. 85% of councils plan to reduce their public health budgets in 2018/19 and in total £96.3m will be taken out of public health compared to 2017/18.¹⁴

What the cuts mean

- Age UK estimates that 1.4 million older people do not have access to the care and support they need; in two years, the number of older people living with an unmet care need has risen by almost 20%, to nearly one in seven older people.¹⁵
- In 2016/17 2.5m people waited 4 hours or longer in A&E compared to just over 350,000 in 2009/10.
- The number of people dying on NHS waiting list has increased 10,000 in 5 years.¹⁶
- The NHS waiting list is estimated by NHS England to be at 4.3 million.
- NHS experts have said that £12bn of loans and deficits in the NHS mean the new funding will just go on repaying them. "The NHS in England overspent by £4.3bn last year, while the 240 NHS trusts owe the Department of Health and Social Care £7.4bn in outstanding historic loans."¹⁷
- NHS Providers said that, based on national data and the views of trust leaders, the challenges will be more severe this winter.¹⁸

¹² <https://www.kingsfund.org.uk/publications/fork-road-social-care-funding-reform>

¹³ <https://www.local.gov.uk/sites/default/files/documents/Technical%20Annex%20%281%29.pdf>

¹⁴ <https://www.nursingtimes.net/news/news-topics/public-health/labour-warning-over-cynical-963m-public-health-cuts-this-year/7026086.article>

¹⁵ <https://www.ageuk.org.uk/latest-news/articles/2018/july/1.4-million-older-people-arent-getting-the-care-and-support-they-need--a-staggering-increase-of-almost-20-in-just-two-years/>

¹⁶ (A freedom of information request to NHS Trusts, carried out by the Express, revealed that the number of patients dying while on a waiting list rose from 18,876 in 2012/13 to 29,553 in 2017/18.)

¹⁷ <https://www.theguardian.com/society/2018/oct/21/nhs-20bn-cash-risks-paying-off-debts>

¹⁸ <https://www.metro.news/nhs-is-facing-winter-crisis-even-worse-than-last-year/1279032/>

Education

Top lines

- To stop further cuts to per pupil funding for schools the Chancellor needs to find more than £1 billion in the next year alone, including £250 million to meet his own Party's commitments on teachers' pay.
- More than £3bn is needed to reverse the cuts to further and adult education since 2010, and more than £1bn to reverse the cuts to Sure Start.

Cuts since 2010

- The National Audit Office found that between 2015-16 and 2017-18 school budgets were cut by a total of £2.7 billion. The Institute for Fiscal Studies has found that per pupil spending in schools has fallen by 8% since 2010.¹⁹
- Day-to-day education spending is down 7.4% between 2010/11 and 2019/20, while capital spend is down 42.9% between 2010/11 and 2019/20.²⁰
- Total spending on further and adult education has fallen by over £3.8 billion since 2009-10, a reduction in funding of over a quarter. Sixth-form colleges have had their base funding rate either cut or frozen in cash terms every year since 2013.
- Since 2009-10 Sure Start spending has fallen from £1.7 billion to £0.5 billion, a cut of over two thirds.²¹
- The cost of university tuition has been shifted onto students whose average debts are rising to over £50,000²²

Cuts still planned

- By 2020 the total Education budget will have fallen by 12%.²³
- Schools face the first real-terms per pupil funding cuts since the 1990s. The National Education Union says 18,000 schools now face funding cuts.²⁴
- There is a £250m black hole in schools budgets due to the teachers' pay award and the failure of the Treasury to cover it.
- Ministers have admitted that a rise in pension contributions by schools will cost them £830 million in 2019-20, rising to £1.1 billion in each of the three subsequent years.²⁵

¹⁹ <https://www.ifs.org.uk/publications/13143>

²⁰ <https://www.ifs.org.uk/publications/13507>

²¹ <https://www.ifs.org.uk/publications/13306>

²² <https://www.theguardian.com/education/2017/jul/05/poorest-students-will-finish-university-with-57000-debt-says-ifs>

²³ IFS Green Budget Figure 4.10

²⁴ <https://schoolsweek.co.uk/new-figures-18000-schools-face-funding-cuts/>

²⁵ "The estimated cost to state funded schools will be approximately £830 million in 2019-20 financial year and approximately £1.1 billion in each of the three following financial years until the next valuation of the

- A further decline in per pupil funding, projected by the independent Institute for Fiscal Studies, will cost schools tens of millions of pounds next year.²⁶
- The total cost pressures on schools will be more than £1 billion in 2019-20 if the Chancellor does not deliver additional funding in his Budget.

What the cuts mean

- 41% of schools will not receive sufficient additional funding in 2018-19 to meet the single cost pressure of a 1 per cent pay settlement. This rises to 8,780 schools in 2019-20, or 47%.²⁷
- The proportion of local authority maintained secondary schools in deficit nearly trebled – from 8.8 per cent in 2013-14 to 26.1 per cent in 2016-17.²⁸
- 1-in-5 schools are now asking parents for money to purchase items such as art materials. Both primary and secondary schools have started charging parents for school concerts and sports days.²⁹
- More than half of school staff pay for basic necessities such as food, clothes and tampons for vulnerable children.³⁰
- Staff numbers in secondary schools have fallen by 15,000 between 2014/15 and 2016/17 despite having 4,500 more pupils to teach. This equates to an average loss of 5.5 staff members in each school since 2015; in practical terms this means 2.4 fewer classroom teachers, 1.6 fewer teaching assistants and 1.5 fewer support staff.³¹
- Two-thirds of secondary schools are seeing class sizes increase.³²

Teachers' Pension Scheme, which is due in 2022-23 for implementation in financial year 2023-24."

Source: Written Question 176233, answered on 15th October 2018

<https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2018-10-08/176323/>

²⁶ <https://www.ifs.org.uk/publications/13306> Figure 6.1a

²⁷ https://epi.org.uk/wp-content/uploads/2018/03/Schools-funding-pressure_EPI.pdf

²⁸ https://epi.org.uk/wp-content/uploads/2018/03/Schools-funding-pressure_EPI.pdf

²⁹ <https://www.telegraph.co.uk/news/2018/03/30/cash-strapped-schools-asking-parents-money/>

³⁰ <https://www.independent.co.uk/news/education/education-news/school-cuts-uk-funding-teachers-staff-poor-students-toilet-roll-food-tampons-gmb-a8412296.html>

³¹ <https://neu.org.uk/latest/schools-forced-cut-teachers-and-teaching-assistants-posts-make-ends-meet>

³² <https://www.bbc.co.uk/news/education-43322412>

Local councils

Top lines

- To stop planned further cuts to local authorities, the Chancellor needs to find an additional £1.3bn next year.
- Even more will be needed to start closing the funding gap of £3.9 billion by 2020.

Cuts since 2010

- National Audit Office report from March found that there had been a 49.1 per cent real-terms reduction in central government funding for local authorities between 2010-11 and 2017-18.³³
- As a result local authorities now spend less on services, and their spending is more concentrated on social care. Since 2010-11, spending on services has fallen by 19.2% in real terms.³⁴

Cuts still to come

- £1.3bn of cuts are scheduled for next year.³⁵
- Local authorities are expected to identify at least £1bn savings to plug a £1.5bn shortfall by 2020.³⁶
- The Local Government Association (LGA), said that on current course, there will be a £3.9bn black hole in funding of services by 2019/20, rising to £7.8 billion by 2024/25. This includes:³⁷

Funding gap facing local services	2019/20	2024/25
Adult social care	-1,530,885	-3,556,035
Children's services	-1,108,194	-3,003,857
Homelessness	-112,774	-426,192
Public health	-460,479	-638,806
All other services funded from core spending power	-642,030	-188,682
TOTAL	-3,854,361	-7,813,572

³³ <https://www.nao.org.uk/wp-content/uploads/2018/03/Financial-sustainability-of-local-authorities-2018-Summary.pdf>

³⁴ <https://www.nao.org.uk/wp-content/uploads/2018/03/Financial-sustainability-of-local-authorities-2018-Summary.pdf>

³⁵ <https://www.local.gov.uk/about/news/local-services-face-further-ps13-billion-government-funding-cut-201920>

³⁶ <https://www.bbc.co.uk/news/education-45573921>

³⁷ <https://www.local.gov.uk/about/news/local-services-face-further-ps13-billion-government-funding-cut-201920>

What the cuts mean

- By 2019/20, more than half of all English councils, including three quarters of district councils, will no longer receive the revenue support grant – with no plans to replace the funding that was previously received through the RSG.³⁸
- The number of children taken into care is at its highest level since 1985. 72,670 children were in care last year. Last year saw the biggest increase in children in care since 2010 with 90 children a day being taken into care.³⁹
- Over 500 libraries and children’s centres are set to be closed under this government.^{40 41}
- Research conducted by the YMCA found that overall spending on youth services in England has fallen by £737m (62%) since 2010.⁴²
- Between 2012 and 2016, 600 youth centres closed, 3,500 youth workers lost their jobs and 140,000 places for young people went.⁴³
- Almost £10m of support has been taken from women’s refuges since 2010 meaning almost a fifth of specialist women’s refuges have been forced to close under the Tories and according to Women’s Aid, over 400 women, often with children, were refused a space at a refuge last year.
- Nearly all the funding cuts to services supporting poor families have fallen in the most economically-deprived areas of England. Spending on social services in the poorest 20% of local authorities has fallen £268m by 2016-17, whilst spending in the richest 20% is up £55m over the same period.⁴⁴

³⁸ <https://www.ft.com/content/9c6b5284-6000-11e7-91a7-502f7ee26895>

³⁹

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664995/SFR50_2017-Children looked after in England.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664995/SFR50_2017-Children_looked_after_in_England.pdf)

⁴⁰ <https://www.thebookseller.com/news/cipfa-library-figures-446101>

⁴¹ <https://www.theguardian.com/society/2018/feb/20/childrens-centres-closed-austerity-council-cuts-tracy-brabin>

⁴² <https://www.theguardian.com/commentisfree/2018/jul/31/slashing-youth-services-tories-betrayed-generation-labour-legal-requirement>

⁴³ <https://www.theguardian.com/commentisfree/2018/jul/31/slashing-youth-services-tories-betrayed-generation-labour-legal-requirement>

⁴⁴ Guardian, 12 September, 2008: <https://www.theguardian.com/society/2018/sep/12/almost-all-cuts-to-social-care-in-england-are-in-the-poorest-areas>

Housing

Top lines

- Allowing hollowed out councils to borrow will mean little without extra funding to get building projects off the ground. Yet funding for affordable housing was over £4bn in 2009-10 and is now less than £0.5bn.

Cuts since 2010

- According to the respected Chartered Institute of Housing, central government grant funding for affordable homes stood at over £4bn in 2009/10 but in 2016/17 was less than £0.5bn. Compared to the counterfactual of continuing investment at Labour levels, this means cumulative cuts of around £20bn since 2010.⁴⁵
- The Conservatives promised to build 200,000 'starter homes' to help first-time buyers. They haven't built a single one.⁴⁶
- In addition, since 2010:
 - Spending on homelessness hostels and other supported housing has fallen by almost 70%, or £1bn a year according to the National Audit Office.⁴⁷
 - NAO figures also reveal local spending on planning and development has fallen by over 50%, or nearly £1bn a year.⁴⁸
 - There have been £9bn worth of cuts to housing benefit since 2010, according to the House of Commons Library.⁴⁹

Cuts still to come

- Analysis by the Chartered Institute of Housing suggests that a further 80,000 social rented homes could be lost by 2020, as investment in new homes falls short of what's needed to replace stock lost through the right to buy and 'affordable rent' conversions.⁵⁰
- According to the Government's own projections, annual real spending on housing benefit is set to fall by £1bn by 2022/23.⁵¹ The House of Commons Library predict the cumulative housing benefit changes since 2010 will result in a further £29bn of cuts by 2022/23.⁵²

⁴⁵ UK Housing Review, table 62b, figures cover the period from 09/10 – 16/17 on the advice of the CIH authors we isolate central Government spending by summing HCA grant investment with GLA investment after 2012, when this was devolved to London <https://www.ukhousingreview.org.uk/ukhr18/tables-figures/excel/18-062.xls>

⁴⁶ <https://www.theguardian.com/society/2018/may/02/250m-spent-but-no-starter-homes-built-under-flagship-fund>

⁴⁷ <https://www.nao.org.uk/wp-content/uploads/2018/03/Financial-sustainability-of-local-authorities-2018.pdf>

⁴⁸ <https://www.nao.org.uk/wp-content/uploads/2018/03/Financial-sustainability-of-local-authorities-2018.pdf>

⁴⁹ House of Commons Library analysis of the cumulative effect of housing benefit cuts since 2010. Cash figures.

⁵⁰ CIH analysis published in Jan 2018 [http://www.cih.org/news-article/display/vpathDCR/templatedata/cih/news-article/data/More than 150000 homes for social rent lost in just five years new analysis reveals](http://www.cih.org/news-article/display/vpathDCR/templatedata/cih/news-article/data/More+than+150000+homes+for+social+rent+lost+in+just+five+years+new+analysis+reveals)

⁵¹ DWP outturn and forecast tables from the Spring Statement, 2017/18 prices. £1bn refers to difference between 16/17 (latest year for which outturn data is available) and 22/23 (end of forecast period)

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/691791/outturn-and-forecast-spring-statement-2018.xlsx

⁵² House of Commons Library analysis of the cumulative effect of housing benefit cuts since 2010. Cash figures.

What the cuts mean

- Rough sleeping has more than doubled⁵³ and there are now more than 120,000 children homeless in temporary accommodation⁵⁴.
- The level of home-ownership is at the lowest rate in 39 years, with home-ownership for under-45s has fallen by over a million.⁵⁵
- The number of new social rented homes built has fallen to the lowest level since WW2.⁵⁶
- Average private rents have risen more than £1900 a year compared to 2010.⁵⁷

⁵³

[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/682006/Tables_1_and_2a_2_b_2c - revised.xlsx](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/682006/Tables_1_and_2a_2_b_2c_-_revised.xlsx)

⁵⁴

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/721296/Temporary_accommodation.xlsx

⁵⁵ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/676433/2016-17_Section_1_Households_Annex_Tables.xlsx

⁵⁶

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/717044/Live_Table_1000.xlsx

⁵⁷ <https://www.islps.co.uk/news-and-media/market-intelligence/buy-to-let-index/england-wales-buy-to-let-index>

Social Security

Top lines

- The Chancellor needs to find an additional £7 billion a year by the end of this parliament just to stop further planned cuts to social security. Reversing cuts since 2010 would require £16.7 billion.
- Social Security has been the subject of repeated cuts from Tory austerity. Spending has fallen as a proportion of national income for both pensioners and working-age and children. For pensioners, it has fallen from 6.6% in 2012/13 to 5.9% this year. For working-age and children, it has fallen from 5.5% to 4.7%.

Cuts

- According to the IFS, social security cuts between 2010-15 left social security payments £16.7bn lower than they would otherwise have been.⁵⁸
- A further £12.7bn cuts by 2020 were set out by George Osborne after the 2015 general election.⁵⁹
- According to a recent House of Commons library analysis (in 2018/19 prices), annual cuts affecting social security in 2020/21 at £13.6bn per year. These include:
 - Spending on disability benefits (DLA, PIP) reduced by 10%, or £2bn, by 2020/21.
 - Spending on ESA and incapacity benefits reduced by 11%, or £2bn by 2020/21.
 - Cuts associated with Universal Credit policy measures announced at fiscal events since 2010 worth £3.6 billion in 2020/21. These include the changes to work allowances and the taper rate.
 - The four-year social security freeze will be an annual net saving of £5.2bn a year by 2020/21.
- These are the larger cuts, the £13.6bn a year figure does not include the Bedroom Tax, and some other measures introduced by the government since 2010.⁶⁰
- The DWP is seeking to reduce its estate by 20%, saving an estimated £180m a year of Departmental Expenditure. This is leading to 91 Job Centre closures in England, 1-in-6 of the total, making it harder for claimants to get in-person support for the social security applications.⁶¹

⁵⁸ <https://www.ifs.org.uk/uploads/publications/bns/BN160.pdf>

⁵⁹ https://obr.uk/docs/dlm_uploads/Welfare-Trends-Report.pdf

⁶⁰ IFS, 'There's no way Hammond can end austerity and balance the books', October 2018

⁶¹ According to figures provided by the House of Commons library

What the cuts mean

- According to the IFS, by the end of 2019–20, 10.5 million households will be on-average £450 worse off than they would otherwise have been as a result of the social security freeze alone.⁶²
- According to the JRF, the social security freeze will mean there will be half a million more people in poverty in 2021 than there would if benefits had kept pace with inflation. A family of four receiving Universal Credit will be over £800 a year worse off, even if both parents are working full-time on the national living wage.⁶³
- The Government themselves have admitted that millions of families would be £2,400 less well-off under UC.⁶⁴
- The Trussell Trust revealed demand for help from its food banks rose by 52 per cent in areas where UC had been fully rolled out in the 12 months after the scheme was introduced.⁶⁵
- A survey by the Residential Landlord Association found 61 per cent of landlords had universal credit tenants who were struggling to pay their rent.⁶⁶
- The Benefit Cap is causing misery for 60,000 households, especially for single parents with young children.
- Nearly 400,000 people are being unfairly hit by the Tories' Bedroom Tax.
- The Government has frozen working-age social security payments for this and the last two years.
- Despite more than a million sanctions being inflicted on disabled people since 2010, the Tories persist with their punitive sanctions regime.
- The Tories won't reverse their cuts to Employment and Support Allowance, which will make half a million sick and disabled people £1,500 a year worse off when fully taken effect.
- More than 70,000 low-income families have already lost up to £2,800 because of the two-child limit on tax credits.
- The Government is standing by the so-called "Rape Clause", which means victims of rape have to prove their child was conceived through rape in order to be eligible for tax credits.
- 14 million people live in poverty in the UK – one in five of the population.⁶⁷
- 8 million people in poverty live in a household where someone works.⁶⁸
- 3 million children are living in poverty in a working household.⁶⁹

⁶² IFS, Higher inflation means more pain for households from benefit freeze, Oct 2017

⁶³ JRF, 'Benefit freeze is the real problem, not Universal Credit', October 2017

⁶⁴ <https://www.thetimes.co.uk/article/families-lose-200-a-month-in-universal-credit-switch-5ktwmrwr8>

⁶⁵ <https://www.trusselltrust.org/what-we-do/research-advocacy/universal-credit-and-foodbank-use/>

⁶⁶ <https://www.independent.co.uk/news/uk/politics/landlords-universal-credit-warning-debt-renting-benefits-support-a8580941.html>

⁶⁷ <https://www.jrf.org.uk/report/uk-poverty-2017>

⁶⁸ <https://www.jrf.org.uk/report/uk-poverty-2017>

⁶⁹ <https://www.jrf.org.uk/report/budget-2018-tackling-rising-tide-work-poverty>

- The number of people in poverty in working households has risen by a million since 2016.⁷⁰
- 3.2 million households will be worse off on Universal Credit than they were on tax credits as a result of the Tories' cuts to the programme in 2015.⁷¹
- Over 1.5 million people experienced destitution in the UK at some point during 2017.⁷²

Comments from people directly effected

"I want a government that practises politics for the good of the people, with the system going back to the principles and values of the Beveridge report to bring the caring back into so-called "social care". Government practices now are more narcissistic, punitive, unreasonable, and uncivilised than they were then. Each of us needs to be given a chance. Getting back to our core values would be for the good of humanity."

Kathy, ATD Fourth World, <https://atd-uk.org/2018/01/30/giving-poverty-a-voice-blog-2/>

"Since signing with Universal Credit a month ago I've been diagnosed with [anxiety and clinical depression] and I'm just constantly run down and stuff like that really. I was never diagnosed with them before. I never had a problem" [Out-of-work, Newcastle]

"Since I started universal credit I've lost my hair because of the stress of it. I've been on it nine months and I started losing my hair about four months ago." [Out-of-work, Newcastle]

"I tried to phone for a doctor's appointment and I couldn't even ask for one, I just broke down...I'm now six weeks on, on anti-depressants because it is that bad, yes. Will I lose my flat? Will I lose what I've got, you know? You are not guaranteed that I am still going to have my flat and I'm still going to have everything and that I can provide for my daughter" [In-work, Newcastle]

"They just debase people basically. People have to beg for food and they can't pay their bills at the end of the month. They try and pay their rent and try and put their electricity on. It definitely degrades you." [Out-of-work, Newcastle]

"I got sanctioned because I went on holiday. I went to a caravan park in Berwick for three days... My daughter's first holiday. And because I wasn't actively looking for work I got punished for it. And they said that if there was an interview would I have come home for it? And I said yes... I was only up the road. It's not like I was on the other side of the country. But I got sanctioned." [In-work, Newcastle]

⁷⁰ <https://www.jrf.org.uk/report/budget-2018-tackling-rising-tide-work-poverty>

⁷¹ <https://www.jrf.org.uk/report/budget-2018-tackling-rising-tide-work-poverty>

⁷² <https://www.jrf.org.uk/report/destitution-uk-2018>

Home Office

Top lines

- To stop further cuts to the Home Office the Chancellor would have to find an additional £747 million.⁷³
- Even more will be needed to start undoing the damage caused by over £2 billion worth of cuts since 2010-11.⁷⁴

Cuts since 2010

- The Home Office has had £1.9 billion (15%) cut from its day-to-day budget since 2010-11.⁷⁵
- Central government funding to police forces has fallen by 30 percent in real-terms since 2010-11.⁷⁶
- The police force in England and Wales has faced a 19% real-terms reduction in funding (from central and local government) from 2010-11 to 2018-19.
- The Home Office budget for the UK Border Force has been cut by £110 million (18%) since 2012-13 (when the Border Force was created).⁷⁷

Cuts still planned

- Under the Government's current plans, Home Office departmental expenditure is set to fall by 2.6% in 2018-19 & 0.7% in 2019-20.⁷⁸
- The 2015 Spending Review showed total Home Office spending decreasing in nominal terms over the period 2016/17 to 2019/20 from £11.2 billion to £11.0 billion.⁷⁹ In real terms, using OBR data and forecasts for change in CPI, the real terms cut will be 10.5%.⁸⁰
- Police chiefs have been told to find another £165m in 2019-20 and up to £417m in 2020-21 as a result of an overhaul of public service pension schemes announced recently by the Treasury.⁸¹

⁷³ *includes capital spend & departmental spend (Home Office accounts 2017-18, figures provided by HoC Library). The Government has increased the total resource budget but cut key resource spend such as the Border Force budget, spending on enablers (Home Office information service), immigration enforcement, and the counter-terrorism budget.

⁷⁴ * Home Office Accounts 2010-11 to 2017-18, figures provided by HoC Library

⁷⁵ Total Resource Departmental Expenditure Limit, Home Office Accounts, core tables 2010-2018, provided by HoC Research Library.

⁷⁶ <https://www.nao.org.uk/wp-content/uploads/2018/09/Financial-sustainability-of-police-forces-in-England-and-Wales-2018.pdf>

⁷⁷ Resource Departmental Expenditure Limit, Home Office Accounts, core tables 2010-2018, provided by HoC Research Library.

⁷⁸ Changes in DEL, pg17: <http://researchbriefings.files.parliament.uk/documents/CBP-8046/CBP-8046.pdf>

⁷⁹ <https://www.gov.uk/government/news/home-offices-settlement-at-the-spending-review-2015>

⁸⁰ <https://www.gov.uk/government/news/home-offices-settlement-at-the-spending-review-2015>

⁸¹ <https://www.thetimes.co.uk/article/ten-thousand-police-at-risk-in-600m-cash-crunch-kj9jwfmfqr>

- The Government is set to cut £109 million (12%) out of the Home Office's security and terrorism budget by 2019-20.⁸²

What the cuts mean

- There has been a 19% reduction in the size of the total police workforce, including officers, police and community support officers, and other police staff, between March 2010 and March 2018. According to the NAO Police officer strength has been cut by over 21,000 since 2010. In 2017, it fell to 121,929, which was the lowest since comparable records began.
- 6,700 community support officers have been axed since 2010.
- Latest ONS crime figures showed that:
 - Police recorded violence has increased 19%
 - Homicide is up 14% (excluding victims of the London terror & Manchester Arena attacks). This continues an upward trend in homicides since March 2014, indicating a change to the long-term decrease over the previous decade.
 - Number of homicides involving knife up 25%
 - Knife crime have risen by 12% - highest since comparable records began in 2011
 - Robbery increased 22%
- Since 2011-12 staff numbers at Border Force have fallen by 595, between 2010/11 and 2017/18.⁸³
- Border Force staff in 2018 is still 2.7% lower than it was in 2014, despite the Government committing to increasing the Border Force by 300 additional staff.⁸⁴ There are growing concerns about the shortage of Border Force staff in the event of a No Deal Brexit to the point where the Government has previously floated the idea of using volunteers.⁸⁵

⁸² Resource Departmental Expenditure Limit, Home Office Accounts, core tables 2010-2018, provided by HoC Research Library.

⁸³

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727179/6_4360_HO_Annual_report_WEB.PDF; <http://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2016-01-19/23142/>

⁸⁴ PCS note, Staffing numbers in different Home Office directorates for years 2014, 2015, 2016, 2017 and 2018.

⁸⁵ <https://www.bbc.co.uk/news/uk-42527750>

Justice

Top lines

- To stop further cuts to prisons, legal advice and other essential justice services the Chancellor needs to find an additional £800m by 2020
- Even more will be needed to start undoing the damage caused by £3.3bn real-terms cuts between 2010/11 and 2018/19.

Cuts since 2010

- The Tories have already slashed the Ministry of Justice budget by nearly 40 percent, the deepest cuts faced by any department, driving an unprecedented crisis in our justice system and leaving the public less safe.
- In real terms, the Ministry of Justice budget has been cut by £3.3bn since 2010/11.⁸⁶
- Legal Aid alone has been cut by nearly £1bn since 2010.
- Between 2010-11 and 2017-18, spending on prisons in particular has fallen by £600m (from £4.6bn to £4bn).⁸⁷

Cuts still planned

- Justice faces £800m in real-terms cuts between April 2018 and 2020.
- By 2020, there will have been a 40% real-terms drop (£3.7bn) since 2010.⁸⁸

What do these cuts mean?

- Prisons have faced a 16% real-terms cut in their budget since 2010, leaving staff and prisoners at risk. Prison staff numbers had fallen by 7,000 between 2010 and 2017, whilst resignations from the prison service have risen 109% since 2015/16.⁸⁹
- Self-harm in prisons is at an all-time high, with 11,200 prisoners recorded as harming themselves in 2017. More than 8,000 assaults on staff took place, up 25% on the previous year.⁹⁰
- 99.5 per cent of welfare cases have been removed from legal aid funded advice in recent years at a time when there has been an increase in benefits sanctions.

⁸⁶ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2017-11-13/112641/>

⁸⁷ <https://www.nao.org.uk/wp-content/uploads/2017/10/A-Short-Guide-to-the-Ministry-of-Justice.pdf>

⁸⁸ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2017-11-13/112641/>

⁸⁹ <https://www.independent.co.uk/news/uk/home-news/number-of-prison-officers-resigning-from-post-soars-amid-soaring-levels-of-violence-and-selfharm-a8427616.html>

⁹⁰ <https://www.independent.co.uk/news/uk/home-news/uk-prisons-self-harm-violent-attack-suicide-levels-england-wales-a8323791.html>

- At a time of deep housing crisis, the numbers receiving legal advice for housing has fallen by nearly two-thirds.⁹¹ The most vulnerable people are being deprived of legal assistance when they need it most.

⁹¹ <https://labourlist.org/2018/03/richard-burgon-justice-on-the-cheap-and-prison-privatisation-must-end/>

Public Sector Pay

Top lines

- To end austerity the Government need to start implementing the recommendations of independent pay review bodies in full, and provide new money for doing so rather than passing the costs on to already struggling departments.
- Even more will need be found to undo the damage of billions of pounds of cuts to public sector pay since 2010.

Pay Review Body recommendations and government response

- The Armed Forces' Pay Review Body (AFPRB) has made its recommendation for the 2018-19 pay award of 2.9%. The government has agreed to a 2% increase to pay and, in addition, a 0.9% non-consolidated one-off payment.⁹²
- Prison Service Pay Review Body recommended, broadly, a 2.75% pay increase for prison officers. The government responded proposing a 'pay award worth 2.75% for all Prison Officers', of which 2% is consolidated and 0.75% in non-consolidated.⁹³
- The School Teachers' Review Body recommended a 3.5% uplift to the minimum and maximum of all pay and allowance ranges. The government is proposing to implement the following pay award:⁹⁴
 - 3.5% to the minimum and maximum of the unqualified pay range and main pay range.
 - 2% to the minimum and maximum of the upper pay range, leading practitioner pay range and all allowances.
 - 1.5% to the minimum and maximum of the leadership pay ranges
- Police Remuneration Review Body recommended consolidating the time-limited 1% pay award of the previous year, and 2% on top of that for some officers, amounting to a 3% pay increase for most officers. The Home Secretary did not accept these recommendations, increasing pay by 2%. The Police Federation has begun a legal challenge against the government, for failing to implement the PRRB recommendations.⁹⁵

⁹² <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2018-07-24/HCWS909/>

⁹³ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statements/?page=1&max=20&questiontype=AllQuestions&house=commons%2Clords&member=4538>

⁹⁴ http://data.parliament.uk/DepositedPapers/Files/DEP2018-0782/DEPARTMENT_FOR_EDUCATION.pdf

⁹⁵ <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-statements/?page=1&max=20&questiontype=AllQuestions&house=commons%2Clords&member=4538>

