Going Underground: Possibilities for Institutional Resistance to Austerity in English Local Government

In 2012 Ted Knight, the former leader of Lambeth Council, argued that local authorities – should be making a more vocal resistance to austerity.

‘This is the point at which Labour councils should be saying no, in a loud and clear voice, with support from their national leadership. We won't make your cuts. We will not pass on the burden of the calamitous economic and financial crisis of capitalism that we did not create. We will defend our communities.’ (Knight, 2012)

Yet despite local government being subject to the most stringent funding reductions in the public sector, expressions of resistance against the Coalition government’s cuts to local government funding have been muted. Whilst there have been private protests to the Secretary of State, occasional letters to the papers and local publicity campaigns by the bigger cities (Anderson, 2012; Hennessy, 2012) there have been very few high profile examples of local authorities taking an openly combative stance towards the Government’s austerity policies. Why?

One possible answer lies in the powerlessness of local government. English Local Government has no clearly defined constitutional statement of its role and purpose, and limited rights in law to resist central government policies, despite the Coalition’s espoused policy of ‘localism’ (Jones & Stewart, 2012; Smith, 2013). Additionally the uneven nature of spending cuts, coupled with variability in local spending pressures and capacity for income generation, means that there is no universal experience of austerity across localities. (The Audit Commission, 2012b) Third, there is an emerging narrative from government, local authorities, independent and academic sources that the unprecedented cuts to public spending have been absorbed without significantly impacting local services (Easton, 2013; Ipsos Mori, 2013; John, 2013; Lowndes & McCAughie, 2013; Pickles, 2014), although recent work has highlighted that apparent ‘coping’ belies a growing challenge in finding continuing savings and a lack of sustainability in the pace of change (Hastings et al., 2013; The Audit Commission, 2013).

Perhaps, therefore, strategies employed by both central and local government to date have helped to mask an impending crisis which, in other circumstances, might have stimulated a more widespread coalition for more organised resistance. However, in this paper I would like to suggest that resistance to austerity does exist within local authorities, and that the relatively rare instances of open and combative expressions are in fact just the tip of a wider range of intentional agency – at organisational and individual level - to minimise and mitigate
the effects of spending cuts on local populations. The public perception that ‘nothing has happened’ (Easton, 2013) may in part be an unintended consequence of that resistance.

The paper begins by highlighting varying definitions of resistance, interpreting it in this context as ‘the use of power by individuals or organisations (either overtly or covertly) to maintain institutional stability and sustain local policy objectives against the letter or spirit of national policy.’ It goes on to review some of the debates surrounding the concept of resistance within local government, including discussion of English local authorities’ mandate and capacity to resist.

The paper then draws on New Institutionalist theory to examine how “the organisation of political life makes a difference” (March & Olsen, 1984) in relation to resisting austerity policies. New Institutionals view institutions as established customs, laws and practices operating at many different levels to create institutional “rules of the game” (Lowndes & Roberts, 2013 p.9). Lowndes & Roberts argue that stability in institutions is “worked at” as actors individually “act out” rules, practices and narratives associated with institutions. However when dissonance appears between institutions, their environment and the willingness of actors to maintain the status-quo, actors can “mobilize purposefully to change or resist existing constraints, taking advantage of gaps and contradictions” (Lowndes & Roberts, 2013 p.129).

The paper therefore presents a current ‘balance sheet’ of factors which both limit and enable resistance to austerity by considering the interplay between austerity policies and English local government’s environment, institutions and actors. It then draws on Mahoney and Thelen’s theory regarding the role of agency in institutional change (2010 pp.1-37) to suggest a theoretical framework describing how resistance to austerity might be expressed through agency to influence institutional rules, practices and narratives in a way that either directly or more subtly contradicts the letter or spirit of austerity policies. (Lawrence, Suddaby, & Lea, 2010; Lowndes and Roberts 2013 p.69). Empirical evidence for this agency is offered drawing on the document review, collaborative workshops and elite interviews from the author’s Doctoral research on how public services in a single local authority area are responding to austerity.

**Defining resistance in English Local Government**

In considering the capacity of English Local Government to resist austerity, we need to look first at what we mean by resistance. The Oxford Dictionary offers us the following (non-technical) interpretations:
The first two definitions describe resistance as an overt refusal to engage with a dominant agenda, and highlight the use of active or forceful opposition. However, it is also clear that ‘resistance’ can be applied to activities carried out in secret or ‘under the radar’, the defence and maintenance of a system or institution in the face of overwhelming forces for change, and the ability of one body to physically stop the progress of another. The latter three definitions have particular resonance for English local government, which is often constrained by law in its ability to refuse compliance with central government policy, but has opportunity to shape the local effects of national policy through action, obstruction and political choices within its scope. The extent of these opportunities will be explored in further detail below.

This idea of resistance as a force which operates covertly as well as overtly is also present in Scott’s ‘Domination and the Arts of Resistance – Hidden Transcripts’ which argues that within hegemonic power settings, subordinated groups follow both a public and hidden transcript, with the hidden transcript expressing an ‘offstage’ discourse which takes place beyond the observation of those holding power. (1990 p.4) Scott takes the view that “ideological resistance can grow best when it is shielded from direct surveillance” and that when the hidden transcript is expressed openly it is ‘in disguised form’ (1990 p.xii-xiii). Whilst local government in its complexity and diversity resists direct comparison with the groups which form the basis of Scott’s study, it is strongly situated within a power relationship which renders it subordinate to national government. In researching resistance to austerity policies there is henceforth a value in seeking the “hidden transcript” to compare with the public representations of Local Government’s actions and motivations.

A focus on power also highlights the distinction between ‘resistance’ and the exercise of value-neutral leadership or management in a period of constrained resources. There is a strong normative position in organisational management literature which implies that notions of what is desirable or ‘right’ in management and leadership are uncontested; for instance Bennis and Nanus memorably stated that “managers are people who do things right and leaders are people who do the right thing” (Bennis & Nanus, 1985 p.21). By contrast,
resistance brings politics to the fore, describing a purposeful act of pitting one force against another in a struggle to establish the ‘right’ course. In the case of local government this might involve “big ‘P’” politics, where councils oppose central government from a party-political perspective; or smaller ‘p’ politics, such as the fight to assert local objectives in the face of countervailing national policies. It can also include organisational resistance, where institutional energies are politically steered to resist austerity policies, and examples of individual agency.

For this paper I will therefore take a broad definition of resistance to austerity policies, interpreting it as ‘the use of power by individuals or organisations (either overtly or covertly) to maintain institutional stability and sustain local policy objectives against the letter or spirit of national policy.’

**The basis for resistance**

In researching possibilities for resistance in Local Authorities, it is first necessary to look at local government’s mandate, motivation and capacity to act in a ‘resistant’ way.

Normative arguments for local government’s right to resist austerity are embedded within a wider ongoing dispute about local government’s scope and authority, which remains ambiguous under English law (Smith, 2013 p.10). Local government could argue that its mandate for resistance lies partly in a failure on the part of central government to provide adequately for the exercise of local autonomy, in line with national and international agreements. These include the European Charter of Local Self-Government, to which the UK became a signatory in 1997, and the ‘Central-Local Concordat’ developed under the Labour Government in 2007, which re-stated councils’ right “to address the priorities of their communities as expressed through local elections and to lead the delivery of public services in their area and shape its future without unnecessary direction or control” (Headlam, 2008 p.12). Whilst neither of these agreements were legally binding, they implied central government’s assent to the principle that local government should have a clearly defined spheres of influence. However the extent of delegated powers in England has remained in dispute, particularly regarding freedoms to raise local finance. Failure to establish local government’s autonomy recently lead to a reprimand from the Council of Europe (Mason, 2014) and to calls for a more explicit codification of local government’s role and purpose (Jones & Stewart, 2012 p.346; Political and Constitutional Reform Committee, 2013). Resistance against austerity policy could thus be seen as legitimate protest in the absence of meaningful scope to act as a democratically elected body in accordance with the wishes of the local electorate.
There is also a moral and ethical case for resistance, although the strength of the argument varies by locality and is further masked by a narrative of ‘coping’. The 2010 comprehensive spending review detailed a 28% reduction in spending for English local government from 2011-2015 (HM Treasury, 2010) with further cuts to come from 2015 onwards. However, the mechanisms used to implement the cuts mean that the greatest reductions to funding have occurred in local authority areas subject to highest levels of multiple deprivation (Hastings, Bramley, Bailey, & Watkins, 2012 p.13; The Audit Commission, 2013 p.23). Local authorities in more affluent areas are less dependent on grant funding and have experienced lower levels of financial pressure.

This policy has contributed to varying the impacts from austerity and an absence of shared experiences between councils or their publics, potentially facilitating a ‘divide and rule’ approach on behalf of the government. Furthermore a narrative has emerged that councils are dealing effectively with the cuts without withdrawing front line services. For example, the Audit Commission reported that most councils coped well with the first two years of cuts (The Audit Commission, 2012 p.30). A poll in January 2013 reported that two thirds of people had not noticed any differences to the services they received from the council (Ipsos Mori, 2013) and this assertion was reinforced by a BBC poll in July 2013 (Easton, 2013). In turn the Coalition government have used this evidence to justify the extent of their funding cuts (Pickles, 2014) whilst accusing councils of exaggerating the effect of reductions and building excessive financial reserves (DCLG, 2013; Johnstone, 2012). The local government trade press, meanwhile, has preferred a heroic narrative, emphasising that local government has done “a spectacular job of swallowing the cuts” (Jameson, 2013) and reinforcing local government’s reputation as “the most efficient part of the public sector” (Downs, 2013). In this context any council calling for ‘resistance’ risks accusations of inefficiency.

Early academic papers on the effects of the cuts also picked up the ‘coping’ narrative. John (2013) paints a picture of flexible and resilient local services built around a stable political core maintained by powerful partnerships between local politicians and senior managers. He argues that “the outward aspects of the organisation such as the service departments and regulatory functions can alter massively, whilst the pattern of political management remains more or less the same in character” identifying local government as ‘the great survivor’ partly due to “path dependence” (John, 2013 p.4, 25). Meanwhile Lowndes and McCaughie (2012) showed how “resourceful and reflexive actors” were “stitching together a new institutional fabric from what they have to hand” (p. 546) noting that despite growing pressure, “it is pretty much business as usual” (ibid. p.544).
However, evidence is growing that the pace of change is unsustainable. The Audit Commission showed that reducing overall staff numbers was the most common strategy employed by local authorities in meeting their savings targets, with 48% of savings to date having been delivered through staffing cuts (The Audit Commission, 2013 p.5). Hastings et al. demonstrate that the scope for achieving substantial savings via ‘efficiency’ measures is running out (Hastings et al., 2013 p.51) and a ‘substantial repositioning of local government’ is underway, in which ‘local government is leaner and less central to the lives of many citizens” (ibid. p. 51, 34). In addition, the cumulative impacts on localities and services arising from the Welfare Reform changes which were implemented from April 2013 onwards have yet to be revealed, although reports have warned of serious financial consequences for communities and local economies, particularly in poorer areas (Beatty & Fothergill, 2013; Wilson, Morgan, Rahman, & Vaid, 2013).

Thus arguments can be made both for local government’s right to resist austerity, and for a moral and ethical case to do so. Yet in spite of these encouragements, the concept of resistance embodies considerable tensions for local authorities. Barnett (2013) traces how academic interpretations of capacity for resistance have highlighted conflict and constraint, from Cockburn’s theories of ‘The Local State’ (1977), which portrayed local services as ‘the state writ small’, with limited room for local manoeuvre; to post-structuralist perspectives which find “resistance and ‘subversion’ in the sense-making of individuals in everyday practice” but show no strong relationship to locality or local government (Barnett 2013 p.5-7). In conclusion he expresses some doubt as to whether Local Government can act as a unifying catalyst for ‘progressive localisms’ arguing that the politics of resistance to austerity more often takes place outside formal institutions (Barnett, 2013 p.11-12).

Yet whilst English local government may be conflicted in its ability to express resistance, acting, as it does, as both agent and opposition to the central state, other theoretical discussions of resistance remind us that acts of contestation are rarely pure (see for instance Spivak, 1999). The presence of conflict does not therefore rule out either the intention or practice of resistance, rather we need to recognise that local authorities are “ambiguously positioned in landscapes of antagonism, traversed by multiple political projects” (J. Newman, 2013 p.12).

Equally, the actions of individuals, whilst less powerful or visible than those of a governmental organisation, gain significance beyond the ‘mundane’ acts of everyday practice when they are situated within the context of maintaining or challenging the local government institutions. Lowndes et al. have shown in a local government context that
Institutions are malleable; and despite the effects of path dependence ‘actors can shape and bend institutional forces in new directions’ causing them to ‘change course’ (Lowndes, Pratchett, & Stoker, 2006 p.559). The concept of ‘institutional work’ is also helpful here, described by Lawrence et al. as “a future oriented intentionality, focussed on consciously and strategically reshaping social situations” involving “physical or mental effort” - or “struggle” - “aimed at affecting an institution or set of institutions” (Lawrence et al., 2010 p.53, 56). Through institutional work, individuals have the opportunity to challenge or support institutions that resist or facilitate austerity policies.

Therefore, although whilst local government may not be the ideal site for unified institutional strategies of resistance, the possibility remains open for agents within local government to exploit fragmented opportunities, motivated by the political, ethical and moral arguments which surround austerity. To understand where those opportunities arise, it is necessary to engage directly with the ‘balance sheet’ of common factors which can create or limit opportunities to resist austerity in the present day. Local authorities have lost – and gained - many new powers and areas of service delivery over recent decades. Some observers have viewed this continuous cycle of change as part of an ongoing crisis (see John, 2013 for a summary of this narrative), but others have pointed to a contrasting discourse about local government’s dynamism and continuing transformation (Lowndes, 2004). An understanding of the current ‘balance’ is therefore an important consideration in identifying the scope that English local authorities have to shape local responses to the spending cuts.

The paper will now review these factors, using as its framework categories of environment, institutions, and actors; three areas which Lowndes and Roberts argue are essential for the study of institutional stability and change (Lowndes & Roberts, 2013 p.130) and by extension, for the study of resistance to pressures arising as a result of austerity. The key points of the balance sheet are summarised in Table 1 (below).
### Table 1: Factors limiting and promoting resistance to austerity in English Local Authorities

<table>
<thead>
<tr>
<th>Category</th>
<th>Factors limiting opportunities for resistance to austerity</th>
<th>Factors creating opportunities for resistance to austerity</th>
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| **Environmental** | - Sophisticated strategic approach from coalition to implementing retrenchment  
- Breakdown of welfare state consensus  
- Corporatisation - link to discussions neo-liberalism and LG (Clarke / Newman)  
- Legacy of marketization, outsourcing and fragmentation. | - Devolution agenda – fresh powers for Scottish / Welsh assemblies, city deals.  
- Corporatisation: self-financing opportunities in commercialisation of services. Benefits in being ‘most efficient part of the public sector’ |
| **Institutional** | - Centralisation – limits ability to raise revenue and make own laws.  
- Council tax / revenue constrained, grants falling, pressures rising.  
- Requirement for balanced budgets  
- Politicians – Strong / negative rhetoric from centre. Divide and rule in LG community  
- Political, legal and communicative constraint  
- Historical precedent: e.g. Municipal Socialism, Clay Cross | - General power of competence  
- Public Health – further opportunities for co-ordination and savings  
- Opportunities to raise some further local revenue – BIDs, business rates, TIF, transport levies, trading powers  
- Removal of centralised performance management  
- Partnership, building on community leadership role… |
| **Actors** | - Management and Frontline. 40% of cuts from staff (Audit Commission). 18% real terms cuts since austerity began (Unison)  
- Ethos: promotes stable management / continuity… | 'Spaces of power'  
- Making visible  
- Generating Public Conversations  
- Creative labour |
**Austerity and the environment for local service provision**

The environment for local service provision is more arguably more difficult to navigate than at any time since the creation of the welfare state, and for local government the problems go much deeper than “the toughest local government finance settlement in living memory” (BBC News, 2010).

First, the structures and institutions associated with the postwar consensus on the welfare state are being steadily dismantled. From academic critique of the “structural gap” responsible for “increasingly unsustainable public finances” (Bailey, Valkama, & Salonen, 2014 p.84) to the popular appeal, and apparent resonance, of Channel 4’s “Benefits Street”, support for expenditure on welfare appears to be diminishing. This perception is reflected in the British Social attitudes survey, which shows a clear decline in support for spending on Welfare since the 1980s (see figure 1 below, from Park, Bryson, Clery, Curtice, & Phillips, 2013 p.42) and the apparent agreement in national Conservative, Labour and Liberal Democrat policy on the need for continued welfare reform and public spending reductions post 2015. Regardless of their local political stance, Councils are unable to isolate themselves from wider social relations, and it is becoming increasingly difficult to make the case either for universal public services (Hastings et al., 2013 p.4) or the protection of benefits to the ‘undeserving’ poor.

**Figure 1: Views on Government Spending on Benefits 1987-2012**

*(source: British Social Attitudes Survey)*
Second, the Coalition has been extremely effective in minimising opportunities for resistance to the cuts. Pierson’s *Dismantling the Welfare State* (1994) was eerily prescient in predicting the course the Coalition government is taking to implement change. For instance Pierson suggests that governments attempting to reduce spending should implement systemic changes to limit future resources (Pierson, 1994 p.15). An example of this in relation to local government would be the Coalition’s council tax cap of 2% (above which councils are required to hold a referendum) accompanied by annual offers of council tax freeze payments. Whilst the cost of a council-tax freeze in any single year is offset by a one-off freeze payment, it leaves a larger gap in the following year between rising spending pressures and the council tax base, which cannot be filled whilst also complying with the effective tax cap of 2%. Using this technique, and attacks on the build-up of reserves, the Coalition has directly undermined strategies local authorities developed in the 1980s to maintain financial stability (Rhodes, 1992 p.56; The Audit Commission, 2012b).

Another strategy the Coalition has used to offset the cuts is “obfuscation” (Pierson 1994 p.19). Local government’s grant has been cut over successive years, using a complicated formula that delivers opaque grant settlements. The localisation of council tax benefit (with a 10% ‘efficiency’ cut in funding) is an example of ‘burden shifting’, and there have been a range of ‘auto-cutbacks’ in welfare reform – for instance the arbitrary 1% uprating of benefits for three years coupled with future linkage to the Consumer Price Index, rather than the faster rising Retail Price Index (Church Urban Fund, 2013). Other tactics include delayed implementation (practiced in the introduction of welfare and child benefit reforms) and selective compensation, which is visible in the protection of bus passes for older people. All in all, one might conclude that the Coalition are fully cognisant of the “new kind of politics” inherent in creating an effective retrenchment strategy (Pierson 1994 p.8).

Third, three decades of marketization and ‘new public management’ techniques have fragmented previously powerful bureaucracies and normalized practices such as outsourcing and commissioning. This has limited councils’ capacity to resist austerity in several ways. Unlike the NHS, for instance, Local Government no longer has powerful professional interest groups able to exert political pressure against the cuts. There has been constant denigration of Local Government professionals in the past four years, including scathing comment about council ‘non-jobs’ and ‘town hall fat cats’ (Golding, 2010; Smulian, 2014). More cohesive and influential groups have been neutralised through fragmentation of service delivery, for example teachers are increasingly isolated from the wider local government powerbase by the ‘passporting’ of education funding, the Academies programme, and corresponding weakening of local education authorities. Laffin meanwhile has documented how New
Labour neutralised the influence of the Local Government trades unions before austerity was even conceived (Laffin, 2009 p.27).

In councils that have traditionally protected spending on services, the discourse around ‘efficiency’ and relentless financial pressure is forcing a reconsideration of previously politically unacceptable budget options, including a need to pass savings requirements on to voluntary and community sector partners through commissioning arrangements (Hastings et al., 2013 p.25). Conversely, for those councils that have embraced marketization, contracts agreed in more affluent times can become a constricting straight jacket in times of austerity. In this respect, Local Government is as Newman puts it, “implicated in strategies of ‘governing at a distance’ and a more or less willing partner in the global-to-local extension of neo-liberal values (J. Newman, 2013 p.5).

So where do enablers of resistance lie in this increasingly hostile environment? One possibility lies in the devolution agenda, which could potentially assist councils in gaining greater economic self-sufficiency and freedom from central control. The Coalition has already committed to devolving further powers to Scottish and Welsh governments and is in the process of restructuring governance in Northern Ireland. Advocates for English local government question whether such devolution could also be appropriate in England, building on the modest freedoms granted to some urban areas through ‘city deals’. In Parliament the issue is being taken forward by the Commons Political and Constitutional Reform Committee, chaired by Graham Allen MP, who suggests that “local government should be the model for devolution in England” (Werran & Hailstone, 2014). The committee suggests that, as a minimum, local government should be independent, have a secure financial base, and with the consent of the electorate, be able to exercise a range of revenue raising powers (Political and Constitutional Reform Committee, 2013 p.3).

From Local Government’s perspective, devolution is being championed by the eight ‘Core Cities’, who are jointly lobbying to advocate the benefits of local autonomy and economic self-sufficiency through a nine point “growth prospectus” (Core Cities, 2013). Crucially they are linking their argument with politically salient arguments about economic growth, building on Heseltine’s ‘No Stone Unturned’ (Heseltine, 2012) and more recent reports from independent think-tanks highlighting the economic benefits of devolution to cities and city-regions (Centre for Cities, 2014; Cox, Henderson, & Raikes, 2014). Whilst this approach risks splitting the local government lobby by leaving behind smaller cities and rural areas (Bentley & Pugalis, 2013 p.268; Municipal Journal, 2014) it also offers a vanguard for experiments in devolution, potential for greater local autonomy, and by extension, increased capacity to resist austerity.
A second and linked point highlights a benefit of corporatisation, in that Local Government is proving adaptable and creative in seeking fresh business models within the existing limit of its powers. One notable development in the past four years has been the rise of ‘commercialisation’; the practice of adjusting services so that they operate using leaner business models and generate self-sustaining income. ‘Shared service’ agreements are also becoming increasingly common across public sector partners, traversing organisational and administrative boundaries. Whilst such changes represent significant adjustments to the former public service ethos and delivery model, they also buy time and space for councils to concentrate resources on the issues that matter to them. Local government’s oft self-proclaimed status as ‘the most efficient part of the public sector’ (Downs, 2013; Jameson, 2013) is therefore a double edged sword, giving comfort to the DCLG as it cuts services (Pickles, 2014) but also providing resources to mitigate those cuts as they occur.

**Austerity and local institutions**

Institutional level analysis of limitations and enablers for resistance also demonstrate a balance sheet which mitigates against resistance, but is not without opportunity for redress.

The most fundamental institutional challenge for English Local Authorities lies in the centralisation of power. England is “one of the developed world’s most centralised democracies. The centre controls virtually all taxation, and power has followed money” (House Of Commons Communities and Local Government Select Committee 2009). This is demonstrated most starkly in local authorities’ funding model, particularly their continued dependence on central grant funding, and restricted ability to raise local taxes in the face of falling grant and growing demographic and inflationary pressures. Local authorities are also required by law to balance their budget every year, with limited leeway to use reserves and tight controls on borrowing. Fiscally they currently have little choice but to reduce their under budgets in line with annual reductions in government grant funding, under threat of surcharge or loss of political control if they fail to balance the books.

This major power imbalance has recently been exacerbated by some provisions of the 2011 Localism Act, including the facility for the Secretary of State to annually determine a level of council tax increase above which a local referendum is required (albeit subject to Commons approval). The current Secretary of State recently indulged in tactics akin to a game of ‘budget chicken’, by delaying an announcement on the level of council tax rise that would trigger a referendum until February 2014, encouraging councils who were trying to finalise their budgets for agreement in March 2014 to assume a lower council tax limit than that
eventually announced. Such gaming throws into relief the differential in power between central and local government, but central controls stretch well beyond financial manipulation.

Councils are also subject to a wide range of political and legal constraints, with central government having transferred its focus “from setting out powers and duties to setting out how those powers and duties should be implemented” (Jones & Stewart, 2012). For instance, since the Widdicombe Inquiry, there have been strict rules on how elected politicians make appointments and establish committees. (Loughlin, 1996 p.111) There have also been repeated (though largely unsuccessful) attempts by both Labour and Conservative governments to shape political decision-making practices and install directly elected mayors. Once in power, local councillors have relatively little choice over the services they provide, as despite local government’s shrinking income there has been no corresponding move to reduce its 1335 statutory duties (Downs, 2013; NAO, 2013). Whilst the Coalition’s brand of ‘localism’ has provided councils with a ‘general power of competence’ to undertake anything an individual can do that is not proscribed by law, the Secretary of State has retained the ability to overrule the use of that power, “just in case” (Jones & Stewart, 2012 p.357).

Neither can Councils freely express their frustration. Flexibilities around communication have been subject to “a chilling effect” since 1986, (Loughlin, 1996 p.161) when the Government first confined local authority publicity powers to “the provision of information on local government functions and services”, providing that they must not “publish any material which, in whole or in part, appears to be designed to affect public support for a political party” (HM Government, 1986). These powers subsequently been extended by the Coalition, who first sought to control ‘town hall Pravdas’ through a new advisory code of conduct, (Pickles, 2010) and then gave the code statutory force through the Local Audit and Accountability Act 2014.

In addition to the financial, political, legal and communicative constraints on councils’ resistance, there is the narrative of historical precedent. Barnett (2013) describes how a 1973 rebellion against an increase in council rents by Clay Cross Urban District Council eventually bankrupted 11 Councillors and saw the authority re-organised out of existence. Subsequently in the 1980s a number of local authorities practiced high profile ‘Municipal Socialism’, and their reward (in addition to surcharge and disqualification for Councillors in Lambeth and Liverpool) was a radical programme of local government reform which aimed to strip local government of discretion, subject it to continuous scrutiny and enable central government to by-pass it completely (Loughlin, 1996 p.202). The interventionist turn was not exclusive to Conservative governments. Under the 1998 Best Value and Capping Act, New
Labour installed in law a highly prescriptive approach to performance management which allowed councils to be taken over for performance failings as well as financial irregularity. All in all, the historical narrative is clear, failure to meet the Government’s requirements - whether financial or technical - results in long-lasting loss of autonomy. It is not an inspiring example for those seeking to resist austerity policies in the present.

So where do opportunities for resistance lie in this institutional straightjacket? Whilst capacity for action appears limited, the straps have in some respects been loosened. For instance, the ‘General Power of Competence’, although mediated by its limitations, is a long-fought-for extension of the ‘wellbeing powers’ granted by the Local Government Act 2000, and a huge advance on the pre-2000 act situation where Local Government could do nothing ‘ultra vires’. The return of public health to local government in 2013 after a 39 year absence represents another significant gain, although critical observers also point to centralist controls exercised through ring-fenced budgets and a new ‘outcomes’ framework, whilst the majority of primary care funding remains in private-sector dominated clinical commissioning groups (Jones & Stewart, 2012 p.361). Meanwhile Bentley and Pugalis highlight the potential inherent in the Localism Act’s ‘duty to co-operate’ which provides for groups of two or more local authorities to take on transferred functions from central government, with particular significance for local capacity to influence economic development (2013 p.265).

There are also new possibilities for raising local revenue, including trading powers, the ability to retain business rates uplift, community infrastructure levy, and city deals. Whilst these opportunities do not yet equal in any sense the funding lost from the most severely affected areas, they offer tantalising possibilities for a more balanced regime of local fundraising that moves away from dependence on grant income and a single out-of-date tax (Centre for Cities, 2014 p.4).

At the same time, the top-heavy performance management frameworks and audit arrangements which reached their zenith under New Labour have – for the most part - been dismantled, allowing scope for ‘back office’ savings and increased political freedom to vary levels of service provision. Local Government can also build on the informal benefits of the previous government’s investment in partnership working, seeking shared solutions with public, private and voluntary sector partners as a potential “buffer” to austerity (Lowndes & Squires, 2012 p.1). However, in the context of sustained fiscal pressure, these are at best “constrained freedoms” (Bentley & Pugalis, 2013 p.257).
Austerity and Actors

What then of the opportunities for actors to resist austerity? On a very practical level there are personal and economic disincentives to acts of resistance. The threat of surcharge and bankruptcy for councillors has already been noted. Officers, meanwhile, are working in a context where 48% of savings since 2010 have been delivered through cuts to staffing. Unison claim a growing militancy amongst their membership (Wakefield, 2014) but few local government staff feel secure in their role, illustrated by the fact that an 18% real terms cuts to pay has been delivered without industrial action, accompanied by a steady erosion of terms and conditions.

For John (2013), resistance is also inherently against local government’s culture. He asserts that

‘pragmatism is the value system that underlies the system of political-bureaucratic management and thereby the culture of English local government as a whole. This culture ensures that local government’s leaders believe there is no point in resisting central government controls.’ (John, 2013 p.18)

Whilst this is something of a generalisation, it is true that local government’s response to crisis is often characterised by pragmatism, at least on the surface, and for good reason. Council staff are embedded in communities, they feel and experience real human consequences when services fail. One official in a workshop for frontline staff commented that his greatest fear was that he would be the last professional to see a client alive, and that the ramifications of an untimely death would fall on his shoulders (Gardner, 2014). Such services are low profile when they succeed, but high profile in failure. As a consequence, the sector can be risk averse (Shaw & Maythorne, 2012 p.52) and continuity of provision is frequently the primary concern.

However, Local Government’s connection to communities and public service ethos might also be seen as a source of motivation for resistance to austerity policies. So where might individual actors find opportunities to enable resistance?

Perhaps part of the answer lies in Janet Newman’s book Working the Spaces of Power. Newman shows how actors (in her case female political activists) have used “spaces of power generated through contradictions in the ruling relations of their time” (Newman, 2012 p.3) to mobilize agency and bring about social and political change in their working lives. She terms this process ‘generative labour’, identifying three dimensions:
• Making visible – bringing into view perspectives, voices and agendas and asserting and performing difference. Overcoming silences and absences.
• Generating public conversations, and through them wider processes of political and cultural change.
• Creative labour; making new things and generating possibilities of alternative ways of living, working and practising politics (Ibid.p.4).

She also notes how these spaces are contingent and temporary, “relationally constituted and …stretched over time, opening up and closing down indifferent political contexts and having constantly to be remade as policy actors moved on” (ibid. p.67). Working these spaces frequently lead to conflicting outcomes and ambiguous successes, “But they also produced new forms of organizing and ways of performing politics that are not easily erased, even in the current climate of cuts and austerity” (ibid. p.4).

It is this capacity for agential resistance and institutional work that I now want to examine. From the foregoing analysis it is clear that, whilst the odds are stacked against resistance at environmental, institutional and individual actor level, there are also spaces of opportunity where restraint has been relaxed, or new possibilities are beginning to appear. As one senior manager put it:

“We always do what we want to do anyway! People think that local government just has these edicts that come down from central government and conducts them entirely in the spirit with which they were handed down. There’s always a grey area. If they are daft or not locally appropriate we can usually find a better local way. We are local government, we’re not local administration…. I just think there is a huge misconception about the amount of autonomy councils have. We have far more than I think people believe”.

Senior Manager, City Council 2014

Whilst acknowledging that Local Government operates under constraint, this paper takes a view that organisational power is distributed, and that actors at all levels have the opportunity to find and use ‘spaces of power’. Moreover, actors and institutions are mutually constitutive. Lowndes and Roberts show that institutions exercise three different forms of constraint over actors: rules, whether formal or informal; practices and their underlying behaviours; and narratives, both constitutive and coordinative. However, institutions are also dependent on actors for their “maintenance, defence, revision and discovery”, and actors can work to change institutions (Lowndes & Roberts, 2013 pp.130-136 Lawrence et al., 2010 p.53, 56). The question is, is it possible to observe ‘generative labour’ to resist austerity within local government, given that much of this labour would necessarily take place in a distributed way, ‘below the radar’. Can we see its institutional effects?
In order to address these questions, I will draw on Mahoney and Thelen’s ideas regarding agency in a context of gradual institutional change (Mahoney & Thelen, 2010). Importantly they suggest four different types of change agent, who can work from very different motivational positions:

- **Insurrectionaries**, who work against the institution and its rules
- **Subversives**, who work against the institution but on the surface play by the rules
- **Symbionts**, who wish to preserve the institution, but change rules to suit themselves
- **Opportunists**, who seek to follow their own agenda

( ibid. p.23).

This differentiation in the objectives and motivations of change agents is useful in a local government context, because it recognises that actors will have differing levels of power and divergent motivations or political positions, affecting their ability to be open about intentions to influence change. It also raises the possibility of unlikely coalitions, where actors with varying motivations can band together for a common purpose.

However, as discussed earlier, a study of resistance necessarily involves looking at how actors contest change, rather than create it. Nonetheless, the four categories of actors are still helpful if we adjust their definitions to describe how they act to maintain stability against the pressure of austerity. In this context:

- Insurrectionaries become those who wish to preserve local service institutions against prevailing financial pressure, to the point of radicalism
- Subversives provide the appearance of conformity with change, but use loopholes to pursue their own agenda
- Symbionts ‘never waste a good crisis’, and pursue their own goals whilst addressing austerity
- Opportunists look for creative possibilities within change

By combining these categories of agency with Lowndes & Roberts’ categories of ‘rules, practices and narratives’, table 2 below starts to sketch out a tentative framework for how different institutional responses to austerity might combine on the ground. It is of course a simplification: any institution might combine elements of any or all these approaches. However institutional level evidence for these positions can be found in empirical observations, set out in more detail below.
Table 2: A framework suggesting how institutional responses to austerity might be expressed on the ground

<table>
<thead>
<tr>
<th></th>
<th>Rules – formal and informal</th>
<th>Practices and behaviours</th>
<th>Narratives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insurrectionaries</td>
<td>Direct challenge to</td>
<td>Practices actively</td>
<td>Combative, making inequality visible: ‘It’s not fair’</td>
</tr>
<tr>
<td></td>
<td>legitimacy of austerity</td>
<td>opposing effects of</td>
<td></td>
</tr>
<tr>
<td></td>
<td>policy. Legal challenges.</td>
<td>austerity – e.g.</td>
<td></td>
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<td></td>
<td></td>
<td>redesignation of</td>
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<tr>
<td></td>
<td></td>
<td>bedrooms in social</td>
<td></td>
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<td></td>
<td></td>
<td>housing</td>
<td></td>
</tr>
<tr>
<td>Subversives</td>
<td>Privileging former</td>
<td>Creative labour:</td>
<td>Justifying: ‘we are protecting the vulnerable’.</td>
</tr>
<tr>
<td></td>
<td>values within new</td>
<td>Operating below the</td>
<td></td>
</tr>
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<td></td>
<td>orthodoxy – e.g. cuts to</td>
<td>radar – e.g. additional</td>
<td></td>
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<tr>
<td></td>
<td>pay but providing a</td>
<td>support for welfare</td>
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<td></td>
<td>living wage for lower paid</td>
<td>rights</td>
<td></td>
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<tr>
<td></td>
<td>staff.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Symbionts</td>
<td>Compliance with legal</td>
<td>Creative labour:</td>
<td>Heroic: ‘look how well we are coping’</td>
</tr>
<tr>
<td></td>
<td>requirements, but seeking</td>
<td>looking for counterbalances /</td>
<td></td>
</tr>
<tr>
<td></td>
<td>new opportunities and</td>
<td>efficiencies to maintain</td>
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<td></td>
<td>approaches (e.g. around</td>
<td>the organisation’s</td>
<td></td>
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<td></td>
<td>economic development).</td>
<td>priorities wherever</td>
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<td></td>
<td></td>
<td>possible (commercialisation)</td>
<td></td>
</tr>
<tr>
<td>Opportunists</td>
<td>Generating conversations:</td>
<td>Creative labour:</td>
<td>Pragmatic ‘evolving to fit the new climate’</td>
</tr>
<tr>
<td></td>
<td>Suggesting new rules e.g.</td>
<td>thought leadership and</td>
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<td></td>
<td>public conversations about</td>
<td>innovation</td>
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<td></td>
<td>further devolution</td>
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</tbody>
</table>

Empirical evidence: what might institutional resistance to austerity look like on the ground?

Whilst capacity for outright insurrection is limited by the constraints listed earlier, some councils have succeeded in pushing the boundaries. Although authorities are unable to directly challenge austerity policies on a legal basis, there have been cases on specific issues. For instance, with reference to rules, Luton, Nottingham, Waltham Forest, Newham, Kent and Sandwell all took part in a judicial review of the Coalition’s decision to cut the ‘building schools for the future’ programme (Hoult, 2011). On practices, Leeds publicly led a move to redesignate bedrooms in its social housing to avoid bedroom tax (Municipal Journal, 2013) and other councils have followed, although reprimands from central government mean they have been less keen to publicise their work. On narratives, Nottingham has created an
‘Unfair on Nottingham?’ campaign to explain the cuts to local people, whilst Newcastle, Liverpool and Sheffield have been vocal in publicly warning of social unrest if austerity policies persist (Forbes, Dore, & Anderson, 2012).

Subversion is obviously much harder to pinpoint, as it intentionally resides under the surface, but some signs are apparent. For instance in Oxford the Labour council has made cuts to the pay of senior staff but introduced the living wage for the lowest paid – a creative reinterpretation of rules to protect the poorest (Howick, 2013). On practices, Hastings et al. have identified ‘efforts to shield disadvantaged groups from the worst effects of austerity’ in Newcastle, Milton Keynes and Coventry, albeit at the cost of increasing residualisation of services (Hastings et al., 2013 p.52). My own fieldwork has also observed a council ‘creatively labouring’ on pro-active publicity regarding welfare reform and investing in non-statutory services which protect the poorest, such as advice and welfare rights. Here accompanying narratives justify the stance by arguing ‘we are protecting the vulnerable’, without being too explicit – or exclusive – about who the vulnerable might be.

Symbionts are less overtly political in their stance. This is the grouping which could most readily be associated with officers and managers and possibly statutory and non-statutory partners, perhaps even the local government press. Their resistance focusses on squeezing as much from the existing system as possible, through ‘efficiencies’, commercialisation, and exploiting fresh models and opportunities. In my own research there have been many examples of actors practicing this type of agency -sometimes to an extent which appears incongruous with the council’s traditional political values. For instance contract-led ‘commissioning’ approaches and a ‘market-making’ team have been introduced in a traditional Labour authority which previously resisted outsourcing, in a trade-off which recognises the contribution of such practices to the wider goal of maintaining financial stability and facilitating local political priorities. Wider evidence can be found in the increasing number of shared service agreements and merged back office functions, rising proportions of council income from charges and fees, and creative exploitation of fresh opportunities such as those around economic development. The narrative for symbionts is the heroic defence - ‘look how well we are coping’.

Finally opportunists are the agents starting generative conversations linking the context of austerity to a wider campaign for reform – for instance around the devolution of powers, or local government reorganisation. The Core Cities have been active in this regard, proposing radical new models of funding which would see cities released from central grant dependency (Core Cities, 2013). Their narrative would be about pragmatism, evolving to fit a new economic and social climate.
Whilst all these agents are discernible on the ground, only the first group is openly ‘resisting’ austerity measures, and then within a framework of restraint. Yet each can contribute distinctively to the wider aim of maintaining institutional stability and sustaining local policy objectives, despite rapidly reducing budgets. Actors may well come from differing political viewpoints, and different levels of the organisation. Their work might be riven with contradictions, or form part of the ‘technologies of neoliberal rule’ (Janet Newman, 2012 p.30). Nonetheless, each might contribute to an overall goal of furthering local priorities.

However what this framework does not highlight is the role of a political lead in determining whether such agency creates organisational – as well as individual – instances of resistance. In an authority politically committed to resisting the effects of austerity, insurrectionary and subversive agency can be encouraged, the benefits offered by symbionts would be harnessed within parameters set by the political lead, and the creativity of opportunists can be allied to the cause. However, if the authority is not politically committed to resist austerity, insurrectionaries potentially become an embarrassment, subversives would be isolated, and symbionts and opportunists might work to support any agenda or none.

Individual agency to resist austerity is possible from any of these perspectives, but collective agency requires political leadership.

There are many other limitations in this analysis. Detailed qualitative data on individual organisations is needed to understand how actors might actually be undertaking their institutional work, and to understand the extent to which they are constrained by and/or shaping local institutions. The hidden transcript remains, for the most part, hidden. Continuing fieldwork should partially redress this shortcoming in relation to my own case study, but where data does not exist we are reduced to looking for outward clues on institutional responses, which provide, at best, an incomplete impression.

Some might also feel that the use of Mahoney and Thelen’s categories of agency in the context of maintaining stability takes these concepts too far from their original situation in a study of change. My response in this regard is that maintaining stability can be as active a role as change, and as Lowndes and McCaughie note, “Keeping our heads above water requires, after all, that we pump our arms and legs vigorously, that we breathe deeply, and that we look for things to hold on to...” (Lowndes & McCaughie, 2013 p.544).

Additionally some of the responses to rules, practices and narratives identified in the framework could fit into a range of categories; for instance commercialisation might also be viewed as an opportunist response. Such issues will benefit from further testing and refinement on an empirical basis.
Conclusions

To conclude, this paper has argued that local authorities are subject to pressure for change as a result of austerity policies, and bound around with restrictions on their power to resist. However, ‘spaces of power’ do exist. Those spaces may be used for overt resistance to austerity, but more commonly, for resistance that occurs ‘under the radar’.

It will always be difficult to uncover the ‘hidden transcript’, but within local government any transcript is unlikely to show a single unified discourse of resistance, rather a broad sweep of motivations. Unifying factors – if they exist – might be found around a strong desire for local autonomy, and a deeply held commitment to serving local communities. This is something for my fieldwork to explore in coming months.

Just as Mahoney and Thelen noted the potential for different coalitions of agency within their framework, it is also possible for a variety of agential stances to contribute to a shared project of mitigating the cuts. Councils and their partners may well be working – both above and below the surface – to defend their communities. However it is not necessary to be visibly politically insurrectionary to contribute to maintaining services: the Subversive works to prop up supports, the Symbiont contributes through the search for efficiencies; the Opportunist through innovation and systems change. Different agential stances may therefore be combining at different levels towards common aim of maintaining services in the current period of acute retrenchment, but political leadership remains important in making the leap from individual to organisational resistance.
Bibliography


