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Research Note 58

## Identifying Organisations to Cut

None of the main political parties have identified organisations they plan to cut the funding for entirely. But, as Sir Richard Packer – former Permanent Secretary at the Ministry of Agriculture, Fisheries and Food (MAFF) – made clear in *How to Cut Public Spending and Win an Election*, doing so is important. Getting rid of entire budget lines not only cuts overhead and programme costs, but it minimises aggregate political opposition.

*"Expenditure programmes have a limited number of beneficiaries, each of whom typically has a much greater interest in its continuation than individual taxpayers have in seeing it cut. [Any] proposal to cut a programme will incur resistance from those adversely affected and that this might well be reflected in the position of the relevant government department.*

*[...] but this opposition will be induced more or less whatever the level of the reduction proposed. [As such], it may be easiest to abolish programmes completely. This will certainly generate opposition" but aggregate opposition would be significantly less than that provoked by an 'across the board' cut to all programmes."*

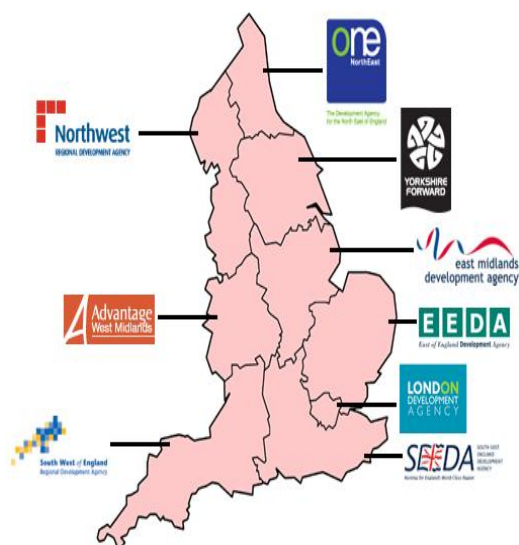
In order to maximise the chances of a successful fiscal adjustment, the next Government should therefore identify specific organisations and programmes to have their taxpayer funding completely withdrawn. Below is a list of some candidates included in *How to Cut Public Spending and Win an Election*.

### Local Development Corporations

***Saving: £103.6 million***

Regeneration and investment, both to public areas and housing, is the responsibility of local government, and there is no need for an additional bureaucratic layer of development corporations to regenerate areas. Abolishing these bodies would save around £103.6 million a year, and strip out some of the unnecessary bureaucracy in regeneration.





## Regional Development Agencies

***Saving: £1.8 billion (from 2010-11)***

Judged on their performance, RDAs have been an expensive failure. Since their introduction in 1999, employment and job creation have been powered more by public sector growth than private enterprise. Business creation has stalled. Taxpayers can help businesses in simpler and cheaper ways than RDAs, such as tax breaks or tax cuts. *BusinessLink* and other useful services could be transferred to third sector organisations, local authorities or the Government Offices for the regions.



## Standards for England

***Saving: £8.25 million***

While high ethical standards for those in public office are vital, transparency and democratic oversight will ensure accountability without the need for an expensive and often ineffective body enforcing a code of conduct.



## Office for Fair Access and AimHigher

***Saving: £6.5 million***

OFFA and AimHigher exist to promote and improve access to higher education for under-represented groups. Yet it is under performance in schools that drives low participation rates. As OFFA and AimHigher do not address the root problem, their efforts are largely redundant.



## National College for School Leadership

***Saving: £83 million***

While improving the quality of head teachers is important, this 'top-down' approach has failed to deliver results. Increased competition between schools for the best talent will establish a better system for improving quality.



### **British Educational Communications and Technology Agency**

***Saving: £11 million***

In overseeing a centralised IT procurement and technology strategy for schools in England and Wales, BECTA has precluded many head teachers from organising IT facilities and programmes in the ways they consider best for their school. It hinders an open and competitive market, and if schools were to be allocated money directly, the sensible option would be to let them purchase the equipment that they required according to their needs.



### **School Food Trust**

***Saving: £6 million***

Real progress in improving children's diets has come when schools have challenged the restrictions placed on them from above. Although laudable in its intentions, this Government created charity does not address the root of the problem, and duplicates work already done by other quangos.



### **Football Licensing Authority**

***Saving: £1.2 million***

The FLA has now served its purpose. The need for the highest standards of stadium construction remains, along with a need for inspection and accreditation, but structures are now in place to ensure these continue. Stadium regulation is the responsibility of local authorities. Legislation now mandates access and facilities for disabled supporters. Now that it has achieved what it was set up to do, the FLA should be dissolved



## Commission for Architecture and the Built Environment

***Saving: £11.4 million***

Although good design is important, in such straitened times a quango to ensure it is hardly a priority. Urban planners and architects employed by local authorities must ensure best practice, in terms of design, safety and affordability, but ultimately it is the local constituents of an area who should decide what is good and bad design, in the context of their needs.



## British Waterways

***Saving: £74.3 million***

British Waterways manages an enormously valuable asset (the canal network, river network, and much waterside land). Income from the rental or sale of land should be sufficient to subsidise waterway maintenance. While there may be a short term fall in turnover, taking greater advantage of commercial opportunities, while appealing for charitable support for specific 'not-for-profit' projects, should be sufficient for a viable network to be maintained.



## Sustainable Development Commission

***Saving: £4.1 million***

The SDC is a Government sponsored campaign for an increase in green and environmentally aware policy. It is not an expert advisor but a political campaign, and such campaigns should not be paid for with taxpayers' money.



## Office of the Children's Commissioner

***Saving: £9 million***



The Children's Commissioner for England exists to give children across the country a voice, although it is a body that does not formulate or implement policy. It has no formal authority, and there are a vast number of schemes devised and paid for by local authorities that are created to empower young people. Although the saving gained from abolishing 11 Million is relatively small, it is important to consider all of the bodies that do not deliver policy on the frontline.

## National Policing Improvement Agency

***Saving: £513 million (from 2010-11)***



Set up to ensure that police forces adhere to a defined set of standards, NPIA was supposed to remove layers of police bureaucracy. But it has itself become a layer of unnecessary bureaucracy, heavily criticised for high salaries, frivolous expenses and excessive consultant bills. Moreover, following a series of successful experiments – particularly between forces in Kent, Essex and the East Midlands – all parties are convinced that 'closer collaboration' will be at the centre of policing policy in the future. There is no longer a need for a body that will become increasingly redundant as local forces decide on best practice with their regional partners.



Government  
**Equalities** Office

Putting equality at the heart of government



## **Government Equalities Office and the EHRC**

***Saving: £70 million (from 2010-11)***

The GEO (along with its agent, the EHRC) represent the institutionalisation of political correctness. Its targets are arbitrary and unreasonable, driven by a peculiarly activist 'equality' agenda that itself threatens to undermine the important gains made by women and minority groups over recent decades. The insistence that central Government (or worse still, the GEO and EHRC) know what is best for every employer in the country is misguided and obstructive to businesses trying to survive the financial crisis.