

Press Release

25 March 2010

CIPFA and SOLACE call for medium term spending plans following Budget

Local authorities and other public service organisations urgently need medium term plans from government to enable them to finalise plans for the challenges facing service delivery over the next three years.

The call comes from the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Society of Local Authority Chief Executives and Senior Managers (SOLACE) in their joint response to the Budget.

CIPFA and SOLACE stress that public bodies can and should begin to develop plans for managing the funding challenges ahead, but an urgent priority for Government, post the General Election, must be the development and publication of new medium term spending plans for all services.

CIPFA has recently published a major report – *Sharing the Gain* – which outlines ways in which public service organisations can make maximum efficiency savings which can be used to protect front-line services. However, initiatives such as this will have much greater traction if organisations have knowledge of their funding levels over an extended period.

The CIPFA/SOLACE response also updates the analysis of the public sector spending climate as set out in the report, *After the Downturn*, which was published in December 2009. The report outlined two scenarios, which envisaged headline funding reductions of 7.5% and 15% over three years.

Steve Freer, CIPFA Chief Executive said:

'Local authorities and other service providers need multi-year spending plans from Government to enable them to really firm up their own local plans for managing the difficult period ahead.'

Mike Bennett, Assistant Director-General of SOLACE said:

'The Budget holds few surprises for local authorities. To make the efficiency savings required by the Chancellor, shifting greater power and responsibility to councils and reducing costly central control is essential'.

ENDS

Contact: Guy Roberts/ Lindsay Machin / Chloe Forbes

CIPFA Press Office

t 020 7543 5712/5645/5787

e guy.roberts@cipfa.org.uk / lindsay.machin@cipfa.org.uk / chloe.forbes@cipfa.org.uk

Notes to Editors:

1. About CIPFA

CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance. Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed. As the world's only professional accountancy body to specialise in public services, CIPFA's portfolio of qualifications are the foundation for a career in public finance. They include the benchmark professional qualification for public sector accountants as well as a postgraduate diploma for people already working in leadership positions. They are taught by our in-house CIPFA Education and Training Centre as well as other places of learning around the world. We also champion high performance in public services, translating our experience and insight into clear advice and practical services. They include information and guidance, courses and conferences, property and asset management solutions, consultancy and interim people for a range of public sector clients. Globally, CIPFA shows the way in public finance by standing up for sound public financial management and good governance. We work with donors, partner governments, accountancy bodies and the public sector around the world to advance public finance and support better public services.

2. About SOLACE

The Society of Local Authority Chief Executives and Senior Managers (SOLACE) is the UK professional body for top managers.

SOLACE represents 1,700 of the most senior executives in UK local government and the wider public service, including 95% of council chiefs. SOLACE gives them influence, gives them an unrivalled network and is a source of support when they need it most.

3. For further details on CIPFA and SOLACE's response to the budget and their joint report, *After the Downturn*, published in December 2009, [please click here](#).

4. *Sharing the Gain – collaborating for cost-effectiveness* by Dr Paul Jackson is available from the CIPFA Press Office.