

# Local Authorities fighting the Recession

Weathering the Storm and Preparing for Recovery



Third edition - Jan 2010



WEST  
MIDLANDS  
LEADERS BOARD

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# Introduction

As we enter 2010 it's clear that the 'Credit Crunch' and ensuing economic downturn have had a profound effect on the businesses, individuals and communities within the West Midlands.

The impacts of the recession have been felt throughout the Region, from our major urban cities to our smallest rural villages; in fact, never before have the reverberations of such global economic manoeuvrings been felt by so many - right down to the most local of communities.

Over a turbulent fifteen months, it's become apparent that the West Midlands has been particularly badly hit. General consensus of opinion seems to suggest that primarily this is due to the region's relatively high presence of automotive, construction and manufacturing businesses – all of which appear have suffered most from the fallout of the economic downturn.

However, recent statistics do appear to indicate that the region's economy has started to show signs of stabilising. With the national economy showing growth and house prices slowly beginning to rise and redundancy rates falling there are encouraging signs that the West Midlands economy is beginning to recover.

In 2009 the West Midlands Leaders Board<sup>1</sup> published two editions of a report entitled 'Weathering the Storm - Preparing for Recovery' which highlighted the findings of two local authority 'recession' surveys. The documents identified the key impacts of the recession being felt by local communities and also illustrated how the region's councils were striving to support their localities against the backdrop of reduced revenue streams and significant pressures on their own budgets.

To supplement the findings of these reports another qualitative survey was undertaken towards the end of 2009. The objectives of this piece of work were to:

- Identify which local authority recession related initiatives appeared to have worked or were working particularly effectively;
- Highlight any principles or lessons learnt that might make areas more resilient to economic shocks.

This third edition of the 'Weathering the Storm' series pulls together the findings of that latest survey.

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<sup>1</sup> On 13 July 2009, the West Midlands Local Government Association changed its name to West Midlands Leaders Board (WMLB).

## **Responses**

Following the call for information, 42% of local authorities responded directly to the survey.

The breakdown of responses was as follows:

- 4 out of 7 Metropolitan Authorities
- 2 out of 4 Unitaries
- 2 out of 3 Counties
- 6 out of 19 Districts / Boroughs

Local authorities were asked to canvass views across departments to help pick-up the full range of impacts and mitigating initiatives. It must be noted that the detail across responses varied considerably.

Contextual information gleaned from websites, cabinet reports, press releases and from regional partners has also been used to supplement the survey's findings and to provide a fuller picture of activity across the Region.

## Local Authority Best Practice Initiatives and Case Studies

Over the last year local authorities have had to cope with the myriad of problems caused by a rapidly deteriorating economy.

As the last 10 to 15 years have been primarily associated with growth, regeneration and low unemployment the task of dealing with the fallout of a sudden recession has been particularly challenging for local councils.

Any attempt to try and implement new schemes or initiatives against the backdrop of falling revenue streams and increased pressures on councils' budgets has been fraught with challenges – not least the necessity for services to respond to sudden dramatic surges in demand.

In their ongoing attempts to best provide for the social and economic well being of their communities, local authorities have encountered an array of barriers – not all of which have been able to be overcome.

However, despite the challenges, local authorities were quick off the mark and have shown creativity and flexibility in order to rapidly come to terms with the worsening economic conditions and put into action a whole raft of activities to support their local communities.

During this time, some initiatives have exceeded expectations while others have inevitably struggled to achieve everything they were designed to. But, in light of this, the region's local authorities have emerged from the downturn with a greater insight into which of their activities have worked well, what has been less successful and what principles might be called upon when responding to any future economic shocks.

## Supporting People

In the first two editions of *Weathering the Storm*, 100% of local authorities in the Region stated that providing support for the people in their communities would be one of their top priorities in tackling the impacts of the downturn.

However, they also acknowledged that providing support for local residents from a reduced council budget would also be their biggest challenge. Limited resources, cuts in revenue streams and a constant demand for more efficiencies left many councils facing the daunting task of having to deal with an unprecedented increase in enquiries and requests for support.

In line with the findings of our first two editions of *'Weathering the Storm'* many local authorities are still only just beginning to record noticeable increases in mental health problems, family stress, crime statistics and demands for children's and older people's services.

These findings align with the wave model set out by the Audit Commission's Report *'When it Comes to the Crunch - How Councils are responding to the recession'* - (August 2009) which suggested that the social impacts on local communities, following on from an economic collapse, take time to fully emerge. The first wave of a recession impacts on the economy in the first instance but because the economy is intrinsically linked to people through employment, housing and consumerism a decline in the economy will eventually lead to a second wave of negative impacts on individuals and communities.

The signs of economic and business suffering are generally far easier to recognise than those of social distress. For example, 'closed' signs on the gates of industrial units, empty shops on the high street and half built developments sites lying dormant are every day reminders of a struggling economy.

However, the visual triggers of a community suffering are far less obvious – and unfortunately it's these social issues that could continue to affect local areas for many years to come. The economy will eventually recover, house prices will inevitably rise but trying to rectify those long term social impacts will take the longest time and require the most resources.

While the initial focus of action is understandably focused on remedying the economic failings, it's often the social effects on communities which are far more difficult to resolve and require the most resources in the long term.

The region's local authorities, because of their close relationships with their communities and valuable experience of previous recessions, understood early on that there is often a time lag before the full force of an economic downturn begins to impact directly on the physical and social well-being of their local communities.

This knowledge allowed them to begin developing a range of initiatives and schemes designed to support local people both in the short term and into the future; in preparation for the second wave of social impacts that are likely to hit later on.

## **Emerging Good Practice...**

### **Telford and Wrekin's First Point – Advice Centre**

The 'First Point Advice Centre' was established to provide residents and businesses with a single point of contact for multiple Council and partner services.

To address the issues that had arisen as a result of the recession, the Council engaged with partners to design a service that would allow customers to access key services in a holistic way. The organisations that were initially part of this enterprise were; Telford & Wrekin Council (Housing & Council Tax Benefits, Council Tax, Business Rates, Blue Badge, Free School Meals, Next Step Community Training, Family Information Service, Housing Advice, Homelessness, Affordable Warmth), Citizen's Advice Bureau and Shropshire County Training.

To facilitate this service, the Council increased its grant to the Citizen's Advice Bureau to ensure that they could provide two members of staff for the Advice Centre. In addition, all of the overheads of the service were met by the Council to help ensure that the partners were able to be part of the service in a prime, town centre location.

Since the service opened in February 2009 thousands of residents have used the advice centre.

The First Point Centre has also helped contribute to a large number of the Council's priorities, including:

- Giving children and young people the best possible start in their lives.
- Creating a safe, strong and cohesive community.
- Promoting healthy communities and improving the quality of life of vulnerable and older people.
- Strengthening the local economy and skills of local people.
- Being an efficient, effective and customer-focused Council that delivers value-for-money to the local community.

Based on the success of First Point Telford, the Council has agreed plans and budgets to create a permanent facility for the service, which will give the scope and capacity to increase the number of services that are delivered through it.

The new permanent facility will be based in the main Council offices with increased space to allow the inclusion of additional council and partner

services. The local Primary Care Trust has expressed a strong desire to be part of the centre and other partners who might compliment the purpose of the service are currently being approached to join First Point Telford.

With an increased number of services available, coupled with improved facilities and a permanent location, First Point Telford is looking to build upon its initial successes to ensure a long term, highly visible and easily accessible source of information for its local residents and businesses.

## Case Study

### **Newcastle Under Lyme's Partnership with Jobcentre Plus**

Newcastle Jobcentre Plus has launched a new outreach weekly advice surgery for people claiming health related benefits.

The Jobcentre Plus outreach service, which has been set up in partnership with Newcastle under Lyme Borough Council, will take place every Friday between 12am – 3pm and will specialise in offering advice to people who are claiming health related benefits, such as Incapacity Benefit and Employment Support Allowance. People will be offered advice on the help and support that is available including benefits, services and help getting back into work through initiatives such as Pathways to Work.

Deborah Martin Specialist Adviser for Newcastle Jobcentre Plus said:

“If people have not contacted Jobcentre Plus recently then they may not be getting the full support they are entitled to. Meeting me and my colleagues is entirely voluntary and won't affect benefits but could really have a positive impact on someone's life”.

# Case Study

## **Birmingham's Financial Inclusion Partnership**

The Financial Inclusion Partnership has involved the Council, working with debt advice agencies, Housing Associations, Credit Unions and other key stakeholders to mitigate the effects of financial exclusion local residents.

The Partnership has held a number of events and surgeries across the city to provide free advice and information to help local residents affected by the economic downturn to better manage their finances during a recession. The partnership offers advice on managing debts, benefit entitlement, budgeting and saving money on fuel bills.

The Partnership also established a Financial Inclusion Taskforce on one of the city's most deprived constituencies to help tackle the high levels of child poverty.

The Financial Inclusion Partnership has demonstrated a successful model of partnership working, bringing together the expertise and resources of numerous key agencies to provide those residents most in need with all the advice and support they require through one interface.

## Local Authorities Co-ordinating the Response

Local authority leadership is a critical part of councils' wider place shaping role. With legitimacy derived through its democratic accountability; and local knowledge and expertise providing a unique insight into local challenges and opportunities, local authorities are often best placed to provide the leadership necessary to offer a focused and forceful response to a recession.

In previous editions of this report we have already highlighted numerous examples of swift and decisive action taken by the region's local councils to ensure a co-ordinated response to the downturn.

The majority of metropolitan, county and unitary authorities reacted by convening special 'recession task forces' which brought together a whole host of partners, agencies, lead members and strategic level council officers to create a formalised co-ordinating body for recession support.

With a leadership group making the key decisions and guiding the recovery process operational groups of partners could put into action the decisions made by the leadership group and ensure a co-ordinated response, including joined up service delivery and a collaborative approach to tackling service pressures.

The key output from these groups was in most cases a locally developed and locally owned Action Plan, which set out a shared set of priorities to help focus how the local authority and its partners should tackle the economic downturn. They have also helped co-ordinate local recession events, manage communication campaigns and ensure close links with local businesses.

While the larger local authorities were generally able to draw upon larger resources and staff capacity to bring together and facilitate the local task forces the majority of the smaller, district authorities tended to work through more traditional routes such as their Cabinet and Local Strategic Partnerships (LSP) to help initiate a wide range of bespoke activities designed to help provide for the social, economic and environmental well being of their communities.

Both approaches have delivered results on the ground but the specific recession task force approach does appear to have been particularly successful. The formalised local task forces have been able to act as a genuine focal point, generate high levels of publicity in the media and help to ensure that the recovery response is led at a strategic level with the high level support of all partners.

Local Authorities have also proved themselves to be flexible and able to react quickly to sudden changes in demand for their services. For example, numerous authorities were able to divert staff and resources from departments which had seen a drop in activity since the downturn began - in

order to support specific recession related initiatives and front line services such as welfare and housing benefit claims.

## **Emerging Good Practice...**

### **Solihull's 'Task Force and Weathering the Storm Programme'**

In response to the economic downturn Solihull Council acted quickly and decisively by facilitating an 'Economic Summit' of strategic partners in September 2008. Following on from this a Taskforce of local and regional partners was established to develop and deliver an action plan to respond to the recession.

One of the key achievements of the Taskforce was the development and implementation of a communication plan which has supported the creation of the 'Weathering the Storm' publicity campaign which brought together the Council's recession support services under one banner. To support the work of the Task Force there has also been six theme groups: Employment, Business, Housing, Health and Social Care and Financial & Family – all of which have provided a raft of advice and guidance aimed at responding to the multiple needs or concerns experienced by individuals, communities and businesses in Solihull.

Through the work of the Summit and Taskforce the Council has engineered a responsive, partnership approach which has brought together a range of partners including the Police, Care Trust, CAB, Housing Association, Education, Business Link and the Third Sector. These links have helped to foster positive working relationships and has enabled a range of organisations to respond to a previously unforeseen rise in demand for their services by taking a shared or integrated approach.

Solihull's Economic Summit, Taskforce and 'Weathering the Storm' branding has given partners and front line staff the means to joining together; to share facilities and other resources in order to manage the increased demand on services. The information generated through the 'Weathering the Storm' has also assisted front line staff to signpost clients to other support organisations and has enabled individuals, families and businesses to seek advice and guidance for themselves 24 hours a day, 7 days a week.

# Case Study

## **Staffordshire County Cabinet Pushes Button on New Recession Action Package**

Staffordshire County Council's senior chamber of power, the cabinet, is spearheading a double-pronged approach to supporting local business and ordinary people through the recession.

The two corner stones of the new package of measures will be a scheme to lend money to cash starved local businesses, and extra support for the Citizens Advice Bureau to help people in financial trouble.

The cabinet agreed to an extra £150,000 to help the Staffordshire's Citizens Advice Bureau cope with the rising tide of money worries. The funding will reduce waiting times from an average of six or eight weeks, to just two.

At the same time the Council is working up the details and negotiating to deliver an innovative small business finance scheme, one of the first in the UK.

Ben Adams, Portfolio Holder for Communities and Culture, said:

"People are at their most vulnerable when hit by redundancy or reduced working hours and they need immediate support. The right advice at the right time can make the difference between someone losing or keeping their home."

Sue Nicholls, Vice Chair of Staffordshire County CAB group, welcomed the news:

"We are really pleased that Staffordshire County Council has agreed the additional funding to support local bureaux. The County, like many areas has been affected by the recession and the bureaux have been working at full capacity to try and meet the extra demand. The additional funding will be used to make more appointments available, reduce waiting times and improve access to the service for those who are in greatest need."

## Support for Housing

Back in March 2009, the national LGA indicated that a chronic lack of social housing had left an estimated 4 million people on house waiting lists<sup>2</sup>.

In light of the recession the region's local authorities have also recorded through our survey their concerns about the current provision of social housing, the increasing rates of repossessions and the associated pressures placed on councils' benefits services.

From the initiatives undertaken so far it appears that most schemes designed to tackle these housing issues appear to have come directly from central government. An example being the Mortgage Rescue scheme that has included a £285m package of measures designed to prevent some of the most vulnerable families losing their homes and having to experience the trauma of repossession.

Further support for the beleaguered House Building industry has also emerged via the Government's KickStart programme, which has been designed to resurrect stalled housing developments and speed up the rate of construction.

While these schemes have received plenty of positive media headlines, there are concerns that these initiatives are not yet delivering the types of outcomes or the projected successes that may have been expected.

For example, during the period April – June 2009 only 4 households in the Region had their Mortgage Rescue applications accepted, compared to just 14 nationally.

In terms of the Kick-start scheme some local authorities have suggested that the funding to re-invigorate mothballed housing developments appears to be focused on housing at the higher end of the market rather than on affordable housing.

However, it must be acknowledged that these comments must be balanced against the fact that in previous recessions very little, if any help was provided from central government whilst the housing market ground to a halt. It should also be recognised that the Citizens Advice Bureaux (CAB) in their response to the West Midlands Parliamentary Committee regarding 'The effect of the recession on the people of the West Midlands', noted that the Mortgage Rescue Scheme had in some cases bought individuals 'extra breathing space' from mortgage lenders who have postponed evictions to give further time for the rescue scheme to be explored.

Despite the concerns about some of the nationally driven housing programmes, local authorities have been leading the way in terms of utilising

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<sup>2</sup> LGA Councils and the Housing Crisis (March 2009)

innovative schemes to bring together local partners to offer a comprehensive package of information and guidance to anyone in the community requiring independent and impartial advice on housing issues.

## **Emerging Good Practice...**

### **Nuneaton and Bedworth's Housekeeper Partnership**

The Housekeeper Partnership was formed to ensure that the area's residents were able to access consistent and accessible information during times of financial hardship.

The Partnership consists of a wide range of local agencies including Nuneaton and Bedworth Borough Council, Citizens Advice Bureau, local solicitors, the County Court, housing providers and letting agents. The main aim of the Partnership has been to foster closer working relationships in order to ensure consistent advice and assistance can be offered to residents of the Borough facing financial difficulties.

The Housekeeper Partnership has helped to:

- Assist local residents to maintain their homes and deliver consistent information borough and agency wide.
- Raise awareness of the advice and assistance available.
- Deliver the message that early intervention is a must.
- Make appropriate promotional material widely available in the public arena.
- Enter ongoing dialogue with funding agencies including the Homes and Community Agency for best practice and to ensure local people and businesses are best placed to benefit from new and existing initiatives.
- Breakdown the taboo surrounding debt, and empower residents to seek assistance to resolve their financial difficulties.

## Case Study

### **South Staffordshire Council to get Local Families into Local Homes**

South Staffordshire Council has announced that it is extending its rent deposit guarantee scheme so that local families can get the chance to get off the housing register and into rented homes.

The Council's Rent Deposit Guarantee Scheme is designed to help those who are struggling to get on the housing ladder by offering a

guarantee to local landlords to cover the usual cash deposit that private Landlords would expect when taking on new tenants.

This new scheme will help give those people who would usually depend on social housing, quicker access to the private rented sector.

When the scheme was launched in April 2009, it looked to help single people and childless couples who were traditionally on the housing register for lengthy periods.

However, since the Council launched the scheme it has received numerous enquiries from local families who are keen to move into the private rented sector in order to start a new home.

## Case Study

### **Birmingham Banishing the Blight of Empty Properties**

The number of empty properties in the private sector has hit an all time low in Birmingham, following action by the Council.

Birmingham City Council is working proactively to banish empty properties in neighbourhoods across the city, by bringing them back into use for much needed family accommodation.

Empty homes not only restrict housing supply, poorly maintained empty properties attract vermin, cause damp and other problems for neighbouring properties. The Council works in consultation with various partners, including local residents, the Police and Fire Services to investigate and identify empty properties and bring them back into use.

It also gives homeowners advice and information to encourage them to bring the properties back into use. Where required, the Council uses a range of legal powers to bring properties back into use including Compulsory Purchase Orders, but this is only as a last resort.

Councillor John Lines, Cabinet Member for Housing, said: "This is an incredible achievement for Birmingham, at a time when empty homes are rising in other parts of the country. It's crucial in today's economic climate to bring much needed homes back into use for occupation by families who really need them and this is a priority for us.

"I'm delighted by the work of our Private Sector Empty Property Team, which works closely with owners in Birmingham to understand why the houses are lying empty and how to bring them back into use."

## Help for the High Street

While most of the media reports focused on the job losses, business closes and supply chain problems linked to the West Midlands dependence on manufacturing – the recession has also had a huge impact on the region's shopping centres and high streets.

In July 2009 a report from the Local Data Company which looked at the effect of the downturn on British high streets indicated that than one in ten of Birmingham's shops were standing empty as the recession had continued to claim more High Street casualties.

The report also claimed that Wolverhampton had been the region's worst affected shopping location with a vacancy rate of 20.9 per cent (although this figure can in part be attributed to the plans for the new Summer Row shopping development). Sutton Coldfield was second worst hit, at 20.2% and Coventry third with a 14.9% vacancy.

Other statistics included Redditch at 12.1%, Dudley at 11.2%, Walsall at 10.9%, Tamworth at 8.9% and West Bromwich also 8.9%.

The Government were quick to acknowledge the problems associated with boarded up units on the aesthetics of local shopping routes and the damage they can also cause to business and consumer confidence.

In light of this, in August 2009 the Government made £3m available to help areas hit hardest by the recession find creative ways to reduce the negative impact empty shops are having on the high street

A number of locations in the West Midlands; including Wolverhampton, Birmingham, Dudley, Coventry, Sandwell and Stoke on Trent were successful in the bidding process and received grants of more than £50,000 to use as they saw fit on ideas to boost town centres and transform empty shops into something useful such as a meeting place or a learning centre.

The grants were part of a wider package of 'Real Help Now' that the Government put in place for town centres, including a new practical guide launched in April 2009 to help high streets combat the recession.

District authorities have also been undertaking a whole variety of initiatives, through their original funding streams to help improve their local high streets, such as utilising shopping voucher schemes, embarking on 'buy local' advertising campaigns and even using vacant units to showcase local artists' work.

## **Emerging Good Practice...**

### **Boost for Local Shopping in East Staffordshire**

East Staffordshire Borough Council have supported the development of a 'Shop Uttoxeter' campaign to encourage local people to 'think local' and buy their goods and services from local traders.

The Council's Economic Regeneration team has linked up with the Chamber of Commerce and local traders to identify new initiatives to help boost footfall and feed back issues to the Council.

The Council helped fund a 'voucher' scheme in the local newspaper to provide discounts and offers to encourage local residents to visit and shop in the town centre and is currently developing an 'Enjoy Uttoxeter' loyalty card, which would provide a wider range of offers to local residents and visitors.

The Learning and Skills Council have also funded a mystery shopper initiative in which the Uttoxeter traders put in an impressive performance, scoring an average of 90% and finishing second when ranked against 70 other areas that participated in the same exercise.

Staffordshire County Council are now also onboard and have provided funding for a 'Shop Uttoxeter Campaign', involving local residents and traders in a Youtube video, to help promote shopping in Uttoxeter to a wider audience.

The campaign has encouraged more collaborative working between the Council, the Chamber of Commerce and local traders. It's also proved useful in diagnosing the key issues affecting local people and has been an innovative and effective use of sharing resources and expertise.

# Case Study

## **Event Held to Help Shropshire Retailers**

A free event was held in Shrewsbury on Monday 28th September to show local retailers how they can work together to attract more customers and increase sales.

Delivered by a leading retail expert, the Shrewsbury event was tailored to the area so that the town's shop owners, hoteliers and restaurateurs could outline what issues are facing their businesses and discuss the solutions available to help address these problems and increase profits.

The event provided an opportunity for local retailers to share experiences, get a better understanding of the problems they all face and learn from each other.

A team of highly experienced advisers will also be on hand to discuss individual business issues.

Councillor David Roberts, Shropshire Council's Cabinet member for local environment and economy, said: "Shropshire Council is committed to helping local businesses during the economic downturn. We're therefore very pleased to support this event which we hope will show local retailers the benefits of working together and ways they can increase their sales as a result."

## Information and Guidance

Ongoing and effective communication between the Council and local businesses and residents is absolutely fundamental to the success of any local authority initiative.

In the age of the internet, mobile phones and 24hr news it could be argued that it's never been easier or quicker to access information and support during times of need.

However, anecdotal evidence from across the Region has indicated that the plethora of multi-agency websites and phone numbers all promising to provide business, debt or community support can result in confusion - particularly for businesses and the elderly.

Distinct roles and responsibilities of organisations can seem vague, they can appear to duplicate activities and support schemes can come across as complex and difficult to understand.

While endeavoring to provide a comprehensive offer, the result can actually be sheer bewilderment for the end user.

Despite the confusion, local authorities across the Region appear to have taken a logical, simple and seemingly highly effective approach to communications with their residents and local businesses.

Local councils have utilised the whole spectrum of traditional communication techniques to get their message across, such as: newsletters, posters, leaflets, workshops, seminars and press releases. They have also embraced modern media outlets such as the e-updates, Twitter and Podcasts as a means of relaying important information to stakeholders, businesses and the general public.

Practice varies but typically a council will communicate with their local communities by the use of a credit crunch supplement wrapped around local newspapers as well as ensuring regular supplements in the civic newspapers.

They will also be actively promoting the potential benefits of Small Business Rate Relief via their own website and maybe sending mail-shots to all the local businesses considered eligible.

Websites are designed to be easy to navigate and contain concise information and guidance for businesses and individuals plus links to useful third sector agencies such as the CAB, Relate and the Samaritans.

Local authorities, their branding and services are well known within all communities, they are often the first port of call for local residents requiring help and they have the experience of dealing with the wide variety of their bespoke needs and requirements.

Therefore, it would seem appropriate that the local authority should provide the key gateway for signposting information and guidance during a recession.

## Case Study

### **Sandwell Council's Credit Crunch Warning: Beware of Loan Sharks**

Sandwell Council's trading standards are warning hard-pressed people affected by the credit crunch not to use loan sharks who can charge more than 1,000 per cent interest.

Trading standards manager Bob Robinson said: "Loan sharks charge extortionate interest rates - the highest the illegal money lending team has seen is 117,000 per cent.

"Sharks rarely offer paperwork or any sort of repayment plan so people do not know how much they are paying back."

Sandwell is covered by the Central England Trading Standards Authorities illegal money lending team and there are now teams that cover all of England, Scotland and Wales.

Nationally, the Stop Loan Sharks project has written off more than £30 million of illegal debt, helped more than 10,000 victims and secured more than 50 years in prison sentences.

Councillor Mahboob Hussain, Sandwell Council's cabinet member for neighbourhoods and housing, said: "To run a money lending business, you must have a consumer credit license, which is issued by the Office of Fair Trading.

"Because money owed to an illegal lender is not a legally enforceable debt, loan sharks often resort to violence and intimidation to get their money bank.

"Removing a loan shark from a community can help reduce crime in that area. People should never go to a loan shark."

# Case Study

## **Cannock Chase Council teams up with South Staffordshire Council, Stafford Borough Council and the Southern Staffordshire Partnership to Help Businesses fight the recession.**

The event held in November 2009 attracted more than 80 attendees.

The event gave businesses practical advice, support and access to key local experts including Jobcentre Plus, South Staffordshire College, the Royal Bank of Scotland, At-U Creative Design & Marketing and Business Link West Midlands.

Cllr. Danny Davies, Portfolio Leader for Access to Education, Skills and Employment said

"Businesses are suffering in this recession regardless of their size and an event like this gives them the opportunity to access information on a range of topics all under one roof. The quality advice on offer along with such an eminent speaker hopefully will benefit the businesses attending, so as we come out of the recession these businesses will be in a stronger position to move forward".

## Supporting Business

Supporting local businesses is firmly entrenched with the support for people. It is businesses that offer employment, pay people's wages and create thriving, bustling communities. Therefore, in order to support the individual it has been imperative that local authorities have been doing all they can to help businesses and employers tap into appropriate resources and support.

While many of the problems cannot be solved by local authority activity alone, what Councils have been doing is providing effective and ongoing business support through a whole range of locally based events, advice surgeries and procurement campaigns to try to kick start local economies and re-introduce both business and consumer confidence.

### **Emerging Good Practice...**

#### **Walsall Council - Supporting People into Jobs**

The Economic Wellbeing team working with partners have facilitated eight 'Support into Jobs Events' during 2009. The events have been held in outreach venues aimed at supporting disadvantaged communities and workless residents to secure employment either with the local authority, public partner organisations or our private sector employers. The outreach events have been aiming to reach those communities that typically have a high concentration of disadvantaged groups – i.e. ethnic minorities, lone parents and the long term unemployed.

The events have also placed great importance on offering training and advice to those who are at risk or have been made redundant so that they can quickly re-enter the labour market. Each attendee is 'hand held' and directed or accompanied to the relevant exhibitors stand to ensure they get the most out of the event. This service has worked particularly well for those who have been long-term unemployed and who may find the prospect of seeking employment a daunting experience and require bespoke assistance.

Over 800 people have attended the events and the user feedback forms have indicated that local residents have found the sessions particularly useful as they can offer a range of services all in one place, ranging from welfare, benefits and childcare advice to interview techniques, tips on writing CVs and information about re-training or up-skilling opportunities.

## **Emerging Good Practice...**

### **Worcestershire's Procurement Campaign**

A 'Meet the Buyer' event was held at the County Hall in 2009 to help make local businesses more aware of opportunities available for contracting within the County Council, District Authorities and other public sector providers.

The event was an example of effective partnership working and over 140 people attended.

The event, which was convened quickly by the local authority has led to increased awareness of the Council's procurement portal and let businesses know how to procure and raise awareness about the amount of contracts available. Directly as a result of the event the County Council made changes to its procurement processes, which made it easier for local companies to compete for business.

As a result of the event Worcestershire County Council's Chief Executive subsequently wrote an open letter to businesses to ask them to pay invoices within 10 days where possible, in line with the Council's own 10-day rapid payment pledge. Further work is also underway to help facilitate improved business-to-business tendering opportunities within the County.

# Case Study

## **Forum to Provide Help for Small Businesses in Wolverhampton**

Wolverhampton City Council is launching its small business forum, which has been set up after listening to the views of small firms throughout the city.

The new forum, which will meet on a quarterly basis, will initially be open to small companies in All Saints, Blakenhall, Parkfields and Bilston.

The forum will be extended to small businesses in other areas of the city in the near future.

The group has been set up after business owners requested a mechanism for the council to hear first hand the concerns of small businesses in these tough economic times.

This new forum is an important development in the Council's economic strategy. It forms part of the authority's 'red carpet programme', which aims to build relationships with existing businesses and nurture new ventures.

Councillor Paddy Bradley, Cabinet Member for Regeneration and Enterprise, said: "During these uncertain financial times for small businesses, it is vital we listen to their concerns and offer as much support as we can to help them.

"Assisting small businesses in Wolverhampton is one of our priorities and this is an initiative that the traders wanted. They came to us and spoke and we listened.

"The new forum will provide the perfect opportunity for representatives from firms in our city to talk to us about their needs."

## Job Opportunities and Skills

Findings in our initial 'Weathering the Storm' survey showed that local authorities were adamant that investment in skills and training should not be compromised during the recession. Maintaining training and up-skilling the workforce was seen as a fundamental component for long-term recovery and future resilience.

Local authorities in the Region have been leading the way by introducing innovative ways of getting people back into work or providing them with the opportunities to improve their skills.

For example Sandwell MBC have introduced a new apprenticeship scheme in which the Council is advertising around 30 vacancies on a 12 month fixed term contract. The roles are spread across all Council themes and over a range of departments. Divisions are also being asked to offer two placements per year from their division budgets, which could create another 40 placements from June 2010.

Sandwell MBC have also launched a Job Link and Skillseeker Zone on their website which aims to put people in touch with organisations offering information about a huge range of employment and entry level skills training. The Job Link scheme is open to all residents of Sandwell and provides a whole host of useful information including tips on CV writing, completing job applications, interview techniques while also flagging up new opportunities for re-training.

At the Regional level the West Midlands was the first Region to hold an event to promote the £1 billion Future Jobs Fund (FJF); an initiative announced in the 2009 Budget which specifically targeted at young people and to support unemployment hotspots create and subsidise 150,000 new jobs.

The event was co-ordinated by the West Midlands Leaders Board and following the first round of bids every part of the West Midlands had succeeded in acquiring significant funds from the FJF process which they have been using to support new opportunities, jobs, training and skills within their local areas.

## **Emerging Good Practice...**

### **Staffordshire's Community Volunteer Programme**

Staffordshire has been one of the hardest hit parts of the UK as evidenced by the dramatic increase in Job Seekers Allowance claimants.

The Community Volunteer programme was instigated to provide valuable work for the unemployed, encourage training and bring about community benefits through public realm projects.

Initially using County Council staff this project is being developed through a three-stage approach to achieve 150 additional volunteer places, 7,500 additional volunteer sessions and an investment of some £90,000 over a 3 year period. Phase 1 was launched in July 2009 and a full time project co-ordinator appointed in August 2009.

This initiative has been designed to significantly enhance volunteering across key County Council services in order to:

- Provide valuable work for the unemployed who want to make a contribution to their community.
- Reduce the negative consequences that can occur when the unemployed are not engaged in meaningful activity including loss of confidence and self esteem.
- Improve the countryside facilities available for local people and visitors to enjoy.
- Encourage walking, cycling and promoting good health.
- Build social capital and develop social networks.
- Volunteers progressing into formal training opportunities including NVQs and qualifications to improve their ability to secure employment in the future.

Promoting volunteering is a high priority for Staffordshire County Council and for the Staffordshire Strategic Partnership. It is highlighted as a priority action in the Community Strategy and 2 of the 35 priority community indicators within the Local Area Agreement.

In terms of barriers, financial and staff resource constraints prevented the scheme from being launched in full, hence the phasing of the programme. Over fifty volunteer places have been provided in Phase 1 while additional revenue is being sourced to enable phase two and three to be fully implemented.

# Case Study

## **City Jobs Boost for Young People in Wolverhampton**

Hundreds of new jobs are set to be created in the city after Wolverhampton City Council secured a funding boost to help unemployed young people.

Wolverhampton has been handed £2.975m from the Department of Work and Pensions' Future Jobs Fund (FJF), leading to 455 new jobs being made available in the city.

The Future Jobs Fund aims to create around 2,000 new jobs in the Black Country from October 2009 for long term unemployed people aged 18 to 24. In Wolverhampton, the new positions will be made available in a variety of different organisations.

Councillor Paddy Bradley, cabinet member for Regeneration and Enterprise, said: "We are obviously delighted to have received this funding boost.

"The creation of new jobs is always welcome but, given the current economic climate, the news is even greater.

"And, as well as creating hundreds of new jobs in the city, the Future Jobs Fund will support a number of great projects in Wolverhampton."

## **Emerging Good Practice...**

### **Lichfield District into Work Group**

A Multi-agency Worklessness Action Group led by Lichfield District Council, with clear strategic links to the Staffordshire Local Area Agreement Worklessness agenda and reporting directly to Lichfield District LSP is achieving real outcomes to break the Worklessness cycle through effective partnership working and use of local intelligence.

Three key strands of activity so far: childcare training (achieved at negligible cost through the support of South Staffordshire College and North Lichfield Community & Learning Partnership), training and support for volunteers working out of the Jigsaw community hub in North Lichfield and intensive community engagement and local intelligence gathering activity.

Providing childcare (crèche facilities) for participants in our childcare training course has enabled and supported parents to study and continue with the course.

There has been enormous demand for this training; all places have been taken up within hours of the course details being finalised. Participants have gained new skills and awareness of their own abilities and qualities. They have also gained self-confidence in relation to learning, establishing a positive springboard for future learning.

Through this work, we hope to increase the amount of qualified childcare provision available in Lichfield District, which will help lone parents to return to work. Excellent partnership working has enabled this training to be delivered at minimal cost and targeted recruitment has ensured that the target areas for Worklessness in Lichfield District have benefited.

# Case Study

## **Public Sector Jobs Boost in Herefordshire**

There is good news for people looking for a job in Herefordshire following the announcement that around 80 apprenticeships are to be created in the public sector.

NHS Herefordshire and Herefordshire Council have secured funding to take on the apprentices – this will give local people vital experience and training, helping them to gain work-based qualifications.

The deal was signed by Chris Bull, Chief Executive of the Council and the Primary Care Trust (PCT) and signals a huge opportunity for local school leavers and job seekers to get a taste of life working in the public sector.

“This is very exciting news for local people as apprenticeships offer not only valuable work experience but also the opportunity to gain qualifications,” said Helen Mapp, PCT training centre manager.

“We’re not only offering apprenticeships and advanced apprenticeships - these are aimed at people under 24 years of age, but we also offer adult apprenticeships which are aimed at people with more workplace experience.

## Mainstreaming Recession Activities & Focusing on the Long Term

In the first 'Weathering the Storm' publication in March 2009, the region's local authorities were clear that a key component in their battle to ensure long term stability and prosperity was to maintain the strategic visions for the long term future of the local area whilst also providing the immediate support that local businesses and residents needed in order to cope with the impacts of a recession.

Taking a pro-active role in stimulating development projects and re-invigorating key capital schemes was also seen as an essential part of the recovery process and long term approach.

Many local authorities early on in the recession publically committed themselves to continue, and where possible, accelerate major regeneration projects and strategically important housing, transport and environmental schemes in order to provide a much needed boost for the construction industry, increased building rates for social housing and offer a variety of opportunities for local employment and local suppliers.

While a variety of short-term measures have been put in place to try and mitigate the immediate symptoms of the recession, local authorities have understood the importance of reconciling efforts to address those short-term impacts with longer-term strategic priorities in order to secure sustainable, resilient economies.

The evidence from our survey appears to indicate that the majority of mitigation activities have actually been a continuation of schemes that were already in place before the recession hit. Against the backdrop of falling revenue streams, tighter budgets and limited resources, local authorities have generally focused their efforts on tried and tested methods which they believed had the best chance of providing successful outcomes.

However, it must be noted that many local authorities have managed to secure additional funding resources or redeploy internal staff to work on specific recession related projects in order to provide a greater level of support and tailor those projects in light of the worsening economic conditions.

What's abundantly clear is that the recession has hit different places in the Region in different ways – there has not been a simple 'one fits for all' solution and responses have had to be tailored to circumstance.

Twelve months on, many of the activities which were designed to alleviate the immediate pressures on local communities are now being reviewed or refocused. Some recession related schemes which were only intended to provide short term support and which have already achieved their objectives are being wound up, while other medium to long term activities are being

mainstreamed into councils' day to day activities to ensure that they fit with the area's long term strategic vision.

Following a decade of economic thinking focused on the premise of growth, the recession has opened up the opportunity to sharpen strategies, tighten visions, position for long-term prosperity and unite citizens and stakeholders behind local development agendas.

## Case Study

### **Sandwell Council Gets Green Light for Major Council Housing Scheme**

Sandwell Council have had government approval to build new affordable homes on the site of a former tower block in Smethwick.

The £3.3m scheme will see a mixture of two, three and four bedroom houses and two bedroom apartments built.

The project will prompt major investment in the local economy by ensuring building materials come from Sandwell companies wherever possible and providing much-needed employment and training opportunities.

Almost £1.4m will come from the Homes and Communities agency's £350m Housing Stimulus Package, with the remainder raised by the Council.

The environmentally friendly new homes will provide 21st century affordable housing with the latest design features. Each property will meet level four of the code for Sustainable Homes.

The houses will be fitted with solar panels and the apartments will have air source heat pumps. Each property will have high levels of insulation and water saving features, meaning they will be much cheaper to heat and light.

Sandwell Council's cabinet member for neighbourhoods and housing Cllr Mahboob Hussain said: "The site is ideally situated close to Smethwick town centre and I am sure the houses and apartments will be popular with tenants.

Sandwell Council's cabinet member for regeneration and transport Cllr Bob Badham said: "We are pleased to have won the backing of the Homes and Communities agency for this exciting project.

"There is a real demand for affordable housing for younger people and larger families in Smethwick and this development will address that."

## Case Study

### **Wolverhampton Pushes Ahead with £20 million Bus Station Project**

In November 2009 Wolverhampton City Council, have taken the next step towards building its new £20 million Bus Station by confirming its preferred contractor – Neptune Developments.

Welcoming the announcement, Wolverhampton Cabinet Member for Regeneration and Enterprise, Councillor Paddy Bradley, said: "It is very exciting to see work starting in the city centre on a project that will transform Wolverhampton."

"The Interchange is one of the most important infrastructure developments to have been planned in Wolverhampton for decades and will provide the city with a passenger transport hub fit for the 21st Century".

Rob Mason, Neptune's Development Director, said: "We are totally committed to Wolverhampton and to delivering an excellent scheme and we look forward to getting out on site and starting to make our vision a reality", he added.

Rob Marris, Wolverhampton South West MP said: "I am pleased that the Government listened to my request for additional funding enabling the project to start over a year earlier than it would otherwise have done. The re-development of the bus station is a major boost for the whole Interchange scheme which is of crucial importance to the future regeneration of Wolverhampton".

## Conclusion

The combination of the intense credit crunch (experienced since late 2007) and the depth of the economic recession during 2008 and 2009 has presented unprecedented challenges to the local authorities of the West Midlands.

Councils are far from alone in this position, but because of their multi-functional responsibilities and physical proximity to the local people and local businesses most directly affected by the economic downturn they have faced a much broader and more concrete set of challenges than other institutions.

As in previous editions of the Weathering the Storm series we still do not know how long the economic downturn might last, what sectors might lead us into the future or what the long term or generational impacts of the downturn might be.

However, through the information gleaned from our local authority surveys over the last 12 months it appears that despite significant financial pressures, our local councils have utilised a host of innovative schemes and expanded services which has enabled them to continue providing for the social, economic and environmental well being of their communities.

During the recession the region's councils have proved consistently that their local experience, know-how and close relationships with their communities has allowed them to deliver high quality services even under heightened financial constraints. They have also emerged from the downturn with a far greater understanding of which of their recession related activities have worked well, which haven't been so effective and what lessons they can take away to help make them more resilient to any economic shocks in the future.

However, it must be noted that despite local authorities doing all they can to mitigate the impacts of the recession, they are continuing to do so against a backdrop of ever increasing pressures on their own budgets, reduced income streams and the threat of staff redundancies.

While local government has proved to be a flexible and efficient mechanism for delivering key support services during the recession – councils are re-evaluating their current services in the wake of further pressures on its resources.

Tough decisions will continue to be made over the coming weeks, months and potentially years but by focusing recovery on maintaining existing strategies, pushing forward with major capital projects and seeking to grasp any green or sustainable opportunities that the local situation affords, local authorities are doing all they can to ensure the long term growth and prosperity of the West Midlands.

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