



## STAND UP TO THE DOWNTURN

### **SOLACE: A guide to supporting local communities through the downturn**

This paper brings together a range of ideas and practical steps designed to stimulate thinking and help guide action about how local government – and others – can support local families, businesses and communities to stand up to the downturn.

The range of measures published here have been collected from the SOLACE Members' Panel. We think the ideas contained in this guide show how local government is moving fast to shield their places from the worst effects of recession and the social damage it will cause, with innovation, pragmatism and creativity. We hope the ideas contained in this guide stimulate thinking among senior managers and decision makers in local government and beyond.

If you have any comments on the guide please email [mike.bennett@solace.org.uk](mailto:mike.bennett@solace.org.uk).

### **Supporting Businesses**

#### **Rate Relief**

- Encourage small business rate relief take up
- Work with RDAs and others to develop a financial package that can be varied to help the short term financial difficulties of companies, including a business rate holiday for a limited period of time
- Consider full business rate relief to small businesses in areas where there are no alternative employers and high impact if they close
- Offer smaller, more frequent payment options for small businesses on commercial rents and business rates
- Spread business rates over 12 months instead of 10, where requested
- Lobby to return empty property business rates to 50%, from the new 100% rate which is having a very damaging impact on SMEs and on the ready availability of low cost commercial space.

#### **Implementing Local Procurement and Subcontracting Strategies**

- Look at procurement arrangements and think about how the local authority/public sector purchasing power can be used to support local businesses directly. Public sector spend is a significant factor in most local economies and could be critical for those local companies who are finding their other customers going out of business
- Promote an emphasis on using local skills and businesses in procurement of goods and services and lead a campaign to 'buy local' - this is also the most sustainable option.

### **Providing Business Support Programmes**

- Better publicise the extensive business/employment support that is available to existing companies and staff (especially SMEs) to prevent them from getting into difficulties so preventing closure and/or job losses
- Promote advice and support for small businesses, working with organisations such as Business Link
- Provide local lead liaison for companies in distress, whose role will be to help to bring in the various agencies that may be able to help
- Rally support for the local economy and offer a 'recession relief' package to local businesses, for instance directly funding more business clinics
- Create enterprise centres and encourage small businesses to utilise the support available to them
- Use the direct relationship between regulatory services officers (trading standards, environmental health, fire safety and licensing) and business to gather intelligence on business perceptions and needs, to enable targeted support and guidance interventions
- Use regulatory services officers as the 'face' of the local council in the local business community to signpost initiatives aimed at supporting the business community, such as the small business rate relief scheme and the Train to Gain scheme
- Use the better regulation principles<sup>1</sup> to tune local regulation and the pursuit of compliance to the economic situation, using risk-based inspections and sanctioning and placing an emphasis on advice and guidance.

### **Supporting Local Government Suppliers**

- Pay all suppliers on time, if not early! Where possible pay in advance rather than in arrears. Set new targets for the payment of invoices, e.g. aiming to pay them within 10 days; this will improve the cash-flow position for suppliers, particularly small and medium-sized businesses
- Increase work with social care providers - who are often small employers and therefore at risk from rising costs of materials and employment - in order to make sure that levels and quality of care are maintained as demand rises.

### **Other**

- Provide flexible rents and support for small businesses and retailers
- Engage with local businesses as local employers/business rate payers and seek to put more Council business their way if they can meet standards
- Promote the Train2Gain funding that Learning and Skills Council can make available for Small and Medium sized Enterprises.
- Provide start-up business premises
- Provide free parking in certain areas to attract (Christmas) shoppers

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<sup>1</sup> The better regulation principles are accountability, transparency, proportionately, targeted and consistency

## **Supporting Individuals and Families**

### **Improving Access to Housing**

- Develop more integrated Housing Options teams that can point people to advice on tackling worklessness, managing debt etc - in line with Housing Options 'Trailblazer' proposals
- Lobby the Government for the bringing forward of key capital schemes and in particular to allow for the construction of affordable rented houses.
- Encourage housing benefit take-up
- Enhance homelessness services and procure additional private accommodation for rent
- Implement measures to support people facing homelessness including support at court for people facing eviction and extended deposit guarantee schemes
- Adopt a policy of no evictions for rent arrears
- Set up Private Sector Leasing schemes, to help cope with any surge in homelessness in a cost-effective manner that avoids B&B and can usually produce an income for the Council
- Encourage developers to sell houses to registered housing associations for rent, where sales from development sites have stalled
- Work with Registered Social Landlord (RSL) partners, developers and Homes and Communities Agency (HACA) to promote new forms of intermediate housing tenure - Try before you Buy, etc - to reflect the lack of mortgage finance and general economic uncertainties
- Continue to deliver rural needs housing on 'exception' sites, with Housing Corp/HACA funding
- Retrain council staff in mortgage arrears advice since the economy has not been the driver for homelessness in recent years
- Investigate the viability of new financial support models like mortgage rescue.

### **Facilitating Access to Benefits**

- Encourage housing benefit take-up
- Process benefits in a timely fashion - there are likely to be more calls on this service
- Allocate more resources to speed up (increasing) benefit applications
- Ensure residents know how to fully access benefits, particular around fuel poverty in winter months.

### **Promoting Access to Finance**

- Enhance and provide support to debt counselling services and credit unions
- Establish access to local finances if reserves are sufficient to offer it (mortgages, possibly to sustain the shared ownership process, business loans) and Council facilities (one stop shops and public buildings for jobs fairs, business forums, joint voluntary, public, private working initiatives).

### **Council Tax and Charges**

- Increase efficiency savings to keep council tax increases to a minimum
- Extend the time to pay council tax and rent (review debt collection policy)
- Offer 'council tax holidays'
- Review charging policies that impact on the most badly hit

## **Tackling Unemployment and Developing Skills**

- Maintain investment in skills through the downturn
- Offer short intensive adult education courses to assist in re-skilling
- Provide joined-up support with other agencies for those made redundant in terms of advice, re-training, etc
- As one of the largest employers within the area, directly contribute to stability in local employment through the recession. Develop a pathways/apprenticeship programme at the council and build a local talent pool to help residents find employment locally
- Work with young people to provide advice and guidance about employment opportunities and with partners
- Give priority to unemployed when recruiting
- Encourage people who become unemployed to offer some time volunteering
- Open up facilities after hours to give unemployed access to free facilities.

## **Other**

- Extend warm front grants to support older people with heating bills
- Encourage residents to use lower cost council services such as libraries to rent books, DVDs and music
- Be seen to be changing your services to help people who need help - such as by launching benefit outreach services, debt advice, housing advice etc - and seek to reach people who would not normally go to the CAB
- Promote, publicise and raise awareness of cost saving ideas in day-to-day living, to those most vulnerable (to whom we have good access)
- Freeze increases on school meals
- Provide information on cheaper and more sustainable travel
- Invest in cultural services
- Respond quickly when people need services such as free school meals or school places in order to avoid contributing to family stress and possible breakdown
- Ensure there is coordination and referral between different advice agencies and that advice is delivered in accessible venues and appropriate formats, particularly targeting at risk communities.

## **Supporting Communities**

### **Providing Community Leadership**

- Bring together partners in a Local Economic Summit supported by a Local Economic Taskforce.
- As a civic leader, influence the behaviour of other public and private bodies in the area
- Have a clear focus on local priorities and the needs of local communities, using innovative collaborative approaches involving local regulatory services to deal with the associated social impacts of the economic slowdown, such as reducing health inequalities; reducing anti-social behaviour and improving public spaces; supporting business competitiveness; reducing worklessness; addressing financial management; ensuring a fair trading environment, and ensuring the quality of housing
- Develop a place shielding strategy with the community and partners
- Think strategically about which adverse impacts from the recession can be anticipated in which area and how these are likely to affect service providers and stakeholders. Identify potential risks and threats early will help plan responses.

- Anticipate the proposed new duty to conduct a local economic assessment to understand the economic profile of the locality, including the opportunities and threats presented by the current economic climate. Whilst formal data and evidence is important, informal intelligence and business perceptions are key. Local authority regulatory services – especially trading standards and environmental health – can help provide understanding because they have key front line connections with business.
- Work with LSP partners to develop and then publicise a "beat the crunch" package, illustrating the ways in which public services and partners can help the community to respond to difficulties
- Establish cross-sector standing monitoring and co-ordinating groups to enable a community-wide and multi-issue programme of evidence-based action
- Collect, analyse and use local information and intelligence
- Work with local Chamber of Commerce and other economic stakeholders to identify and communicate local problems and to ensure that businesses needing support are aware of what is available.
- Develop corporate action plans in consultation with partners
- Review and if necessary renegotiate LAA - be aware and pre-empt, as far as possible, the impact of the downturn on priorities and key improvement targets
- Maintain flexibility and transfer between budgets and funding streams.
- Allocate resources to areas of increase in service need, e.g. benefits, housing advice
- Be prepared to reallocate budget provision to new priorities
- Pursue service efficiency relentlessly - the public need to see local government showing leadership on prudent use of resources.
- Remain confident with strong community leadership and effective engagement with residents and partners
- Continue to celebrate our communities and their strength, achievements and diversity to provide a local counterpoint to the gloomy national economic picture.

### **Supporting Citizens Advice Bureaus (CAB) and the Voluntary Sector**

- Increase funding to the Citizens Advice Bureau and other key advice agencies
- Work with the Citizens Advice Bureau to provide a package of support and advice to residents on debt and money matters, and promote the establishment of a credit union to help those on low incomes or those families who struggle to get credit
- Promote and raise awareness of local advice services/agencies, covering issues such as housing, debt, racism, unemployment. Advise people to approach them as early as possible
- Seek devolution of JobCentre Plus activities to local govt so we can better influence and develop local employment and economic growth. It can also realise efficiency gains at both local and central government levels

### **Supporting Neighbourhoods**

- Ensure that we have the intelligence available to understand the impact of the recession not only on the authority area as a whole but at the lower spatial levels - what is the impact on the most deprived communities, on specific groups within the community i.e. young families. older people, new arrivals, etc. At this time the availability of good quality intelligence that can be used to inform place-shaping and service delivery is more important than ever.
- Increase focus on neighbourhoods experiencing greatest impact of downturn
- Bring forward future years' spending on Working Neighbourhoods Fund (from balances)

### **Other**

- Work with the media to tell a clear and proportionate story.

## **Supporting Staff and Members**

### **Supporting and Listen to Staff Affected by the Recession**

- Look at money advice surgeries, etc, for staff - many will have fixed term mortgages coming to an end, partners at risk of redundancy, etc, and may also be working with customers in the same boat; they can also share their learning.
- Internally, promote car sharing schemes and staff discount schemes

### **Supporting Development**

- Develop a mechanism to transfer a degree of risk from developers to the public sector in determining planning applications. E.g. be prepared to be flexible over the phasing of planning obligations or even to forgo some developer contributions where viability is a genuine problem, but subject to a mechanism to secure the full funding package if actual sales over-achieve against the development appraisal
- Continue/accelerate investments in regeneration works
- Ensure that planning applications are processed as quickly as possible to keep the building trade moving.
- Target capital investment on sustainable infrastructure projects
- Stimulate inward investment, for example by promoting the area as a growth point or bringing forward transport projects to stimulate the local economy
- Make sure the area's voice is heard regionally and nationally. Attract money into the area through government programmes such as Building Schools for the Future
- Place conditions on developers that they must use local labour and materials where possible
- Press ahead with sub-regional infrastructure/regeneration projects, finding creative ways to fund these where 'traditional' funding, such as Section 106 agreements, falls away

### **And finally...**

- Be ready for the upturn - in business, they say the firms that thrive are the ones who start planning for what comes after the recession; simply cutting back only leaves you vulnerable to competition. The same will be true for places.

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