

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

REPORT TO: Leader and Cabinet

15 January 2009

AUTHOR: Chief Executive

ECONOMIC DOWNTURN - SUPPORT IN SOUTH CAMBRIDGESHIRE

Purpose

1. To advise the Cabinet of the services provided by this Council to support local residents, businesses and staff during the economic downturn.
2. To enable the Cabinet to consider whether it wishes to agree any further actions to mitigate the impact of the economic downturn and the extent of any additional investment it wishes to make available for that purpose.
3. To identify areas on which to lobby the Government to support local residents and businesses.
4. This is not a key decision at this stage.

Considerations

5. This Council, together with its strategic partners, has the potential to provide significant support to local people, businesses and its own staff during the current economic downturn.
6. The downturn is expected to have an impact on people and businesses throughout the District. Exactly who will be affected is hard to establish but early evidence shows that any business may be regarded as vulnerable, through a domino effect. At the individual resident level, there may be an impact due to unemployment, reduced pay or commission and reduced income from investments.
7. The impact on local people can be seen through increased demand for some Council services. For example, homeless applications and requests for temporary accommodation almost doubled from 17 accepted during the first quarter of 2008/09 to 31 accepted in the second quarter. Telephone enquiries to the homelessness team have increased by around 400 calls per month. There has also been a 22% increase in housing benefit claims received and a 76% increase in fraudulent claims detected. At the same time the Council is likely to receive reduced income – for example from investments, planning applications and building control services.
8. This increased workload impacts on staff, which can result in stress and sickness absence. Staff are also affected as individuals if family members lose income.
9. **Appendix A** sets out the support already available in South Cambridgeshire. It also suggests potential actions which the Cabinet may wish to pursue or lobby for, locally or nationally. More work is required on these suggestions in order to assess costs, benefits and practical implications. Further investigation may identify other options, in particular in the area of the Revenues and Benefits service.

10. The appendix shows that there is a range of help available and the intention is to signpost all this information from the Council's website. Most significant would be a link to the "*Weather the Storm*" website produced through Cambridgeshire Together (www.weatherthestorm.org.uk).
11. The appendix suggests some potential actions which could be discussed with the County Council and Cambridgeshire Together.
12. The County Council has already agreed measures worth £500,000 to boost the voluntary sector including:
 - £100,000 this year and £100,000 next year for emergency assistance, pump priming projects targeted at preventing residents losing their homes and jobs;
 - £100,000 next year to fund voluntary sector rental holidays, rent free office space and technical support; and
 - £200,000 to be drawn from the Invest to Transform reserve to give the voluntary sector extra support in 2009/10 in areas which are currently poorly served

Cambridge City Local Strategic Partnership has allocated £30,000 to allow advisory agencies to employ additional advisors.

The intention is that these measures should complement any actions by other partners.

13. Potential actions listed for this Council have been costed where possible. At this stage focus is concentrated on actions that can be achieved with limited financial impact on the Council since the Council's own financial position is impacted by the economic downturn. Nonetheless, the Cabinet may wish to consider earmarking a sum that can be directly available for supporting local people and businesses affected by the economic downturn. Dependent on the level of support felt to be appropriate, this could potentially be funded from 2008/09 under-spends; otherwise it would need to form a supplementary estimate, as appropriate.
14. Additionally, the Cabinet may wish to revisit the Council's previously published Aims, Approaches and Actions and consider whether any might be postponed in favour of new priorities identified here.
15. Cabinet is invited to highlight any of the proposed actions at Appendix A, or make other suggestions, that it would like to support in principle, and request a further report to the next meeting, firming up on specific actions and financial implications.
16. Cabinet may also request another report(s) at a later date, setting out in greater detail any further actions that may be possible, as well as the unfolding impact on the Council itself. For example, the Cabinet may wish to monitor initiatives taken elsewhere in the country before lobbying local partners for similar help; such as those to be announced by Essex County Council on 13 February 2009. This will include establishing a council-run 'Bank of Essex' and a countywide apprentice programme.

Implications

17.	Financial	As detailed in the report and Appendix
	Legal	None
	Staffing	None

Risk Management	The economic downturn presents financial risks to the Council itself as shown in the report. If the Council fails to help local people and businesses there is a risk to the Council's reputation as a local leader and champion of wellbeing.
Equal Opportunities	Changes in service provision or grants for example will require an equality impact assessment to ensure that increasing help for one vulnerable group does not disadvantage another.

Consultations

18. The Leader and Chief Executive have worked closely with Cambridgeshire County Council and Cambridgeshire Together on the issue of supporting local people and businesses through the current economic downturn.
19. Consultation with local businesses is proposed at Appendix A.

Effect on Corporate Objectives and Service Priorities

20.

Enhance quality of life and build a sustainable South Cambridgeshire where everyone is proud to live and work
Actions to support local people and businesses during the economic downturn are intended to protect quality of life.

Recommendations

21. That the Cabinet
 - (a) Notes the support already being provided by this Council to support local residents, businesses and staff during the economic downturn
 - (b) Identifies potential actions it would like the Council to progress within an indicative budget and requests a report to the next meeting on 12 February 2009
 - (c) Instructs the Chief Executive to obtain the necessary funding approvals for any additional expenditure required over and above existing budgets and resources.
 - (d) Agrees which of the potential county or national actions it would like to lobby for in the coming months.
 - (e) Asks for another report by April, setting out in greater detail any further actions that may be possible, as well as the unfolding impact on the Council itself.

Background papers

Dealing with the Recession has been published by the Improvement and Development Agency (IDeA) at www.idea.gov.uk/idk/core/page.do?pagelId=9190749

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