

26 March 2009

Council Action on the Recession

Summary

This paper updates members on developments in the LGA Group's work on the economic downturn since the Board's last meeting.

Recommendations

That the Board note this update.

Action

Members and officers to take forward the actions summarised in this update.

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Central-Local Partnership meeting 24 February 2009

1. A meeting of the Central-local partnership, focussing on the recession, was held on 24 February, at the LGA's initiative. CLG, DWP, DIUS, BERR and Cabinet Office Ministers attended to discuss the LGA's recession proposals under the broad headings of sustaining capital investment; protecting jobs and firms; and action on the housing and property market. The outcome of the meeting was very positive, with an agreement to work up the LGA proposals in greater detail and present a paper to ministers with a detailed business case for each of the proposals by the end of March.
2. A letter from Communities Secretary Hazel Blears to the LGA Chairman Margaret Eaton, which contains a detailed note of the meeting, is attached as an **Annex A** to this report.

Regional Economic Council meeting 2 March

3. The LGA and representatives from local government in the regions used the third meeting of the Regional Economic Council, chaired by the Chancellor and the Business Secretary, to push for further devolution of powers and funding to councils to help them tackle the impact of the present recession. The LGA coordinated a briefing for the local authority representatives attending the meeting and provided an opportunity for a pre meeting for members.
4. The meeting considered a paper prepared on behalf of the local government participants by LGA which underlined the roles that councils play at the front line in dealing with the effects of the recession. A copy of the paper is attached at **Annex B**. There was a concern that at the previous meeting, which the Prime Minister attended, there was little opportunity for local government input, with the discussion dominated by government ministers. The feedback from the council representatives that attended the 2 March meeting was that the discussion was wide-ranging and positive, with significant opportunities for input from the local government side.

Leaders' survey

5. The results of an LGA Group survey of council leaders on the effects of the recession on their areas will be launched on in the week beginning 16 March. A summary of the result will be available at the meeting and will be sent to all council leaders.

Backing Communities: Local Solutions – report with the NCVO

6. 'Backing Communities: Local Solutions' is a joint report by the Local Government Association (LGA) and the National Council for Voluntary Organisations. It highlights the work that local authorities are doing with third-sector partners to support local people through the recession. It identifies:

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- current challenges faced by third-sector organisations
- areas of shared concern where greater joint working might be needed in the future
- good practice that can be put in place to ensure that vital support services and good working relationships are not undermined.

Copies of the report will be available at the meeting.

No council of despair

7. At the end of February IDeA published 'No council of despair: positive local leadership in a recession', a resource for local councils, councillors and officers, to support them to develop a coherent response to the local impact of the recession. It emphasises the value of a strategic response that keeps the long-term vision and ambition of a council in view. It argues that it is important that councils retain, or generate, the capacity to refresh their long-term vision and that they plan their short- and medium-term response to the recession within that framework. Copies will be available at the meeting.
8. Throughout March the IDeA is also publishing a series of practical 'How to' guides for councils for tackling worklessness and unemployment. They can be downloaded from www.idea.gov.uk/economicdevelopment.

Press coverage

9. The report 'Recession to Recovery II', about councils and worklessness, was covered in the FT and Guardian. A release on new powers for councils to take over empty shops ran as top story on the Today programme and BBC Breakfast and was followed up by the Sunday Mirror, Telegraph, Times, Mail and Independent.
10. Early information from the Leaders' survey was used in a press release about council tax rises to demonstrate the financial pressures local authorities are facing and efforts to keep council tax as low as possible. This was covered on the Today programme, Times, front page of the Telegraph, Mirror and Mail. Research about financial pressures forcing councils to make redundancies was also covered on the BBC, Times and FT.

Financial Implications

11. The work programme can be accommodated within LGA programme budgets and within IDeA funding.

Implications for Wales

12. We will liaise with WLGA to identify potential common threads.

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