

# Credit Crunch War Cabinet

**Principles of Operation  
February 2009**



**Oldham**  
Partnership

# 1 Purpose of Report

- 1.1 The purpose of this report is to suggest draft principles for the operation of the Credit Crunch War Cabinet (CCWC) for discussions and agreement at the first substantive meeting.

## 2 Background

- 2.1 Agreement to establish a Credit Crunch War Cabinet emerged firstly from the Economy and Enterprise (E&E) Board meeting on the 28<sup>th</sup> January 2009. This was subsequently agreed by the Local Public Service Board on the 29<sup>th</sup> January 2009 along with the establishment of a “Rapid Intervention Fund” (RIF) made up from projected underspends from the Area Based Grant for 2008/09. The CCWC was further endorsed by the Council at its meeting on the 4<sup>th</sup> February.
- 2.2 The full Council motion as agreed is attached at Appendix 1 and is a good starting point for determining the next level of detail regarding the operation of the CCWC.

## 3 Key Functions of the CCWC

- 3.1 The key outputs of the CCWC are as follows:-
  - A monthly CCWC report which will be publicised amongst the members of the Oldham Partnership, including Elected Members, to enable partners to identify any key adjustments they need to make to their mainstream services or to the OP commissioned delivery projects and programmes. The report will also provide an opportunity for the Oldham Partnership to examine trends and anticipate the need for preventative action;
  - A single and recognisable focus for increased co-ordination of OP's response to the credit crunch including better use of existing resources;
  - Business cases and/or proposals which have been tested and challenged for consideration and/or incorporation into existing mainstream delivery or existing OP commissioned delivery projects and programmes;
  - The funding of interventions by the Rapid Intervention Fund where no other funding sources exist;
  - The development of a 2 way dialogue with Government about local economic impacts, how the OP is responding, whether Government interventions are having a positive impact and best practice emerging from the OP;
  - Effective business networks which enables the CCWC to receive information and intelligence from employers and enables businesses to work with each other in order to innovate;
  - A delivery of a communications plan to ensure that the public are appropriately informed about our response to the credit crunch.

## 4 Suggested Core Principles

- 4.1 It is suggested that the CCWC operates using the following guiding principles:-
- 4.2 The CCWC should only be concerned with the **additional impacts** arising from the current economic downturn i.e. the ongoing economic and regeneration work carried out by the Oldham Partnership (OP) and the Council should be dealt with via existing mechanisms such as the OP Boards.
- 4.3 The CCWC will be provided with the following to support their understanding of what might constitute **additional impacts**-
- Monthly intelligence reports – these reports will be largely qualitative e.g. a round up of issues emerging from local employers, increases in enquiries at the Citizen’s Advice Bureau.
  - A Monthly “Economic Dashboard” of key data which is available from the previous month plus trend information of key data which is usually available after a few months time lag.
  - A quarterly Economic Bulletin which provides a more rounded report of data and information that can be collected on a quarterly basis.
- NOTE: The Monthly CCWC report will be a combination of the intelligence reports and the Economic Dashboard. Some of the intelligence may have to be shared on a confidential basis and would therefore not be included within the CCWC monthly report.
- 4.4 The CCWC will commission further information or reports in the light of the local intelligence and data received with a view to identifying the need for additional interventions. The CCWC will also use other intelligence reports produced through other processes to provide a wider context for decision making.
- 4.5 The CCWC will receive proposals about how the additional impacts might be addressed/lessened. Ideally, these proposals should be presented as fully developed business cases. The CCWC will consider these proposals in the context of the intelligence reports, Economic Dashboard and Quarterly Economic Bulletins. The CCWC needs to operate in a way that ensures that any actions arising are **rapid and responsive**. However, there is also a need to ensure that actions are **effective and well thought through**. Therefore proposals should be discussed with appropriate partners before submission but may also be presented at an early stage of development to enable discussion to avoid any unnecessary work.
- 4.6 The CCWC can deploy the RIF to reduce the additional impacts of the economic downturn upon receipt of an acceptable business case. However, the use of that funding will only be considered if the appropriate response cannot be provided by:-
- Improving the promotion and awareness of an existing service; and/or

- Reasonable adjustment to how a mainstream service is provided; and/or
  - Reasonable adjustment to how an OP commissioned service is provided; and/or
  - Funding is not available from elsewhere
- 4.7 Where rapid decisions about the RIF are required, the members of the CCWC may make decisions outside of the regular meetings by personal communication via email and telephone. These decisions will be formally recorded at the next meeting.
- 4.8 The CCWC may also use the RIF as a mechanism to draw in other funding where this is possible.
- 4.9 Once the CCWC has made a decision about the appropriateness of a business case, it will delegate the commissioning and performance management of the proposal to the appropriate governance body e.g. thematic board of the OP. The governance body will be expected to provide quarterly information to the CCWC to enable ongoing overview.
- 4.10 The CCWC will also develop and ensure delivery of a communications plan to ensure that the public, Elected Members, partners, Government and Council Officers are provided with well balanced information about the local economic impacts of the credit crunch. This includes the identification of positive messages as well as realistic reporting of the negative impacts since it is essential to instil economic confidence where there is real evidence.

## **5 Governance and Membership**

- 5.1 The membership of the CCWC is as follows:-
- Leader of the Council
  - Chair of the OP
  - Chief Executive of Oldham Council
  - Executive Director of Economy, Skills and Places
  - GM Police
  - Learning and Skills Council
  - Job Centre Plus
  - Member of the private sector
  - Member of the voluntary/community sector

- 5.2 The CCWC will meet once a month in the first instance. The meetings will last one hour. At each meeting, the CCWC will determine whether the frequency of meetings needs to change.
- 5.3 On a quarterly basis, the CCWC will consider whether it needs to continue or whether it can stand down.
- 5.4 The CCWC will report to the Local Public Service Board.
- 5.5 The CCWC will work via a 2-way process with all of the Oldham Partnership Boards and will be supported by the following:-
- Secretarial support – E&E Unit
  - Regular intelligence reports from the E&E Unit, Housing Strategy and the Communities Unit (this is not an exclusive list – other partners/services will also contribute)
  - Economic Dashboard – Team Leader, E&E Unit
  - Quarterly Economic Bulletin – Team Leader, E&E Unit
  - Monthly CCWC report – OP Team
  - Promotion and publicity – OP Team
  - Management of RIF – OP Team/Commissioning Unit
  - Progress chasing – OP Team/Commissioning Unit
  - Testing of proposals – OP Team/Commissioning Unit with support from Thematic Leads
  - Two - way dialogue with Government – Service Director E&E
  - Business networks – E&E Unit
  - Regular workshops involving representatives of the Oldham Partnership Thematic Boards and other key partners as determined by emerging priorities – Service Director Economy and Enterprise
- 5.6 In addition, the above-mentioned teams will refer to other “experts” for advice to ensure that reports and business cases are properly robust.
- 5.7 Appendix 2 provides an illustration of how the CCWC might function.

## 6 Recommendations

- 6.1 Views are invited on the proposals within this report

**Contact officer: Michele Carr, Service Director Economy and Enterprise**  
**Tele: 0161 770 4475**

## **APPENDIX 1 – COUNCIL MOTION AGREED ON 4<sup>TH</sup> FEBRUARY 2009**

This Council is concerned about the impact of the credit crunch, particularly in relation to the people of Oldham and is keen to ensure services are realigned to ensure citizens and local businesses are appropriately supported through uncertain economic times.

This Council together with our partners in the Oldham Partnership will establish a Credit Crunch War Cabinet which will meet at least fortnightly in the first instance.

In partnership we will establish a "Rapid Intervention Fund (RIF)" to respond to and prevent some of the worst impacts of the changing economy being experienced by local residents and businesses, funded by unallocated Area Based Grant as agreed by the Public Service Board.

The Credit Crunch War Cabinet will achieve this by:-

- 1) Sharing information, data and intelligence on a regular basis in order to understand any rapid changes in our economy, housing market, levels of debt, housing repossessions and the impacts on society. This information will be shared with the appropriate members of the political groups on a regular basis.
- 2) On a quarterly basis produce an economic position statement for the Borough showing the overall trends arising from the changes in our economy as it impacts upon unemployment, benefit levels, our local business base and our housing market and occupancy. This economic position statement to be shared with all members of the Council and the Oldham Partnership on a quarterly basis.
- 3) Using the evidence from the reports and quarterly economic position statements to identify key actions that need to be taken including:-
  - Introducing additional support services e.g., redundancy support, improved provision of debt advice;
  - Reviewing the services commissioned by the Oldham Partnership e.g., increasing focus on sustaining existing businesses rather than business start ups; and
  - Reviewing the delivery of relevant Council services.
- 4) Deploying the Rapid Intervention Fund where it can have most impact.
- 5) Regular reporting to the Borough's MPs and Government Office North West and other agencies of the outcome of the position monitoring and subsequent actions taken by the Council with its partners.
- 6) Using the experience gained to contribute to the development of national good practice and influence Government's response to the changing economy.  
We note the measures outlined in this motion, but feel that they do not go far enough, in this time of dire economic circumstance. We urge this council to take active measures to promote the local economy by establishing an economic forum in which both large and small businesses can meet and pool ideas that would have a positive effect on business in Oldham.

# INTELLIGENCE AND IDEAS FOR ACTION FROM:-

**Business & Employment**

**Householders**

**Voluntary Sector & Neighbourhoods**



Economy  
Enterprise  
Unit

Housing  
Strategy

Communities  
Unit

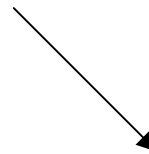
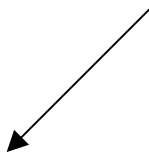
Other  
LSP  
Boards



- Initial vetting of proposals including 'anecdote testing
- Development of business cases for rapid intervention
- Fortnightly reporting of intelligence
- Monthly reporting of key data



**Credit Crunch War Cabinet**



Communications Plan

- Approval of business cases with/without funding
- Commissioning of further reports/research
- Delegation of proposals/business cases with/without funding to OP Boards or mainstream services



Monthly report main tool plus key examples/case studies of good news plus realistic representation of issues

Inform respective changes to mainstream and OP delivery programmes/services



**SINGLE CO-ORDINATED FOCUS ENABLES 2-WAY DIALOGUE WITH GOVERNMENT AND REPORTING TO LOCAL PARTNERS ETC**

