

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting4th December 2008

1. Title of Item/Report

The Impact of the Credit Crunch on the Borough

2. Record of the Decision

Consideration was given to a report on the Impact of the Credit Crunch on the Borough. The credit crunch and global economic slow down began in the construction and financial industry was having an impact on Council services and individual households. The report sought to assure Members that the Council was taking a lead role to establish the impact for Stockton Borough and put in place immediate and longer term plans to help local residents and businesses mitigate the effects of the economic slow down.

The credit crunch and economic slow down was developing into a global recession. The problems faced by businesses, rising unemployment and mortgage repossessions were an almost daily feature in the national media and many households and businesses within the UK were now experiencing increasing financial pressure and hardship.

The North East region's economy was predicted to suffer up to 70,000 job losses over the next 2 years. Despite this though, a recent report produced for the Local Government Association had predicted that the North East's recent growth and industries such as the process industry and new technologies, would position it relatively well to cope with the effect of the recession, second only to the South West.

Stockton Borough Council was proactively taking on a leadership and coordinating role, working with regional and local partners to put in place measures to help mitigate some of the effects of the economic downturn and be prepared for when the economy improves in the future. The Association of North East Council's (ANEC) was having fortnightly meetings with the regional Minister to monitor the economic conditions, providing SBC with the opportunity to feed directly into central Government to influence the direction of government support. The credit crunch was also on every Corporate Management Team (CMT) meeting agenda.

Although the report dealt primarily with the issues regarding the local economy, regeneration and housing, most services within the Council were being effected to differing degrees and future reports would be presented to Cabinet to provide updates and more detail on specific issues from all Service Groups as appropriate.

RESOLVED that:-

1. The content of the report be noted.
2. The work undertaken to date be supported.
3. Monthly updates be presented to Cabinet and made available to all Members.

3. Reasons for the Decision

The global economic slow down was having a significant effect on local businesses, residents and Council services.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Cunningham declared a personal and prejudicial interest in respect of this item as he was a Member of RDA and left the room during consideration of the item.

Councillor Coleman declared a personal non prejudicial interest in respect of this item as he was a Member of North Shore Development.

Councillor Mrs McCoy declared a personal non prejudicial interest in respect of this item as she was the Chair of District Advice Service.

Councillor Nelson declared a personal non prejudicial interest in respect of the item as he was a Member of Tristar Homes Board.

Councillor Nelson declared a personal non prejudicial interest in respect of this item as he was the Member of District Advice Service.

6. Details of any Dispensations

Not Applicable

7. Date and Time by which Call In must be executed

Not later than Midnight on Friday, 12th December 2008

Proper Officer
08 September 2008