

Credit Crunch Consultation - summary of key responses

1. The Business Community - 21 responders

a) How is the downturn affecting your business?

- The downturn is yet to show
- Sales are down costs are up
- Made worst by devaluation of the pound against the euro
- Negative pressure on our margins has necessitated a review of expenditure and investment
- 60% drop in sales (Estate Agent)
- Businesses are keen to market themselves (Marketing company)
- Less interest in taking up franchises - siege mentality
- People are nervous about investing
- People are too nervous to move their cash from the bank
- Sales of home safes are up 25%
- No effect on my business (Architect)
- Pre Christmas functions are about 1 third down but Christmas and New Year programmes are unaffected
- Not yet affected our business (Alarm systems) as we are the last contractor into a building
- In Crowborough 3 Estate Agents have closed this year, price drops close to 25% from Summer 07 and lending is down by over 70%
- I can not remember such bad times
- The situation will worsen before it improves
- A mood of depression in the town, there is a sense of battenning down the hatches
- May not be possible to monitor until the new year
- A drop in value but not volume of advance bookings
- Our business is up on last year and we wonder how much more buoyant it might be without the downturn, we are not representative of the market many of our customers are from the grey pound market
- Definite reduction in enquiries, expect to be 25-30% down going into the Spring
- My sector (Retail) does not seem to be greatly affected although spending habits have changed, average spend decreased
- Notable effect on my business (chauffeur) most customers are corporate executives and many have had their wings clipped, credit cards cut up, expenses clamped
- Increased stress through uncertainty, through banks, through lending, overdraft, state of the market
- Most businesses are definitely experiencing a slowing trade...majority have only seen finances tighten in the last 2 months
- Losing Post Offices has made life a little more difficult for some businesses
- Planning restraints have caused problems for many businesses
- Paying rates on empty business properties is creating difficulties

b) What could the Council do to help?

- Only pay business rates for used space in large warehouses
- Address anti social behaviour in town centre
- Reduce Council Tax
- Promote the town (Hailsham)
- Decrease the costs of services e.g. Waste
- Stop the planned change in traffic for Hailsham

Cabinet 17th December 2008

Agenda item 6 - Economic Downturn - the Council's Response

Paragraph 20 - summary of the key points from the consultation exercise

1. The Business Community - 21 responders

Consulted by email a cross section of 100 Wealden businesses, all the various business associations and Chambers of Commerce and included an article in the Food and Safety Bulletin (posted to over 1200 businesses). Crowborough Town Partnership also forwarded the consultation to over 200 of its members and 16 responses were received from in and around Crowborough..

Commentary on the business community response:

21 responses may be considered a rate of response sufficiently low so as to preclude definitive conclusions however those that did respond raised over 100 different issues or suggestions. Many responders did not address every question and some replied in general terms but nevertheless a picture of how the credit crunch is affecting local businesses has been obtained.

The questions posed in the consultation were:

1. How is the downturn affecting your sector?
2. What could the Council reasonably do to help your sector through a recession?
3. What is the best way of keeping your sector informed?
4. Do you have any examples where your sector has come up with innovative solutions or responses to the downturn?

There follows a broad summary of the responses to these points. The summary focuses on those matters referred to by more than one responder.

- **The impact of the Credit Crunch** - as might be expected this varies according to the type of business but only one has reported an improved situation compared to this time last year
- **Business climate** - Morale and confidence seem to be low. Customers are being very cautious particularly with investments and major purchases.
- **Support** - Several suggest that a reduction in business rates or rates 'holidays' would help them and that Council charges for services should be reduced or waived. Several suggestions that the Council should 'buy locally'. There was also a request that the Council offer short term loans
- **Street scene** - many responders pointed out the negative effect on trade and possible increased anti-social behaviour that can result from numerous empty shop windows along the High Street (currently there are nine in Uckfield High Street). Two or three specific references to crime and disorder issues that should be addressed.
- **Response** - the need for increased or improved marketing were mentioned several times as a necessary response to the recession. Some saw it as an opportunity to buy up competitors. Improving customer care and an increased focus on customer satisfaction was also mentioned.

- **Council services and support** - Various issues with the planning system were highlighted including a plea to relax planning restrictions and some questioned the adequacy of the support the Council has to offer and suggested campaigns, initiatives etc the Council should consider. These included holding local business fairs, forming a 'think tank' with business representatives, and taking the lead on encouraging businesses to support each other. Various criticisms of the level and quality of support the Council offers. References were also made to the need for improved infrastructure and importance of ample and free car parking.
- **Communication with the Council** - Email is by far the most preferred means of communication, but meetings with business groups also figured.

2. Parish/Town Councils (4 substantive responses)

Consulted all the Parish and Town Councils by email addressed to the Clerk, similar questions to those posed to businesses.

Commentary on Parish and Town Councils response:

A small sample of just one town and three parish council's responded. The three parishes indicated that the recession was not yet having any noticeable effect whilst the town council reported an increase in people using the local Citizen's Advice office.

Support for the community focussed on reducing financial burdens on businesses and parishioners by avoiding any increase in Council Tax and reintroducing the rebate for empty commercial premises. A plea was made for the Council to stimulate rural businesses and to provide assistance to retailers by encouraging employment opportunities.

One parish suggested local television to keep their parish informed another said through their Clerk or by using posters on Parish notice boards.

3. Councils for Voluntary Services (1 response)

Consulted both CVS that serve Wealden by email, similar questions to those posed to businesses.

Commentary on Voluntary (CVS) sector response:

Wealden is served by two Councils for Voluntary Services, one replied. It reports an increasing in demand for debt and employment advice. However, many voluntary organisations are facing reduced income from corporate sources and individual donations and that legacies given as property have declined in value.

Ideas for helping the community through the recession include the Council making prompt payment to ease cash flow, providing advice to voluntary organisations on how they can cope and bending services towards greater social needs.

E-bulletins, newsletters and web site information and signposting are the preferred methods of communication.

- Increase free parking in the High Street (Hailsham)
- A holiday for business rates or a substantial reduction
- Council to limit the maximum number of shops of each type of trade
- A local business fair would definitely help
- Business relief
- Reduce business rates (several)
- Allow advertising on Council notice boards for local businesses
- Get landlords of empty shops to decorate the windows so they don't look derelict
- Council could buy locally for say 6-9 months
- Let businesses know what they are getting for the money they pay
- Promote the services you provide and what happens to recycling
- Email news about changes in legislation, helpful tips etc.
- Planners could make it easier for prospective tenants and buyers to know what planning use class is permitted
- Promote tourism
- Help businesses review their business rates and apply for relief
- Promote what Wealden does already to help businesses
- Form a "Think tank" where Wealden sits down with business leaders
- Wealden should promote positive messages e.g. Free parking, Wealden Cares
- Bring forward capital projects
- Defer business rates for 12 months
- Remove charge for trade refuse from a normal bin
- Wealden is not as supporting of local businesses as they should be, tendency for WDC staff to hide behind what are not Wealden's areas of responsibility
- Town centre is depressing with a number of empty shops
- Matters will be improved if Wealden considered again communications with businesses and rate payers
- It would be good if Wealden was seen as a local and enlightened force for positive change rather than a barrier to progress
- The community grant funding provided to promote shopping has been put to good use
- Business strategies and support from Wealden are essential not just at times of recession but through better times as well
- Reduce illegal parking
- Make landlords maintain their empty premises
- Identify and publish primary and secondary shopping areas within Crowborough town centre
- Retain free car parking
- A more strategic approach to economic development for north Wealden
- Postpone the relocation of Wealden's offices to Hailsham
- Budget for economic development funding over a 3 year period for north Wealden
- Enforce section 106 conditions
- Support relocation of the farmers market to Crowborough town centre
- Avoid conversion of commercial properties to residential use
- Avoid issuing business rates demands followed by a separate demand for trade waster
- Wealden is not held in particularly high esteem by the majority of business people I meet
- Any advice to steer us through would help

- Wealden Council's design and print services be kept to designers in the Wealden area, the name of the person responsible for Council marketing and publicity would be handy
- Council might consider a campaign to encourage Wealden businesses to support each other, maybe incentivised somehow?
- Reduction in operating fees (Chauffeur) and lobby for fuel discounts etc for professional drivers
- Get the Government to set up a loan scheme through the Post Office
- Freeze or decrease business tax
- Improve security on the industrial estates
- Press for improved public transport
- Relax planning restrictions to help future development and to help the building trade
- Essex County Council is forming its own bank to give businesses access to loans
- My own experience - I have never found local governments initiatives of any use, normally a waste of time and money however if Wealden can provide short-term loans to help businesses with an extra year we could avoid jobs being lost. Longer term loans could allow businesses to convert to solar/wind generation of power

c) The best way of keeping you informed

- Email (10)
- Business meetings
- Through the local newspaper (2)
- Wealden Chief Executive to be a guest speaker at one of our business lunches
- You only have to look at Crowborough high street to see just how much use Wealden Council are. You delude yourself if you think a group of public servants will really help, they are just not equip to do the job
- More informal meetings

d) Examples of solutions

- Acquisition of failing competitors
- Review and increase marketing
- Reduce overheads
- Landlords should provide a rent holiday
- We are helping people to move by offering part exchange deals (Estate Agent)
- We have launched a Privilege Card locally
- One to one marketing
- Shop keepers to improve customer care
- Recession may sort out the cowboys leaving the stronger players to emerge
- Council should be prudent in these difficult times and treated like any other business, cutting costs and staff
- Focussing our market strategy on a wider area
- Contacted business link team to give us some direction
- Woolworth's closure may not help, another now in the coffin and a major retailer in the high street
- We changed how we market ourselves mid year
- Our maxim is "the best advert is our last order"
- Make an open call for greener energy projects
- Instead of the Chancellor reducing VAT the money would have been better spent on capital projects
- A small reduction in VAT is unlikely to do it

- Increased networking meetings
- More door drop leaflets to promote my services
- Tracked email campaigns
- I think well informed means you can prepare for the future
- Keep dancing - keep up a dialogue with your customers, keep your business name in the customers face, think laterally, keep doing it
- Micro-generation of energy on business premises could save and earn money
- Organising a workshop on dealing with pressure and stress (a Town Partnership)

2. Parish/Town Councils (4 substantive responses)

a) How is the downturn affecting your community?

- A noticeable increase in the number of people using the Citizens Advice Bureau in Polegate
- Not aware at present of anyone in Hadlow Down needing help.
- The full effects of the recession not yet felt in this rural area (Hellingly)
- Too early for the effects of the downturn to be evident in Danehill Parish..

b) What can the Council do to help your community?

- Re introduce the rebate for empty commercial premises
- Keep the Council Tax from increasing
- Minimise the financial burdens on parishioners
- Stimulate rural businesses
- Provide assistance to retailers by encouraging employment opportunities.

c) Best way of keeping you informed

- Local television news
- Via the clerk, also through posters that can be displayed on our two notice boards

d) Examples of solutions

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3. Councils for Voluntary Services (1 response)

a) How is the downturn affecting the voluntary sector?

- More demands for debt advice and employment
- Many voluntary organisations face a reduction in income
- We expect to be working with a increasing number of unemployed people requiring support and an increasing number in debt
- Corporate resources for charitable support are reduced, legacies given as property have declined in value, trading incomes reduced, individuals have less resources for donations

b) What can the Council do to help the community through a recession?

- Pay promptly to ease cash flow problems
- Provide advice to voluntary groups on how to cope

- Bend services towards greater service needs
- Provide adequate resources to support those with issues of debt or loss of employment
- Advice to ensure benefit take-up

c) Best way of keeping the voluntary sector informed?

- E-bulletins
- Newsletters
- Website information and signposting

d) Examples of solutions

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