

Stopping the Spiral of Decline?
Understanding the importance of
social networks in a recession: a
case for action

Final Report

REVISED DRAFT

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1: Introduction

- 1.1 SQW Consulting was commissioned by SEEDA in March 2009 to explore the links between economic change and community cohesion and social capital in order to assess the extent to which there may be a ‘spiral of decline’ in some communities in the South East, with economic and social problems reinforcing each other, and how this might be best managed. This is the Final Report incorporating the findings from an evidence review, analysis of economic and social data, consultations with local stakeholders across the South East and a set of recommendations for policymakers.
- 1.2 The project has sought to understand how the economy – with particular reference to the recession – impacts upon community cohesion and social capital, and how in turn a breakdown in cohesion or reduction in social capital can have subsequent impacts upon the economy in the longer term. The study explores the idea of ‘community resilience’ and how we might identify areas that may be more vulnerable to a spiral of decline due to a combination of low resilience and high economic stress. The study identifies a range of possible responses that could help to reinforce resilience through stronger social networks.
- 1.3 After extensive desk-based research to inform the understanding of these relationships and a statistical mapping exercise, the project then undertook a region-wide stakeholder consultation process to understand the impact of the recession on local South East economies and communities and to understand the types of responses that have been implemented to mitigate these impacts. Finally, drawing on all of our research, we have provided recommendations on policies and interventions that may benefit the South East in strengthening the resilience of local communities and preventing greater economic decline in the longer term.

Report Structure

- 1.4 This Final Report is divided into three parts.
- **Part A**, *Making the case: Understanding the role of social networks in the economy and how a ‘spiral of decline’ may develop*, seeks to lay the theoretical foundations for the project.
 - Chapter Two defines the key terms and concepts used in the research and outlines how community cohesion and social capital relate to each other.
 - Chapter Three provides analysis as to whether, and to what extent, community cohesion and social capital influence economic performance.
 - Chapter Four explores the reverse of this analysis and explores how the economy can subsequently impact upon community cohesion and social capital.

- Chapter Five draws together the previous evidence to suggest the possible existence of a ‘spiral of decline’ and how community resilience might influence this. It devises a simple model for summarising the relationships between the economy and social capital and community cohesion.
- **Part B**, *Mapping the risks: Identifying how community resilience and economic stress may vary across the South East and how some areas may be more vulnerable to a spiral of decline*, draws upon various sources to understand how the recession is impacting upon local economies and communities in the South East.
 - Chapter Six provides a brief overview of how the UK recession is impacting both at a national level and within the South East. It also provides findings from our qualitative mapping exercise which investigated the impact of the recession in twenty different areas of the South East.
 - Chapter Seven uses secondary data sources to construct measures of community resilience and economic stress. These are combined to create an Index of Community Vulnerability, assessing which areas of the South East may be most vulnerable to a spiral of decline.
- Finally, **Part C**, *Recommendations for action*, reviews the recent recession responses in the South East and identifies the types of policies and interventions that may ‘stop the spiral’.
 - Chapter Eight utilises the information gathered through the qualitative mapping exercise to identify the types of services and interventions that have been delivered in response to the recession in the South East. It draws together a typology of responses and comments on the relevance of these to stopping the spiral through promoting social networking.
 - Chapter Nine identifies the best practice policies and interventions that may be implemented to help stop the spiral. These are illustrated with examples that are drawn from both the South East region and nationally.
 - Finally, Chapter Ten concludes the report by providing a summary of the key findings and conclusion before making a set of practical recommendations for what can be done to promote social networking that may lead to economic benefits.

Part A: Making the case: Understanding the role of social networks in the economy and how a ‘spiral of decline’ may develop

1. Part A of this report, covering Chapters 2-5, seeks to lay the theoretical foundations for the project. It establishes the concept of ‘community resilience’ and how this may influence a ‘spiral of decline’.

2: Defining key concepts

- 2.1 This chapter defines the key concepts and terms used in this report. It explores the nature of community cohesion, social capital, and how these two concepts relate to each other.

Policy aims

- 2.2 Both SEEDA and central government highlight strong communities as an important policy aim. In the most recent South East Regional Economic Strategy (2006-16) SEEDA and its partners committed to promoting and building *cohesive sustainable communities*. These are described by SEEDA as communities where “prosperity and the quality of life... must be inclusive and give everyone the opportunity to share in its benefits.” The agency’s mission to promote economic development is allied to this, and reflects SEEDA’s dual role in promoting wealth creation and also in ensuring that all communities can share in the benefits of this.
- 2.3 Clearly, during a recession, particularly one as significant as the present one, it is natural to be concerned about the impact of the economy upon communities, in the short and long term. Conversely there may also be impacts from social changes back upon the economy. This report will explore the mutual links between the economy and our communities.
- 2.4 Whilst economic change is much discussed and well measured, social changes can be harder to measure and understand. This research proposes that there are two concepts that are key to helping us to understand social change – *social capital* and *community cohesion* – and which this chapter will now define for the purposes of clarity. They are often cited within the academic literature and evidence base regarding the relationships between economies and communities.

What is community cohesion?

- 2.5 At a national level, the Department for Communities and Local Government (CLG) works to create *thriving, sustainable, vibrant communities*. The concept of community cohesion is a key part of this and has gained prominence in national policy in recent years. CLG (2008) has recently defined community cohesion in the following terms:

Community cohesion is what must happen in all communities to enable different groups of people to get on well together. A key contributor to community cohesion is integration which is what must happen to enable new residents and existing residents to adjust to one another.

Our vision of an integrated and cohesive community is based on three foundations:

- *People from different backgrounds having similar **life opportunities***
- *People knowing their **rights and responsibilities***
- *People **trusting** one another and trusting local institutions to act fairly.*

And three key ways of living together:

- *A shared future vision and **shared sense of belonging***
- *A focus on what new and existing communities have in common, alongside a recognition of the **value of diversity***
- *Strong and **positive relationships** between people from different backgrounds.*

- 2.6 Community cohesion therefore refers to a wide set of elements in relation to a community as a whole, which may include service provision, economic development, issues relating to social inclusion, education, and planning.
- 2.7 In similar terms, a 2005 report by the Local Government Association (LGA) suggested that “community cohesion means making sure that different groups can get along with each other and develop relationships based on mutual trust and respect.” Cohesion therefore depends upon “regular contact and interchange... breaking down segregated and separate lives and ensuring that no group is discriminated against or suffering such disadvantage that they feel that they have no meaningful stake in society.”
- 2.8 There is no ‘silver bullet’ or single factor that determines the level of cohesion within a community as there are multiple drivers, and a “complexity of influences” (Laurence and Heath 2008), on cohesion. In particular, both individual and community level factors are important. Whilst ethnic diversity and civic empowerment can help drive cohesion, economic and social disadvantage, crime and fear of crime, vulnerability, and transient populations are found to erode community cohesion. These themes and issues will be explored and expanded upon in later chapters of this report.

What is social capital?

- 2.9 The concept of social capital is related to that of community cohesion, yet is different in a number of respects. Social capital has been defined as:
- “networks, norms, relationships, values and informal sanctions that shape the quantity and co-operative quality of a society’s social interactions”
(Aldridge, Halpern and Fitzpatrick 2002)*
- 2.10 More simply articulated, social capital is “the social glue between people, organisations and communities that enable them to work together to pursue shared objectives” (Neighbourhood Renewal Unit, 2003). Warwick-Booth (2007) suggested that “social capital arguably greases the wheels of communities in that it enables them to run more smoothly.”
- 2.11 Like community cohesion, levels of social capital are influenced by a range of individual and community factors. These include the community’s history, culture and hierarchical nature of social structures, families, education levels, the built environment, residential mobility, economic inequalities and social class and patterns of individual consumption and personal values. A paper produced by the Borders Foundation for Rural Sustainability (2002) noted “the antithesis of social capital is social exclusion. Symptoms of low social capital are low levels of mutual trust, high rates of serious and violent crime, electoral apathy and low voter turnout.”

- 2.12 Through the work of Putnam (2000), Woolcock (2001), and Halpern (2005), social capital has been defined as having a number of distinct dimensions: bonding, bridging and linking.
- **Bonding** capital refers to networks such as family members or ethnic identities. These networks tend to be “inward looking and reinforce exclusive identities and homogenous groups” (Putnam 2000).
 - **Bridging** capital is typically evident across ethnic groups and refers to networks that are “outward looking and encompass people across diverse social cleavages” (Halpern 2005).
 - **Linking** capital can be considered a particular form of bridging capital that is primarily concerned with relations of power. Linking capital has been referred to as “a vertical bridge across asymmetric power and resources” (Ibid). Halpern (2005) exemplifies linking capital by contrasting the social networks of a typical middle-class individual and a billionaire. Whilst the middle-class individual could have more bridging capital, as the billionaire is unlikely to have too much contact with large sections of society, the billionaire’s network is likely to include top-politicians and industry experts and therefore much higher levels of linking capital.
- 2.13 Woolcock (2001) suggests that these three dimensions of social capital are particularly important when seeking to understand the situations of different social classes. The poor typically have “a close-knit and intensive stock of bonding social capital” that they leverage to ‘get by’, only “a modest endowment of the more diffuse and extensive bridging social capital” typically deployed by the more affluent to ‘get ahead’, and “almost no linking social capital enabling them to gain sustained access to formal institutions.”
- 2.14 A more pragmatic definition of social capital and, in particular, how it can be measured, has been provided by the Office for National Statistics (ONS) Social Capital Working Group (2003) who suggested that social capital should be considered as having five dimensions:
- Social participation (i.e. involvement in social and leisure groups, volunteering)
 - Civic participation (i.e. ability to influence, voting, involvement with action groups)
 - Social networks and support (i.e. contact with friends/relatives, satisfaction with life)
 - Reciprocity and trust (i.e. trust in other people, confidence in institutions)
 - Views on the local area (i.e. views on local environment/ facilities/ crime)

How do social capital and community cohesion relate to each other?

- 2.15 Social capital and community cohesion are often linked together in policy documentation. Joseph Rowntree Foundation (JRF) (2006) notes “the resemblance between the vocabulary of social capital and social cohesion is both striking and probably intentional” and even academic papers such as Kearns and Forrest (2000) include social networks and social capital

as ‘constituent elements’ of social cohesion. The Office for National Statistics¹ states that while definitions vary “the main aspects [of social capital] are citizenship, neighbourliness, social networks and civic participation.” Whilst he was Home Secretary, David Blunkett stated², “We must think about building social capital in the wider context of citizenship. The two weave together. Those who volunteer in their communities tend to be more likely to vote. Conversely, those who have a sense of citizenship tend to work with others to improve their communities.”

- 2.16 There are therefore several clear links between the concepts of social capital and community cohesion. Both notions are concerned with people working together and building positive relationships, pursuing shared objectives and visions, recognising accepted norms and rights and building trust between people and local organisations.
- 2.17 However, “although there is a close connection between the concepts, social cohesion and social capital are not the same thing” according to the Smith Institute (2008). “On the one hand, social capital refers to *resources* – in particular the social networks and social norms that help society achieve desirable collective ends. On the other, social cohesion is generally taken to mean a common *identity* based on common values and symbols.” This distinction between resources and identity is an important one. As such, throughout this paper we will refer to both community cohesion and social capital rather than treat them as one concept.
- 2.18 There are also circumstances where these two concepts may work against each other. As noted earlier, a cohesive society is often regarded as one in which diversity is appreciated and positively valued. It might reasonably be expected that a society rich in social capital might also display these properties, but this may not always be the case. The recent discovery of a link between diversity and social capital has had major repercussions for debates about social cohesion. Putnam (2007), for example, has warned of the short-term difficulties of building and maintaining social capital in increasingly diverse societies if one or more communities are inclined to ‘retreat’ into themselves in response. The Smith Institute notes that “it is clear that attempts to build social capital will benefit social cohesion only if the benefits are accrued by all sections of society, not just the majority. This means finding ways of building bridging capital, which... is rather trickier than building bonding capital.”
- 2.19 In a World Bank policy paper, Ritzen et al (2000) state that “social cohesion refers to broader features of society whereas social capital is primarily concerned with networks and communities... Social cohesion is a state of affairs in which a group of people demonstrate an aptitude for collaboration that produces a climate for change... Presumably what some people would define as social capital – i.e., the norms, networks and other related forms of social connection – will be an important basis for this aptitude.”
- 2.20 What the final section of this chapter has shown is that although social capital and community cohesion share many commonalities, such as people working together, trust, and accepted norms/rights, there is a clear distinction between the two. Namely, that social capital refers to resources whilst community cohesion refers to identity. As a consequence we will use both

¹ Office for National Statistics website, accessed April 2009. <http://www.statistics.gov.uk/CCI/nugget.asp?ID=314>

² Blunkett (2002) Speech to the Performance and Innovation Unit Seminar on Social Capital, 26th March 2002.

terms throughout the rest of this report and seek to explore the relationships between the economy and both community cohesion and social capital.

3: How community cohesion and social capital affect the economy

- 3.1 In this chapter we draw upon a wide range of evidence to establish how the economy is affected by community cohesion or social capital. The chapter explores these possibilities and determines whether, and to what extent, community cohesion and social capital influence economic performance.
- 3.2 The findings in this chapter have been drawn from a wide literature review, using academic and think-tank papers, government policy reports and evaluations of previous public interventions. In fact, the published evidence primarily focuses on how social capital can affect economic performance, with little discussion of the links between cohesion and the economy, although we comment on this at the end of the chapter.

Social capital and the economy

- 3.3 We have grouped the different ways that social capital influences the economy under three broad headings – individuals, firms and communities/macro factors.

i) Individuals

- 3.4 Halpern (2005) summarises the economic effects of social capital at the individual level as “it’s not *what* you know, but *who* you know that counts.” The key processes whereby social capital can affect an individual’s economic outcomes are through access to, and progression within, the labour market and educational attainment.

Labour market functioning

- 3.5 There is agreement amongst much of the theoretical literature that the existence of stronger social capital leads to better functioning labour markets. The importance of social networks is highlighted for both job placement and career advancement (see Putnam 1995 and 2000, Aldridge, Halpern and Fitzpatrick 2002, and Halpern 2005). The duration and the overall level of unemployment is partly a function of search costs, i.e. the costs that people pay when finding employment. Search costs may accrue as an individual makes an effort to find employment, be it the financial cost of physically getting to Job Centres or interviews, or the opportunity cost of time spent job-searching. Social capital provides cost-effective mechanisms for facilitating job searches that may therefore reduce search costs.
- 3.6 A range of evidence is available to support the theory that social networks play a key role in finding employment:
- Labour Force Survey data shows 29% of UK workers obtained employment through hearing about it from someone who worked at the place of work. Moreover, data from the evaluation of the New Deal for Lone Parents programme found that 30% of parents who recently obtained employment heard about the job from friends or

relatives, compared to 10% who had been informed of the position through Jobcentre Plus (Hales et al 2000).

- Buck (2001, referenced in Aldridge, Halpern and Fitzpatrick 2002) found that a lack of the right kind of social networks can explain why individuals in deprived neighbourhoods are less likely to exit poverty than would be predicted by their individual characteristics. A lack of friends in the labour market was noted as one of the most significant factors that limited an individual's ability to find employment.

3.7 In addition to the initial task of finding employment, social capital is widely noted as contributing towards greater career progression:

- Qualitative research by MORI (2001) identified a lack of social connections as a barrier to labour market achievement.
- Woolcook (2001) highlights studies that show residents of deprived inner-city communities find themselves trapped in low-wage jobs because of a lack of access to employment information networks.

3.8 In terms of employment opportunities a deficit of social capital can have significant economic impacts for individuals. Both the theory and practical analysis suggests that insufficient social capital can increase the duration and level of unemployment. In addition, social capital can also help advance individual's careers to higher paid positions.

3.9 An important caveat should be noted though. The findings of Buck (2001) suggest that the *dimension* of social capital is particularly important. The study found that bonding capital between unemployed individuals can actually produce negative economic consequences and limit employment opportunities. Granovetter (1983) was one of the first to note that individuals who rely too heavily on "strong ties" (i.e. bonding social capital) were more likely to have had a period of unemployment between jobs compared to those using "weak ties" (i.e. bridging social capital).

3.10 In addition, Beugelsdijk and Smulders (2004) noted that individuals often have to make a short-term trade-off between using their resources for building social capital (for example, visiting family and friends) or using their resources for more directly productive purposes (for example, working). The paper suggests that bonding social capital can crowd-out growth through diverting an individual's resources towards less productive means.

Educational attainment

3.11 There is known to be a strong link between the levels of social capital and educational attainment (see Coleman 1988, and Aldridge, Halpern and Fitzpatrick 2002), which in turn influences local economic performance. Several studies highlighted by Halpern (2005) show that children whose parents are both physically present and attentive tend to have higher educational attainment. Higher levels of social capital – in this case within families and demonstrating itself as engaged parents who devote greater time to their children's school work - are more likely to encourage a culture of learning. It is also the case that any breakdown in family life (part of social capital) is more likely to contribute over time towards greater pupil apathy towards learning, resulting in lower educational performance and its

associated problems. In addition, a deficit of social capital can be reinforced over the longer term through a generational cycle of low engagement and poor educational performance. Lower educational attainment tends to lead to lower economic performance.

ii) Firm level

- 3.12 Social capital can have important economic effects both *within* firms and *between* firms. These positive effects are mostly attributed to increasing productivity and simplifying the ease of doing business.

Within firms

- 3.13 Within a firm, improved internal networks and cooperation between different members of staff can significantly improve a firm's productive capacity. Improved team-working and knowledge-sharing should increase a firm's efficiency, promote innovation and potentially improve the quality of outputs (see Tsai and Ghoshal 1998 and Aldridge, Halpern and Fitzpatrick 2002).
- 3.14 However, ONS (2005) warns that in certain circumstances social capital may help some people to progress within an organisation to the detriment of others. This may be particularly evident where there is no equal opportunities policy to allow fairness in training or recruitment, or no human resources function to act impartially with disputes. These situations may even lead to a breakdown in trust and become a barrier to progression. Thus, the nature of networks within firms is important – they need to be strong but also inclusive.

Between firms

- 3.15 Networks and cooperative norms between firms can also provide significant economic benefits. Positive relationships between trading partners can speed up transactions, whilst alliances between competitors can help create benefits from clustering effects (see Osberg and Sharpe 2000). The revival of the Finnish economy through the 1990s is an excellent example of these benefits (see NESTA 2008). After entering the worst post-war recession ever experienced by a Western democracy in the early 1990s, the Finnish government developed a revival strategy based upon technical innovation and encouraging the growth and networking of the country's telecommunications cluster. By 1996 Finland's annual productivity growth rate rose dramatically and the economy was deemed as prolific as Silicon Valley (another well known cluster) in terms of using new technology to drive growth.
- 3.16 Safford (2004) warns that not all networks produce positive economic effects. The paper uses the example of two very similar recession-hit towns badly affected by the decline of American steel manufacturing in the 1970s and early 1980s. Whilst both of the towns had significant business (and social) networks, only one of the towns was able to benefit economically from these. The networks in Allentown, Pennsylvania were described as diverse, dynamic and outward facing so that the town was well-connected and open to new opportunities. However, the strong business networks in Youngstown, Ohio were characterised by exclusivity and were a means of rewarding insiders and reaffirming social status. The revival of Allentown was attributed to its open networks that encouraged new opportunities whilst the stagnation of Youngstown was largely due to the ability of a small

group of actors who were able to assert their narrow interests over those of the community more broadly.

- 3.17 In a similar argument to Safford (2004), Aldridge, Halpern and Fitzpatrick (2002) note that the universality of access to social capital is important. It can either be used as a 'public good' whereby it benefits every member of the community or it can be used as a 'club good' whereby it benefits just an exclusive segment of the community. Examples of social capital being used as a club good include 'old boys networks'.

iii) Community / macroeconomic level

- 3.18 One of the early theories linking social capital to macroeconomic growth was developed by Fukuyama (1995). Here it was suggested that the strong economic performance of the USA and Japan was a result of the high social capital and trust between strangers found in both of these countries.
- 3.19 In a paper that reviews studies relating to social capital, growth, and good economic performance, Beauvais & Jenson (2002) note several references to trust, cooperation, and coordination that come from well-developed social capital. Besides papers we have already noted, Beauvais and Jenson (2002) refer to a Stanley and Smeltzer (1999) paper which argues that social capital encourages and shapes an attractive investment climate. The theory suggests that social capital, measured as trust and a greater willingness to cooperate, may do this through reducing expected transaction costs. The paper suggests that the lower transaction costs are a direct result of social capital reducing the risk in economic transactions – and therefore the need for defensive mechanisms – and by improving political and labour stability.
- 3.20 Although aggregation of the individual and firm level impacts mentioned above can have larger macroeconomic impacts, there are some specific impacts that social capital can have on the wider economy. Boix and Posner (1998) outline several ways in which social capital can increase the productive capacity of an economy through improving the effectiveness of government:
- Public governance - Social capital raises the community's awareness levels and aptitude. As a result political elites are judged more critically and therefore must work harder to remain in power and govern more effectively.
 - Government efficiency - In a similar theory to the within-firm benefits, social capital has the ability to increase the cooperation and team-working of bureaucrats. This can increase the capacity of government officials to manage public agencies and lead to improved bureaucratic productivity.
 - Good citizenship - Social capital boosts the positive relationships and therefore expectations that citizens have of each other. As a consequence of more optimistic expectations citizens are more likely to pay taxes and not shirk their public responsibilities. This allows governments to spend less resources monitoring for compliance and more resources being productive.

- Social/civic responsibility - Social capital may foster civic virtue, whereby citizens' preferences shift from the self-interest to community orientated concerns. As a consequence demands on the government will be for the good of the broader society and improve the lives of community members in the long run. This is of particular importance as it suggests social capital can mobilise communities to work together for regeneration and counter economic decline through less capital-intensive methods. These less resource-intensive approaches may be particularly appealing to public bodies during times of recession and tighter public budgets.

- 3.21 At a macro-level, Bruegel and Warren's (2003) discussion on education suggests that not all social capital is good for the economy if it preserves an undesirable status quo. The paper notes that "bonding social capital operates as a resource for poorer, ethnically homogenous communities, protecting them from market inequalities, while at the same time providing, richer, exclusive communities with the means to consolidate their advantages." However, "while a community with high bonding social capital may help children do well in tests, it does not provide them with the self-reliance, flair and ability to take risks and to move their careers forward beyond local horizons. Nor does it especially enhance their potential contribution to the economic vitality of their communities (Avis, 2002). *Bonding social capital may therefore have limited value in promoting social mobility or reducing inequality.*"

Community cohesion and the economy

- 3.22 Our review of the literature found little evidence and academic discussion regarding the impact of community cohesion on the economy. It is apparent that social capital, and in particular its impacts, is well covered by academia, whereas community cohesion is more commonly used as a concept within public-sector papers and has not, to date, been thoroughly explored through research. Whilst the academic literature strives to prove and understand how social capital influences the wider economy, the public sector papers tend to assert that community cohesion has inherent value in itself, and as such, any wider economic benefits have not yet been well documented.
- 3.23 An early government review on the subject came to the broad conclusion that there is strong acceptance that "in societies where there is a high degree of community cohesion, there is greater economic growth and stronger development. Areas lacking in cohesion are usually identified as economically deprived." (Community Cohesion Review Team 2001). However, as Helliwell (2001) noted, "it is easier to find correlations than to discover the strength and direction of causation."
- 3.24 The implications of our earlier discussion in Chapter Two suggest that if we wish to secure both social capital and community cohesion as positive outcomes, then some of the more inward-looking (bonding) aspects of social capital in some communities may militate against cohesion. As already seen earlier in this chapter, these types of local networks may also militate against local economic performance. Thus, if weaker cohesion and lower economic performance may be associated, it is plausible that greater cohesion may well be associated with more positive economic outcomes.

- The evidence highlights the particular importance of different types of social networks in promoting positive economic outcomes for individuals, businesses and local economies. However, it also notes that not all networks have equally positive effects if they primarily promote 'clubs' rather than the public good. For example, too much bonding capital in communities may limit horizons and inward looking business networks may limit economic recovery from recession.
- Social capital in particular can influence the economy through individuals, firms and community/ macro-economic processes:
 - At an individual level, social networks (particularly linking and bridging social networks) are significant in helping people find jobs and progress in the labour market, and in the longer term strong families support children in higher educational attainment.
 - At a firm level, networks that help build a firm's internal team-working and bring firms together for collaboration and co-operation, can promote business performance and strengthen economic outcomes.
 - At the level of wider society, stronger social capital can enable better public governance, good citizenship and social responsibility providing a range of indirect economic benefits.
- From both the individual and firm level perspective bridging social capital tends to provide greater economic benefits than bonding social capital. Bridging social capital typically refers to networks that encompass people from across diverse social cleavages.
- Although the direct evidence base on community cohesion and the economy is limited, stronger cohesion and higher economic performance can be associated.

4: How the economy impacts upon social capital and community cohesion

- 4.1 Having established numerous links in the previous chapter regarding how social capital in particular can influence the economy, this chapter seeks to look at these relationships from the opposite direction - how the economy may impact upon community cohesion and social capital.
- 4.2 Here we draw upon a range of published evidence to demonstrate this. We have grouped the processes into two broad groups: contextual long-term conditions and short-term recession factors.

Contextual 'long-term' conditions

- 4.3 The broad characteristics of economic deprivation and poverty are widely cited influences on both social capital and community cohesion. One of the primary findings to emerge from Laurence and Heath (2008) was the strong relationship between the dimensions of disadvantage and perceptions of cohesion, whereby “disadvantage consistently undermines perceptions” of community cohesion. Moreover, this finding held true “irrespective of the level of diversity in a community.” Although the direction of causality is not evident, trust, attachment to neighbourhood, tolerance and respect were all found to be scarce in deprived neighbourhoods (Stafford et al 2003).
- 4.4 This theory is further strengthened by evidence from the 2005 Citizenship Survey (cited by Commission on Integration and Cohesion (CIC) 2007). Survey responses suggest that people who live in affluent areas were more likely to agree that people of different backgrounds got on well together and ethnic differences were respected.
- 4.5 Forrest and Kearns (2001) suggest that high levels of disadvantage lead to feelings of powerlessness, isolation and vulnerability. These in turn reduce the opportunities for social interaction between individuals and undermine community cohesion. Laurence and Heath (2008) also note that deprivation reduces the willingness of individuals to engage and therefore integrate.
- 4.6 Similarly, economic disadvantage goes hand in hand with lower educational attainment, which is correlated with reduced civic engagement, social trust, neighbourliness, social support and worse perceptions of the local area (Laurence and Heath 2008). Therefore economies or communities that have more residents with lower educational achievement are likely to see lower levels of social capital and community cohesion (see Haezwindt (2003).
- 4.7 These conditions can become compounded over time. The CIC (2007) reported that perceptions of cohesion and integration may be low within communities with a history of industrial decline. Past experiences are known to linger and undermine future perceptions of cohesion. This finding suggests that a recession, if its economic consequences are not

reversed through recovery, could produce negative social consequences for cohesion that may last for decades.

‘Short-term’ recession factors

- 4.8 It is also important to consider the more short-term impacts of economic change upon communities, the key ones of which are summarised here.

Unemployment

- 4.9 “Participation in the labour market can contribute to the presence of social capital in individuals and communities.” (ONS 2005). Hannan (2008) noted that rising unemployment, a normal consequence of economic recession, can foster social withdrawal and social isolation through two mechanisms:
- Unemployment directly reduces an individual’s financial resources so that opportunities for interaction are reduced.
 - Unemployment may reduce an individual’s self-confidence such that they actively retreat from social interaction.
- 4.10 As noted earlier, networks play a key role in assisting individuals to find employment. Many job-hunters find employment opportunities through networks of employed friends, family and acquaintances. Higher rates of unemployment can significantly weaken these networks and may even foster networks of unemployed individuals that can hinder employment searches (Buck 2001) through embedding their present situation.

Public resources/facilities

- 4.11 Greater competition for public resources and community facilities can influence community cohesion and social capital. This is particularly the case when resources are perceived as tight as would be the case with a recession. Blake et al (2008) note that demands on, and competition for, scarce public services can significantly reduce cohesion. Moreover, this can be magnified when the incumbent population has relatively poor perceptions of new migrants settling in the area.
- 4.12 The CIC (2007) highlighted community facilities as effective means for increasing cohesion. Facilities such as community centres, shared spaces and shared places, such as parks, encourage and promote sharing and cooperation between different groups of people. As many of these facilities are publicly funded, an economic downturn that results in reduced public budgets could result in these facilities being sacrificed at the risk of negatively impacting upon community cohesion.

Crime

- 4.13 Increased levels of crime and especially the fear of crime (not always the same thing) are both strong negative predictors of community cohesion (Laurence and Heath 2008). Oliver and Mandelberg (2000, cited in Laurence and Heath 2008) found that petty crime and social

disorder can lead to feelings of anxiety, fear, alienation from neighbours and a lack of trust in others. The widespread acceptance that crime, and particularly property crime, is negatively correlated with economic performance and employment (see Home Office 2007) suggests that the economy can have a specific influence on the levels of cohesion through crime rates. A recession that leads to significant falls in employment is likely to result in an increase in crime and as a consequence a reduction in community cohesion.

Transient populations

- 4.14 Length of residence has been cited as an important factor in developing social networks and bonds between individuals in communities. Trust, shared values, respect and reciprocity take time to develop. Travers et al (2007) found a positive correlation between longevity of residence in an area and the active maintenance of social relationships. These findings suggest that economic conditions that encourage ‘population churn’, either through changes to migration flows or industrial decline, may weaken cohesion and the stock of social capital.
- 4.15 As noted above, communities that have more residents with high educational achievement are likely to benefit in terms of increased social capital and greater community cohesion. A recession that affects industries or occupations that are dominated by highly skilled workers may reduce social capital within previously-affluent communities if these workers were to leave in significant numbers and take up employment elsewhere. Haezwindt (2003) found that “people in the managerial and technical group were most likely to feel civically engaged... and... more likely to have higher levels of reciprocity among neighbours.” Therefore the flight of these members of the community could have significant negative impacts for both social capital and community cohesion if it occurred on a significant scale over time.

Chapter Four – Summary of Key Findings

- Generally, economic deprivation has a strong negative influence that undermines perceptions of community cohesion, fostering feelings of isolation, powerlessness and vulnerability. Deprivation is also associated with lower levels of educational attainment and lower levels of social capital, particularly of a bridging and linking nature.
- Short-term economic factors arising in a recession can also impact adversely upon community cohesion and social capital, through unemployment, cuts to public resources that increase competition for resources and reduce opportunities to share space, increased crime levels and increased turnover of population.

5: Conclusions: understanding the ‘spiral’

- 5.1 This chapter draws together all of the previous evidence to suggest the possibility of a ‘spiral of decline’. We have devised a simple model for summarising the relationships between the economy and social capital and community cohesion, and set out a case for how this understanding could be used by policymakers as a framework for intervention.

A model of economy-community linkages

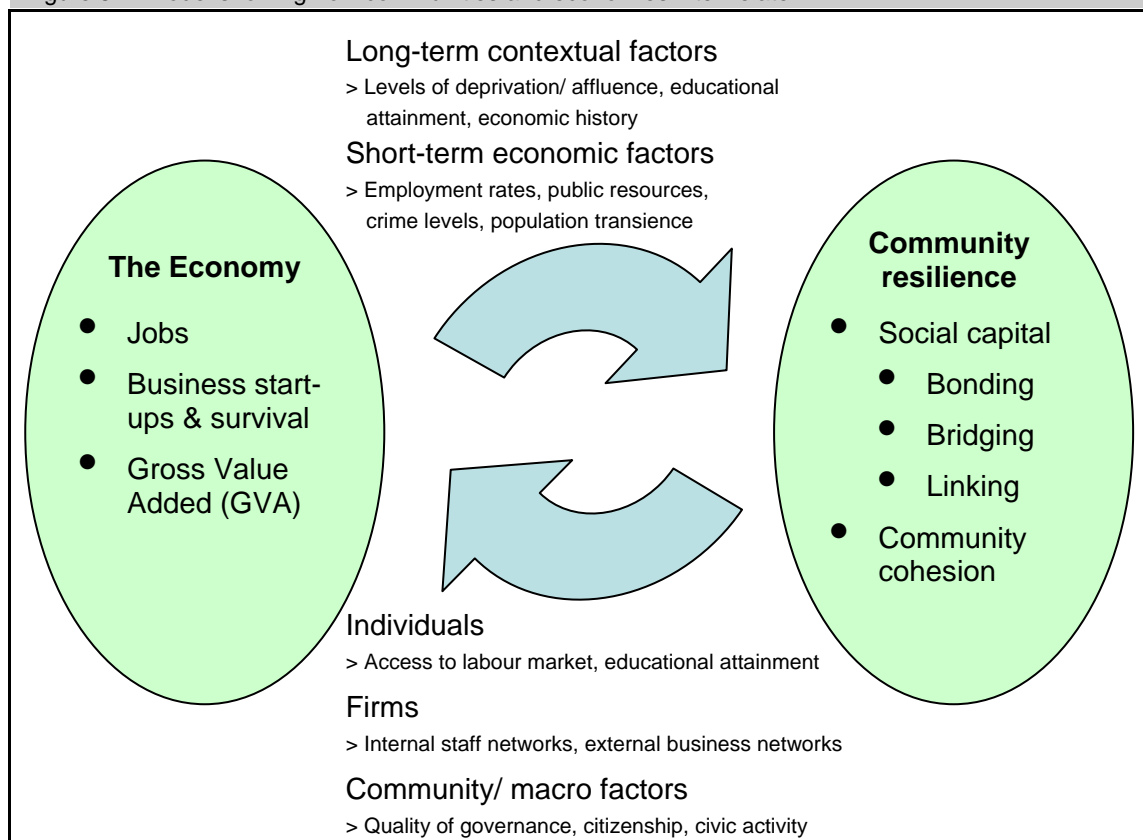
- 5.2 As summarised by NESTA (2008):

“Recessions are never purely economic events. As businesses shed jobs, profits fall and investment is cut back so families find their main breadwinner looking for a job, and communities see industries they have depended on contract and even disappear.”

- 5.3 The present recession is proving significant, including for the South East. As this report has highlighted, unemployment, deprivation and strained public finances can have significant negative impacts for community cohesion and social capital, and these can in turn impact upon the local economy and also reduce the community’s ability to recover. On top of the pattern of social and economic deprivation that already existed across the South East, it is entirely plausible to suggest that the present recession may contribute to a **‘spiral of decline’** in some areas where economic impacts contribute to a weakening of social networks in different ways which in turn may reduce the area’s capacity to recover economically.
- 5.4 Similarly, and more positively, where action can be taken to strengthen social capital and cohesion, it is plausible that this could have economic benefits, which could in turn strengthen the community and its ability to respond positively to change – a ‘virtuous circle of improvement’.
- 5.5 **Thus, by encouraging and investing in greater community cohesion and social capital it may be possible to reduce the adverse impacts of the recession and speed recovery.**
- 5.6 If we accept this conceptual understanding, drawn from our evidence review, what then are the implications for policymakers? We believe that there are two key factors that are relevant for policy – the nature and extent of ‘economic stress’ that an area or community experiences, and the underlying social strength or ‘resilience’ of a community with strong social capital and community cohesion to withstand this stress without breaking down and descending into a ‘spiral of decline’.
- 5.7 For the purpose of the simple model that we are developing in this report we suggest that social capital and community cohesion can be considered together and referred to as **‘community resilience’**. By this we mean communities with high levels of social capital and community cohesion of a kind able to withstand significant economic pressure and still maintain strong social networks and the potential to recover economically.

- 5.8 Similarly, the economic influences highlighted in the evidence are brought together within what we have termed **‘economic stress’**. In a recession the economic stress exerted on communities can be significantly increased through events such as local job losses and business closures.
- 5.9 Where we find high economic stress and low resilience, we are likely to identify communities that are *vulnerable* to a spiral of decline and this would naturally be where public policy might wish to focus its attention and interventions.
- 5.10 The evidence suggests that the development of ‘bridging social capital’ in particular is often of the greatest significance in helping people maintain economic links and opportunities and this may therefore be of the greatest interest for policymakers as the basis for possible interventions. We will explore this later in this research project.
- 5.11 We have illustrated the essential two-way relationships between communities and the economy in a summary diagram in Figure 5-1, highlighting the processes that link them. Note that the cycle of influence can work positively or negatively. Where an economy is in recession, the high economic stress may cause these processes to work in a negative way – the ‘spiral of decline’ – but where there is investment in community resilience, this could have positive effects around the circle, supporting economic prosperity and promoting a virtuous circle of improvement.

Figure 5-1: Model showing how communities and economies inter-relate



Part B: Mapping the risks: Identifying how community resilience and economic stress may vary across the South East and how some areas may be more vulnerable to a spiral of decline

1. Part B of this report covers Chapters Six and Seven. It provides an analysis of how the present recession is impacting upon the UK and the South East and utilises a newly constructed index to identify and map the areas that may be most vulnerable to a spiral of decline across the South East.

6: Understanding the recession

- 6.1 Chapter Six seeks to understand how the recession has been impacting upon local economies and communities in the South East. This chapter briefly sets out the characteristics of the UK recession. It provides an overview of how the recession is impacting at a national level and then focuses on the South East. The latter part of the chapter provides details of our own mapping exercise across 20 local authority areas and provides further intelligence about local impacts in the South East.

The national perspective

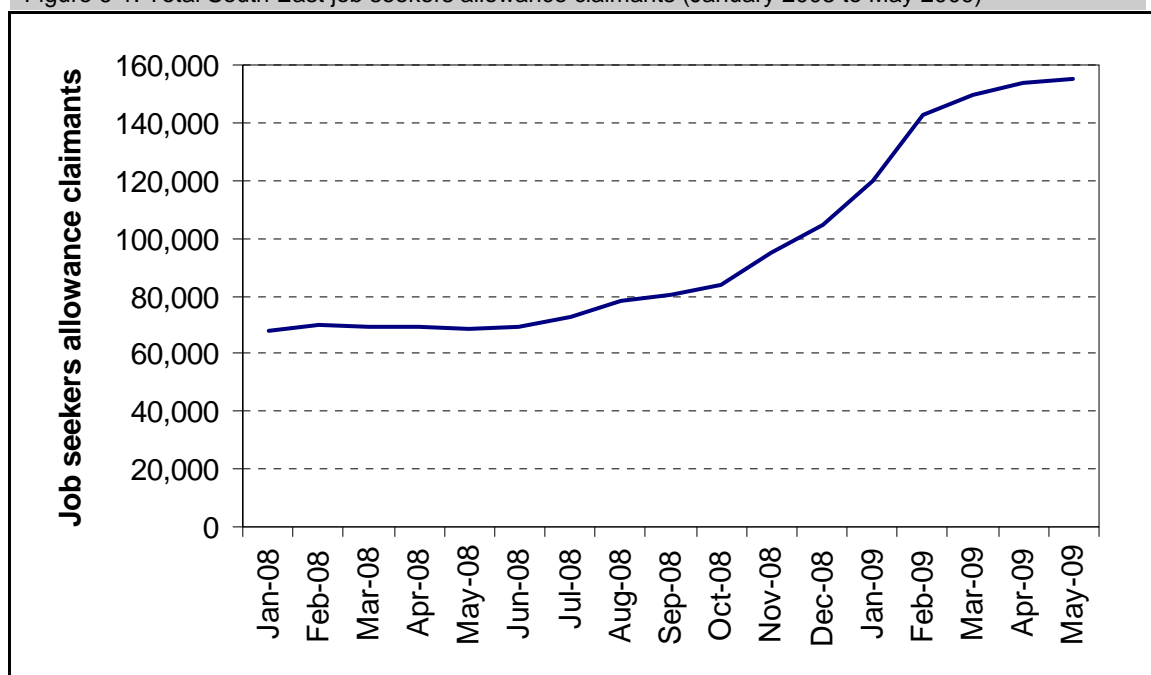
- 6.2 The UK recession has largely been a product of the global credit crunch. Essentially, a credit crunch is an unexpected “cut in the availability of credit or loans, including mortgages, credit cards and interbank lending as banks worry about a lack of liquidity. If the supply of loans reduces significantly, the economic outlook quickly becomes depressed.” (Parkinson et al 2009). The credit crunch itself was largely a product of inflated house prices combined with over-extended credit and leverage in the financial system, together with unsecured lending and so-called ‘toxic’ debts.
- 6.3 The recession, which started in the second quarter of 2008, has led to a shrinking UK economy and a sharp rise in UK unemployment. Annual Population Survey data for July 2009 suggest 2.47 million people are out of work and looking for jobs. This is the first time the figure has risen to this level since the mid 1990s. On this measure the jobless accounted for 7.9% of the UK labour force, again the highest since 1996.
- 6.4 The recent growth in unemployment has been particularly stark. The number of people claiming job seekers allowance (JSA) in England rose by over 151,000 in February 2009, the largest monthly jump since records began in 1971. Moreover, this was not simply an isolated anomaly. The average monthly rise in the three months prior to February 2009 was 85,000. As described by The Economist newspaper (March 21st 2009, ‘A flood of misery’), the current deterioration in the labour market is more widespread across regions, sectors and occupations compared to previous recessions. “Jobs are vanishing across the country... Financial firms in London are shedding jobs, but so too are retailers in high streets up and down the land.” (Ibid).
- 6.5 A recent publication by the Work Foundation (2009) notes a similar set of findings. The paper’s analysis of recent trends in unemployment show “no clear North / South or large city / small city divide”. Therefore unlike past recessions that focused impacts upon specific industries, namely manufacturing, and specific regions, the current recession is much more indiscriminate in the distribution of its impacts.

South East overview

SE unemployment

- 6.6 As Figure 6-1 shows, unemployment in the South East remained fairly constant until July 2008, where a small increase began that has accelerated significantly since October 2008. For the first half of 2008, approximately 70,000 individuals were claiming JSA benefits each month. Between June 2008 and February 2009 the total number of claimants doubled to over 142,000. In February 2009 alone 22,500 new claimants in the South East registered for job seekers allowance. This equated to a monthly increase of 19%, above the comparable national average of 14%. Since February the rate of increase has slowed, however the latest data for May 2009 show just under 155,000 job seekers allowance claimants in the South East.

Figure 6-1: Total South East job seekers allowance claimants (January 2008 to May 2009)



Source: DWP, job seekers allowance claimants. Accessed via Nomis.

- 6.7 Proportionally, Wokingham (243%), Elmbridge (220%), Surrey Heath (218%) and Mole Valley (213%) have seen the largest increases in JSA claimants between June 2008 and May 2009. No local authority district has escaped from rising unemployment. The authorities with the largest nominal increases in JSA claimants are Milton Keynes (3,800), Medway (3,400), Southampton (2,900), and Brighton and Hove (2,900).
- 6.8 Clearly, some areas in the South East already had significant problems with unemployment before this recession started, and many of the same areas already have significant numbers of people on IB/SDA, the employment prospects for whom, as they transfer to the new Employment Support Allowance³, currently look more problematic.

³ From October 2008, Employment and Support Allowance replaced Incapacity Benefit and Income Support claimed on the grounds of incapacity for new customers. The new system considers what an individual is capable of, and what help and support they need to manage their condition and return to work.

SE economic overview

- 6.9 Expectations for the South East economy vary between different sources of analysis. Parkinson et al (2009) suggest that the most vulnerable economic sectors are financial services, business services and construction. As a consequence, the paper warns that both small and large cities in the South East, where there tends to be a larger than average dependence upon employment in financial services, are at risk from significant employment losses.
- 6.10 A recent report from the LGA (2008) suggested that the most vulnerable sectors during the recession are likely to be manufacturing and construction. These sectors are predicted to experience the largest job losses between 2008-2010. In contrast to Parkinson et al (2009), the LGA analysis suggests that the South East economy may be relatively well placed compared to most regions. The South East has a low proportion of current employment in these vulnerable sectors and a high proportion of employment sectors that are forecast to perform stronger. These better performing sectors include healthcare, education, computing and R&D, and food retail. Overall, the LGA expect national employment to decline by 6.4% whilst employment in the South East is predicted to perform marginally better with a decrease of 6.3%.
- 6.11 A recent Centre for Cities (2009) publication advises that almost all towns across the country will be affected by the recession. The paper uses Brighton as an example of the likely effects of the recession on a city heavily dependent on the retail and leisure sectors. The report forecasts between 2,400 and 7,400 job losses over the next two years (depending on the severity of recession) - 30-40% of which will be in retail and leisure. It also warns that the city risks losing a major unique selling point if many of its diverse, independent businesses fail.
- 6.12 Overall there are mixed views among the current predictions and expectations for the impacts of the recession. Whilst business and financial services are highlighted as being particularly under threat so too are manufacturing and construction. This lack of a clear message supports the argument that the current recession is likely to be as indiscriminate in the South East as elsewhere in the country and the LGA forecasts suggest the South East will be affected on a similar scale as the rest of the country.

Local stakeholder views in the South East

- 6.13 As part of this study we undertook consultations with local stakeholders in twenty South East local authority areas. A key purpose of this was to gather qualitative intelligence from people 'on the ground' about how the recession is impacting upon the South East economy and how it may be affecting local communities.
- 6.14 It is important to note that although this exercise is not a representative survey it provides a good spread of opinion across the region. It provides useful additional evidence that can be used to expand upon some of the trends which are evident from the quantitative evidence.
- 6.15 The selection of areas for this task was based upon those areas experiencing high economic stress and those identified as a priority by GOSE's Community Cohesion Network. In

addition, consideration was also given to ensure that the twenty local authorities included a range of area types (i.e. urban, rural, coastal) across the South East. This ensured that our sample was representative of the South East. The full list of those areas included in the mapping exercise is included in the figure below.

Figure 8-1: Areas included in the qualitative mapping			
• Arun	• Gravesham	• Slough	• Milton Keynes
• Ashford	• Hastings	• Swale	• Isle of Wight
• Crawley	• Havant	• Thanet	• Surrey Heath
• Dartford	• Medway	• Worthing	• Mid Sussex
• Dover	• Portsmouth	• Reading	• Vale of White Horse

- 6.16 In total, we spoke with forty-one local area consultees in addition to a selection of regional level stakeholders for a regional overview - GOSE, Community Development South East, Kent Chamber of Commerce, and RAISE (Regional Action and Involvement South East).

How is the recession impacting on local South East economies?

- 6.17 All of the areas included in the mapping exercise noted some negative impacts from the recession. Although the range and strength of impacts differed across the South East, the qualitative evidence suggests that no local authority area has been immune from the current economic downturn.

Sectoral impacts

- 6.18 In almost every area comments suggested that the retail sector had been badly affected by the recession. The effects included both large chains closing stores or going out of business as well as closures to local smaller retail businesses. Several consultees noted an evident rise in the number of vacant shop units in town centres and an awareness that a significant number of local SMEs were struggling to pay their rents and business rates.
- 6.19 Other frequently cited sectors that have experienced large impacts from the recession include construction, banking/financial services, and manufacturing. In areas such Gravesham and Thanet major construction developments have been either scaled back or delayed and a considerable number of areas overall commented that more general construction activity had reduced considerably.
- 6.20 Banking and financial service sectors were highlighted by several areas as being badly effected. In both Dartford and Surrey Heath consultees noted that many of their residents commute to London for employment in these sectors and had experienced major job losses. Other areas further away from the City of London, such as Slough and Milton Keynes, with their own banking and financial service sectors also reported significant impacts.
- 6.21 Manufacturing was similarly often highlighted as a sector most impacted by the economic downturn. Several areas, such as the Vale of White Horse, Ashford, Hastings, Isle of Wight and Medway, noted that locally-based manufacturers had experienced either financial troubles

or falls in orders. The consequences have included redundancies, extended shut-downs and reduced working hours.

Variance in the types of firms

- 6.22 Across the South East, consultees noted that the recession had impacted upon a range of types of firms. These have included small scale retailers and manufacturers that have been forced to close their business and larger national and multi-national firms that have closed units, scaled back operations, or fallen into liquidation. From a retail perspective the national closure of Woolworths was often noted as a common example of the impacts of the recession on local high streets. In banking and finance Surry Heath noted that Merrill Lynch had shed jobs locally and approximately 200 administration jobs were lost at the Lloyds banking group in Medway. The expected closure of the Vestas wind turbine manufacturing facility on the Isle of Wight was also noted as an example of the impacts of the recession on large scale manufacturing. Moreover, consultees in Crawley explained that the liquidation of XL Airways had led to considerable local job losses as the firm's headquarters was based locally and many Crawley residents are employed through Gatwick Airport and related airport service industries.

Timings of the impacts

- 6.23 Across the region consultees noted that the impacts of the downturn have been felt at different stages. Although the majority of the areas covered by this consultation agreed that the recession began during the latter half of 2008, some areas noted that it was some while later before they began to experience significant impacts.
- 6.24 Consultees in Ashford suggested that Ashford had been 'cushioned' from the early impacts of the downturn through two ways. Firstly, being a little further away from London meant that fewer residents were employed in finance and business services. As a result, Ashford was less exposed to the early negative impacts of the financial markets' credit crunch. Secondly, Ashford has recently been in receipt of significant levels of public capital funding, particularly for infrastructure and house building projects. This spending helped insulate Ashford from some of the slump in private sector spending. As a consequence, it was suggested that the effects of the downturn in Ashford were not particularly evident until around March 2009 onwards.
- 6.25 In Milton Keynes consultees also suggested that the impacts through job losses were slow to begin with but then accelerated over more recent months. It was thought that one reason for this may have been that the initial job losses in Milton Keynes went to individuals who lived outside of the local authority area but who commuted into Milton Keynes for work. In Dover consultees suggested that the recession is still gathering pace such that the full effects will not be experienced until late 2009.
- 6.26 Although few areas had a definitive sense as to whether they were past the worst of the impacts a small number were confident that the economic outlook may be beginning to pick up. Reading consultees noted that they believed the area to be well placed to quickly recover due to having a highly skilled workforce and a significant proportion of employees in knowledge-based industries. Moreover, a business barometer survey run by the Isle of Wight

Economic Partnership found that respondents were more optimistic about their own business prospects than for those of the national economy and most respondents expected business performance over the next six months to improve.

How is the recession impacting on local South East communities?

Who has been impacted?

- 6.27 Although there seemed no clear pattern across the whole region, some general trends were apparent in the types of impacts that local South Eastern communities are experiencing. In particular, those individuals who have low levels of employment experience or low skills were noted for being badly affected. This group was typically exemplified as young people and consultees recognised that both school leavers and recent graduates were experiencing difficulties in finding employment.
- 6.28 A significant proportion of the local authority areas included in the mapping noted that unemployment seemed to be rising fastest within the younger age groups. The rising numbers of young people not in education, employment or training (NEET) was commented upon by areas such as the Isle of Wight and Swale, whilst consultees in Medway and Slough both noted a concern over the fall in graduate employment opportunities.
- 6.29 Women were also highlighted for being a group particularly affected by the downturn. It was commented that one of the reasons for this may lie in the fact that women account for a disproportionately high number of jobs in retail and administration sectors and these have been particularly hard hit. Low-skilled occupations in general were noted as experiencing the greatest share of job losses.

Where have the impacts been?

- 6.30 There was no clear pattern with regards to the neighbourhood impacts of the recession. Some areas such as Crawley and Dartford commented that the more deprived wards in the borough had experienced much larger impacts in terms of job losses. In contrast, consultees in Gravesham suggested that more affluent areas had been hit harder and that these residents had 'further to fall'. Anecdotally it was noted that greater numbers of older residents were now using the jobshop services in Gravesham as they too were struggling to pay mortgages. In Milton Keynes it was noted that there has been a recent general rise in unemployment across all wards, including those that have historically experienced few deprivation or employment issues. However, the 'hotspots' for unemployment in Milton Keynes, i.e. those areas that had experienced the largest spike in unemployment claimants, were the most deprived areas that had a significant history of deprivation issues.

What have been the effects?

- 6.31 Consultees in almost all areas commented that local services, and local organisations that provide support services, have experienced a large increase in demand. This includes significant rises in the number of enquiries at local Citizens Advice Bureaux (CABx) and Chambers of Commerce. These enquiries are typically in regards to personal and business debt advice, legal advice and more information around benefits eligibility. In Crawley the

CAB had experienced a 17% increase in total enquiries compared to the previous year, and a quarterly rise of 70% for employment advice and 30% for debt advice.

- 6.32 Information from the mapping exercise also suggests significant growth in the number of people seeking help from third sector voluntary and community organisations. However, this increase in demand for these services has coincided with a reduction in the funding, particularly from the public sector, which these organisations rely upon. Some consultees suggested that the lack of funds for voluntary and community organisations had led to a competitive, and slightly tense, atmosphere between different organisations as the rivalry for funding opportunities has increased. Moreover, it was also proposed that those working for third sector organisations are having to divert time and resources towards seeking out new funding instead of towards providing frontline assistance.
- 6.33 Consultees noted that it was difficult to fully establish many of the community/ social impacts as there was a general lack of up to date intelligence and data. Anecdotally though some areas thought there has been small rises in inquisitive crime, domestic violence and homelessness.

Impacts on cohesion

- 6.34 The view held by most consultees was that so far there had been few discernable impacts in respect to local community cohesion. Although this was the case currently, many consultees noted that they were continuing to monitor cohesion tensions with the expectation that the continued economic downturn could potentially lead to issues in the future.
- 6.35 Just a small handful of areas believed that the recession had so far impacted upon community cohesion issues. In Gravesham and Crawley it was suggested that some perceptions existed of migrant workers taking low wage jobs away from indigenous workers. Although in Crawley some residents held this view, consultees noted that the reality was likely to be that low-wage migrants were just as badly affected and local evidence suggested that migrants were leaving as a result.
- 6.36 In Arun consultees suggested that there are some small cohesion issues between the more established migrant communities and newer migrants moving to the local area in search of work. Arun attracts migrant workers for both agricultural and hotels/ hospitality jobs. Competition for jobs in these sectors has increased between the long-standing Portuguese, Polish and Latvian migrant communities and the relatively newer Romanian and Bulgarian settlers.

7: Mapping risk: identifying areas of community vulnerability in the South East

- 7.1 This chapter uses a newly constructed **Index of Community Vulnerability** to identify and map the areas that may be most vulnerable to a spiral of decline across the South East.
- 7.2 In order to use the model developed in Chapter 5 and apply real-world data to it, the key components must be quantitatively assessed. To do this we have measured two factors and then sought to relate them:
- **A measure of community resilience** reflecting levels of social capital and community cohesion in an area
 - **A measure of economic stress** giving an indication of the extent to which the recession is impacting economically upon an area
- 7.3 The combination of these two measures - a community's resilience and the economic stress exerted on the community - provides a sense of a community's **vulnerability** to decline. Communities with low resilience and experiencing high economic stress can be argued to be more vulnerable to a spiral of decline.

Measuring community resilience

- 7.4 Measuring levels of community cohesion and social capital is a difficult task. Halpern (2005) notes that attempting a social capital audit is "a formidable measurement task," whilst the LGA (2005) states that the complexity of community cohesion as a concept means that it is "not one that can be mapped and measured in its entirety." This is particularly the case when seeking to build a clear picture at the geographical scale of communities (i.e. sub-local authority level). In an ideal world, measuring 'community resilience' (i.e. the levels of social capital and community cohesion) would be done at the neighbourhood level; a level that more accurately reflects the actual size of typical communities. Unfortunately data limitations prevent a direct measurement of either community cohesion or social capital at such a small geographic level. The best available data sources are only at the local authority level.

Measuring community cohesion

- 7.5 Guidance first published by the Home Office (2003) suggested a number of indicators that can help improve the understanding of what community cohesion may look like on the ground. The headline indicator – 'the percentage of people who feel that their local area is a place where people from different backgrounds can get on well together' – has been widely adopted as the best approach to broadly capture community cohesion *at the local authority level*.

Measuring social capital

- 7.6 Social capital has been measured in a variety of ways. Putnam (2000) constructed an index of variables that included the level of involvement in community and organisational life, voting, volunteering, informal socialising, and levels of trust. Halpern (2005) notes that many studies have been successful using a very simple measure of social capital, namely the extent to which people trust each other.
- 7.7 The ONS (2003) Social Capital Working Group recommended that the UK Social Capital Measurement Framework have five dimensions:
- Social participation (i.e. involvement in social and leisure groups, volunteering)
 - Civic participation (i.e. ability to influence, voting, involvement with action groups)
 - Social networks and support (i.e. contact with friends/relatives, satisfaction with life)
 - Reciprocity and trust (i.e. trust in other people, confidence in institutions)
 - Views on the local area (i.e. views on local environment/ facilities/ crime)
- 7.8 The new Local Authority Place Survey⁴ provides a number of indicators with direct relevance to social capital. The figure below highlights the indicators that are most relevant to social capital.

Figure 7.1 Most relevant indicators available through the Place Survey

Proportion who state their local area is a place where people from different backgrounds get on well together
Proportion who think there is a problem with people not treating each other with respect and consideration in their local area
Proportion who agree that they can influence decisions in their local area
Proportion who would like to be more involved in the decisions that affect their local area
Proportion who feel they belong to their immediate neighbourhood
Proportion who have given unpaid help at least once per month over the last 12 months
Proportion who have been involved in decisions that affect their local area in the past 12 months

'Predictor variables'

- 7.9 Studies concerning both social capital and community cohesion have often relied upon 'predictor variables' (see Laurence and Heath 2008 and Breugel and Warren 2003) when more direct measures are not available. These are variables that tend to be highly correlated with either social capital or community cohesion and can be used to predict, or make inferences about, the levels of social capital or community cohesion when direct indicators are not comprehensive and/or available.

⁴ The 2008 Place Survey provides information on people's perceptions of their local area and the local services they receive. The headline findings were published on June 23rd 2009 by the Department for Communities and Local Government. The survey collects information on 18 national indicators for local government. The survey was undertaken between September and December 2008. The next update of the Place Survey is expected in Autumn 2010.

- 7.10 For example, Laurence & Heath (2008) undertook extensive multi-variate modelling which found that economic disadvantage “consistently undermined” cohesion at both an individual and community level. Moreover, this result held true irrespective of the levels of diversity in an area. This suggests that whilst disadvantage, as measured by the Indices of Multiple Deprivation, may not be a direct measure of community cohesion, it is a very strong predictor of the level of cohesion within a community. The study also suggests that volunteering, crime, qualification levels, occupational status and home ownership are all strong predictor variables.
- 7.11 The Indices of Multiple Deprivation combine data on aspects of income-deprivation, crime, education and housing to produce a multi-faceted measure of deprivation. These data are available at Lower-level Super Output Area (LSOA) and therefore provide a neighbourhood measure of deprivation.

Constructing a measure of community resilience

- 7.12 Our measure of community resilience has utilised variables from the 2008 Place Survey. These variables are direct measures of the different aspects of community cohesion and social capital at the level of each local authority area. When selecting which variables to use we have sought to take into account the five dimensions of social capital as recommended by the ONS (2003) Social Capital Working Group and the most frequently used headline indicator of community cohesion. Moreover, where possible, we have used variables which show social capital related *action* rather than *opinion*, for example we have included the proportion of people who have been involved in decisions that affect their local area rather than the proportion of people who would like to be more involved in decisions that affect their local area.
- 7.13 The variables used to construct the measure of community resilience are:
- The percentage of people who feel that their local area is a place where people from different backgrounds can get on well together – the headline measure of community cohesion
 - The percentage of people who have been involved in decisions that affect the local area in the past 12 months – a measure of civic participation
 - The percentage of people who agree that they can influence decisions in their local area – a measure of the ability to influence and confidence in institutions
 - The percentage of people who have given unpaid help at least once per month over the last 12 months – a measure of social participation, social networks, and volunteering
 - The percentage of people who think there is a problem with people not treating each other with respect and consideration in their local area – a measure of the level of reciprocity and cohesion
- 7.14 As a supplementary ‘reality check’ we will also follow the lead set by Laurence & Heath (2008) and call upon the Indices of Multiple Deprivation as a proxy indicator to assess the

levels of community cohesion and social capital at the neighbourhood level. This data is available at Lower-level Super Output Area (LSOA) and therefore it will be of interest to assess the correlation between the most deprived neighbourhoods and the local authorities which score lowest in regards to the community resilience measure.

Measuring economic stress

- 7.15 The current recession is having a significant impact on UK labour markets and job losses have not been significantly restricted by sector or occupation. Although business and financial services sectors grabbed the initial headlines, the current evidence suggests that sectors such as retail, leisure, manufacturing, and construction are all likely to be badly hit as well. Occupations and industries that have been immune from previous downturns are unlikely to escape unscathed from this recession.
- 7.16 For the measure of economic stress to be most effective it is vital that the data are available with a small as possible time-lag and be robust at sub-national geographic levels. For these reasons sources such as the Annual Population Survey and the Annual Business Inquiry are less useful, whereas, real-time data, such as JSA claimants are most effective. JSA data are not only produced with a very short time-lag, they are robust at small geographic levels (LSOA) as they do not rely upon survey sampling.
- 7.17 The measure of economic stress is composed of:
- The May 2009 JSA claimant rate – a measure of the current stock of unemployment
 - The change in JSA claimants per 1,000 working age residents between June 2008 and May 2009 – a measure of the growth in JSA claimants relative to the number of working age residents
 - The overall percentage change in JSA claimants between June 2008 to May 2009 – a measure of the growth in JSA claimants relative to the historical, or long-term, number of claimants before the recession

Constructing an Index of Community Vulnerability

- 7.18 By combining the local authority measure of community resilience and the measure of economic stress it is possible to construct an index of community vulnerability, mapping which local authority areas in the South East may be most vulnerable to a spiral of decline.

Standardisation and ranking

- 7.19 As several variables have been used for each constituent measure, the scores for each of the variables have been standardised and then combined to produce an overall score for each geographic area. The standardisation is necessary as the different variables have different scales.
- 7.20 The standardisation has been achieved using a Z-scores technique. The Z-score transforms the data to show how far and in what direction each single piece of data is from the distribution's average. The arithmetic of the Z-score transformations is such that any distribution of Z-

scores will have a mean of zero and a standard deviation of one. As the average of any set of Z-scores is zero it allows the reader to see at a glance whether an area is scoring above or below the regional average in any indicator.

- 7.21 The combined Z-scores for each measure have then been ranked and categorised into three ranges. The top 25%, the middle 50% and the bottom 25%. This approach recognises the broad span of ‘average’ areas.

Index of Community Vulnerability

- 7.22 The process of combining the measure of economic stress and the measure of community resilience identifies nine possible outcomes which are dependent upon the levels of stress and resilience. We have categorised these nine outcomes into three levels of community vulnerability – high (red), medium (amber) and low (green). An area of high community vulnerability is one identified as having high economic stress and low community resilience. Conversely, an area of low community vulnerability is one identified as having low economic stress with high or average community resilience or high community resilience with low or average economic stress. The remaining permutations are grouped under the medium community vulnerability category. These categories and colour coding are shown below in Figure 7-3 and Figure 7-4.
- 7.23 The figure below illustrates the distribution of the South East’s 67 district level local authorities within these parameters.

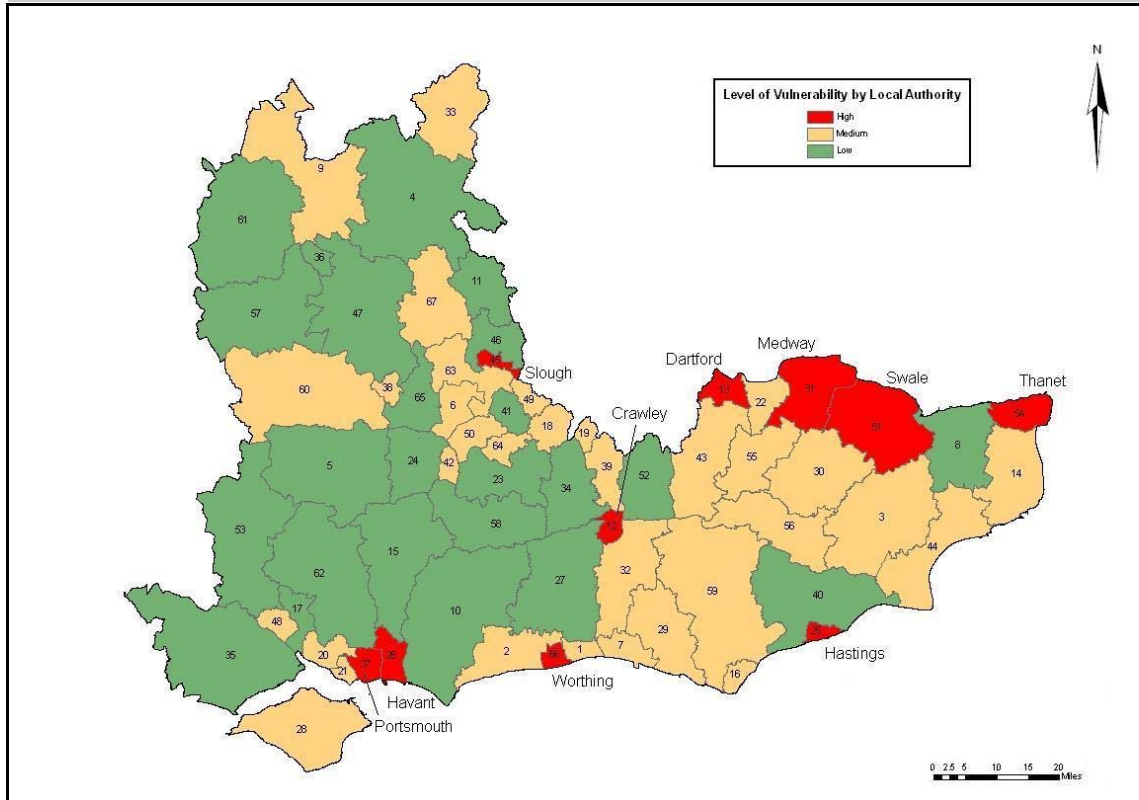
Figure 7-3: The South East index of community vulnerability (number of LAs in parentheses)

	Community Resilience			
Economic Stress		Low resilience	Average	High resilience
	High economic stress	10	6	1
	Average	6	19	8
	Low economic stress	1	8	8

Source: SQW Consulting

- 7.24 Ten of the South East local authorities were classified as being particularly vulnerable to a spiral of decline. These include: Thanet, Dartford, Slough, Swale, Medway, Portsmouth, Crawley, Havant, Hastings and Worthing. The figure below illustrates the distribution of the vulnerability index across the region (please refer to Annex B for the full set of Local Authority scores and the numbered key of South East local authorities).

Figure 7-4: South East community vulnerability

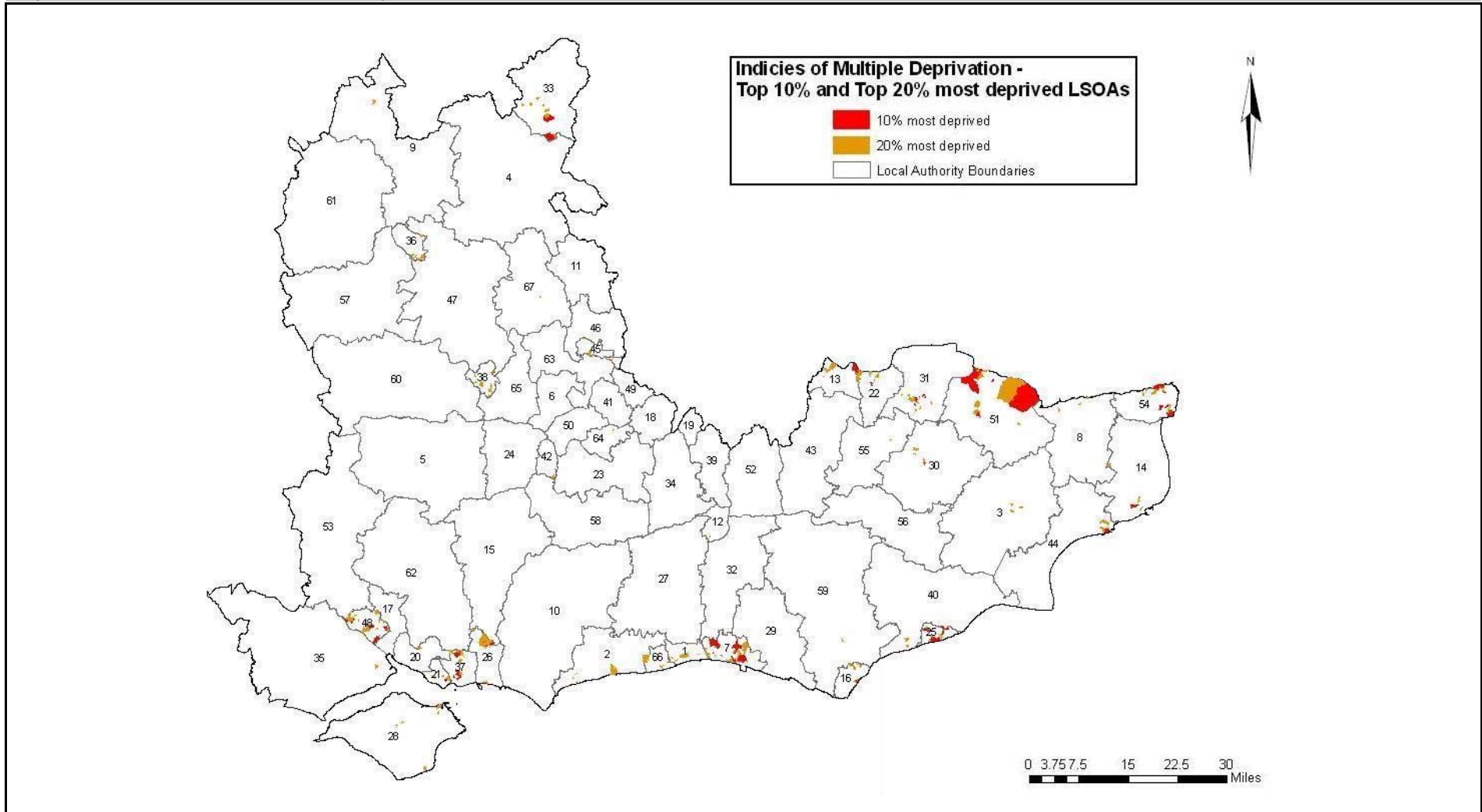


Source: SQW Consulting. Please refer to Annex B for the full numbered key of South East Local Authorities

The neighbourhood level 'reality check'

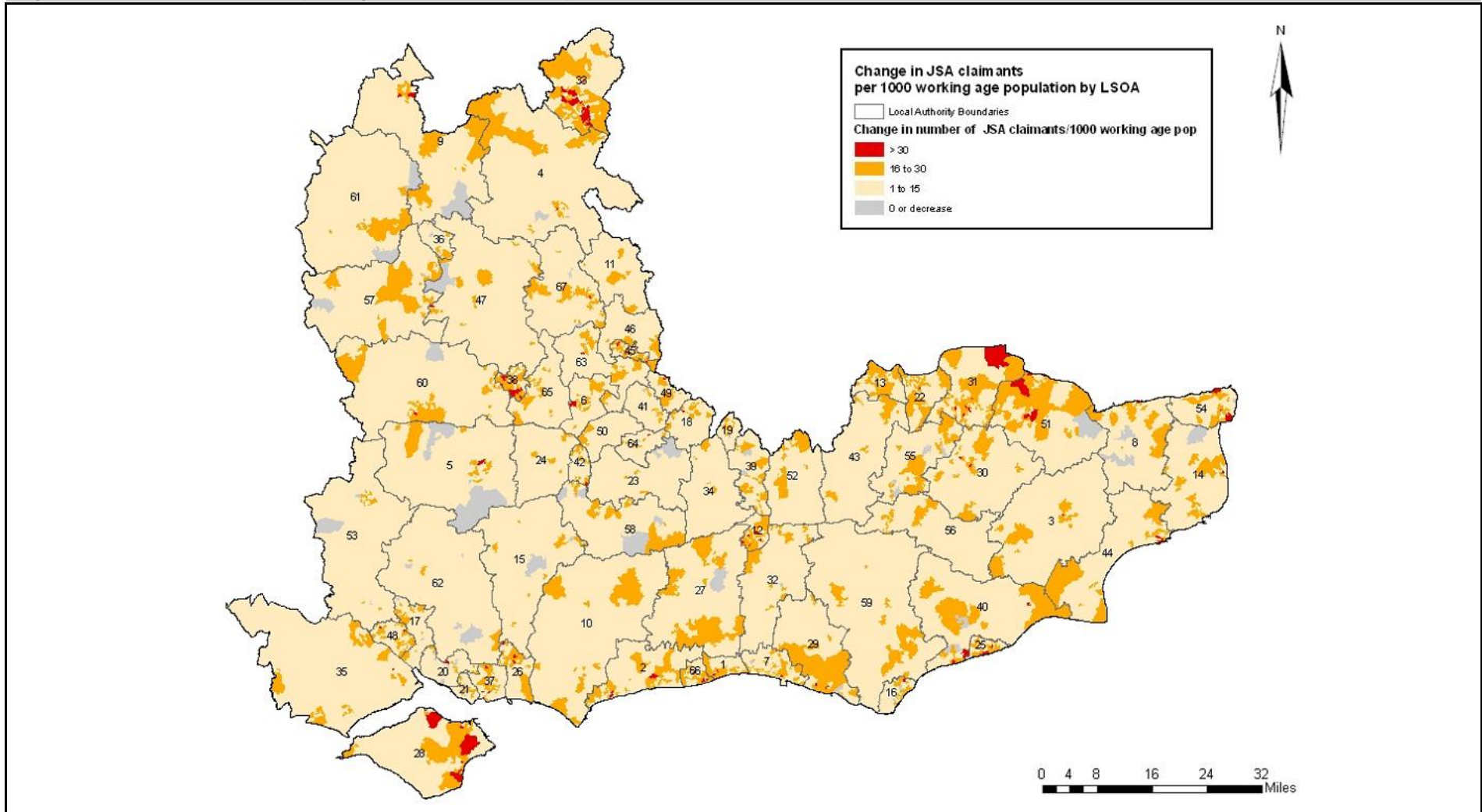
- 7.25 As mentioned previously, we have undertaken a supplementary 'reality check' for the analysis of community vulnerability. This has been done using data from the Indices of Multiple Deprivation which provides a LSOA neighbourhood level analysis. This level more accurately reflects the actual size of typical communities and allows for a clearer picture of variation within local authority boundaries. As JSA data are also available for small areas we have also mapped these at the neighbourhood level to add further richness to the analysis
- 7.26 The two figures below provide an illustration of the data at a neighbourhood level. When both figures are compared, a clear correlation is evident between the distribution of LSOAs with high levels of deprivation and those with significant growth in unemployment. Moreover, the majority of these LSOAs fall within the local authorities classed as highly vulnerable. Of the 95 South East LSOAs that fall into the 10% most deprived nationally, 55 of these fall within the ten most vulnerable local authorities.

Figure 7-5: LSOAs in the South East with high Index of Multiple Deprivation scores



Source: SQW Consulting. Please refer to Annex B for the full numbered key of South East Local Authorities

Figure 7-6: LSOA level JSA employment growth (June 2008 to May 2009)



Source: SQW Consulting. Please refer to Annex B for the full numbered key of South East Local Authorities

Conclusions

- 7.27 The results of this analysis suggest that ten local authority areas in the South East have low levels of community resilience in addition to significant levels of economic stress. This combination of characteristics suggests these areas may be most susceptible to a spiral of decline. Although this information does not confirm the existence of a spiral of decline in these areas (or confirm the lack of a spiral of decline in other areas) it provides a useful indicator for public policy makers and local service providers in the South East about where resources may be best utilised and where specific attention may be required.

Further information

- 7.28 The full list of local area Z-scores and further quantitative analysis and maps, including the breakdown of JSA claimants by duration, sex and age, and disability benefits can be found in Annex B. The Z-scores data may be useful for those seeking to detect areas that look vulnerable to weakening cohesion but are performing well in respect to the economic downturn. The disaggregated JSA claimants data provide further contextual information about the nature of unemployment in the South East, such as the types of people that have been most affected.

Part C: Recommendations for action

1. The final part of this report reviews the recent recession responses in the South East and identifies the types of policies and interventions that may ‘stop the spiral’. It concludes by making a set of practical recommendations for what can be done to achieve economic benefits through promoting social networking and boosting community resilience.

8: Reviewing responses to the recession in the South East

- 8.1 This chapter provides a review of recession responses in the South East. It utilises the information gathered through the stakeholder consultations to identify and map the types of services and interventions that have been delivered in response to the recession by South East local councils, business support organisations, the voluntary sector and community groups.

Selecting the areas

- 8.2 Twenty local authority areas were identified across the South East to provide a representative sample of recession responses. The selection process has already been described in Chapter Six. A summary of the areas included in the mapping exercise is included in the figure below.

Figure 8-1: Areas included in the qualitative mapping

• Arun	• Gravesham	• Slough	• Milton Keynes
• Ashford	• Hastings	• Swale	• Isle of Wight
• Crawley	• Havant	• Thanet	• Surrey Heath
• Dartford	• Medway	• Worthing	• Mid Sussex
• Dover	• Portsmouth	• Reading	• Vale of White Horse

- 8.3 The twenty areas covered by the analysis included all ten of the high community vulnerability areas, nine medium community vulnerability areas and one low community vulnerability area. In total, we spoke with forty-one local area consultees in addition to GOSE, Community Development South East, Kent Chamber of Commerce, and RAISE (Regional Action and Involvement South East) who provided regional-level intelligence.

Local responses to the recession in the South East

An overview

- 8.4 In general every area covered by the qualitative mapping exercise had proactively responded to the recession and sought to implement initiatives to help manage the local impacts. By far the most common responses to the recession were those that provided information, advice, and guidance to local businesses and residents. The most common responses included:

- increasing the number of officers available to provide information, advice and guidance
- increasing the capacity of local organisations to provide information, advice and guidance
- inventing/ implementing new pathways and events to sign-post vulnerable businesses and residents towards the advice they need.

- 8.5 A considerable number of consultees noted that there were very few additional funds available for local initiatives and so many of the responses had to be based upon making better use of what help was already available.

Types of responses

- 8.6 In order to better understand and categorise the different types of local responses, we have developed a simple typology to provide for a more structured analysis. Our analysis of responses have therefore been ordered under the following categories:

- Supporting local businesses
- Supporting people's incomes
- Optimising local public sector procurement
- Improving access to credit
- Supporting people to find work
- Supporting social wellbeing and community cohesion
- Supporting third sector organisations

- 8.7 The following figure provides further information regarding each response type and examples of specific interventions in the South East.

Figure 8-2 Typology of recession responses by local authorities and other local organisations

Intervention type	Examples in the South East
Supporting local businesses	<p>These responses have been very common. Every area noted that they had implemented some form of help or advice to support local businesses. This has commonly included business rate relief schemes, closer relationships and referrals to Business Links and Chambers of Commerce advice services, information and sign-posting events/seminars to help firms survive the recession, information websites/webpages linked to the council website, and greater advice on available training schemes.</p> <p>'Buy local' schemes have also been implemented to encourage local consumers to use their local town centres. In Thanet a 'shop locally first' campaign has been implemented that includes a loyalty scheme to further encourage local consumption.</p> <p>In Swale the local authority is working closely with a major national supermarket in order to attract a new large distribution facility. The task is to ensure that enough local residents have the right skills to meet the employment needs of the new facility.</p>
Supporting people's incomes	<p>Responses to help support people's incomes were similarly very common. The majority of these initiatives involved information, advice and guidance regarding benefits eligibility, personal debt advice, and rent relief for those in social housing.</p> <p>An example of this is the recession drop-in service that has been initiated in Crawley. The service is using a vacant unit within a shopping centre and includes advice provided by the CAB, local authority officers, Business Link, Shelter and the credit union. This is similar to the one-stop advice shop that has been set up in Ashford.</p>
Optimising local public sector procurement	<p>Many local authorities noted that they had initiated measures to optimise the value of local public sector procurement. Dartford Council has recently started to advertise all contracts on an online portal rather than rely on preferred supplier lists. It is hoped that this will encourage more local firms to respond and take advantage of public sector contracts.</p> <p>The Crawley Meet the Buyers event allowed local firms to pitch their products and services directly to the local authority (and Gatwick airport) in addition to incorporating information seminars to provide local business with a better understanding of how local authority (and airport) procurement works. The Isle of Wight has also introduced a programme of work aimed at helping Island firms gain greater access to public sector contracts.</p> <p>Several local authorities have taken steps to speed up invoicing and payment procedures to local firms in order to help ease cash flow pressures.</p>
Improving access to credit	<p>Some credit unions in the South East have been in existence prior to the recession and local areas have attempted to sign-post local firms towards these instead of more unscrupulous loan-shark organisations.</p> <p>In some places a new credit union has been established to help local firms (Reading) and in other areas a new credit union is planned to start work later in the year (Swale). In Portsmouth a social enterprise called South Coast Moneyline has started to move into the gap left by the reduction in affordable mortgages.</p> <p>In Hastings £600,000 has been set aside for business advice and low interest loans which can be used by local firms to access affordable credit.</p>
Supporting people to find work	<p>A number of different types of initiatives have been implemented to support people to find work. Much of the advice and guidance provided by local organisations has included information on skills and training opportunities.</p>

Intervention type	Examples in the South East
	<p>The Medway REIGNITE project is led by Medway Council, together with Church in Society and a number of local neighbourhood community partnerships. It aims to assist over 16s who are economically inactive, unemployed and/or on low incomes with skills training and better access to jobs. The project provides information advice and guidance on employment, skills training and voluntary service opportunities. This has included childcare training, construction skills development, security industry accreditation and provision of language literacy and numeracy courses</p> <p>In Portsmouth consultees noted that as a result of local job centres being over-stretched the council established a number of jobs clubs, one of which was based at a town centre library and one at an adult education centre.</p>
Supporting social wellbeing and community cohesion	<p>Few new initiatives have been established with the deliberate intention of promoting social wellbeing and community cohesion in response to the recession, although all of the areas noted that they already undertake many different social and community initiatives concerned with improving community cohesion and social wellbeing.</p> <p>A recently established crime-reduction initiative in Hasting aims to specifically improve the Hastings night time economy. This has included new 'taxi-marshals', subsidised night buses and protecting foreign students. A local business forum has also developed where local businesses meet to discuss specific issues regarding the night time economy. It is thought that a safer night time environment will significantly boost the Hastings night time economy.</p> <p>Having recognised it as a growing concern, Arun District Council ran events to help migrants faced with homelessness. The initiative aimed to highlight what help is available to migrant communities to prevent or limit further social exclusion and the breakdown of these social networks.</p>
Supporting third sector organisations	<p>The most direct form of this type of support has been channelled through local CABs. Several areas noted that they had given additional funding to help Citizens Advice Bureaus deal with the large increase in demand for their services. In addition a number of business organisations noted that they had undertaken a drive to provide more volunteers for the CABs.</p>

Relevance to community resilience

- 8.8 Very few initiatives have been implemented in the South East with the deliberate intention of promoting stronger social networks to help manage the impact of the recession. The qualitative evidence suggests that considerable gaps exist with regards to responses that directly deal with the themes of social capital and community cohesion. These themes do not seem to be explicitly recognised as matters that require immediate intervention in the face of an economic downturn. Whilst there are a significant number of local initiatives, and local organisations or departments, that seek to promote community issues, their work does not seem to have been directly called upon to mitigate the impacts of the recession.

Relevant business responses

- 8.9 Interestingly, business networks do seem to play an important role in responding to the recession. Many of these are long established but have focused recent networking opportunities on helping local firms deal with the economic downturn and encouraging better use of local supply chains. Consultees also noted that new business clubs/networks had been formed and new networking opportunities/events had been held in response to the recession.

Figure 8-3: Examples of relevant business responses

Intervention type	Examples in the South East
Supporting local businesses	<p>One particularly innovative combination of social and business networking was provided by the Kent Invicta Chamber of Commerce (KICC). For some time KICC has utilised popular online networking methods such as Facebook, LinkedIn and Twitter. KICC's Twitter page includes approximately a thousand local business followers who receive and contribute regular business-related updates and comments. Through the popularity of the KICC's Twitter page they organised the Kent Tweet-Up whereby many of the followers were able to meet face-to-face for the first time. This is an excellent example of utilising modern tools for social networking to improve business networks.</p> <p>Several areas noted that they were actively encouraging local business networking events and forums. Examples of which include the 'Crawley and Gatwick Meet the Buyers' event, the Arun Getting to Know You business event, the Milton Keynes Economic Summit, and the Reading Credit Crunch Summit. Many of these combine networking opportunities for local firms with information and advice about what help is available for businesses.</p>

Relevant social responses

- 8.10 The mapping exercise uncovered fewer recent responses that focused on promoting social rather than business networking. Some areas had introduced job clubs however these tended to be methods to provide unemployed people with advice and guidance about the help that was available for them to find employment. The result of these is likely to be a strengthening of bonding social capital rather than the more employment-promoting bridging capital.
- 8.11 In addition, few responses were aimed at mitigating the impacts of the recession through building community cohesion. Initiatives and events aimed at promoting community cohesion tended to be aimed at celebrating and promoting diversity and cohesion issues for the simple reason that these have value in themselves.

Figure 8-4: Examples of relevant social responses

Intervention type	Examples in the South East
Supporting people to find work	The Slough employment forum was established in June 2009, and will be run monthly. Seventy people signed up for the first forum, held in a town-centre community centre and run by the Council. This was part seminar and part 1-to-1 support. The first session included a presentation by a local employer which provided advice on the types of qualities and skills employers are looking for when recruiting in an economic downturn. This interaction between jobseekers and employers is an opportunity for creating bridging social capital that may lead to jobseekers accessing employment opportunities.
Supporting social wellbeing and community cohesion	The recently established Working Parents Walk initiative in Milton Keynes is a simple idea that could help to build bridging capital and social networks between diverse groups. Despite the name, the walks are open to all people irrespective of employment status, and not only provide an opportunity for family relaxation and stress-relief but also a chance for social networking among those who are currently employed and those who may be searching for employment.

9: Towards a framework of interventions

- 9.1 This chapter outlines a possible framework to guide public interventions that may promote community resilience, help to ‘stop the spiral’ and support an area’s recovery from the recession. The chapter draws on examples of good practice from our own research across the South East as well as a desk review of existing good practice more widely.

Aims

- 9.2 This report has highlighted the value of social capital and community cohesion for a community’s resilience and potential to recover from recession. Within this, we have identified the particular importance of bridging social capital as a form of social networking that may be particularly significant for both communities and businesses in challenging economic times. In the longer term, the association between deprivation and weaker resilience suggests a need to also continue tackling multiple deprivation as both a social and economic issue.
- 9.3 Thus, we could argue that in order to build community resilience in a recession our aims should be:
- Promoting bridging social capital within and between communities, with a focus on those most affected by the recession
 - Promoting bridging social capital within business communities
 - As a longer term aim, continuing to tackle multiple deprivation, recognising both the economic and social dimensions to this
- 9.4 If we accept these as important outcomes, how can they best be promoted by public policymakers? Below, we identify some general principles that should guide any interventions, identify the importance of mainstreaming a concern for social capital, followed by identification of a menu of possible types of interventions for promoting bridging social capital, for consideration.

General principles

- 9.5 At the outset we need to recognise that the practical reality of promoting social networks is not straight forward or obvious. As Aldridge et al (2002) have pointed out, “the importance of (for example) historical and cultural factors as determinants of social capital suggests it may not be easy for policymakers to intervene to promote the accumulation of beneficial social capital even when it is measurable.” However, there is much to learn from existing work in promoting cohesion in particular.
- 9.6 We have identified some general principles that we believe are particularly relevant.

- **Initiatives must be tailored to local circumstances** – each community is different and has different social and economic challenges. A ‘one size fits all’ approach is unlikely to work across the South East, putting the onus on local authorities to provide leadership in helping to scope and understand the nature of challenges within their own areas.
- **Initiatives usually require different partners to work together** – people interact with a range of public services in any one period of time, and therefore any public sector intervention is likely to work best when it is working with the grain of other services, rather than against them. Any efforts to promote social networking are similarly likely to work best when partners are working on it together as a shared concern.
- **Initiatives should work within the mainstream not just ‘bolt on’** – many social and community initiatives already exist, and many aspects of existing public service delivery are relevant to the promotion of social networking. Given this, and the likelihood of an impending squeeze on public spending meaning that discretionary funding may reduce, interventions should as a first priority consider how existing mainstream resources can best be ‘bent’ or shaped to support greater networking. The addition of new projects may sometimes be necessary, but probably only where innovation or more intense work is required.

Mainstreaming a concern for bridging social capital

- 9.7 Much good practice has already been published on how to promote community cohesion and so this has not been repeated here in this report. We suggest that ongoing efforts to promote cohesion by their very nature should help to promote community resilience and over the longer term help to promote the sort of social networks that may help areas to respond more positively to times of economic downturn. Little, however, has been published on the promotion of bridging social capital more specifically and so we focus on that here as our core concern. We suggest that it should be central to any intentional strategy to develop a community’s resilience for longer term economic benefit.
- 9.8 Given that public spending is likely to become increasingly tight we suggest that a realistic approach to promoting social capital is for local policymakers to consider how best to use existing mainstream resources or activities for this purpose, rather than assuming that discretionary funding may be available for additional activities. Local people already engage with a wide range of services (and other people/each other) and it may be that modest changes to the design and delivery of services could yield additional social networking benefits with little or no extra cost in many cases.
- 9.9 For example, parents engage frequently with each other and with their children’s school, providing a clear opportunity to promote greater ‘bridging’ links building on their existing relationships within and around the school. Public services such as GP surgeries or employment services also come into regular contact with people looking for work who may benefit from, and who could be signposted towards, wider social networks. Voluntary organisations, such as sports clubs, churches and interest groups, provide existing social

networks which already bring some people together and which could be useful for putting people in touch with each other. Many opportunities already exist to put people in touch with others who may be able to help them build confidence, or find employment or take up wider opportunities.

- 9.10 A simple assessment tool could be developed and promoted for public services, businesses and voluntary organisations to use, to help them think through how their organisations might promote social capital through their existing activities or in partnership with others. A basic outline of such a tool is provided in Figure 9.1 below.

Figure 9-1 Building Social Capital: Outline Assessment Tool

Identify the target group and needs

- Who needs support?
- What benefits might accrue through the development of these networks?

Understand existing contacts

- What contact does your organisation already have with this target group? For example:
 - Holding information about them
 - Providing information to them
 - Face to face contact
 - In-depth relationship

Identify opportunities

- What opportunities may exist locally to promote social networking, building on your organisation's existing links:
 - Putting people in touch with other relevant service providers? (eg employment services, business support, health)
 - Putting people in touch across community/social boundaries?
 - Virtual networks
 - Social contact
 - Business/service contact

- 9.11 Many good examples already exist of local councils mainstreaming a range of core social concerns. The figure below highlights an example of how community cohesion was promoted in Lancashire, recognising the importance of developing and providing practical information and guidance to service providers to help them think through an issue.

Figure 9-2: how to mainstream a social concern

Name	Details and source	Key features
Lancashire County Council's guide for mainstreaming community cohesion	<p>Lancashire County Council has taken steps to mainstream community cohesion. One tool developed by the council was an internal guide for mainstreaming community cohesion into service delivery.</p> <p>Previously, work on cohesion tended to focus on race and faith. These have been, and are, the most pressing concerns in many areas. However, Lancashire is a diverse county. In many areas, inter-generational tensions may be as pressing, or more pressing, an issue for cohesion. Attacks on disabled and lesbian and gay people are also being recognised more and are seeing increased media coverage. These developments showed a need for a broader understanding of what community cohesion is.</p> <p>To achieve this, the council produced a guide to mainstreaming community cohesion into service delivery. The guide sets out what services can do to promote community cohesion through their design and delivery and thereby translate broad objectives into actions. The guide's aim is to help frontline and middle managers better understand community cohesion and the role which their department/service may play in achieving this outcome. The guide is also accompanied by a digest that aims to share good practice.</p> <p>The guide includes an A to Z of approaches to building community cohesion. These draw on local practice and recommendations from national research and guidance. Services are asked to look through</p>	<ul style="list-style-type: none"> • Mainstreaming cohesion throughout all services • Bespoke guidance for services

Name	Details and source	Key features
	the A to Z to identify how they can contribute to promoting cohesion and build actions into their business and service plans. For example, under 'M' there is a section on community mapping. This explains what mapping is, why it is important in contributing to community cohesion, and how services can map the local population. <i>Source: IDeA (2008)</i>	

Specific types of interventions

- 9.12 The rest of this section identifies a range of activities that often go beyond 'mainstreaming' and are more specifically designed initiatives that can promote social networking. The examples are drawn from our own recent research in the South East and national examples.

a) Community leadership

- 9.13 Many community and resident groups already exist and promote local networks. These can sometimes be inward looking and sometimes very open. Encouraging and supporting such groups to think about how they might make engage with more people locally, including sometimes a wider mix of people, may not only encourage networking but also add richness to the life of these groups.
- 9.14 The figure below describes a good example of how a Tenants Association mobilised its own members and worked with local service providers to both tackle local problems of community safety and also to help integrate new residents into the life of the community.

Figure 9-2: Community leadership

Name	Details and source	Key features
Integrating new residents in neighbourhoods, Northfield Tenants Association	<p>Northfields was a white working class estate of around 400 houses with high levels of unemployment, graffiti, vandalism, racism, empty properties (in one street 26 out of 52 houses were empty), and the local school was in decline. In recent years, there has been a significant increase in asylum seekers and other migrants moving onto the estate.</p> <p>Northfields Tenants Association (NTA) has a history of being proactive in tackling issues on the estate and in particular has played a key role in supporting asylum seekers to integrate into the local community. They provided community leadership - engaging other partners, mainly the housing department and the police - but predominantly mobilised the community to sort out their own problems and embrace diversity.</p> <p>The NTA did its own consultation, knocked on doors and found the thing that local residents most wanted was to feel safe in their homes. The Police agreed to have more beat officers and the housing team agreed to improve security on the estate. Both agreed to appoint local officers to work with the community for a prolonged period to provide consistency and build relationships. The NTA did a survey on installing CCTV cameras, presented the results to the housing committee, and got funding for three cameras (the only resident who objected was drug dealer, who has since moved on). Another fear was kids on street corners, so the Police started a football team as a diversionary activity - that continues to run.</p> <p>A Cohesion and Sustainability (CAS) service is now in place. New residents get a visit from CAS, and a welcome booklet (produced in several different languages) with information about dentists, doctors, schools, buses and practical advice on how to register for services, or where to get help from local residents. CAS also provides advice to local people and help with filling in forms - from job applications to citizenship applications. This service has been so successful that</p>	<ul style="list-style-type: none"> • Social capital improved through volunteering and activities aimed at increasing trust and social relationships • Greater community cohesion through encouraging new residents to settle, learn about local services and take part in local activities.

Name	Details and source	Key features
	people travel from all over Leicester for advice. CAS sees 1,000 people each month. In addition, CAS acts as a third party reporting centre. Their offices are also used as a neutral place for housing, tenants and community meetings. The local MP also holds surgeries there. They share information and intelligence with the LSP, and are helping sister organisations develop across the city. <i>Source: Institute of Community Cohesion case studies library</i>	

b) Linking capital - service providers and citizens

- 9.15 Some interesting work has been done in some communities to promote social capital in more direct ways. The example below shows how one local partnership brought residents together with service providers to challenge their perceptions of each other and help to develop a more rounded relationship. This can help to change attitudes towards how services are delivered and how they are taken up and used, as well as promoting social networking amongst participants.

Figure 9-4: Linking capital – service providers and citizens

Name	Details and source	Key features
Manton Community Alliance's Conversations	Manton Community Alliance (MCA) ran a series of conversations to find out what residents thought about Manton. Residents agreed to talk to other residents. The primary school agreed to encourage children to talk to each other and to staff about how they felt about the area. Other agencies also agreed to build conversations into their day to day contact with residents, and to talk formally and informally with their colleagues. The conversations were structured to start with the positives and only then say one thing they would like to change. The aim was to develop a more equal relationship – between generations, between residents and between agencies. A key emphasis was improving the relationships between service providers and local residents. The idea of this was to focus on linking social capital to breakdown the stereotyping of the neighbourhood and create a more positive attitude towards working in Manton. <i>Source: Taylor (2007)</i>	<ul style="list-style-type: none"> Building both bridging and linking social capital through encouraging greater engagement and communications

c) Socialising to build bridging capital

- 9.16 Bridging networks, i.e. those that bring together diverse groups of people, may help individuals to find employment whilst a reliance on bonding networks, i.e. those built through homogenous groups of people, could actually negatively affect an individual's chances of finding employment opportunities. The bridging networks may be between different generations, faiths or ethnicities.
- 9.17 This line of argument suggests that job clubs for the unemployed are likely to be much more effective if they can bring together both those searching for employment and those already in employment. Simply establishing a club that only includes unemployed people, may well increase bonding social capital, but it may not by itself lead to these people finding new job opportunities.
- 9.18 A recent article⁵ suggests that “*the best way to land a job is still by having someone who already works at a company mention your name.*” The article provided an interesting

⁵ ‘Using Twitter and Facebook to Find a Job’, June 8th 2009, Time Magazine

example of an individual utilising virtual networking in order to find employment. Immediately after losing his job, the recently unemployed man updated all of his online profiles, uploaded a fresh CV to LinkedIn, the professionals' networking site, and sent out a message to all 200 of his Facebook friends, letting them know he was looking for work. After just one day the man had one phone interview. Although this interview didn't lead to employment it took only eleven days for him to begin a new job that was found via the recommendation of a Facebook friend. This duration was particularly impressive compared to the typical job searching period, noted by the article as twelve weeks.

- 9.19 The examples in the figure below give a few more examples of initiatives that have promoted the sort of networking that may help put people in touch with others who may be able to help them.

Figure 9-5: Social networking approaches

Name	Details and source	Key features
Milton Keynes Working Parents Walks	<p>The qualitative mapping exercise found the Milton Keynes Park Trust's Working Parents Walks to be a particularly simple, yet innovative, initiative that could contribute towards building bridging capital and diverse social networks. The walks involve groups of families who get together once a month for guided evening walks around different parks in Milton Keynes.</p> <p>Although the initiative was primarily aimed at attracting a new demographic to use the parks in the evenings, whilst providing parents with an opportunity to de-stress, it also provides an excellent social network opportunity that could potentially mix those who are employed with those who are searching for employment.</p> <p>Source: SQW Consulting qualitative mapping exercise</p>	<ul style="list-style-type: none"> • Informal environment to build bonding social capital
Hyrstmount & Carlinghow Women's Twinning Project	<p>The Hyrstmount & Carlinghow Women's Twinning Project is an example of where the local authority and the voluntary sector have worked together to strengthen bridging social capital and cohesion between two neighbourhoods in Yorkshire and Humberside.</p> <p>The project involved two community groups from different neighbourhoods that have both experienced misconceptions and stereotypes in the media. They were brought together to break down some of these misconceptions and to create a stronger sense of belonging and a common vision between the two neighbourhoods. Muslim women and women from predominantly white working class communities came together and were supported by the local authority's Community Cohesion Team in doing so.</p> <p>Initially the group started with 6 women from the two communities. These women then introduced other interested women and friends and until the group meetings expanded to 25-30 people. The project has been viewed as a success not only because of the number of women involved, but in the enhancing of their capacity to participate more widely in their local community, for example, in the life of the school and local education.</p> <p>Source: Institute of Community Cohesion case studies library</p>	<ul style="list-style-type: none"> • Networks designed to bridge different communities and promote greater community cohesion • Encouraging greater involvement with local issues and decision making

d) Business networking

- 9.20 Networks between firms have been shown to produce considerable economic benefits. These include strengthening local supply chains, speeding up transactions and clustering effects. The evidence found in chapter 3 suggests that the challenge for public policy is to encourage networks that are open to new ideas and creativity rather than exclusivity. Many business networks exist already in the South East, but there may be value in reviewing how well they

are responding to the particular needs of firms in the present recession, or whether they are making the most of new technology.

- 9.21 Similarly, open networks within firms can foster greater innovation and economic performance. Promoting workplace diversity and inclusivity is increasingly seen as a vital resource for competitive advantage and tapping into the ideas and expertise of all staff.

Figure 9-6: Business networking approaches

Name	Details and source	Key features
The Allentown Business Club (Safford 2004)	Safford (2004) suggested that not all networks produce positive economic effects. The paper highlighted the example of two very similar recession-hit towns badly affected by the decline of American steel manufacturing in the 1970s and early 1980s. Whilst both of the towns had significant business (and social) networks, only one of the towns was able to benefit economically from these. The networks in Allentown, Pennsylvania were described as diverse, dynamic and outward facing so that the town was well-connected and open to new opportunities. However, the strong business networks in Youngstown, Ohio were characterised by exclusivity and were a means of rewarding insiders and reaffirming social status. The revival of Allentown was attributed to its open networks that encouraged new opportunities whilst the stagnation of Youngstown was largely due to the ability of a small group of actors who were able to assert their narrow interests over those of the community more broadly. <i>Source: Stafford (2004)</i>	<ul style="list-style-type: none"> Open business networks encourage greater access to new opportunities and can help achieve successful recovery from recession
Kent Tweet-Up 09	For some time the Kent Invicta Chamber of Commerce (KICC) has utilised popular online networking methods such as Facebook, LinkedIn and Twitter. KICCs Twitter page includes approximately a thousand local business followers who receive and contribute regular business-related updates and comments. Through the popularity of the KICCs Twitter page they organised the Kent Tweet-Up whereby many of the followers were able to meet face-to-face for the first time and hold conversations of more than 140 characters. This is an excellent example of utilising modern tools for social networking to improve and strengthen local business networks. <i>Source: SQW Consulting qualitative mapping exercise</i>	<ul style="list-style-type: none"> Utilisation of modern networking tools to encourage business networking

e) Social enterprises

- 9.22 LGA (2008) argues that social enterprises can contribute to economic growth while playing an active role in building social capital and community cohesion. For instance, many social enterprises provide meaningful employment, work experience, and targeted training opportunities for those often furthest from the job market. In addition, many social enterprises base their approach for addressing social exclusion and regeneration on community ownership of buildings and land. This often enables community involvement in local planning decisions and encourages the community to be more involved in local decision making processes.
- 9.23 An interesting consequence of the current recession has been an increase in the number of community groups which are forming to save local independent stores threatened with closure. A recent BBC News article⁶ suggests there are now more than 200 community owned outlets across the UK - most in rural areas (but recently spreading to towns and cities) where villagers have raised money to save local grocers, pubs and post offices. One example

⁶ BBC News, 'Communities saving cherished stores', 10 July 2009: <http://news.bbc.co.uk/1/hi/uk/8143665.stm>

is the country's first community owned toy store, Busy Bee, in Chorlton, Greater Manchester. Although a professional manager is paid to choose the toys and run the shop, much of the redecoration and day-to-day work is done by volunteers. In Chorlton, local residents raised £32,000 in order to save the Busy Bee toyshop.

- 9.24 Public policy and interventions aimed at assisting and strengthening social enterprises, or improving access to credit for these organisations, could therefore play a significant role in promoting both social and economic outcomes. A successful social enterprise is likely to have the dual benefits of improving the local economy whilst also raising the capacity, and social capital stock, of the local community.

Figure 9-3: Social enterprise approaches

Name	Details and source	Key features
Big Life Employment, Manchester	<p>Big Life Employment offers opportunities to people who are overlooked by mainstream employers. It offers a range of employment services across Manchester to get individuals back into work or training. These services include providing:</p> <ul style="list-style-type: none"> • Information, Advice and Guidance – a one to one service to help develop plans for skills developing • Quality of Life Assessments to assist the identification of key priorities such as health and well being and career guidance • Access to computer suites with full access to a range of courses including literacy and numeracy • Job Seeking Services with drop ins and themed workshops to help create a CV, understand job application forms, find suitable job vacancies and fill in application forms • Personal and Social Development workshops and activities to raise motivation, self esteem and aspirations. • Mentoring is also offered; helping to break social isolation, create opportunities and challenge established patterns of behaviour. <p>Source: JRF (2008) and www.biglifegroup.com</p>	<ul style="list-style-type: none"> • Assistance to help local people reengage with the labour market • Providing volunteer opportunities to help local residents
Goodwin Development Trust, Hull	<p>Goodwin Development Trust was set up in 1994 by residents of the Thornton Estate in Hull who wanted to improve their quality of life and the services available on their estate. Goodwin Development Trust now employs over 300 staff with a turnover of £9.2 million working across 38 sites aiming to deliver services that improve the quality of life for residents throughout the city. It has been recognised as an example of best practice by many organisations. Goodwin's success stems from an entrepreneurial spirit, organisational flexibility and a business approach to attracting funding whilst at the same time working in partnership with statutory, voluntary and professional organisations to deliver quality services for the community.</p> <p>Goodwin is involved in delivering a diverse range of services aimed at improving the quality of life for the residents across the priority areas of 'health, social care and wellbeing', 'children and young people', 'enterprise, employment and training' and 'safer and stronger communities'. It also provides training for individuals and groups working in communities through the Neighbourhood Training & Resource Centre. This assists communities and community-based organisations to develop innovative new services through practical learning, knowledge management and networking.</p> <p>These activities are sustained through a community asset base development. New build developments and refurbished old or disused buildings provide facilities for the community, whilst achieving financial sustainability for Goodwin.</p> <p>Source: JRF (2008) and www.goodwindevelopmenttrust.org</p>	<ul style="list-style-type: none"> • Social enterprise which generates both social and economic benefits • Help for other community organisations and networking opportunities
Aylesham Community	<p>The Aylesham Community Project (ACP) is an example of grassroots instigated community cohesion. The ACP was set up in 1993 by a</p>	<ul style="list-style-type: none"> • Resident-led initiative to improve

Name	Details and source	Key features
Project	<p>steering committee of local people in the village of Aylesham as a response to their local secondary school closing and high unemployment in the area. The project reclaimed the old secondary school building and refurbished it for a mix of social and business use with the joint aims of social and economic regeneration.</p> <p>The ACP was recognised by the British Urban Regeneration Association in the 2006 Awards for Community Inspired Regeneration. ACP provides training in IT skills, basic literacy, numeracy and other work related skills as well as helping local businesses to find the right employees.</p> <p>In total ACP have created over 100 jobs. Many parents have been able to access jobs in childcare following training they had received through ACP.</p> <p>The project is made up of two organisations, these are the Aylesham Neighbourhood Project and the Aylesham District & Community Workshop Trust which is a social enterprise. The project is managed by a board of residents. The ACP is an excellent example of a bottom-up approach that has achieved economic benefits through building community networks.</p> <p>Source: South East Excellence Case Studies, www.southeastexcellence.co.uk</p>	<p>the local community</p> <ul style="list-style-type: none"> • Opportunities for engagement and volunteering to boost social capital • Includes social enterprise approach to achieve economic and social outcomes

f) Making the most of community facilities and spaces

- 9.25 As was highlighted by chapter 4, community facilities can act as an effective focus for increasing cohesion and building social relationships. Facilities such as community centres, shared spaces and shared places, such as parks, encourage and promote sharing and cooperation between different groups of people. As noted by Demos (2007), “the value of a well-functioning public realm lies primarily in its potential to create bonds... bridging citizens across social cleavages by providing the setting for daily interaction and enabling relevant links with public institutions and community resources.”
- 9.26 In a similar manner community events can promote cohesion and encourage cooperation between different groups that may encourage the creation of bridging social capital.

Figure 9-8: Community resources

Name	Details and source	Key features
Cairndow Here We Are (HWA)	<p>The Cairndow HWA is a rural enterprise offering shared community events and facilities. The hub of the initiative is a community centre in Cairndow which acts as a bridge between the community and tourists. It houses exhibitions and events and a study centre as well as meeting space for hire and is described as ‘a community resource providing information on the development, education and history of a rural area, designed and resourced by local people for the benefits of local people and visitors alike’. Exhibitions – such as Our Houses, Our School, Our Land – draw on local history and involve people across the generations (for example, through local schools and a local history group). This has contributed towards building improved bridging social capital.</p> <p>The community centre is a space to meet and has childcare facilities for locals and non-locals. 90% of locals and 80% from the surrounding area have visited the centre. An aquarium has been built and local people are working in a cycle path and a map for ramblers. There are plans to offer postal and banking facilities there.</p> <p>The initiative has not only positively impacted upon social capital in the area but has also created direct economic benefits such as the jobs created, training offered and the investment into the local economy. Other improvements, such as creating a map for ramblers, having a community centre which engages visitors and a cycle path around the</p>	<ul style="list-style-type: none"> • Community facilities to support greater interaction and cohesion • Opportunities for volunteering and taking an active role in local decisions • Bridging capital encouraged through intergenerational events

Name	Details and source	Key features
	<p>loch may serve to improve tourism and impact upon economic performance less directly.</p> <p>As Assist Social Capital (2008) note, “the organisation’s activity has served to bring the people of Cairndow together, increased confidence and inspired pride. It has brought improvements to the roads, over 80 training opportunities to the doorstep, and 14 jobs.”</p> <p>Source: Assist Social Capital (2008)</p>	
Bath Place Community Centre, Leamington Spa	<p>Bath Place Community Centre is located in one of the poorer areas of Leamington, to the north of the centre. One of its aims is to address the needs of the less-affluent people living on the margins of what is often considered to be a prosperous town. According to a case study produced by Demos (2007), Bath Place bases its effectiveness on embedding its activities in the habits of people’s daily lives. A central part of their offer has been providing cheap, healthy food at their café. This has been found to be an important factor in bringing people into the centre who might not have come before.</p> <p>The centre has also fostered a strong partnership with Adult Education in the area which has been a major part of bringing in the newer residents in Leamington. New migrants often come to the centre through the English as a Second Language programme, or via other adult education modules but as people grow more familiar with the centre they also use other services.</p> <p>One example of these other services is the ‘Stay and Play’ offer where parents come to the centre with their children and rather than leaving the children, the parents stay around to play with the toys together and meet other parents living nearby. This is an excellent route for parents to meet other parents and develop wider social networks.</p> <p>Source: Demos (2007)</p>	<ul style="list-style-type: none"> • Shared community facilities to encourage interaction and cohesion • Help for new migrants to settle and build linkages
The Aspire Youth Project, Northumberland Park	<p>The Aspire Youth Project is part of a six-year regeneration programme that includes the Northumberland Park ward of Tottenham. The project aims to provide a local space for all young people in Northumberland Park and has a key role in meeting the youth engagement aims of the programme. There are many strands to provision.</p> <p><i>Education and training:</i> developing an after-school club and educational visits – for example, introducing young people to theatre.</p> <p><i>Self-organisation and responsibility:</i> young people setting up their own projects, including music, dance and sports activities.</p> <p><i>Intergenerational programme:</i> bringing older people from a local over-50s’ club and young people from Aspire together, breaking down barriers and fostering better understanding.</p> <p><i>Environmental issues:</i> increasing young people’s awareness of the environment and providing access to hands-on opportunities to improve it.</p> <p>Recognition of young people’s achievements has been seen as important for both them and the wider community, and a showcase event was held at a local school with an audience of families, friends, teachers, community workers, and members of the over-50s’ club.</p> <p>Source: JRF (2008)</p>	<ul style="list-style-type: none"> • Facilities for young people to volunteer and take part in local initiatives • Encouragement of bridging capital between different social groups
Big Sunday, Newham	<p>The London Borough of Newham has an exceptionally diverse population and high levels of social deprivation. In the summer of 2006, it organised the Big Sunday as an occasion for celebrating local communities, as well as a way to let people know about the work of the Council and voluntary sector services. The aim of the event was to identify people who want to work to make the borough a better place and to find out what kind of activities Newham people want to get involved in.</p> <p>Around 30,000 residents attended and, owing to a highly simplified digital sign-up system for services and courses, the event worked as a measurable start for civic and community involvement, thereby increasing the potential of bridging social capital.</p> <p>Some of the event’s successes include:</p>	<ul style="list-style-type: none"> • Community event to celebrate diversity and build cohesion • Simple processes for encouraging local volunteering

Name	Details and source	Key features
	<ul style="list-style-type: none"> 50 women volunteered to train as birth and breast feeding support buddies - almost doubling the current number 50 people were given CV advice Around 30 people signed up for the peer education programme which uses young people to tell other youngsters about sexual health and contraception 	
Source: Demos (2007) and www.Newham.gov.uk		

g) Supporting transient populations

- 9.27 Chapter 4 highlighted that length of residence is an important positive factor in developing social networks. Social bonds between individuals, trust, shared values, and respect may all take time to develop. This would suggest that public interventions that can help speed up the development of these commonalities and assist new residents to settle can help contribute towards greater social capital and community cohesion.
- 9.28 As noted by Ipsos-MORI (2007), newcomers to the country and migrant workers who do not speak English are particularly at risk of social exclusion.

Figure 9-9: Holistic approaches

Name	Details and source	Key features
Ashford International Association	<p>Having experienced a build up of new migrants over a number of years various migrant community groups developed in Ashford. A large problem faced by all of these groups was a lack of suitable and affordable office accommodation. The Ashford Community Network (described as is a 'family of networks' bringing together key voluntary organisations and community leaders from across the borough) and Ashford Borough Council worked together to find some disused building that could be renovated to create a space for the various community groups to work in. As a result the groups formed the Ashford International Association.</p> <p>Although the original site was closed after 18 months, a new site was quickly found (with help from SEEDA) due to the success of the accommodating the groups together.</p> <p>Having found a permanent home each community group was much better able to assist and help the local and new migrants settling in Ashford. Moreover, having established a home within close proximity to many other community groups, this significantly helped to improve coordination and networking between the different groups. In addition, public service providers, such as the police of the PCT, could come to the Ashford International Association offices and present/speak to a number of different groups all at one time. This allowed for much easier dissemination of information and guidance.</p> <p>Source: SQW Consulting qualitative mapping exercise</p>	<ul style="list-style-type: none"> Improved networking between different community groups Better support for new migrants
Mobile Europeans Taking Action	<p>Mobile Europeans Taking Action (META) in Norfolk was set up in 2004 and provides a drop-in service for migrant workers accessing the Thetford job market. It operates as a face to face information and support service staffed by migrant workers to help mobile communities settle down quickly and effectively. META staff provide support in English, Portuguese, Polish, Lithuanian, Russian and Czech. Support can vary from helping newcomers to write letters and CVs, fill in forms, find employment and enroll in training courses.</p> <p>The benefits of such a service are twofold; ensuring that migrants are able to get support and not face social exclusion, as well as being supported into the local job market in Thetford (and able to access training). These should therefore provide both community and economic benefits for the area.</p>	<ul style="list-style-type: none"> Volunteering opportunities for migrants to help other new migrants Assistance to prevent exclusion and encourage new migrants to settle quickly

Name	Details and source	Key features
Slough Refugee Support	<p>Source: CIC (2007) and Key Stone Development Trust www.keystonetrust.org.uk</p> <p>Slough Refugee Support (SRS) was founded in 1997 when a group of volunteers recognised the need for specific support for those newly arriving in the area. The service offers advice on immigration, benefits, education, health and utilities, as well as local information and signposting to other organisations.</p> <p>SRS also runs a job club to improve access to employment, training and volunteering opportunities. New residents can find help with producing a CV, finding employment opportunities, and liaison with Jobcentre Plus. There is also an employment mentoring service where volunteers who have experienced similar life-journeys act as a mentor to new clients</p> <p>SRS provide a number of classes and courses such as ESOL, sewing, IT, and Citizenship. In addition a number of social trips and sports sessions are run to encourage greater social networking.</p> <p>Source: SQW Consulting qualitative mapping exercise and www.sloughrefugeesupport.org</p>	<ul style="list-style-type: none"> • Help for new migrants whilst also providing volunteer opportunities for recently settled migrants • Encouraging both labour market participation and greater social networking to prevent exclusion
Refugees into Libraries	<p>'Refugees into Libraries' was a project which ran from January to December 2006 and was funded by the Home Office Refugee Integration Challenge Fund. It supported the Home Office's Integration Matters strategy for refugees to access public services, achieve their full potential and contribute to communities, while also fitting in with Leicester Libraries' strategy of community engagement and the removal of barriers to access.</p> <p>The aims and objectives were to give refugees work experience through volunteering in the library service. This gave them the chance to develop and share skills in a service geared towards working with different communities.</p> <p>The project found a particular demand for opportunities for informal learning. At the suggestion of refugees and asylum seekers, the library staff started reading / study groups for the Citizenship Test, the Driving Theory Test, ESOL, and application forms, bills and official documents. The Citizenship Test sessions helped 205 people to pass the test, and the library became signposted by the Test Centre.</p> <p>By the end of the project, 10 out of 20 refugees who were involved had found jobs and others had been signposted to courses or other volunteering opportunities.</p> <p>Source: Institute of Community Cohesion</p>	<ul style="list-style-type: none"> • Volunteering opportunities to take part in, and assist, local services • Help for new migrants to settle and build community linkages

10: Conclusions and Recommendations:

- 10.1 This final chapter concludes the report through highlighting a number of key messages and providing recommendations to SEEDA and its partners.

The case for action: a summary

- 10.2 As shown through this report, there is a strong case for public action that may promote social networking for economic benefit. In summary this report has shown:

- Both SEEDA and central government highlight the importance of supporting strong communities and promoting economic development as key policy aims.
- Evidence suggests that an accumulation of social capital, i.e. social networking, may promote positive economic outcomes for individuals, firms and local economies. In particular bridging social capital – networks between diverse social groups – is likely to produce greater economic benefits than bonding social capital – networks between homogenous groups. Bridging social capital refers to networks that encompass people from across different types of social boundaries, including different age groups, ethnicities, gender or employment status.
- A weakened economy, as the UK is experiencing as a result of the recession, can reduce the levels of social capital and community cohesion. This gives rise to the possibility of a spiral of decline whereby the economy negatively impacts upon communities and in turn weakened communities negatively impact upon the economy. This point is particularly important for public policy makers as it suggests that social networks may have the capacity to contribute towards mitigating some of the negative impacts of an economic recession.
- The current economic downturn has had significant negative economic effects in the South East. Since 2008 the number of jobseekers allowance claimants has risen significantly. Qualitative evidence suggests that retail, construction, finance and manufacturing sectors have all been badly affected. In addition impacts have disproportionately hit individuals with low levels of employment experience and low skills.
- Our analysis suggests that some local authority areas may be more vulnerable to impacts of the recession, with ten local authority areas within the South East identified as being particularly vulnerable to a spiral of decline as a consequence of experiencing relatively high economic stress and having relatively low community resilience.
- Our research has also highlighted a number of specific groups of people that have been particularly affected by the current recession. These include young people (both school leavers and recent graduates), the low-skilled, and female workers. This

evidence suggests that some of the current economic stresses may be best alleviated through responses that specifically look to target these groups.

- To date, few areas within the South East have implemented local responses which focus upon promoting social networks to mitigate the negative impacts of the recession. However, there are some good examples of interventions that have been undertaken in the past both in the South East and nationally that have sought to do so.

Recommendations for action

- 10.3 We have identified a number of actions and recommendations for specific groups of decision-makers. These are set out below for consideration. Most of these recommendations are not about seeking new funding for new initiatives, particularly given the present public funding challenges, but about encouraging agencies and local authorities to consider how they use existing investments. We believe that factoring an explicit consideration of social networks into decision making could reap significant social dividends, with consequent long term economic benefits. In terms of finding ways to enable the South East to bounce back from the recession, such cost-effective approaches could play a significant role.

Local government and LSPs

- 10.4 Local government and its partners clearly have a key role to play in mitigating the impacts of the recession and supporting recovery, as well as in the long term development of communities and local economies. Social networks could make an important contribution to this, and so we recommend the following actions for local government and its partners:
- Local authorities should consider the Index of Community Vulnerability, particularly those authorities identified as being most at risk, and review whether further action may be appropriate in the light of this report's findings. These issues are likely to affect specific communities in different ways rather than whole local authority areas in a uniform fashion, so identifying priority areas may be one way forward.
 - There are several direct opportunities for local public service providers to encourage the development of social capital, for example:
 - Mainstreaming cohesion and social capital principles into the design and development of local service delivery
 - Facilitating socialising and community events which bring together diverse groups of individuals
 - Initiatives that encourage dialogue and linking social capital between service providers and citizens
 - Supporting, assisting and promoting social enterprises
 - Assisting new residents to settle and develop new, or support the expansion of existing, local social networks.

- Job club initiatives should aim to increase bridging social capital and bring together diverse groups of individuals. Importantly this should include both job-seekers and employed individuals where possible.
- Councils and partnerships making ongoing investments in the long-term regeneration of deprived communities should pay appropriate attention to the need to develop social capital, social networks and cohesion for long term economic benefit.

SEEDA and regional partners

- Close networking (or clustering) between firms can speed up transactions and encourage new business opportunities. The characteristics of the business networks are important however, as these need to be open and inclusive rather than aimed at encouraging exclusivity and the preservation of a 'status quo'. It may be appropriate for SEEDA to review the extent to which the Agency's investments are presently promoting business networks and the extent to which these networks are open and inclusive.
- GOSE, in its role overseeing policy on community cohesion may also wish to consider the extent to which the various grant and programme funds it administers are presently promoting the development of bridging social capital in particular.
- GOSE should consider identifying a regional 'lead' for social capital to catalyse and promote discussions across the region on this important subject.

Businesses

- A firm's productive and innovative capacity can be increased through internal networks and cooperation between different members of staff. Firms with a diverse workforce and the ability to share knowledge and ideas between staff are more likely to experience improved performance. How can business support agencies encourage individual businesses to promote internal networking and co-operation?

Local community / voluntary groups

- Local community and voluntary groups of all types – community, political, sporting, religious, etc – have a key role to play in their local areas and often bring people together across social boundaries with many benefits for participants and the wider community. The number and strength of such groups can, as this report shows, contribute to a community's resilience. Given the role of local authorities in grant funding local groups, we would highlight the report's findings to emphasise the local economic value of community and voluntary sector activity that brings people together in social networks. CVS organisations may have a role in encouraging local groups to think about how they promote social capital and how open their networks may be.
- Job-seekers are most likely to find employment opportunities through social networks, and in particularly diverse social networks that include those already in

employment. Examples of these networks may include local sports clubs, community groups or online social networking. Similarly, career advancement and progression is positively influenced by social connections and access to employment information networks.

Central government and national agencies

- Social capital may both encourage and shape an attractive investment climate. Improved social and business relationships may increase trust and therefore reduce the need for defensive mechanisms. This may lower the transaction costs of doing business and encourage greater investment. Greater social capital may also increase civic virtue to an extent whereby the preferences of individuals shift from self-interest towards community orientated concerns. Social capital has the potential to enable communities to work together for regeneration and counter economic decline through less capital-intensive methods. We recommend that central government and its partners consider how awareness of the value of social capital might be raised.

Further research

- 10.5 Although there is growing evidence of the importance of social capital and cohesion as a key factor that influences the performance of local and regional economies, these links are not yet broadly understood or accepted amongst policymakers, nor are many public interventions designed with these links in mind. This report seeks to go some way to addressing this challenge. It is also clear that we have much still to learn about how our communities, businesses and economies interact.
- 10.6 We suggest that further research would be invaluable in helping to explore these issues further, using the most recent recession and its impacts as the context:
- Why do some areas seem to be more resilient and ‘bounce back’ faster after recessions? What local factors contribute to this resilience?
 - How do different types of public investment strengthen bridging social capital in particular? To what extent is such social capital recognised and valued as a desirable outcome of public services and interventions?
 - Are some public interventions promoting types of bonding social capital at the expense of bridging capital in ways that may be counterproductive in some circumstances?
 - How can the ‘health’ of social capital within business communities be measured and promoted, to support greater economic competitiveness?
 - How can social capital be better measured on a consistent basis at a community level (below local authority district level)?
 - How can the economic value of social capital be better measured?

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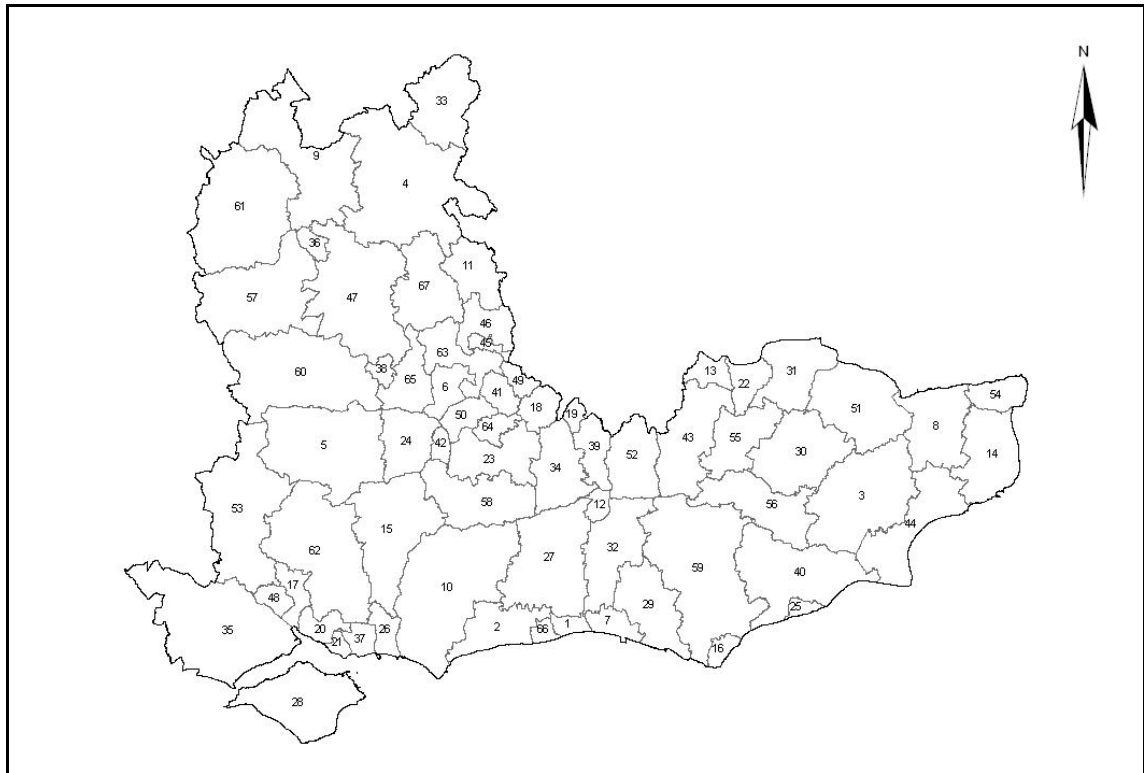
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Annex B: Further information regarding the South East Index of Community Vulnerability

B.1 The figure below provides the numbered key for the maps of the South East



Source: SQW Consulting

1	Adur	18	Elmbridge	35	New Forest	52	Tandridge
2	Arun	19	Epsom and Ewell	36	Oxford	53	Test Valley
3	Ashford	20	Fareham	37	Portsmouth	54	Thanet
4	Aylesbury Vale	21	Gosport	38	Reading	55	Tonbridge and Malling
5	Basingstoke and Deane	22	Gravesham	39	Reigate and Banstead	56	Tunbridge Wells
6	Bracknell Forest	23	Guildford	40	Rother	57	Vale of White Horse
7	Brighton and Hove	24	Hart	41	Runnymede	58	Waverley
8	Canterbury	25	Hastings	42	Rushmoor	59	Wealden
9	Cherwell	26	Havant	43	Sevenoaks	60	West Berkshire
10	Chichester	27	Horsham	44	Shepway	61	West Oxfordshire
11	Chiltern	28	Isle of Wight	45	Slough	62	Winchester
12	Crawley	29	Lewes	46	South Bucks	63	Windsor & Maidenhead
13	Dartford	30	Maidstone	47	South Oxfordshire	64	Woking
14	Dover	31	Medway	48	City of Southampton	65	Wokingham
15	East Hampshire	32	Mid Sussex	49	Spelthorne	66	Worthing
16	Eastbourne	33	Milton Keynes	50	Surrey Heath	67	Wycombe
17	Eastleigh	34	Mole Valley	51	Swale		

Community Resilience Measure: raw data and Z-scores

Table B-1 : Measure of Community Resilience (larger z-scores indicate higher community resilience)

Local Area	% who agree that their local area is a place where people from different backgrounds get on well together (NI 1)	Z-score	% who have been involved in decisions that affect the local area in the past 12 months (NI 3)	Z-score	% who agree that they can influence decisions in their local area (NI 4)	Z-score	% who have given unpaid help at least once per month over the last 12 months (NI 6)	Z-score	% who think there is a problem with people not treating each other with respect and consideration (NI 23)	Invers e of NI23	Z-score	Community Resilience Score (Z-score total)
Thanet	65.8	-2.66	10.1	-1.57	21.1	-2.35	20.7	-1.08	44.9	55.1	-2.36	-10.03
Dartford	71.2	-1.57	9.1	-1.96	27.6	-0.16	18.3	-1.72	40.2	59.8	-1.70	-7.12
Spelthorne	74.2	-0.96	11.0	-1.22	22.1	-2.01	16.9	-2.10	33.2	66.8	-0.72	-7.02
Gosport	75.4	-0.72	11.9	-0.87	19.8	-2.79	19.7	-1.35	35.7	64.3	-1.07	-6.80
Slough	68.5	-2.12	12.8	-0.52	30.2	0.72	16.7	-2.15	43.7	56.3	-2.19	-6.26
Rushmoor	66.6	-2.50	12.4	-0.67	26.2	-0.63	20.7	-1.08	37.8	62.2	-1.37	-6.25
Swale	73.0	-1.21	10.7	-1.34	24.4	-1.24	21.6	-0.84	39.4	60.6	-1.59	-6.21
Medway	70.4	-1.73	14.7	0.22	23.4	-1.58	20.6	-1.11	39.9	60.1	-1.66	-5.85
Portsmouth	70.2	-1.77	14.8	0.26	27.6	-0.16	18.3	-1.72	41.7	58.3	-1.91	-5.30
Crawley	73.1	-1.19	11.3	-1.10	26.2	-0.63	21.4	-0.89	36.2	63.8	-1.14	-4.96
Havant	79.1	0.03	10.6	-1.38	22.8	-1.78	20.7	-1.08	32.0	68.0	-0.55	-4.76
Southampton	73.2	-1.17	12.6	-0.60	27.9	-0.06	21.7	-0.81	40.0	60.0	-1.67	-4.31
Shepway	76.6	-0.48	11.8	-0.91	22.1	-2.01	22.9	-0.49	30.9	69.1	-0.40	-4.29

Local Area	% who agree that their local area is a place where people from different backgrounds get on well together (NI 1)	Z-score	% who have been involved in decisions that affect the local area in the past 12 months (NI 3)	Z-score	% who agree that they can influence decisions in their local area (NI 4)	Z-score	% who have given unpaid help at least once per month over the last 12 months (NI 6)	Z-score	% who think there is a problem with people not treating each other with respect and consideration (NI 23)	Invers e of NI23	Z-score	Community Resilience Score (Z-score total)
Hastings	70.2	-1.77	16.3	0.85	25.4	-0.90	26.5	0.47	40.1	59.9	-1.69	-3.04
Bracknell Forest	82.1	0.63	9.0	-2.00	28.0	-0.03	20.6	-1.11	29.5	70.5	-0.20	-2.70
Worthing	78.4	-0.11	12.3	-0.71	26.0	-0.70	24.5	-0.07	35.2	64.8	-1.00	-2.59
Fareham	85.9	1.40	9.2	-1.92	23.9	-1.41	20.5	-1.13	23.5	76.5	0.64	-2.42
Dover	74.6	-0.88	13.7	-0.17	27.8	-0.09	23.0	-0.47	33.3	66.7	-0.73	-2.34
Arun	75.1	-0.78	14.2	0.03	27.0	-0.36	22.7	-0.55	31.9	68.1	-0.54	-2.20
Eastleigh	83.3	0.88	11.5	-1.02	27.1	-0.33	19.2	-1.48	27.7	72.3	0.05	-1.91
Adur	79.2	0.05	12.1	-0.79	28.5	0.14	23.6	-0.31	34.2	65.8	-0.86	-1.77
Runnymede	79.7	0.15	13.9	-0.09	26.8	-0.43	20.4	-1.16	29.2	70.8	-0.16	-1.69
Gravesham	74.3	-0.94	15.7	0.62	30.4	0.78	23.8	-0.25	39.9	60.1	-1.66	-1.46
Reading	77.8	-0.24	13.6	-0.20	29.3	0.41	24.0	-0.20	36.3	63.7	-1.16	-1.38
Tonbridge and Malling	77.0	-0.40	11.2	-1.14	29.4	0.45	23.5	-0.33	27.2	72.8	0.12	-1.31
Maidstone	80.5	0.31	12.7	-0.56	25.4	-0.90	24.6	-0.04	27.7	72.3	0.05	-1.14
Reigate and Banstead	77.9	-0.22	14.4	0.11	26.5	-0.53	24.7	-0.01	29.6	70.4	-0.22	-0.87
Canterbury	81.7	0.55	12.2	-0.75	28.2	0.04	22.4	-0.63	27.5	72.5	0.08	-0.71

Local Area	% who agree that their local area is a place where people from different backgrounds get on well together (NI 1)	Z-score	% who have been involved in decisions that affect the local area in the past 12 months (NI 3)	Z-score	% who agree that they can influence decisions in their local area (NI 4)	Z-score	% who have given unpaid help at least once per month over the last 12 months (NI 6)	Z-score	% who think there is a problem with people not treating each other with respect and consideration (NI 23)	Invers e of NI23	Z-score	Community Resilience Score (Z-score total)
Ashford	77.6	-0.28	13.2	-0.36	28.7	0.21	24.0	-0.20	25.7	74.3	0.33	-0.30
Epsom and Ewell	80.7	0.35	11.0	-1.22	33.3	1.76	20.4	-1.16	26.0	74.0	0.29	0.02
Eastbourne	77.6	-0.28	17.8	1.44	27.8	-0.09	23.7	-0.28	33.4	66.6	-0.75	0.04
Tunbridge Wells	77.3	-0.34	15.8	0.65	26.4	-0.56	26.8	0.55	29.5	70.5	-0.20	0.10
Milton Keynes	76.2	-0.56	12.8	-0.52	32.7	1.56	22.8	-0.52	26.3	73.7	0.25	0.21
Woking	77.6	-0.28	15.9	0.69	28.8	0.24	24.7	-0.01	28.6	71.4	-0.08	0.57
West Berkshire	79.1	0.03	13.9	-0.09	27.3	-0.26	27.3	0.68	26.3	73.7	0.25	0.61
New Forest	79.1	0.03	14.9	0.30	27.8	-0.09	24.7	-0.01	24.4	75.6	0.51	0.74
Windsor and Maidenhead	80.2	0.25	14.9	0.30	28.7	0.21	23.2	-0.41	25.1	74.9	0.41	0.76
Cherwell	75.0	-0.80	13.3	-0.32	31.1	1.02	26.6	0.50	25.3	74.7	0.39	0.78
Elmbridge	80.1	0.23	14.4	0.11	29.5	0.48	22.9	-0.49	24.4	75.6	0.51	0.84
South Bucks	81.6	0.53	15.1	0.38	26.5	-0.53	26.5	0.47	24.2	75.8	0.54	1.39
Brighton and Hove	86.1	1.44	14.5	0.15	27.6	-0.16	24.3	-0.12	24.8	75.2	0.46	1.77
Guildford	79.3	0.07	15.3	0.46	29.3	0.41	26.8	0.55	25.2	74.8	0.40	1.89
Oxford	82.1	0.63	15.3	0.46	29.3	0.41	26.6	0.50	28.8	71.2	-0.10	1.90

Local Area	% who agree that their local area is a place where people from different backgrounds get on well together (NI 1)	Z-score	% who have been involved in decisions that affect the local area in the past 12 months (NI 3)	Z-score	% who agree that they can influence decisions in their local area (NI 4)	Z-score	% who have given unpaid help at least once per month over the last 12 months (NI 6)	Z-score	% who think there is a problem with people not treating each other with respect and consideration (NI 23)	Inverse of NI23	Z-score	Community Resilience Score (Z-score total)
Sevenoaks	78.1	-0.18	14.6	0.19	30.2	0.72	27.7	0.79	25.2	74.8	0.40	1.92
Surrey Heath	85.5	1.32	13.4	-0.28	27.4	-0.23	25.1	0.09	20.3	79.7	1.09	1.99
Tandridge	81.4	0.49	14.5	0.15	29.1	0.35	25.8	0.28	21.6	78.4	0.90	2.17
Mid Sussex	85.2	1.26	13.8	-0.13	25.0	-1.04	28.3	0.95	19.9	80.1	1.14	2.19
Wealden	83.7	0.96	13.9	-0.09	27.5	-0.19	27.8	0.82	22.0	78.0	0.85	2.34
Isle of Wight	76.9	-0.42	19.4	2.06	28.3	0.08	26.2	0.39	26.2	73.8	0.26	2.37
Wycombe	76.8	-0.44	16.9	1.08	28.5	0.14	30.0	1.40	25.8	74.2	0.32	2.51
Wokingham	85.5	1.32	12.4	-0.67	27.6	-0.16	27.1	0.63	17.5	82.5	1.48	2.60
Lewes	85.4	1.30	14.6	0.19	27.8	-0.09	27.2	0.66	23.1	76.9	0.69	2.74
Hart	84.3	1.08	14.2	0.03	28.4	0.11	25.6	0.23	18.0	82.0	1.41	2.85
Test Valley	82.0	0.61	12.9	-0.48	32.6	1.52	28.2	0.92	25.3	74.7	0.39	2.97
Basingstoke and Deane	85.1	1.24	12.7	-0.56	33.2	1.73	25.0	0.07	21.7	78.3	0.89	3.37
Vale of White Horse	82.8	0.78	16.8	1.05	27.1	-0.33	30.5	1.54	22.0	78.0	0.85	3.88
Rother	81.1	0.43	18.9	1.87	28.2	0.04	28.1	0.90	22.5	77.5	0.78	4.01
West Oxfordshire	83.0	0.82	16.1	0.77	29.2	0.38	28.6	1.03	20.6	79.4	1.04	4.04

Local Area	% who agree that their local area is a place where people from different backgrounds get on well together (NI 1)	Z-score	% who have been involved in decisions that affect the local area in the past 12 months (NI 3)	Z-score	% who agree that they can influence decisions in their local area (NI 4)	Z-score	% who have given unpaid help at least once per month over the last 12 months (NI 6)	Z-score	% who think there is a problem with people not treating each other with respect and consideration (NI 23)	Inverse of NI23	Z-score	Community Resilience Score (Z-score total)
East Hampshire	82.7	0.76	14.6	0.19	30.8	0.92	30.0	1.40	20.3	79.7	1.09	4.35
Waverley	82.1	0.63	17.9	1.47	28.5	0.14	30.9	1.65	20.3	79.7	1.09	4.98
South Oxfordshire	83.1	0.84	15.3	0.46	33.0	1.66	31.4	1.78	22.1	77.9	0.83	5.57
Mole Valley	86.8	1.59	16.7	1.01	32.2	1.39	25.6	0.23	17.8	82.2	1.44	5.65
Chiltern	80.6	0.33	19.1	1.94	30.2	0.72	33.0	2.21	22.4	77.6	0.79	5.99
Aylesbury Vale	82.0	0.61	17.5	1.32	33.2	1.73	29.7	1.32	20.8	79.2	1.02	6.00
Winchester	83.4	0.90	18.1	1.55	31.6	1.19	28.9	1.11	15.1	84.9	1.81	6.56
Horsham	86.3	1.48	16.5	0.93	33.9	1.96	29.8	1.35	20.4	79.6	1.07	6.80
Chichester	82.4	0.69	21.6	2.92	31.7	1.22	31.9	1.91	22.3	77.7	0.81	7.55
South East Average	78.9	0.00	14.2	0.00	28.2	0.00	24.8	0.00	28.1	71.9	0.00	0.00

Economic Stress Measure: raw data and Z-scores

Table B-2 : Measure of Economic Stress (larger z-scores indicate higher economic stress)

Local authority	Claimant rate in May 2009	Z-score	Change in JSA claimants per 1,000 w/a residents (Jun 08-May 09)	Z-score	% change in JSA claimants (June 08 - May 09)	Z-score	Economic Stress Score (Z-score total)
Crawley	4.1%	1.1	25.8	2.3	173%	0.6	4.07
Reading	4.3%	1.4	26.0	2.4	153%	0.2	3.89
Milton Keynes	4.9%	1.9	25.6	2.3	111%	-0.8	3.38
Thanet	5.6%	2.7	24.8	2.1	78%	-1.6	3.19
Worthing	3.8%	0.9	23.1	1.6	153%	0.2	2.68
Hastings	5.8%	2.8	22.7	1.5	65%	-1.9	2.48
Slough	4.3%	1.3	23.0	1.6	117%	-0.7	2.24
Adur	3.6%	0.7	21.9	1.3	152%	0.1	2.15
Isle of Wight	3.9%	1.0	21.5	1.3	124%	-0.5	1.69
Medway	4.4%	1.5	21.5	1.2	95%	-1.2	1.52
Swale	4.1%	1.1	21.0	1.1	107%	-0.9	1.32
Dartford	3.5%	0.6	20.3	0.9	137%	-0.2	1.30
Havant	4.0%	1.0	20.7	1.0	109%	-0.9	1.20
Gravesham	4.4%	1.4	20.8	1.1	90%	-1.3	1.20
West Berkshire	2.6%	-0.4	17.1	0.1	200%	1.2	1.00
Portsmouth	4.0%	1.1	20.0	0.9	100%	-1.1	0.85
Lewes	3.4%	0.4	19.2	0.7	134%	-0.3	0.81
Ashford	3.0%	0.1	18.5	0.5	155%	0.2	0.80
Wokingham	2.0%	-0.9	14.3	-0.5	243%	2.2	0.78
Arun	3.4%	0.5	19.1	0.6	128%	-0.4	0.69
Eastbourne	4.5%	1.6	19.5	0.7	76%	-1.6	0.67
Bracknell Forest	2.5%	-0.5	16.4	0.0	196%	1.2	0.65
Windsor and Maidenhead	2.5%	-0.4	16.5	0.0	187%	0.9	0.53
Rother	3.4%	0.5	18.6	0.5	118%	-0.7	0.36
Cherwell	2.8%	-0.1	17.3	0.2	154%	0.2	0.28
Surrey Heath	2.1%	-0.9	14.3	-0.6	218%	1.7	0.24
Rushmoor	3.2%	0.3	18.1	0.4	125%	-0.5	0.21

Local authority	Claimant rate in May 2009	Z-score	Change in JSA claimants per 1,000 w/a residents (Jun 08-May 09)	Z-score	% change in JSA claimants (June 08 - May 09)	Z-score	Economic Stress Score (Z-score total)
Shepway	4.3%	1.3	18.2	0.4	74%	-1.7	0.10
Sevenoaks	2.2%	-0.7	14.7	-0.4	202%	1.3	0.09
Southampton	4.1%	1.1	18.3	0.4	82%	-1.5	0.07
Horsham	2.4%	-0.5	15.7	-0.2	180%	0.8	0.07
Wycombe	2.9%	0.0	16.8	0.1	135%	-0.3	-0.20
Elmbridge	1.9%	-1.1	13.0	-0.9	220%	1.7	-0.21
South Oxfordshire	2.1%	-0.8	14.1	-0.6	197%	1.2	-0.23
Tonbridge and Malling	2.5%	-0.5	15.4	-0.3	169%	0.5	-0.23
Dover	3.8%	0.8	17.6	0.3	88%	-1.3	-0.25
Spelthorne	2.5%	-0.4	15.6	-0.2	161%	0.3	-0.32
Maidstone	2.7%	-0.2	16.1	-0.1	145%	0.0	-0.34
Mid Sussex	2.0%	-0.9	13.5	-0.8	203%	1.3	-0.37
Vale of White Horse	2.0%	-0.9	13.5	-0.7	200%	1.2	-0.42
Brighton and Hove	4.3%	1.4	16.9	0.1	64%	-1.9	-0.42
Tunbridge Wells	2.3%	-0.6	14.7	-0.5	171%	0.6	-0.50
Woking	2.4%	-0.5	15.0	-0.4	161%	0.4	-0.56
Mole Valley	1.8%	-1.1	12.4	-1.0	213%	1.6	-0.59
Epsom and Ewell	2.2%	-0.8	14.0	-0.6	179%	0.8	-0.61
Reigate and Banstead	2.2%	-0.7	14.1	-0.6	178%	0.7	-0.61
Aylesbury Vale	2.3%	-0.7	14.4	-0.5	171%	0.6	-0.62
Gosport	3.1%	0.2	16.4	0.0	108%	-0.9	-0.70
Wealden	2.2%	-0.8	13.9	-0.7	173%	0.6	-0.78
Chichester	2.6%	-0.3	15.2	-0.3	140%	-0.1	-0.82
Runnymede	1.9%	-1.1	12.5	-1.0	200%	1.2	-0.83
Tandridge	2.0%	-0.9	13.2	-0.8	183%	0.9	-0.89
South Bucks	2.1%	-0.8	13.5	-0.8	176%	0.7	-0.89
New Forest	2.3%	-0.7	13.9	-0.6	156%	0.2	-1.07
West Oxfordshire	1.8%	-1.1	12.1	-1.1	195%	1.1	-1.08
Waverley	1.9%	-1.1	12.1	-1.1	188%	1.0	-1.21
Basingstoke and Deane	2.6%	-0.3	14.5	-0.5	126%	-0.5	-1.31

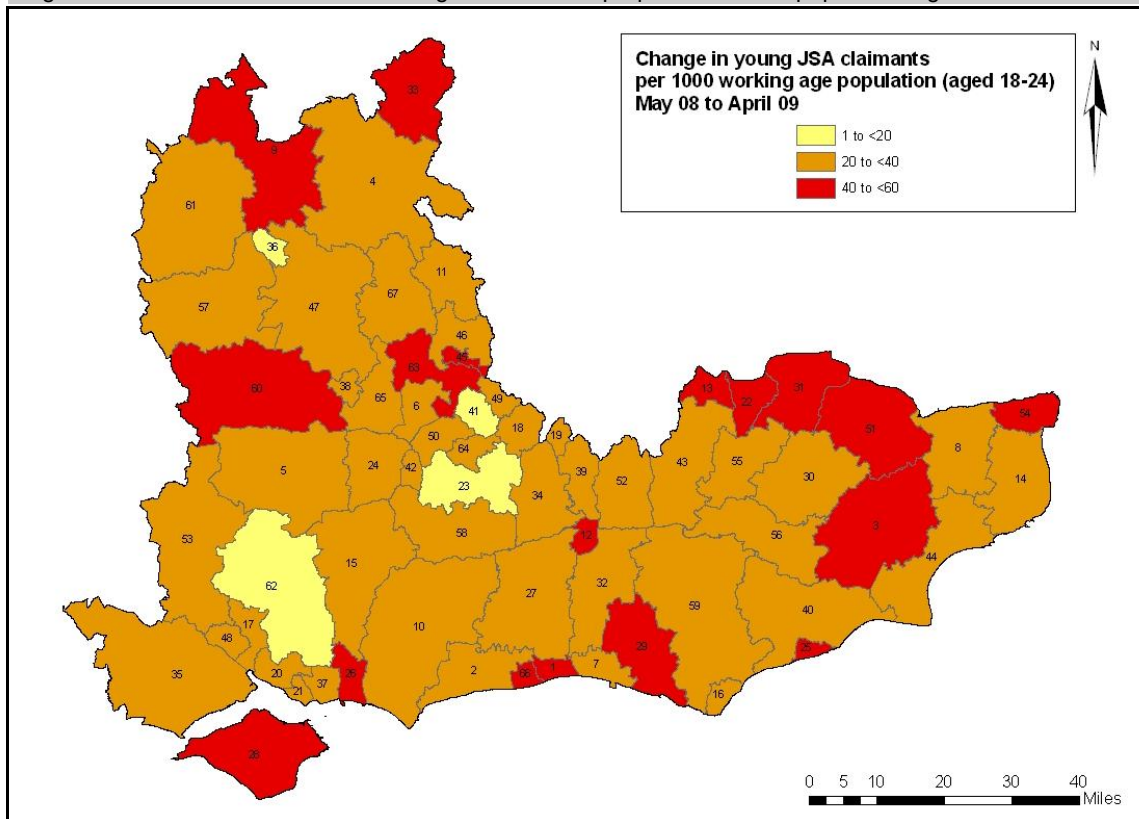
Local authority	Claimant rate in May 2009	Z-score	Change in JSA claimants per 1,000 w/a residents (Jun 08-May 09)	Z-score	% change in JSA claimants (June 08 - May 09)	Z-score	Economic Stress Score (Z-score total)
Chiltern	2.1%	-0.9	12.9	-0.9	163%	0.4	-1.39
Hart	1.8%	-1.2	11.4	-1.3	184%	0.9	-1.60
Guildford	2.0%	-1.0	11.9	-1.1	152%	0.1	-1.98
Eastleigh	2.6%	-0.4	13.4	-0.8	109%	-0.8	-2.00
Oxford	2.7%	-0.2	13.4	-0.8	97%	-1.1	-2.12
Canterbury	2.6%	-0.4	12.9	-0.9	100%	-1.1	-2.34
East Hampshire	2.1%	-0.8	11.6	-1.2	123%	-0.5	-2.60
Test Valley	2.0%	-1.0	10.6	-1.5	117%	-0.7	-3.09
Fareham	2.1%	-0.9	10.6	-1.5	106%	-0.9	-3.27
Winchester	1.8%	-1.2	8.9	-1.9	104%	-1.0	-4.07
South East Average	3.0%	0.00	16.8	0.00	123%	0.00	0.00

Further analysis of South East benefit claimants

Young JSA claimants

- B.2 During the qualitative mapping exercise, a number of areas noted that unemployment had been particularly severe for younger residents. As the map below shows, recent JSA data show areas such as Isle of Wight, Thanet, Crawley and Lewes have been particularly affected in this respect.

Figure B-1 : Growth in JSA claimants aged 18-24 as a proportion of total population aged 18-25

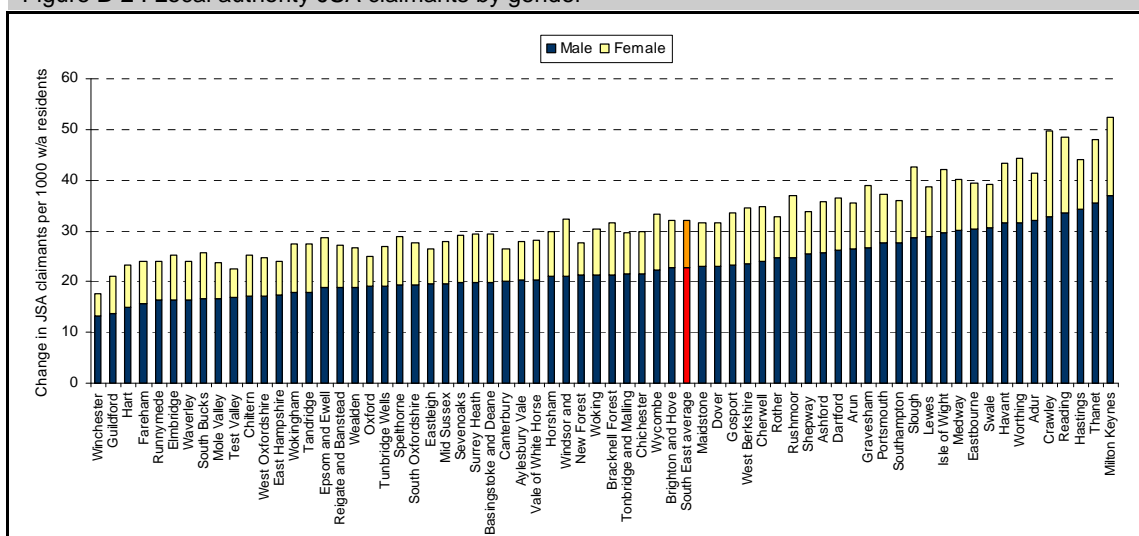


Source: SQW Consulting. Please see the start of Annex B for the full numbered key of South East Local Authorities

JSA claimants by gender

- B.3 Several areas also suggested female unemployment as being a particular problem. As the figure below shows, in all areas of the South East male unemployment has increased considerably greater than female unemployment. However, in some areas such as Crawley, Slough and Elmbridge, the proportion of the total change in unemployment that is composed of female workers is relatively large compared to the South East regional average.

Figure B-2 : Local authority JSA claimants by gender



Source: DWP jobseekers allowance claimants, accessed via Nomis

Disability benefit claimants

- B.4 Across the country and the South East there has been very little change in disability benefit claimants. Regionally, the number of incapacity benefit or severe disablement allowance claimants rose slightly from 240,440 in February 2008 to 241,700 in August 2008. However, since August the number actually fell to 240,000 in November 2008 (the most recent data). This fall coincides with the change of policy in October 2008 which replaced Incapacity Benefit and Income Support for new claimants with the new Employment and Support Allowance. To date there is no released data on the number of Employment and Support Allowance claimants.