



HM Treasury

Local economic shocks: policy context

Anam Shahab

Tuesday 21 June

Contents

- Why we're interested
- Previous shocks and government response
- Key areas of evidence gap for policy making



Why we're interested

- Government has a clear agenda to support **levelling up** and local economies, spreading economic prosperity across the country as outlined in the Levelling Up White Paper.
- There are several funds in place to support local growth and regeneration, e.g.
 - UK Shared Prosperity Fund
 - Levelling Up Fund
 - Towns Fund
- Want to learn from the evidence on what has and has not worked in past interventions to support local economies and people following economic shocks

Previous local shocks and government response

- There have been a **couple of local shocks triggered by large firm failures in recent years:**
 - Insolvency: SSI, MG Rover
 - Closure/relocation: Honda Swindon
- **Government response in short term** has tended to focus on supporting people back into jobs e.g. Rapid Response Service, Jobcentre support, support on skills
- **Local taskforces** have served as a forum to convene local stakeholders