

REGENERATION AND ASSET BOARD

Venue: Town Hall,
Moorgate Street,
Rotherham.

Date: Wednesday, 18th October 2006

Time: 10.00 a.m.

A G E N D A

1. To determine if the following matters are to be considered under the categories suggested, in accordance with the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Minutes of the previous meeting held on 13th September, 2006. (copy attached) (Pages 1 - 11)
4. Matters arising.
5. Minutes of a meeting of the New Town Centre Council Accommodation and Development of Vacant Sites Project Board held on 25th September, 2006. (copy attached) (Pages 12 - 16)
 - to consider the minutes of the above meeting.
6. Rotherham's Round 2 LEGI Bid. (report attached) (Pages 17 - 72)
Economic Strategy Manager to report.
 - to present the final round 2nd LEGI bid.
7. Revised application form for Rotherham Economic Regeneration Fund. (report attached) (Pages 73 - 85)
Economic Strategy Officer to report.
 - to advise on the revised application form for RERF.
8. EXCLUSION OF THE PRESS AND PUBLIC
The following items are likely to be considered in the absence of the press and public as being exempt under Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended March 2006) (information relating to the financial or business affairs of any individual (including the Council)):-
9. Rotherham Economic Regeneration Fund - Year End Report 2005/2006. (report attached) (Pages 86 - 98)
Economic Strategy Officer to report.
 - to report the RERF outturn figures for 2005/2006 and commitments for 2006/2007.
10. Big Screen Progress Report. (report attached) (Pages 99 - 111)
Tourism Manager to report.
 - to report progress of the project.

11. Town Centre Residential Strategy. (report attached) (Pages 112 - 116)
HMR Team Leader to report.
 - note the content of the report and support the activity currently being undertaken.
12. Herringthorpe Playing Fields - Lease Agreement. (report attached) (Pages 117 - 119)
Strategic Leader, Culture, Leisure and Lifelong Learning/Business Manager-
Leisure & Green Spaces to report.
 - to outline the progress made on the lease agreement and note planned actions.
13. Capital Funding for Works to Reresby House. (report attached) (Pages 120 - 124)
Head of Asset Management to report.
 - to seek capital funding.
14. Commercial Property Account. (report attached) (Pages 125 - 132)
Head of RiDO to report.
 - to consider proposals regarding the commercial property portfolio.
15. Capital Programme for 2007-2012 - Townscape Heritage Initiative. (report attached) (Pages 133 - 137)
Project Officer to report.
 - to secure capital investment for the proposed THI scheme.
16. Review of the future of Community Buildings managed by the Facilities Management Team. (report attached) (Pages 138 - 141)
Head of Asset Management to report
 - to advise on the ten community buildings being reviewed.
17. Land to rear of 57 Pitt Street, Kimberworth. (report attached) (Pages 142 - 145)
Estate Surveyor to report.
 - to seek approval for lease of land.
18. Capital Receipts Update. (report attached) (Pages 146 - 152)
Strategic Property Manager to report.
 - update.

For information:-

19. Date, time and venue of next meeting:
To agree:- Wednesday, 8th November, 2006 at 10.00 a.m. at the Town Hall,
Moorgate Street, Rotherham.

REGENERATION AND ASSET BOARD
Wednesday, 13th September, 2006

Present:- Councillor Smith (in the Chair); Councillors Ellis, Hussain, St. John, Wardle and S. Wright.: together with Councillor(s) R. S. Russell

Apologies for absence were received from Councillor Wyatt.

31. JOBCENTRE PLUS - PRESENTATION

The Chairman introduced Sue Venton, External Relations Manager for South Yorkshire, Job Centre Plus.

Sue explained she was currently Deputy District Manager for Partnership Working with the public, private and voluntary sector. She appreciated that there were concerns about changes to services and their impact on Rotherham and on regional worklessness.

Assisted by a PowerPoint presentation an explanation was given of:-

- The background to the creation of Job Centre Plus in 2001
- The move to modernisation:- web and telephone based services
- Local impact of changes
- Problems encountered with the telephone service, insufficient staff, complex IT; delays in benefits processing
- Measures to address the identified problems
- Key Priorities
- New publications and publicity
- Consolidating work with existing partners e.g. the Council in respect of the LEGI Bid; with Phoenix Enterprises on the Stepping Stones initiative
- targeting resources better to tackle the harder to reach groups and reduce worklessness

The following issues were raised and responses provided:-

- How available was face to face contact?

All customers had an initial face to face appointment with a personal advisor.

- How well was the service working with partners to ensure social inclusion?

- How was the service working to match vacancies with training locally?

- How did the service encourage people to take local jobs rather

than travelling elsewhere?

It was explained that this was being mapped to assess what customers wanted compared to what employers had to offer. Some funding for specific training was available from the Learning and Skills Council. The mapping exercise should be completed by October. Local partnership managers had only been in place since April.

- What was the acceptable time for processing applications?
- What measures were being taken to bring down the number of people claiming incapacity benefit?

It was explained that the different elements of the benefits process had different timescales and targets. For Job Seekers Allowance it was 12 days. For Income Support/Incapacity benefit it was 18-19 days. The Service was currently running with approximately 5 days head of work.

Resolved:- That Sue Venton be thanked for her informative presentation.

32. EMPLOYMENT ACTIVITIES

Consideration was given to a report, presented by the Senior Economic Strategy Officer, relating to the current activity and progress on employment initiatives in Rotherham following the endorsement of the Rotherham Employment Plan.

Particular reference was made to:-

- Pathways to Work
- Stepping Stones pilot project
- Section 106 – Local Employment Condition
- City Strategies

It was explained that as Objective 1 funding would run out other sources of funding were being sought.

Resolved:- That the report and progress made on a number of new initiatives working towards delivering Rotherham's recently endorsed Employment Plan be noted.

(Councillor R. S. Russell declared a personal interest in this item, being a member of the Board of Phoenix Enterprises Ltd.)

33. UPDATE ON ROTHERHAM'S LABOUR MARKET POSITION

Further to Minute No. 96 of the meeting of the Cabinet Member for Economic Regeneration and Development Services held on 13th September, 2006, consideration was given to a report, presented by the Research and Spatial Analysis Officer, relating to the replacement of the

old Labour Force Survey by the Office for National Statistics, with a new Annual Population Survey.

The survey produced estimated data relating to the percentage of working age people who are employed, unemployed or economically inactive.

The report on Rotherham's progress covered the period January to December 2005.

Statistics contained within the report, illustrated in tables and graphs, gave a comparison of how Rotherham compared with South Yorkshire, the Yorkshire and Humber region and Great Britain.

Re: Employment rate:-

Statistics indicated that Rotherham's employment rate had remained close to the national average through 2005 but was now ahead of the regional average and almost 3% points above the South Yorkshire rate.

Re: Unemployment rates:-

Unemployment within Rotherham remained at 4.1% which was below national, regional and South Yorkshire levels

Re: Economic Inactivity:-

This figure remained close to the 2004/05 figure, which consolidated on the large improvement seen since 2002. Currently economic inactivity in Rotherham was down to the regional average, and only 0.5% behind the national average.

Included in the report were also claimant (Jobseekers Allowance) counts available by ward.

Reference was made to the influx of Eastern European migrants which impact on these statistics.

Resolved:- That the contents of the report be noted.

34. MINUTES OF THE PREVIOUS MEETING HELD OF THE BOARD HELD ON 12TH JULY, 2006

Consideration was given to the minutes of the previous meeting of the Regeneration and Asset Board held on 12th July, 2006.

Resolved:- That the minutes be approved as a correct record.

35. MATTERS ARISING

Reference was made to Minute No. 22 of the meeting of the Board held on 12th July, 2006 re: Herringthorpe Playing fields – Lease Agreement.

It was noted that the Club did not now wish to proceed.

Resolved: That the present position be noted and a report on the implications be submitted to the next meeting of the Regeneration and Asset Board.

36. MINUTES OF MEETINGS OF THE TOWN CENTRE DEVELOPMENT STEERING GROUP HELD ON 11TH JULY, 2006

Consideration was given to the first meeting of the above sub group of this Board, held on 11th July, 2006.

Resolved:- That the minutes be received.

37. MINUTES OF A MEETING OF THE LEISURE JOINT SERVICE CENTRE BOARD HELD ON 12TH JULY, 2006

Consideration was given to the minutes of the above meeting.

Resolved:- That the minutes be noted.

38. LAND AT BROOK HILL, THORPE HESLEY

Consideration was given to Minute No. 78 of the meeting of the Cabinet Member for Economic Regeneration and Development Services held on 17th August, 2006, relating to issues regarding Land at Brook Hill, Thorpe Hesley.

Resolved:- That the minute, and the implications of this issue and any other similar application, be noted.

39. LONG TERM VACANT INDUSTRIAL PREMISES

Further to Minute No. 5(2) of the meeting of the Regeneration and Asset Board held on 14th June, 2006, consideration was given to a report, presented by the Research and Spatial Analysis Officer, detailing the amount of vacant floorspace on Rotherham's industrial estates at the end of 2005 that had been vacant for four or more years.

It was pointed out that, from analysis, the majority was situated in the central and northern areas of the borough, with only a small proportion in the south.

Specific sites were noted and an explanation was given for some of the various reasons why this floorspace had remained unoccupied.

The following key points were highlighted:-

- the amount of floorspace which had been vacant for over 4 years represented less than 3% of the total floorspace on Rotherham's industrial estates.
- 12,700 square metres of this floorspace was due to be demolished (17% of all floorspace which had been vacant over 4 years).
- the majority of vacant units at Manvers (30,000 sq.m. or 40% of the vacant floorspace) were relatively modern and under offer or receiving enquiries from potential investors.
- the remaining vacant floorspace was predominantly older less desirable units in private ownership, the majority situated in the Eastwood and Meadowbank industrial areas.

It was suggested that the issue of the re-allocation of the land use should be a discussion topic for the Local Development Framework Members' Steering Group. It was also pointed out that there were environmental issues which needed addressing to make some of the areas more attractive.

Resolved:- (1) That the content of the report, and key points as highlighted, be noted.

(2) That the Local Development Framework Members' Steering Group be asked to discuss this topic at a future meeting.

40. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial or business affairs of any particular person (including the Council)).

41. WESTGATE DEMONSTRATOR PROJECT - UPDATE ON SINKING FUND

Further to Minute No. 23(3) of the meeting of the Regeneration and Asset Board held on 12th July, 2006, consideration was given to a report, presented by the Project Officer, relating to the establishment of a sinking fund to allow a revenue stream to maintain the high quality area of the town in the long term where capital money would not be available.

Reference was made to discussions, and agreement in principal, with Transform South Yorkshire and Yorkshire Forward.

The appendix to the report set out proposals for:-

- Street maintenance
- Reduction of crime and fear of crime (particularly around the evening economy)
- Town centre screen – publicity Town centre management
- Landscape maintenance re: public safety e.g. shop and pub watch scheme
- Update of the Lessons Learned Website
- Café/bar – funding of design fees and honoraria

Resolved:- (1) That support be given to the strategy for the Sinking Fund to provide future maintenance and town centre management for the Demonstrator area following completion of the project.

(2) That it be noted that the fund also made provision for the construction of a Website and an honorarium for the Café/bar design competition within the area.

(3) That a review of the fund be undertaken in 2009 (to cover the period April 2006 to March 2009).

42. WESTGATE DEMONSTRATOR PROJECT - PUBLIC RELATIONS INITIATIVE

Further to Minute No. 28 of the meeting of the Cabinet Member for Economic Regeneration and Development Services held on 5th June, 2006, consideration was given to a report, presented by the Project Officer, informing the Board of the approval of money from Rotherham Economic Regeneration Fund (REFR) towards the costs of the Westgate Demonstrator Project – Public Relations Initiative.

The application for funding was to promote easy access into the town centre by providing a free bus service from the Sheffield Road car park.

Resolved:- That the granting of RERF be noted.

43. RETAIL STRATEGY FOR ROTHERHAM TOWN CENTRE

Further to Minute No. 27 of the meeting of the Cabinet Member for Economic Regeneration and Development Services held on 5th June, 2006, consideration was given to a report, presented by the Town Centre and Markets Manager, relating to the approval of Rotherham Economic Regeneration Funding (RERF) for the commissioning of a consultant to complete a Retail Strategy for Rotherham Town Centre.

Resolved:- (1) That the granting of RERF towards the development of the Retail Strategy be noted.

(2) That the Strategy be presented to the Regeneration and Asset

Board at a later stage.

(3) That HMR Team Leader submit a report to a future meeting in respect of the amount of residential development expected in the town centre over the next ten years.

44. LAND AND PROPERTY BANK: POTENTIAL CAPITAL RECEIPTS FROM THE SALE OF GROUND RENTS

Consideration was given to a report, presented by the Strategic Property Manager, which set out a proposed a process for the sale of freehold ground rents to support to capital programme.

Reference was made to the different legislation in respect of residential and non-residential.

Further details in respect of the current process for dealing with residential properties were given in the report, and it was noted that the Head of Service had discretion to decide whether or not to retain the freehold interest in the properties.

It was pointed out that three tranches of commercial ground rents sales had been sold to support the capital programme so the potential for receipts was limited. It was also pointed out that an evaluation would take place in consultation with the Head of Corporate Finance due to the effect on the revenue budget.

Resolved:- (1) That the existing approved policy and process, described in Section 7 of the report now submitted, for the sale of residential freehold ground rents to support the capital programme remains in place and be re-affirmed.

(2) That the new policy and process (as described in Section 7 of the report now submitted) for the sale of non-residential property freehold ground rents that support the capital programme be approved. The existing disposal process will not be significantly changed except that:-

(i) the property asset be not declared surplus so any income accruing from the asset remains with the service until sold.

(ii) consultation take place with the PCT or Parish Council(s) where appropriate.

(3) That a report be submitted to a future meeting of the Regeneration and Asset Board in respect of sales by auction of commercial property freehold ground rents.

45. CUSTOMER SERVICE CENTRE PROGRAMME

Consideration was given to a report, presented by the Head of Asset

Management, in respect of the progress of the Customer Service Centre Programme.

Reference was made to current issues including:-

- Slower than anticipated building
- Take up of accommodation by partners
- Low footfall
- Location
- Failure to meet the timescales and targets of the Corporate Plan.
- Financial arrangements

Specific issues in respect of the proposed Rawmarsh Customer Service Centre were reported, and it was noted that discussions with Ward Members and other Programme Areas were continuing. Concerns were also expressed regarding the current programme for Aston.

Resolved:- (1) That the current position and issues be noted.

(2) That the Customer Service Programme proceeds in line with Minute No. 114 of the meeting of the Property Board held on 18th May, 2005.

46. LAND AT WHINNEY HILL, WOOD STREET AND SCHOOL STREET, THRYBERGH

Consideration was given to a report, presented by the Strategic Property Manager, relating to the above sites that had been declared surplus to the requirements of Neighbourhoods prior to June 2003.

It was reported, however, that disposal had not taken place chiefly due to issues relating to the lack of resolution on complex title problems. In addition there were difficult site conditions.

It was pointed out that the sites lie within the Rotherham East Development Framework and the Head of Neighbourhoods had requested that the sites be re-appropriated to the Neighbourhoods Programme Area for inclusion in the Housing Market Renewal Pathfinder Programme in Dalton.

Resolved:- (1) That the land at Whinney Hill and Wood Street, and sites at School Street, be removed from the Property Bank and returned to the Neighbourhood Development Services for service delivery.

(2) That Neighbourhoods pursue a claim for ownership of Site 2 and consider the future of the properties on Site 3 at School Street, in connection with the overall redevelopment scheme.

(3) That Neighbourhoods register the Council's Title to the land and deal with any encroachment issues.

- (4) That consideration be given to the acquisition of adjacent land and premises to provide a comprehensive development scheme at Whinney Hill. site.

47. 110 WOODFOOT ROAD, OFF MOORGATE, ROTHERHAM

Consideration was given to a report, presented by the Strategic Property Manager, relating to a request for the release of a restrictive covenant attached to the title deeds of the above property.

Further details of the request and the covenant were set out in the report.

The view of the Head of Planning and Transportation was that the proposed application for a separate dwelling was likely to be viewed unfavourably. The view of the Head of Legal and Democratic Services was also contained in the report. Options for the Council were also detailed in the report.

Resolved:- That the Council retains the covenant and the applicant be informed accordingly.

48. LAND TO THE REAR OF 10 DRYDEN ROAD, WATH UPON DEARNE

Consideration was given to a report, presented by the Strategic Property Manager, relating to the release of the above-mentioned area of land from the Property Bank as, in its current condition, it was un-saleable. It was proposed that the land be returned to the Neighbourhoods Programme Area. The land in question was identified on the plan accompanying the report.

Resolved:- (1) That the asset be removed from the Property Bank and returned to Neighbourhoods.

(2) That Neighbourhoods continue to manage the land and resolve unauthorised access in a way that maximises potential development of the site.

49. FERHAM COMMUNITY CENTRE SITE, KIMBERWORTH ROAD, BRADGATE

Consideration was given to a report, presented by the Strategic Property Manager, seeking approval for the appropriation of the above-mentioned site from Asset Management Service to Culture and Leisure Services, Children and Young People's Services.

It was noted that it was proposed to re-instate the site as green space and re-integrate it into Ferham Park.

Resolved:- (1) That the appropriation, at a nil value, of the former community centre on Kimberworth Road from Asset Management Service, Economic and Development Services to Culture and Leisure Service, Children and Young People Services be approved.

(2) That the Head of Legal and Democratic Services completes the necessary documentation.

(3) That the Head of Corporate Finance arranges the appropriate budgetary adjustments.

50. COMMERCIAL PROPERTY ACCOUNT

Consideration was given to a report presented by the Head of Rotherham Investment and Development Office, detailing current issues in respect of the Commercial Property Account.

Resolved:- That consideration be deferred pending the submission of a further report to the next meeting of the Regeneration and Asset Board.

51. LAND AT GOLDEN SMITHIES LANE, SWINTON.

Consideration was given to a report, presented by the Valuation Manager, relating to the current situation regarding the above-mentioned site.

The Board was advised that currently the agents for the Diocese of Sheffield had stated "that their clients have reviewed the situation and decided, certainly at this moment in time, they do not wish to proceed with a disposal".

Resolved:- That the current position be noted.

52. LEISURE SERVICES AND MALTBY SERVICE CENTRE PPP/PFI.

Consideration was given to a report, presented by the Acting Head of Resource and Access, Children and Young Peoples' Services, relating to the progress with negotiations with the Council's preferred builder, D C Leisure, including details of the latest timetable.

It was noted that planning permission was now expected around Christmas 2006, and that the new Customer Service Centre would be completed by Summer 2008, with the Leisure Centre being completed one year later.

Resolved:- That the progress and current situation be noted.

53. LAND TRANSACTIONS

Consideration was given to a report, presented by the Development

Surveyor, updating the Board of the current position regarding major land transactions throughout the Borough.

Updates on the following were detailed in the report.

Daneshill – contract now completed

Kiveton Park Depot

Zamor Crescent, Thrybergh – note the moratorium

Flash Lane, Bramley – completed August 2006

Manvers West – Express Parks – on-going discussions to finalise terms and access at Bolton Ings

Lakeside – anticipated completion by December

Dalton Depot – conditional contracts should be exchanged Autumn 2006

Resolved:- That the position on the current status of land sales be noted.

54. DATE, TIME AND VENUE OF NEXT MEETING:

Resolved:- That the next meeting of the Regeneration and Asset Board be held on Wednesday, 18th October, 2006 at 10.00 a.m. at the Town Hall, Moorgate Street, Rotherham.

**NEW TOWN CENTRE COUNCIL ACCOMMODATION & DEVELOPMENT OF
VACANT SITES - PROJECT BOARD
Monday, 25th September, 2006**

Present:- Councillor Smith (in the Chair) and Councillor Wardle.

together with:-

Adam Wilkinson	Executive Director, Economic and Development Services
Phil Rogers	Strategic Leader, Culture and Leisure
Ian Smith	Head of Asset Management
Richard Poundford	Head of RiDO
Keith Thompson	Acting Head of Service, Strategic Partnership Service
Paul Smith	Design Consultancy Manager
Andrew Bedford	Executive Director of Finance

7. INTRODUCTIONS/APOLOGIES

The Chairman welcomed those present and introductions were made.

Apologies were received from:-

Councillor I. St. John	Cabinet Member, Lifelong Learning, Culture and Leisure
Councillor K. Wyatt	Cabinet Member, Customer Service and Innovation
Carol Mills	Executive Director, Corporate Services

8. MINUTES OF THE PREVIOUS MEETING HELD ON 11TH JULY, 2006

Resolved:- That the minutes of the previous meeting be accepted as a correct record.

9. MATTERS/ACTIONS ARISING

There were no matter arising from the previous meeting.

10. EXCLUSION OF THE PRESS AND PUBLIC

Resolved:- That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (business/financial affairs of any particular person (including the Council)).

11. PROCUREMENT PROGRAMME AND PROCESS UPDATE

Consideration was given to a report, presented by the Design Consultancy Manager, explaining the progress to date of procurement activity for:-

- Lot 1 – Town Centre Civic Accommodation
- Lot 2 - Town Centre Cultural Accommodation
- Lot 3 - Development of sites vacated by Lots 1 and 2

It was reported that three of the five bidders who were invited “To Participate in Dialogue” had withdrawn. Details of the remaining bidders, and their interest in specific Lots, were set out in the report.

It had been agreed that the remaining two bidders would provide masterplans and supplementary information in the next few weeks.

Resolved:- That the Project Board notes the progress on procurement of Town Centre Lots 1, 2 and 3.

12. BID APPRAISAL SYSTEM PROGRESS AND APPRAISAL TEAM

Consideration was given to a report, presented by the Head of Asset Management, relating to a proposed weighting for the Appraisal System for measuring bidders’ proposals to design and deliver Lots 1, 2 and 3.

Details of the four main headings proposed for the appraisal process were set out in the report and consideration was given to the following suggested weighting:-

- Renaissance and Corporate Strategy Outcomes 25%
- Accommodation proposals 40%
- Finance and Contractual Proposals 25%
- Bidders Capability to Deliver 10%

In terms of the quality of design reference was made to the Council’s Design Code and to the ten goals set out in the Strategic Development Framework (e.g. for Westgate). It was also pointed out that, together with PwC, partners and Financial Services, officers were working to develop Value for Money and affordability tests.

Resolved:- (1) That the weighting of the Appraisal System for measuring bidders proposals be approved.

(2) That the summary of the evaluation process be submitted to the next meeting of the Project Board.

13. RISK MANAGEMENT UPDATE

Consideration was given to a report, presented by the Head of Asset Management, summarising the risk assessment interviews which had taken place in July/August 2006 with work stream leaders to identify the

Strategic Level Risk associated with their particular areas of operation.

The information obtained had now been fed into the “RisGen” system and this would be evaluated and actions planning data drawn out.

Identified headline risks at this initial stage were:-

- Affordability
- Business continuity
- Fulfilment of Renaissance Objectives
- Integration of Corporate Strategies/links with Our Future Groups
- Mismatch of budgets/aspirations
- Workstyle – cultural change/impact on functional area requirements
- Site conditions/restrictions

A summary of the full risk assessment was appended to the report.

Resolved:- (1) That the risk management procedures be agreed.

(2) That the comments on the existing risk register be noted.

14. FINANCE

Consideration was given to a report, presented by the Design Consultancy Manager, relating to:-

(a) the Outline Business Case Critical Success Factors for the Project, which had been divided into:-

- (i) Primary Factors (must haves) and
- (ii) Secondary Factors (nice to haves)

Details of each of the above categories were set out in the report.

(b) current fee schedule and commitments to date.

Members discussed:-

- Cinema requirement
- Amount of anticipated floor space
- Impact on the value of the Council’s portfolio of assets
- Workstyle and down-sizing
- Business continuity and contingency plans
- Financial options/affordability
- Level of financial and legal advice required

Members’ attention was drawn to the differentiating evaluation criteria for each of the Lots 1, 2 and 3, details of which were set out in the report.

It was reported that officers would shortly be discussing the capital programme options.

In terms of the Cultural Centre Members were advised that a professional challenge was vital at this early stage and it may be that a national consultant would be required. This would mean a request for further drawn down from the capital strategy.

Resolved:- That the next meeting of the Project Board receive reports on:-

- (i) issues identified by PwC.
- (ii) the potential financial impact on the Council's portfolio of assets.
- (iii) the Outline Business Case (including the narrowing down of financial options against each possible location and building).
- (iv) a further updated schedule of fee commitments to date.

15. CLIENT BRIEF/DESIGN ISSUES

Consideration was given to a report, presented by the Head of Asset Management, relating to information and data received from programme and service areas in respect of the output specification for the proposed new civic accommodation. Reference was made to the key assumptions and variables upon which this information was based.

Reference was made to the following:-

- Cultural accommodation (and its likely growth)
- Challenges for capital, other funding and resources
- Implementation of the ICT strategy
- Floor space (with the aim of a net reduction)
- The requirement for work style implementation to deliver a reduction in the number of accommodation work stations
- Business continuity
- Operational issues and the need for business process re-engineering
- Physical location of services
- Members' suite, banqueting facilities and meeting room requirements (reference was made to the Task and Finish Group which had been set up)
- Possible future changes to Ward representation and thus the composition of the Council
- Overall costs

Resolved:- (i) That the content of the output specification be noted, and approved.

(ii) That the assumptions made as a basis of the Output Specification be

noted and approved.

16. ANY OTHER BUSINESS

There were no further items.

17. DATE, TIME AND VENUE OF NEXT MEETING

Resolved:- That the next meeting of the Project Board be held on Wednesday, 11th October, 2006 at 9.00 a.m. at the Town Hall, Moorgate Street, Rotherham.

ROTHERHAM BOROUGH COUNCIL – REPORT

1.	Meeting:	Regeneration and Asset Management Board
2.	Date:	Wednesday 18th October 2006.
3.	Title:	Local Enterprise Growth Initiative (LEGI) - Rotherham's Round 2 bid
4.	Programme Area:	Economic Development Services.

5. Summary

This paper provides members with the final version of Rotherham's Round 2 LEGI bid, as submitted to Government Office on 14th September 2006.

6. Recommendations

That members:

- 1 Note the report and the final version of the Rotherham Round 2 LEGI bid**

7. Proposals and Details

Background

The Local Enterprise Growth Initiative is a Central Government programme, announced in the 2005 budget, with the aim to promote, and remove barriers to, enterprise in the most deprived areas of England.

All 91 English local authorities in receipt of NRF money are able to bid into LEGI; this includes nine authorities from Yorkshire and Humberside and all four from South Yorkshire.

Rotherham submitted a bid under the first Round of the Programme, one of 55 bids. Despite getting to the final 15 and being invited down to a Neighbourhood Renewal Unit (NRU) panel in London, the bid was ultimately unsuccessful. 10 bids received funding nationally, with Bradford the only successful bidder from the Yorkshire and Humber region.

Feedback on the Round 1 bid from GOYH and NRU, both written and in face-to-face meetings, highlighted that while it was a fundamentally strong bid, there were some areas of weakness, which needed reviewing. These issues, a large proportion of which were due to the very constrained timescales for submitting bids under Round 1, were:-

- Certain parts of the bid, particularly the Retail and IB claimant themes, seemed more focused on providing employment than developing enterprise
- The evidence base to support some of the proposed activities could have been stronger.
- That the private sector had to be fully involved in both the development and the delivery of the bid.
- The links between the various strands of the bid needed strengthening. This was probably due to the themes being separated to ease their development and then proved difficult to link back together.
- A stronger case could have been made for the scale of the bid and its impact on the deprived communities and their residents.
- The management and delivery structures and processes required further development. Although GOYH felt that the Rotherham bid had shown a very high level of partnership working.

All these issues were taken on board during the development of the submission for Round 2.

The Round 2 bid

Development of the Round 2 bid commenced as soon as the first bid was unsuccessful, ensuring that as wide an array of communities and organisations were involved in, or consulted on, the bid as possible. Business Link seconded a member of staff to work on the bid, regular meetings were held with the LEGI team at Government Office and the bid has was discussed with the main enterprise delivery organisations at two "LEGI surgeries" set up by GOYH.

It was agreed that while the majority of activity from Round 1 was still relevant and should be incorporated in Round 2, the bid required a significant degree of revision and improvement, to increase its impact in and coverage of deprived areas and groups and also to draw it altogether into a much more holistic package.

Activities seeking funding in the Round 2 bid include:-

Enterprise Launch Pads – Use of existing community facilities to provide a base for enterprise activities within the target areas. Will include office space, computer/internet access, meeting rooms. Acts as a base for the Enterprise champions. A much larger facility is proposed for the town centre, which will act as a base for a number of business advisers as well as some other organisations

Enterprise Spotters – staff from public and community/voluntary sectors organisation already working within the target areas and having established a relationship of trust

Enterprise Champions – A “business adviser/mentor”, based within the target community. Their role is to build relationships with local people and businesses, providing a local resource for their initial business support needs. They will eventually pass people on to the mainstream support as funded by Business Link and delivered by Rotherham Chamber, but would still be expected to retain their contacts with the businesses and provide a local sounding board for their questions and concerns. A pilot of this role has been operating in Dinnington since April 2006, funded by a Small Business Service grant, with initial outcomes looking impressive

South Rotherham Business Incubator – An Incubator Centre for the South of the Borough, based on the model already successfully operating at Brampton, century and Moorgate Crofts. The location in Dinnington will allow links to be made with the College, the local Community Partnership (DART)

Rotherham Ready – adding additional activities for the successful enterprise programme, which is already operating in all Rotherham Schools

Enterprise Apprenticeships – expanding the support provided by the Council's Youth Enterprise Team, it will target 16-19 year olds outside education

Job Match/Stepping Stones – The successful existing programmes will be expanded to ensure that those people who are engaged by the LEGI process but feel that self-employment is not the best route for them are assisted into other training or employment.

Marketing Programme – the LEGI bid and other enterprise activities within Rotherham will be strongly marketed at both a strategic and very localised level to ensure that all citizens and businesses in the Borough are aware of the possibilities of enterprise and how they can best access them.

The level of involvement from the private sector in the development of the bid has been increased substantially. This has involved working very closely with the Chamber of Commerce, using their Rep Council and Working Groups as discussion and development forums, but also engaging directly with a number of local entrepreneurs, including Julie Kenny (Pyronix), Nick Cragg (Nicholas Associates), David Bowser (Reco International) and Andy Pickles (Music Factory).

Rotherham MBC is the accountable body for the bid, with overall responsibility for expenditure and outputs. However, a number of organisations have been named in the bid as “delivery partners.” These are:-

- Rotherham chamber of commerce
- Phoenix Enterprises
- Voluntary Action Rotherham
- Music Factory

Under Round 1 Government Office held a regional panel, where all the bids from Yorkshire and the Humber were invited to give a presentation on their bid and undergo a question and answer session. However as this was the only region to follow this route they have now been told they are unable to replicate this format for Round 2 as it might provide an unfair advantage. Therefore the Regional Panel will judge all bids purely on their written submissions, with recommendations then made to the National Panel, with decisions made to the following timetable:-

- 8th November – National Panel make decision on those bids they wish to invite to interview
- 15th/16th November 2006 – National Panel in London
- Early December 2006 – Decisions announced
- 1st January 2007 – Implementation of Round 2 bids commences

8. Finance

The submitted bid sought £12,797, 500 for the first 3 years, rising to £21,846,500 if the programme is extended to its maximum length of 10 years.

Should the LEGI bid be unsuccessful, then the LEGI funding for the South Rotherham Incubation Centre will need to be replaced by £1.35M of prudential borrowing, which has already been approved by Members.

9. Risks and Uncertainties

LEGI is a competitive bidding Programme, with 52 bids submitted under Round 2, covering a total of 70 Local Authorities, including all 9 eligible Authorities in Yorkshire & the Humber. Based on the experience of Round 1 around 10 of these bids are likely to be funded.

There were originally scheduled to be three rounds of LEGI. Round 3 is dependent on the outcome of the Comprehensive Spending Review, but the latest position from Government Office is that they expect it to proceed.

10. Policy and Performance Agenda Implications

LEGI provides the opportunity for the Borough to develop a strategic approach to enterprise development and support, with a particular focus on the more deprived neighbourhoods. Building on the existing Business Support and Incubation Strategy and Rotherham's Neighbourhood Renewal Strategy

The LEGI bid is in line with both the Community Strategy and the Council's Regeneration Plan. It is also in line with the Council's existing work on business and incubation, which has won a Beacon Award.

11. Background Papers and Consultation

Widespread consultation has taken place in the development of the bid, with full details given in Section 4(d), pages 33-35, of the attached bid document.

Background papers:-

- Rotherham LEGI Round 1 bid
- Enterprise and economic opportunity in deprived areas: consultation (ODPM, 2005)
- Enterprise and economic opportunity in deprived areas: LEGI, next steps (ODPM, 2005)

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enterprise **for all** ROTHERHAM ACHIEVING

Local Enterprise Growth Initiative Application

Local Enterprise Growth Initiative

Application Form

1. General Information

Please state which local authority or local authorities this application relates to:	Rotherham Metropolitan Borough Council (RMBC)
Please state which local authority or local authorities will be the accountable body/bodies:	Rotherham MBC
Main contact(s) for the application:	<p>1. Nick Cragg <i>(Local Strategic Partnership & Private Sector)</i></p> <p>2. Richard Poundford <i>(RMBC)</i></p>
Position(s) held:	<p>1. Chair of Achieving Board & Managing Director of Nicholas Associates</p> <p>2. Head of Rotherham Investment and Development Office</p>
Address/Addresses:	Bailey House Rawmarsh Road Rotherham S60 1TD
Telephone number(s):	01709 822971
Email address/addresses:	Richard.poundford@rotherham.gov.uk

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

2. Proposal Summary

(a) Please briefly outline your proposals.

Funding required:	£12.797 million / £21.846 million
Timeframe:	3 years / 10 years
Objective:	Enterprise for all – Rotherham Achieving

People start businesses not institutions or organisations - **Rotherham is full of enterprising people**, some just don't know it yet. Rotherham's LEGI proposal will unlock the untapped reservoir of entrepreneurial potential with a new bold, radical approach.

“It’s all about people.”

Nick Cragg, Chair of Rotherham Achieving Board

Rotherham's vision is to be a place where local entrepreneurs fuel the economy and regeneration of the area. Some of the biggest, most exciting businesses were started by people from socially excluded backgrounds and Rotherham will be the next economic powerhouse – **the most enterprising place in the country.**

Local people and the support agencies are all up for the major challenge of **turning dreams into reality, changing the culture and grasping the opportunities** that are out there.

The strategy is a simple one – inspiration, aspiration and achievement

*“Success takes more than just money.
With inspiration, aspiration and achievement,
the success will generate its own money.”*

Richard Poundford, Head of RiDO

Rotherham’s LEGI programme will be a bottom up approach, opening up Enterprise for All – using our, **inspire – aspire – achieve** process – allowing all Rotherham people and businesses, particularly in disenfranchised communities, to unlock their enterprise potential.

INSPIRE *‘instil thought or feeling into’;*

Engaging with and inspiring individuals and groups in the borough to instil a ‘can do’ enterprise attitude, helping them to believe that they are enterprising, and that the support exists to enable them to be enterprising. Inspiration exists within the Rotherham business community, all of whom are real life examples of what is possible; we will use them and expose our communities to them.

Make 40,000 individuals aware of enterprise opportunities by March 2010

ASPIRE *‘feel earnest desire or ambition’;*

Once inspired aspirations need to be supported in a way which will allow individuals to appreciate there is a way forward for them with relevant support in place as they need it. This will match their personal needs and overcome the barriers that stand in their way.

Enterprise advice to 1,500 people by March 2010

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

ACHIEVE *'reach or attain by effort; accomplish'* ;

Providing ongoing support to enable enterprises (new and existing) to achieve their full potential by actively assisting, to drive growth, innovation and sustainability. Supporting maximum return on Rotherham's present and future investment through access to jobs and business opportunities.

Create 500 new VAT registered businesses, assist 250 people into self employment and support 400 individuals to access employment by March 2010

THE CONTEXT

Rotherham in South Yorkshire has a population of 252,000 and covers an area of 118 Sq miles, 52% of the borough is rural and there are a number of small isolated townships (Dinnington, Maltby, Swinton) which initially developed around the coal industry. Rotherham town centre has suffered from a lack of investment and the impact of shopping facilities at Meadowhall and Parkgate (out of town retail). The neighbourhoods surrounding the town centre suffer from large scale deprivation.

Rotherham has never had a strong enterprise culture due to being reliant on large nationalised industries such as coal and steel and the public sector. To address this, the Rotherham partners have set the foundations to become an enterprising place. To maximise the outcomes from these foundations and fully transform the borough into a place where enterprise is seen as a real option, further investment is required.

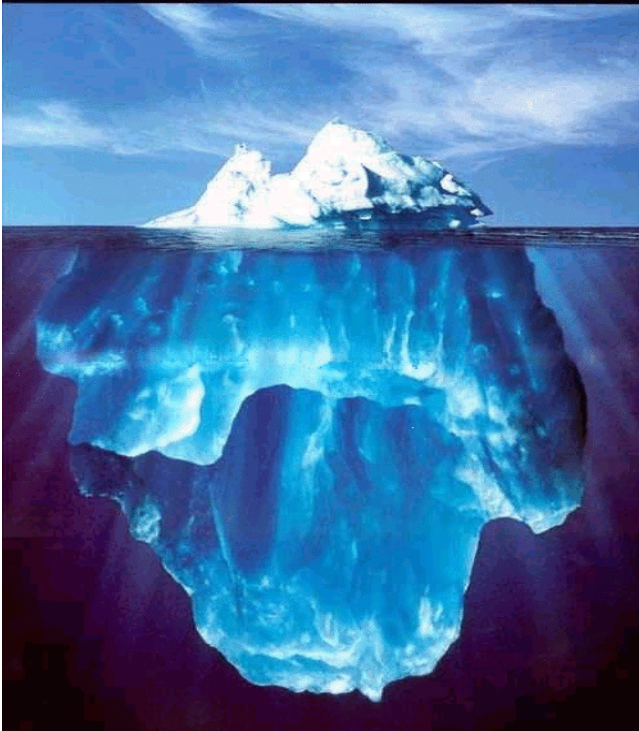
To the outside world we look to have major investment and a growing enterprise culture, but go below the surface and we have

- **Lower business stock and lower levels of self employment against regional and national averages** - to reach national averages we need an additional 2,815 VAT registered businesses and 3,951 people to enter self employment.
- 52,000 Rotherham residents live in the 20% most **deprived neighbourhoods** in the country (out of a population of 252,000).
- **Under-representation** in the economy from women, disabled people, 3rd age (over 50s), Black and Minority Ethnic (BME) community and young people.
- **Low wages** with Rotherham ranking 309th out of 354 Local Authorities for average wages.

If we fail to reverse this we will continue to fall further behind.

Rotherham's current enterprise economy is much like an iceberg – on the surface we are performing well, but take a closer look and you see a much larger untapped backlog of entrepreneurial potential. To realise the economic value of this potential there is a need to 'follow the entrepreneur' recognising that the needs of the target group differ from the current offer – Rotherham's LEGI proposal addresses this gap as demonstrated on the following page.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**



Existing Enterprise Support
Property Advice Funding Business Planning
LEGI
Inspiration Motivation Confidence Skills Ideas Development Networking Awareness Raising Business Growth
<i>“There is a real need to follow the entrepreneur”</i> Iain Scott, Enterprise Island

Rotherham’s LEGI programme will kick-start the transformation of Rotherham’s most disadvantaged neighbourhoods and groups taking them to a stage where being enterprising is a real option. Our proposal aims to **transform Rotherham’s enterprise culture and create an economy fuelled by local entrepreneurs.**

THE DELIVERY

In order to achieve these aims LEGI will deliver personalised, people focused services, within our deprived communities via four ‘Enterprise Launch Pads’. The Launch Pads will provide a physical focal point for enterprise activities within the local community and will be based in existing community premises to support their sustainability and embed the culture of enterprise. The support delivered from the Launch Pads will be tailored to meet the needs of each individual or business whether this be; ideas development, business start up advice and training, opportunities for networking, confidence building, accessing new employment opportunities or traditional business support such as premises or funding. The services provided in the Launch Pads will focus on the needs of the client, through our LEGI initiatives and also linking into mainstream provision and the innovative services of our colleges and business centres, which are linked physically and virtually to a Launch Pad.

“Launch Pads will provide the focal point for encouraging enterprise and generating business within the local community.”

Cllr Roger Stone, Leader RMBC

In Rotherham we have the foundation to support the growth an investment LEGI can bring. Rotherham has already been acclaimed for its success in

- Rotherham Ready - bringing enterprise into education,
- UK Business Incubation National Business Incubation Champion of the Year 2005
- Beacon Awards for
 - Supporting New Businesses, recognising our support to developing enterprise

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

- Removing Barriers to Work, acknowledging our success in reducing unemployment
- Fostering Business Growth, recognising results in regenerating the Borough through large areas of reclamation bringing land back into business use
- Chamber of the year 2005 - effective and real partnerships
- National Employment Panel Award for the success and innovative approach of the Stepping Stones employment project.

The structures for encouraging enterprise, growth and achievement already exist; there is a common language and shared vision with representation from the public, private and voluntary sector. The organisations, the partnerships, the ideas, the will and the determination are there. We have imaginative and exciting new programmes, but we have not had the means to make these accessible and appropriate to all. We believe the scene is set in Rotherham to embrace the opportunities LEGI would bring for the people of the borough. To achieve transformation we need to enhance and expand on the successful pilot activity already underway in Rotherham, delivering to new areas and groups.

The experienced partners in Rotherham's LEGI programme have assessed the sustainability of each element and have identified that some will ultimately be self-financing, others will deliver a fixed term boost and will end after years three or five and others will be continued via other funds, for example, Business Centre surplus. Before making decisions on continuation a full evaluation will be undertaken.

Progress will be continually measured through each partner's performance data as well as assessment of trends in the market place. Programme impact and success will be measured by independent assessment and evaluation after 18 months and three years (see section 4(e) for further details).

The bid has been developed and will be delivered by a well established partnership that encompasses the following;

- Public Sector - Rotherham Council, Jobcentre Plus, Rotherham College, Business Link South Yorkshire, Local Strategic Partnership
- Private Sector - Rotherham Chamber of Commerce, Merlin 360, the Music Factory, Nicholas Associates and Reco International Ltd
- Voluntary Sector – Phoenix Enterprises, Voluntary Action Rotherham, Prince's Trust (A full breakdown of partner involvement can be found in section 4(d)).

(b) How do your proposals address the three LEGI outcomes?

Rotherham, through its community strategy is already starting to address the three LEGI outcomes, through the private sector led - Achieving Board - chaired by local entrepreneur Nick Cragg. LEGI will move this work forward building on already well developed foundations. The Rotherham LEGI programme will principally concentrate on outcomes A and B where it is considered most impact can be made within our communities and there are identified gaps in provision. A high degree of activity is already underway in respect of outcome C, which will be enhanced with additional support LEGI funding, would provide thereby, maximising the local benefit of the investment.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

A. *To increase total entrepreneurial activity among the population in deprived local areas*
We believe our ‘bottom up’ approach to delivering relevant peer to peer inspiration, linked to targeted outreach and support amongst local residents, will stimulate activity. We will focus on raising awareness and supporting the less traditional elements of business support (i.e. pre-pre start – confidence, inspiration, ideas development) - not the tip of the iceberg.

Local indicators:

- Increased start up rate (particularly in deprived neighbourhoods and target groups)
- Increased enterprise awareness
- Increased local aspirations
- Reduction in the business stock deficit between Neighbourhood Renewal Strategy (NRS) areas, Rotherham and Nationally

B. *To support the sustainable growth – and reduce the failure rate – of locally-owned business in deprived areas*

Proactively connecting local businesses to support programmes, focused on those businesses who don’t utilise the current provision. Networking activities will also be developed in the locality to enhance trading opportunities through supply chains, innovation and knowledge diffusion activity.

Local indicators:

- Increased coverage of business support and advice services
- Reduced failure rates
- Increase survival rates
- Increased business growth including, businesses growing to VAT registration

C. *To attract appropriate investment and franchising into deprived areas, making use of local labour resources*

We have a number of business sites in strategic locations (in or adjacent to areas of deprivation), but we need to develop close ties with the local communities, schools and colleges to create maximum local benefit. We will work closely with local people and new employers to support local access to employment and business opportunities, including opportunities for franchising. New investors will be linked into the structure of the Local Enterprise Boards and Investors in Education programme.

Local indicators:

- Increased attractiveness of area
- Increased Employment Rate
- Increased aspirations and skills of school leavers

How	Delivery
A. Targeted support for deprived neighbourhoods and for under-represented groups – addressing the enterprise iceberg	Enterprise Launch Pads <ul style="list-style-type: none"> • Enterprise Champions • Enterprise Spotters • Local Enterprise Boards • Enterprise Island • Enterprise Brokers • Marketing / Branding Rotherham Ready enhancement Enterprise Apprenticeship South Rotherham Incubator Centre

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

	Local Enterprise Allowance Growth Scheme *North and Central Incubator Centres * Rotherham Youth Enterprise
B. Support for existing businesses in deprived neighbourhoods and under-represented groups	Local Enterprise Boards / Business Buddies Supply Chain activity (Knowledge Diffusion & Business Opportunities Spin Out) Engagement Brokers *Grow on space (private sector)
C. Development of strategic sites adjacent to deprived areas (Dinnington Colliery, Advanced Manufacturing Park, Town Centre Renaissance, Brookfields Park, YES Project, Magna)	Franchise advice and guidance Accessing New Opportunities (JOBMatch and Stepping Stones) Linking schools into development sites *Site reclamation / development *Local, national and international marketing programme with inward investor support *Investors in Education

* note – existing activity not funded through LEGI

3. Evidence Base

Please present your analysis of the evidence base which supports your proposals.

Rotherham is a Metropolitan Borough located in South Yorkshire, with a population of 252,300. Employment has traditionally been heavily reliant on large employers predominantly in the mining and steel industries, leading to major problems in Rotherham's economy when these severely contracted in the mid 1980s. The Town Centre also suffers from being located between the Meadowhall Shopping Centre and Retail World, one of largest retail parks in the UK.

Much progress has been made in revitalising Rotherham's economy with a constant growth in the number of workplace jobs and a reduction in headline unemployment rates (See table below)

	1986	1996	2006	
Unemployment Rate	18%	11%	4%	
<i>Source: Experian Business Strategies / NOMIS, APS</i>				
	1984	1991	2001	2004
Workplace jobs in Rotherham	77,100	79,000	89,000	104,700
<i>Source: Census of Employment / NOMIS, ABI</i>				

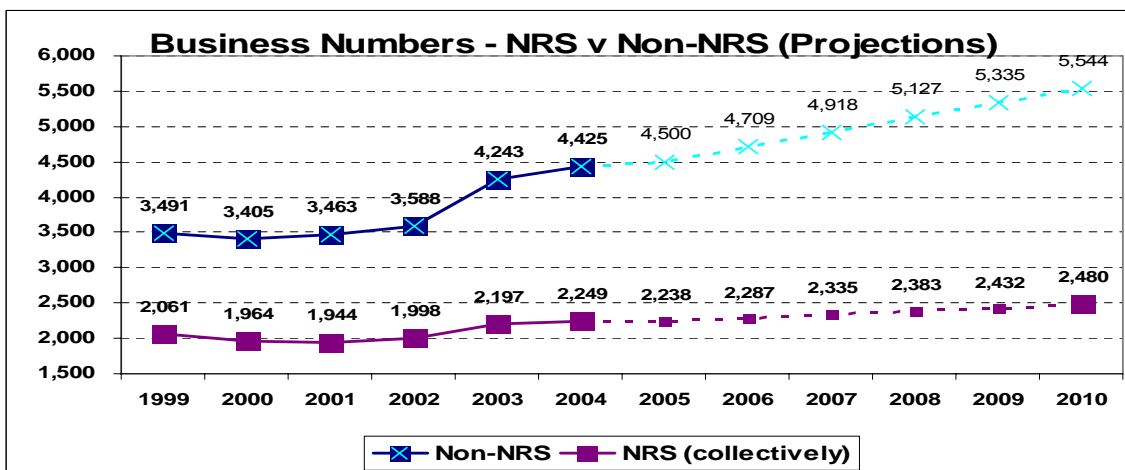
However, progress has been more chequered in creating a culture of enterprise, increasing business start-ups and promoting self employment, with, an underperformance against national averages, as well as big discrepancies between communities within the Borough.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Some figures evidencing these continuing problems are

- Rotherham has a net deficit of 2,815 in its VAT registered business stock compared to the national figure
- The self-employment rate is 3.2% below the national figure
- Gross Value Added (GVA) per capita is 88% of the UK figure
- 8,400 Rotherham residents have been claiming incapacity benefit for 5 years or longer.
- The vacancy rate for business and retail units in Rotherham Town Centre is 13%, up from 9.8% in 2002
- In the period 2000 – 2004 Rotherham dropped from 178th to 236th out of 404 British Towns in terms of profitability of SMEs, with average profit margins of 2.9% and 76% of companies making a profit
- Growth of the business stock in the period 1999-2004 was; Yorkshire & Humber 21.1%; Rotherham’s non-NRS areas 26.8%, Rotherham’s NRS areas 9.1%

This last fact demonstrates that while current enterprise activities within Rotherham are having an effect in certain areas and helping close the gap with the rest of the country, they are not having the same impact in the more deprived areas which continue to fall further behind, **a situation that will continue to worsen without the impact of LEGI**, as shown in the graph below.



***“With LEGI, we can make real progress in solving our problems.
Without it, the situation could worsen.”***

Nick Cragg, Chair of Rotherham Achieving Board

The table below highlights Rotherham’s performance against regional and national figures for a variety of enterprise indicators, with, in most cases Rotherham performing below regional and national averages.

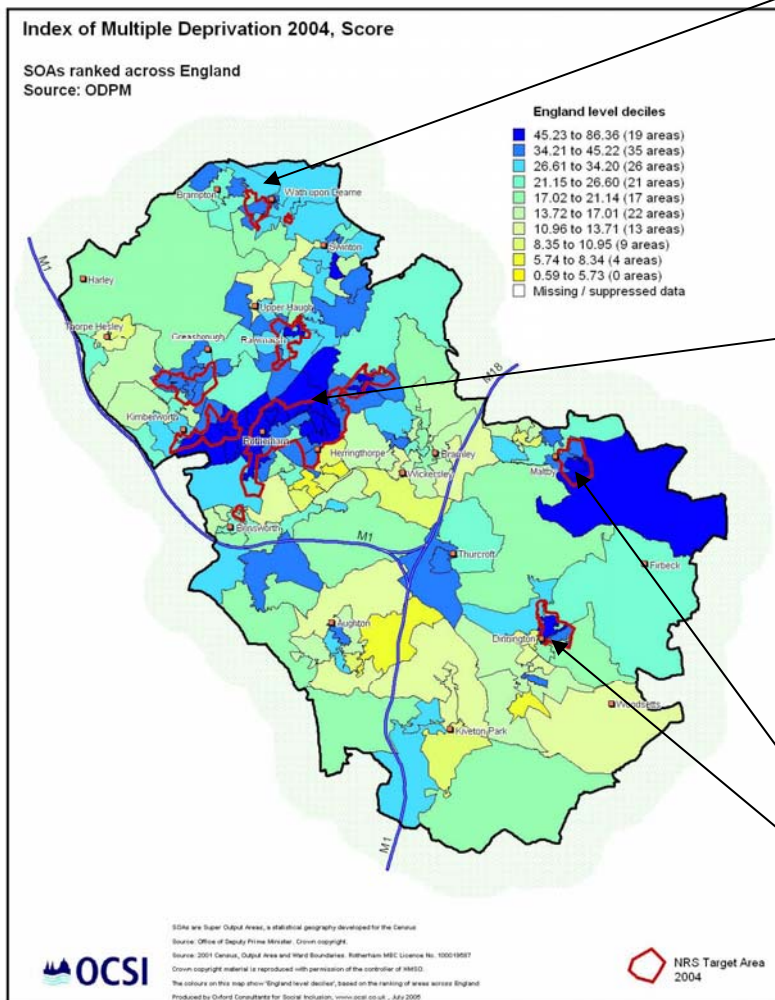
**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

	National	Regional	Rotherham	Comments	Activity to Address
Theme A					
number of VAT registered businesses per 10,000 population	376	324	236	<i>Rotherham would need an additional 1,769 VAT registered businesses to reach the regional rate and 2,815 more to reach the national rate.</i>	Launch Pads Enterprise Champions / Spotters
number of VAT registered business start-ups per 10,000 population	38	32	25	<i>Rotherham would need an additional 139 registrations per year to reach the regional rate and 260 more per year to reach the national rate.</i>	Launch Pads Enterprise Champions / Spotters
percentage of people of working age in employment who are self employed	12%	10.5%	8.8%	<i>Rotherham would need an increase of 1,939 self employed to reach the regional average and an additional 3,951 to reach the UK rate.</i>	Launch Pads Enterprise Champions / Spotters
% thinking of starting a business	7%	5.8%	4%	<i>Number of self employed owners in Rotherham has increased at less than the regional average but numbers thinking of starting a new business have increased at a faster rate than the region.</i>	Rotherham Ready Launch Pads Enterprise Spotters / Champions
Theme B					
Average annual income for households	£22,052	£18,332	£17,011	<i>13 of the Borough's 166 Super Output Areas (SOAs) have an annual average household income of less than £11,000, half the national average.</i>	Engagement Brokers Supply Chain
GVA (2004) Regional Econometric Model (provided by Experian Business Strategies)	£16,434	£15,220	£14,518	<i>local GVA per capita is below the regional average and stands at only 88% of the UK level.</i>	Engagement Brokers Supply Chain
Theme C					
Economic Inactivity (March 2005 APS)	23%	22.5%	21.7%	<i>Majority of worklessness is concentrated on Incapacity Benefit (13,400) and Sickness Disability Allowance (1,500) claimants</i>	Stepping Stones JOBMatch

19 of Rotherham's 166 SOAs are in the most 10% deprived of all areas in England and 54 in the most deprived 20%.

Major areas of deprivation are focused in the urban areas around Rotherham town, pockets are also seen in Maltby and Dinnington (in the South of the Borough) and Rawmarsh and Wath (in the North of the Borough).

Multiple deprivation levels across the Borough are mainly driven by Income, Employment, Health and Education and skills deprivation, with Rotherham ranked among the most deprived 20% of Districts in England on these domains.



The SOAs in Wath and Swinton are in the

- ~ 6.7% most deprived nationally for employment
- ~ 10.0% most deprived nationally for income
- ~ 13.1% most deprived nationally for education, skills & training

Of the 20 SOAs in *Central Rotherham* covering the NRS target areas for the "Town Centre":

- ~ 6 are in the 4.1% most deprived nationally for *employment*
- ~ 8 are in the 5.3% most deprived nationally for *income*, and
- ~ 8 are in the 2.7% most deprived nationally for *education, skills & training*

Of the 6 SOAs in *Maltby and Dinnington* covering the NRS target area for the South of the Borough:

- ~ 6 are in the 8.8% most deprived nationally for *employment*
- ~ 5 are in the 7.5% most deprived nationally for *income*, and
- ~ 6 are in the 6.7% most deprived nationally for *education, skills & training*

4 in 10 Job Seeker Allowance claimants live within the 20% most deprived SOAs and almost a third of Incapacity Benefit / Severe Disablement Allowance claimants.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Deprivation in our communities of interest	
Community Of Interest	Deprivation
Disabled People	Employment Rate of 48.7% (<i>Borough 74.8%</i>)
Young people	Self –employment 0.5% of 16-19 year olds (<i>Borough 8.8%</i>)
Third Age	Economic activity rate of 36.2% (<i>Y&H – 29.4% / UK – 27.8%</i>)
Lone Parents	Employment rate of 45.4% (<i>Borough 74.8%</i>)
BME	Employment rate 49.6% and 25.3% for women (<i>Borough 74.8%</i>)
Women	Self employment - 4.6% of working age population & as low as 1.5% in NRS areas (<i>Borough 8.8%</i>)

Source: 2001 Census Crown Copyright

Barriers to Enterprise

Following consultation with a wide range of groups (see table section 4d) the following barriers to enterprise have been identified and will in turn be addressed by the LEGI programme:

- ~ Lack of awareness of available support provision (of individuals and Voluntary and Community Sector groups)
- ~ Lack of support available at a neighbourhood level
- ~ Lack of support available to women and disabled people
- ~ Benefit dependency
- ~ Lack of trust / confidence in existing provision
- ~ Failure rate of businesses not accessing existing provision

- o “Enterprise and enterprise support is ‘not for me’ it’s for the Richard Branson type entrepreneurs”
- o “People will laugh at my idea”
- o “Lack of appropriate workspace in the South of the Borough”
- o “No established trust with agencies”
- o “I don’t know how to write a business plan”
- o “I don’t have an idea”
- o “I’m on benefits”

Opportunities for Enterprise

The LEGI programme has been designed to connect the deprived communities and people of Rotherham to the opportunities below and to ensure that they derive maximum benefit from them:-

- ~ Major developments at YES Project, Advanced Manufacturing Park, Manvers, Dinnington – provides new jobs and supply chain and spin-off opportunities for new and existing businesses.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

- ~ High numbers of economically inactive people provide a potential new source of labour if re-engaged and provided with support and training.
- ~ maximising the investment made in children and young people (i.e. Rotherham Ready) by providing enterprise as a real option with a high level of support when leaving education
- ~ Major public sector budgets from Council, Primary Care Trust (PCT) and Police – LEGI will assist local firms to bid for and secure an increasing percentage of this spend.
- ~ High level of land available for development (309 Hectares for industrial/mixed use)
- ~ Utilising and customising the South Yorkshire Investment Fund (SYIF) Mentor Bank
- ~ Improving links via the City Strategy – South Yorkshire Work and Skills Board

Previous Policy Efforts - Rotherham has piloted a number of innovative approaches to developing enterprise. LEGI will be used to roll-out these to a wider target group, taking on-board the lessons learnt from the evaluation.

A post similar to that of the **Local Enterprise Champion** is being piloted, using Small Business Service funding in the South of the Borough. In the first two months the post has supported five new business starts creating seven jobs. Early indications show that this model is working and with LEGI funding we would expand this localised provision into other deprived areas.

Case Study

Enterprise Island

To reach new entrepreneurs an Iain Scott **Enterprise Island** mini-challenge was hosted in Rotherham. This event highlighted the issue of people not accessing mainstream business support and being intimidated by the current provision with 90% of participants never having contacted a business support agency before. The 27 entrepreneurs seen during the session were all at very different stages, with the majority identified as being in need of support 'below the iceberg' (confidence, ideas development, etc) and not currently catered for by the present provision available. The real success of the challenge was the ability to get individuals excited and engaged in a comfortable, informal setting. Lessons learnt from Enterprise Island include the different expectations of the client group i.e. a preference for 'practical' training to assist them in launching their business and a real need to 'follow the entrepreneur' recognising that one size does not fit all and the aspirations of these individuals do not always match the current offer.

“I’ve never had this kind of opportunity before”

“It’s given me a greater understanding of what I need to do to make my dream a reality”

“I’ve never spoken to anyone about my idea before”

Enterprise Island Challengers

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Rotherham's Incubation Centres have been highly successful. The first opening in 1986 (Brampton, North Rotherham), second in 2001 (Century, North Rotherham) and third in 2005 (Moorgate Crofts, Central Rotherham), which is at 80% occupancy after less than 12 months. Century and Brampton are both at full occupancy and have a waiting list! The Centres currently house 126 businesses, employing 460 employees. The business centres provide intensive support with an in-house business adviser. As can be seen in the table below this level of one-to-one support leads to substantially higher than average survival rates.

The LEGI bid will fund a Centre in the South of the Borough which currently has no provision.

	Century (from 2001)	Brampton (from 1986)	Barclays national
Survival rates			
12 months	97%	83%	80%
24 months	89%	78%	-
36 months	88%	77%	47%

Rotherham Youth Enterprise (RYE) scheme has been operating very successfully for over 17 years, with the lessons learnt incorporated into the LEGI programme. RYE provides support for young people aged 16-30. The scheme has gone from strength to strength, gaining national recognition for good practice. The support provided is intensive, working pre-start with ideas development through to the provision of workspace and support to grow and develop. The results themselves are highly impressive:

- 27 new starts 2005/6
- 80% survival after five years - far exceeding the national average
- Approximately 3,600 young people worked with through schools each year
- an RYE business awarded second prize in the National Prince's Trust and Royal Bank of Scotland Business of the Year
- 33 subsidised units in four business centres across Rotherham

LEGI will expand this support to 16-18 year olds, who have left education and as such are currently ineligible to access RYE support.

***"The future depends on the young.
The young depend on the future we give them."***

Jackie Frost, Head of Youth Enterprise

Investment - Current business site developments include the Advanced Manufacturing Park, Brookfields Park and Dinnington Colliery Site, jointly set to create over 6,000 jobs and plans are set for the renaissance of Rotherham town centre. The work of LEGI and other existing programmes will support the achievement of maximum local impact from these investments. We are establishing various linkages between new businesses and local people including the Stepping Stones project working on the supply side and JOBMatch working with employers to have a demand led focus.

Case Study**Children and Young People**

Recent investment in transforming the enterprise culture of Rotherham's children and young people has seen the delivery of **Rotherham Ready** and **Investors in Education** (IIE). These programmes inspired initially by the private sector involve **all children in all schools** from ages four to nineteen in an enterprise education programme aimed at creating an enterprise culture in the next generation. The projects offer each school and college a range of managed enterprise programmes and activities with support from the local business community giving all students a real insight and understanding of how business works. We have over 150 businesses working with schools and our aim is to increase this. Capacity is being built within teaching staff to understand and deliver effective enterprise education. These two unique and innovative programmes are examples of how we are changing things through joint working of the public and private sectors. Our intention is to capitalise on this investment to deliver Rotherham's LEGI programme and Enterprise for All.

“It doesn't matter if they fail. There are lessons to be learned from failure that can be put to good use in the future.”

Jane Fearnley, Head teacher Herringthorpe Junior School

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

4. Proposal Detail

(a) Please give a detailed description of your proposals for funding under the Local Enterprise Growth Initiative.

Rotherham – a borough in the process of change

Rotherham is a borough that has ‘rolled up its sleeves’ and got on with the difficult task of regenerating and reinvigorating an area which had fallen on hard times.

When the coal and steel industries collapsed, the initial and understandable response was to try to preserve jobs in these declining industries rather than to create opportunities for the borough’s people to be enterprising. However in recent years, the approach has started to change. Through strong partnership working, an innovative approach to igniting Rotherham’s latent entrepreneurial spirit and capitalising on the borough’s ‘will to work’, the focus is shifting from:

- preserving declining industries to enabling growth clusters
- public-sector led regeneration to partnership-led revitalisation
- protecting jobs to inspiring local people to create new opportunities
- pride in the past to aspirations for the future.

Through a number of successful programmes the foundations have been laid. Now we must launch the next phase of our regeneration, to raise Rotherham’s levels of enterprise.

**Rotherham Achieving – Enterprise of All
The Guiding Principles**

INSPIRE

Engaging with and inspiring individuals and groups in the borough to instil a ‘can do’ enterprise attitude, helping them to believe that they are enterprising, and that the support exists to enable them to be enterprising.

ASPIRE

Once inspired aspirations need to be supported in a way which will allow individuals to appreciate there is a way forward for them and that the support will be there to match their personal needs and overcome the barriers that stand in their way.

ACHIEVE

Providing ongoing support to enable enterprises (new and existing) to achieve their full potential, actively assisting to drive growth, innovation and sustainability. Supporting maximum return on Rotherham’s new investment, through access to jobs and contracts.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Rotherham Achieving is about encouraging and inspiring people to think differently, to break through their barriers and to embrace an idea or opportunity they wouldn't normally do. To ultimately take a risk! It is about challenging Rotherham's people and businesses to maximise their potential whilst recognising that there are cultural barriers and traditions that make people risk averse, that make it easier and safer not to rise to the challenge. Existing business support and skills training programmes can give people the knowledge to minimise the risks but until now we have not been successful at helping people to believe that they can overcome the barriers. In addition, our deprived areas have enterprise activities that are currently not accessing the support available.

There is only one thing that matters when you are selling professional services .

Only one.

*Does the person who is buying from you **trust** you?*

Now "trust" is a loaded word with lots and lots of elements to it, but there you go.

That's it.

Seth Godin

We have relied on conventional advertising, we have worked on the "build it and they will come" methodology; the premise that anyone with the drive and ability to be enterprising or an entrepreneur would pick up the phone or walk into the Enterprise Agency. We have assumed that existing businesses would want to grow which has worked for some but as detailed in section three the most deprived areas of Rotherham need support and we propose maximising the opportunities available for these areas in our borough. Without help these areas are going to fall further behind.

The Rotherham Achieving suite of activities takes a different approach. We want everyone to understand where to go for advice on enterprise, job opportunities and business support but our marketing activity will focus more on PR than on advertising. However it is not just about awareness, it is about **building trust**, by building confidence, by allowing people to explore their ideas in a safe environment and finally by helping people to manage the risk of their new business or drive for new markets.

If something as straightforward as buying professional services requires trust in the advisors then the standard of trust required when a person is planning a change as fundamental as starting their own business or moving from benefits to employment, is even higher.

Within schools the trust relationship exists. Outside the schools different parts of the voluntary and community sector have established trust relationships within the communities, but where people mainly think "enterprise is not for people like me".

Through understanding these dynamics the Rotherham Achieving programme focuses on a 'bottom up' methodology of working from within the community moving outwards guiding our customers to support that will encourage and develop their aspirations.

The Customer Journey - The diagram overleaf illustrates how our customers will be engaged and supported by our three core themes with an emphasis on a fluid customer focussed journey, 'following the entrepreneur'.

ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID

Steps to Enterprise

“INSPIRE”

Create awareness and inspiration around enterprise in order to stimulate self-belief and spread a pervasive ‘can-do’ enterprise attitude

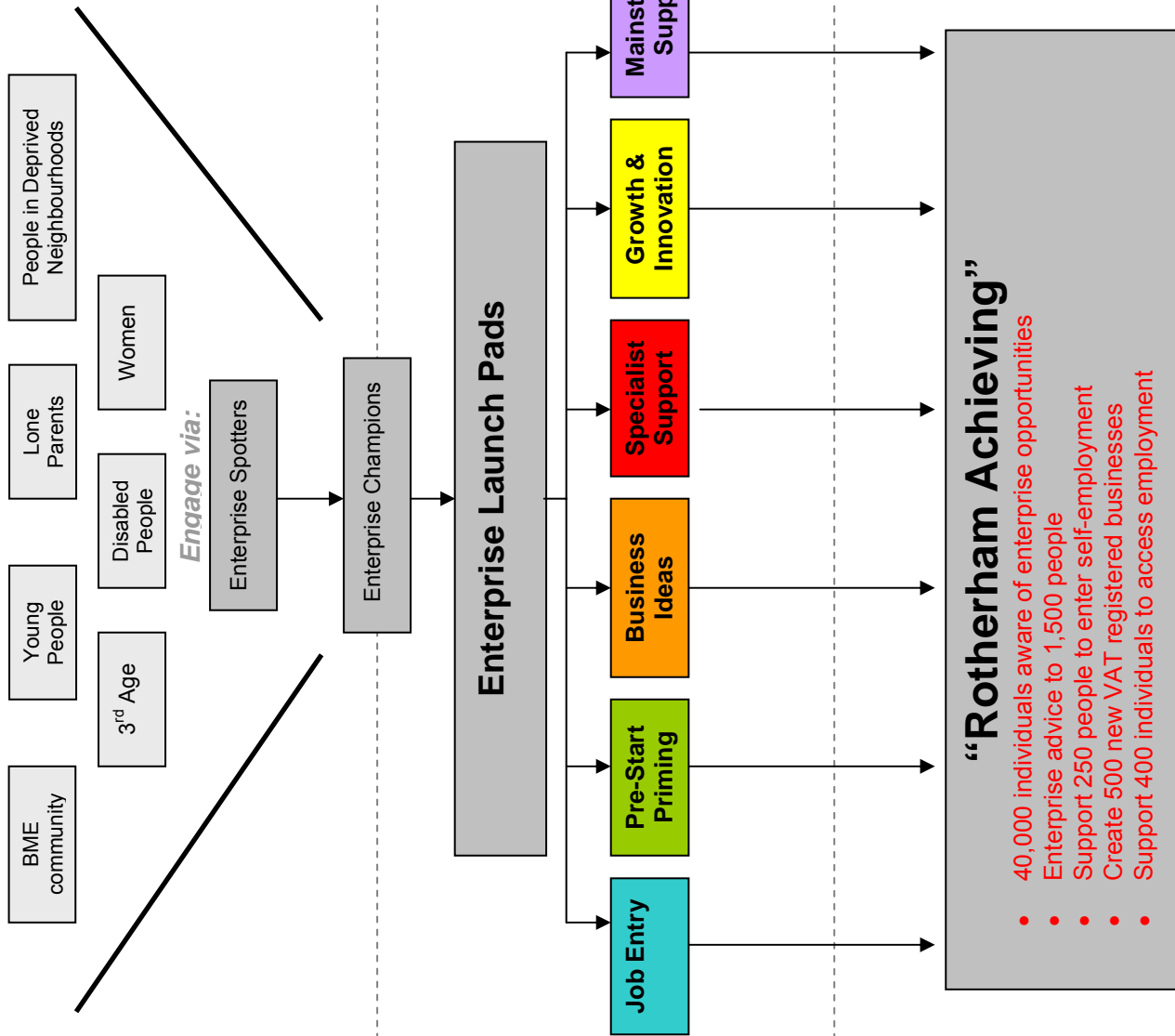
“ASPIRE”

Support individuals and businesses to appreciate there is a way forward for them and that the support will be there to match their personal needs and overcome any barriers that stand in their way

“ACHIEVE”

Providing support to enable businesses (new and existing) to achieve their full potential. Supporting access to jobs and business opportunities from investments.

The Customer Journey



Key Principles

Create awareness that opportunities exist for all individuals in Rotherham to be enterprising via:

- Trust Building
- Partnership working
- Strategic Marketing
- Embedding enterprise within the school and college curriculum from age 4yrs +

Ensure ease of access to information advice and guidance by establishing Enterprise Launch Pads in key strategic community-based locations.

Having diagnosed the individual or business needs and assessed their level of ‘enterprise readiness’, support them to progress their aspirations.

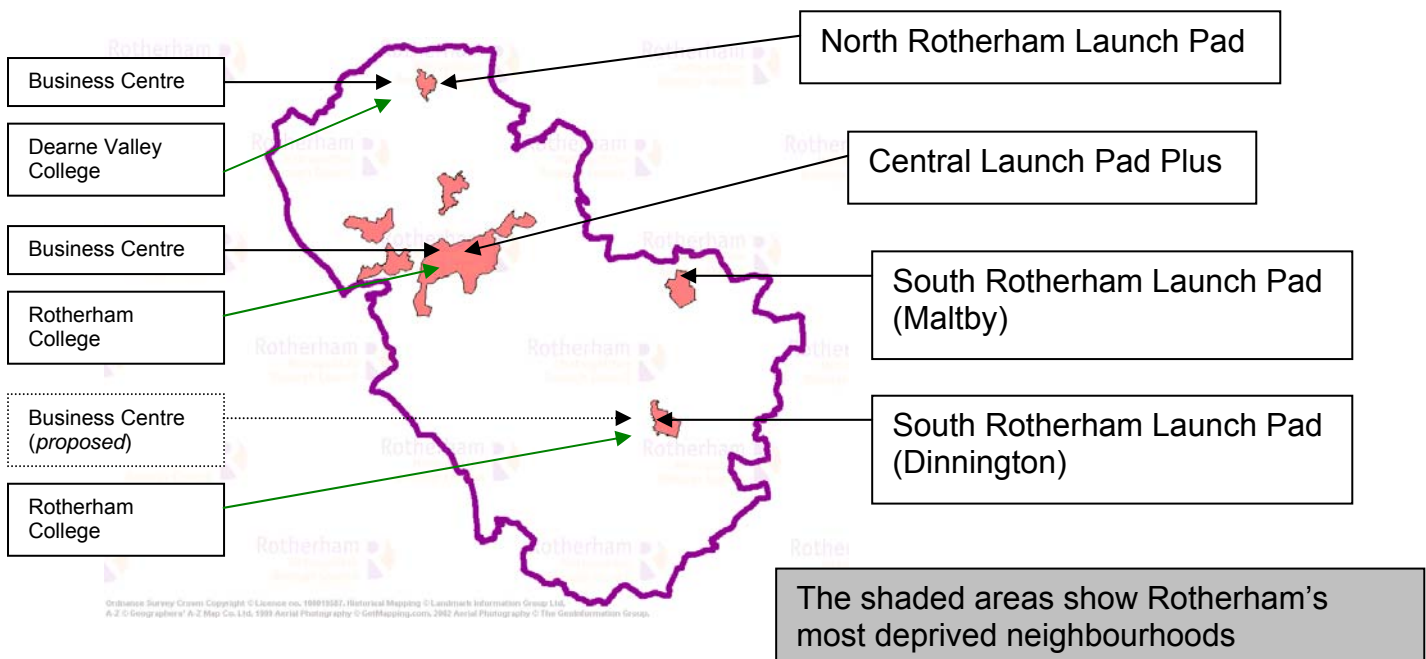
Deliver maximum local benefit from investments

Drive the provision of ongoing support to businesses to promote growth and innovation, increase economic impact and ensure long-term survival

The Enterprise Launch Pad

At the core of Rotherham Achieving is the community located Enterprise Launch Pad concept. The Launch Pad provides a wide range of personalised support, which cut across the three themes of Inspire, Aspire, Achieve. The Launch Pads will be sited in strategic locations to provide blanket coverage (via outreach e.g. Children's Centres) in the most deprived neighbourhoods as shown on the map below. The Launch Pads are adjacent to areas of major investment, local college provision and Business Incubation Centres (for the North and Central areas). The Enterprise Champions will be responsible for linking together these activities to provide joined up delivery of enterprise activities.

The Launch Pads will provide a local focus for the Enterprise Spotters, Champions and Brokers (*see following pages for detail*) as well as individuals able to support the accessing of employment opportunities. For businesses located in these neighbourhoods they will provide access to programmes of work linked to innovation, growth and sustainability such as the development of business ideas and new knowledge diffusion techniques and linking into workforce development programmes through the LSC and other training providers.



People in deprived neighbourhoods often see the current business support provision as 'not for them' and are intimidated by the current on-line / telephone offer. The Launch Pads will be small offices located in existing community premises which have a high profile and footfall. The concept of the Launch Pad has been piloted successfully in the Dinnington Community at the Dinnington Resource Centre. The Launch Pads will be develop as an enhancement of this pilot and provide:

- Meeting space – e.g. for those people not wanting to meet in their home
- On-line access with a business focus (linked to the connected communities project)
- An access point for the u-xplore system and business ideas / franchising opportunities
- Physical presence to raise profile in community

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

- An operational base for Enterprise Champions
- Outreach provision for Enterprise Brokers and traditional business start up training and mainstream services

The Launch Pad will form a key element in the cycle of local enterprise connecting schools, colleges and communities with Business Incubation facilities and other enterprise initiatives and investment sites.

The Town Centre Launch Pad will be a 'Launch Pad Plus' providing a base for the Enterprise Brokers team, recognising the large scale of deprivation surrounding the town centre and also acting as host to a number of other support and guidance services.

In partnership with a private sector partner, Stafforce, a mobile office will be utilised to take engagement down to a street level using optimum sites such as supermarkets and town centres. This will complement the other outreach activity.

Through the Enterprise Launch Pad approach we can offer the most relevant first point of communication through our community based **Enterprise Spotters** with whom our customers have a regular dialogue and a trusting relationship. This leads to the next interaction with an **Enterprise Champion** who will advise on the next stage of development, based on the customers' enterprise readiness. The enterprise development process will continue through to more traditional enterprise support from our **Enterprise Brokers** enabling their vision to become reality. The programme of activity will be flexible to allow the service to meet the diverse range of client needs. The support process of Spotters → Champions → Brokers is detailed below.

“It is better use of resources to seed, plant and nurture your own entrepreneurs and enterprising employees and hold those already living in the borough rather than attract in from other parts of the country.”

Peter Butters, Phoenix Enterprises

Enterprise Spotters – key people on the ground

Enterprise Spotters are the primary route for engaging & inspiring potential entrepreneurs from our target areas and communities. Spotters will be recruited from the voluntary / community and public sectors and will be given awareness raising sessions around enterprise and opportunities in Rotherham as well as appropriate skills to support coaching and mentoring. The role will be concerned with identifying people with an idea or entrepreneurial flair and providing some ongoing mentoring support once they have been introduced to the Enterprise Champion. The voluntary and community organisations involved will receive a small fee at the start of each year with an additional reward grant for each business which commences trading. This will support the sustainability of the organisations involved.

*Enterprise Spotters will be trained from within organisations active in our key deprived neighbourhoods and organisations working with the black and minority ethnic communities, 3rd age, disabled people, young people and women's groups. Initially **60 spotters** have been identified whose remit varies from targeting geographically to each of the communities of interest.*

We acknowledge the power of a credible viral peer to peer message and that within

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

every community there will be key ‘connectors’ and ‘informers’ who have the ability to plant our message of enterprise. This again reinforces our ‘bottom up’ methodology of working from the heart of a community outwards to enable us to find the right people to create that vital tipping point that makes enterprise an option for our hard to reach communities.

Who are they?

People **already** holding “positions of trust” within the target communities and groups.

Organisations that have shown an interest include:-

Disabled Support Groups (Scope, Speak Up, IMBY)

Children’s Centres

Community Partnerships

Grow (Women’s Network)

How?

Host organisation, if from community/voluntary sector, would be paid an annual retainer of £500 per year, and a reward of £200, for each business that they spotted, which starts trading. Costs to come from LEGI funds. Public sector organisations will not receive payment. The reward being dependent on the business starting to trade will encourage spotters to retain links with the entrepreneurs and lead to the development of a network of businesses.

They would be trained to “spot” people with potential business ideas or entrepreneurial flair and provide a level of support and encouragement in the early stages of development. Training for the spotters will be a mixture of awareness raising seminars and one to ones with the Enterprise Champions, the private sector have expressed a keen interest to pass on their expertise in networking. Spotters will where appropriate refer to Jobcentre Plus and other agencies to help overcome multiple barriers – e.g. debt, housing, childcare, drugs – which will benefit people whether they follow the enterprise, employment or training route.

Where?

Spotters are located within the target communities and would come into contact with people on a day to day basis.

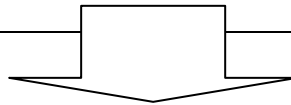
Why?

Target groups feel “comfortable” with the individuals and have an established trust relationship.

Sustainability

Funding will be sought to continue payment of retainer and success fees post-LEGI. If this is not possible, spotters would still be in place and we would encourage them to continue their work and its contribution to the regeneration of **their** community.

The spotters will pass budding entrepreneurs to the Enterprise Champion.



Enterprise Champions - A mentoring role that will build confidence

We will have an Enterprise Champion attached to each of the Launch Pads plus Champions specialising in 3rd Age, disabled people, young people and women (x two full time equivalents) (black and minority ethnic funded via existing provision). Based upon the Dinnington pilot the Champions will be the first point of contact for people referred by the Enterprise Spotters, through u-xplore, Enterprise Island and other activity.

The Enterprise Champions will form a key part of the Enterprise Launch Pad and will focus on taking services out to local people to meet specific needs and address barriers. Key roles for the enterprise champion will be captured in the areas of:

- ~ *Engagement, inspiration and motivation*
- ~ *Intensive pre-start support to develop confidence, ideas and the skills to start up*

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

(some contracted to voluntary and community or private sector)

- ~ Support for the early stages of business start
- ~ Supporting the local Enterprise Board and the Enterprise Spotters

The Champions will be closely linked with all relevant community and learning groups to embed the new expertise within the community as well as working alongside existing provision to enhance rather than duplicate.

Who are they?

Qualified coach/mentor, with enterprise skills and experience. The Champion would encourage local people from all backgrounds to investigate self-employment and entrepreneurship, and assist their development in a supportive and learning environment. This role is already being successfully piloted in Dinnington through Small Business Service funding.

There will be four “geographical” champions – one in the North, one to cover the South and two within the Town Centre neighbourhoods (due to its large NRS population). Additional Champions would work across the borough to support business starts from the under-represented groups of women, 3rd age and young people, these posts will be on a part-time basis.

How?

Concentrates on the support and mentoring role, rather than the detail of business plans, etc, which will be provided by the Enterprise Brokers. The Champion would maintain contact with individuals after the move on to the Enterprise Brokers providing a local source of support and advice on a more informal, easily accessible basis. Due to the community location of the post the Champion will work with existing businesses linking them into activity assisting business growth, innovation and sustainability.

The Enterprise Champion will support the Enterprise Spotters and other local groups by helping individuals to gain an understanding of enterprise, utilising local role models to inspire potential entrepreneurs as well as make people aware of the support available. Enterprise Champions will where appropriate refer to Jobcentre Plus and other agencies to help overcome multiple barriers – e.g. debt, housing, childcare, drugs – which will benefit them whether they follow the enterprise or employment route.

Where?

Located in the Launch Pads, the Champions will have an office, with as much as possible an open-door policy and will also operate outreach and surgery sessions in other appropriate locations such as Children’s Centres, community centres, libraries and mobile office.

Why?

Feedback (Dinnington pilot/Enterprise Island) and best practice (Sirolli) has highlighted that the level and type of available mainstream business support currently available can be off-putting and doesn’t meet the needs of many potential entrepreneurs. The Champion’s key role will be to work to improve business starts in deprived neighbourhoods by providing a personal level of support and addressing the gap of little or no provision to support pre-start.

Sustainability

These posts are vital to maintain intensive work and impact in target areas. Funding is sought for the full 10 years of LEGI Programme, but with tapering off as the move is made to long-term sustainability. Post-LEGI funding will come from surpluses generated by the local incubation centre.

The Champions will support the entrepreneur to reach a point where they require support in areas such as business planning, finance and premises – this will be provided by the Enterprise Broker.



**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Enterprise Brokers - Helping to address the barriers to start-ups
<i>Enterprise Brokers will be employed by Rotherham Chamber of Commerce and will work with budding entrepreneurs to turn their dreams into reality by providing one to one, intensive support on the development of business plans, access finance and linking into training programmes appropriate for business starts. The stream of work acknowledges the need for highly intensive support for the client group and LEGI funding will allow this to be provided.</i>
<i>In parallel Engagement Brokers will be employed to work with existing businesses (see Achieve section).</i>
Who are they? Qualified business support professionals, employed by Rotherham Chamber of Commerce. Enterprise Brokers will deliver bespoke pre-start and start up support, with focus on business skills and addressing barriers to start up.
How? Success will be judged on levels of contacts, raising aspirations, as much as the number of businesses started and jobs created. Brokers would work with lifestyle and generic businesses, as high growth provision is already provided through Business Link.
Where? Based within Town Centre Launch Pad Plus, but delivering the majority of their work within the target communities, working in conjunction with the Enterprise Champions.
Why? Rotherham Chamber of Commerce's current start up contract has stringent targets to meet on Business Starts, which militate against supporting LEGI target groups, who require higher levels of assistance and have lower conversion rates for contacts to start up. Added value is that these are new posts focused purely on people and businesses from target areas and groups.
Sustainability In the 3-year LEGI Programme we would look for this to kick start activity within the target areas, which would be picked up by mainstream provision post-LEGI. But seek funding for full 10 years of LEGI Programme, but with tapering off as move is made to long-term sustainability Post-LEGI.
Existing mainstream provision (delivered through Business Link contracts) will be accessed where appropriate, covering, incubation, post start-up, etc).

The principles of **Better Deal for Business** are embedded in the Rotherham Achieving approach by putting the individual at the heart of what we do, focusing on achieving high levels of customer satisfaction and creating a good reputation in the community. The community based and flexible outreach provision will improve the accessibility of Rotherham's enterprise offer. The LEGI programme will give each individual what they need – when they need it. Services to individuals and businesses will meet the requirements of Better Deal for Business.

Rotherham Achieving – Inspire, Aspire, Achieve

The Rotherham Achieving programme is composed of a number of flexible elements designed to meet the varied needs of the clients. Details of elements of the programme follow.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

INSPIRE

The inspire element of the programme is primarily concerned with inspiring the people of Rotherham and developing a 'can do' attitude to enterprise. Enterprise for some will be starting a business, to other's entering and progressing in employment or purely becoming a volunteer and putting something back into the community. Key parts of the inspire strand are the Enterprise Champions and Enterprise Spotters as previously described. These people will use the tools below to embed enterprise across Rotherham.

Enterprise Island

We will run three of Ian Scott's Enterprise Island challenges which will provide a high profile promotion of our view that enterprise is for all. The events will be of interest to and engage people who haven't been in touch with the Enterprise Spotters and/or Enterprise Champions. They will help to reinforce the message of enterprise with those who don't yet have the confidence to take the next step.

90% of people attending Rotherham the pilot mini-challenge in August 2006 attended as a result of personal referral. None had been in touch with the traditional business start up organisations as they don't see the provision as relevant to them. Enterprise Island will promote individual exploration and personal discovery, highlighting each individual's self-belief and potential to achieve.

U-xplore

An interactive web enabled advice and guidance tool, U-xplore Enterprise will deliver compelling video content featuring examples of people and businesses to whom our target customers can relate, explaining how they got started, how they over came their barriers and advice they would offer to people in similar situations to the ones they faced. Access will be via any internet enabled computer with public access points in libraries, Launch Pads, Children's Centres and other community centres as well as on DVD-Rom available for home use.

U-xplore is already in place in secondary schools in Rotherham through the Rotherham Ready / Investors in Education projects to inspire, encourage and support young people into enterprise. The adult version of U-xplore will maximise previous investment with creation of a further bespoke tool of the much acclaimed young person's version.

Rotherham Ready *enhanced*

The process of instilling an enterprise culture within our communities has already started in our schools with the unique Rotherham Ready programme giving enterprise education to all children and young people from the age of four.

Rotherham Achieving will enhance this programme through:

- Master classes and mentoring with local businesses
- A Young Persons Chamber, (linked to Rotherham Chamber of Commerce) providing new opportunities including; Outlet for Creative Ideas, Creative Learning Labs, Student Journalists and web-based forums.
- Young Apprenticeship in Enterprise (year 10 students)
- Development of the 'Lets do Business' enterprise challenge where 750 post 16 students undertake a business challenge involving real products.
- Enterprise Summer Schools
- Positive role models (Young Entrepreneurs)

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Enterprise Apprenticeships

A two year Enterprise Apprenticeship will be available, as a valid post 16 option for young people. There is currently a gap in provision for business start up support working with young people 16-18 until they become eligible for the existing Rotherham Youth Enterprise programme at 18. This two year programme is working towards achieving a nationally recognised accreditation framework combining vocational and technical certificates based on BTEC levels one to three and will be designed to comply with SFEDI standards. The programme will incorporate a period of relevant work experience, business planning, vocational training and business rehearsal prior to the young person launching their business.

Marketing

One of the strengths of our LEGI approach will be a consistent marketing of the “enterprise message.” All projects will be writ large and associated with this enterprise activity to ensure a strong brand and understanding of the whole.

The marketing support will take the form of enterprise messages delivered into the deprived communities through local events where people can learn more about enterprise. These will be promoted through various media channels including door drops, advertising and PR in community publications, information in local outlets such as libraries and community centres, local radio and press.

ASPIRE

The processes and activities outlined above are about inspiring people. This programme of work is concerned with converting the desire into action, developing concrete aspirations and showing people and businesses that support is available to assist them to follow their aspirations, turning them into achievements.

Enterprise & Business incubation

The Dinnington & South Rotherham Enterprise & Business Incubation will be a new business incubator centre, on a site within the Dinnington Colliery Regeneration Area providing 2,300sq. m. of business centre space. The incubator will be linked with the local Launch Pad and will boost development of new businesses in the deprived communities of Dinnington, Maltby and the South Rotherham areas benefiting local communities by retaining employment and related wealth/health etc. A recent study by Angle Technology confirmed the market demand potential for such a facility in this area.

A business plan for the complete network of incubation centres within Rotherham has been developed in association with Price Waterhouse Cooper which indicates an operating surplus after three years. The intention will be to use the surplus to sustain some of the Rotherham Achieving activities. The Business Centre will fill the gap in the cycle of enterprise (College, Launch Pad/Champion, Incubation Centre) in South Rotherham. (The North being well served by Century Business Centre and the Centre by Moorgate Crofts Business Centre).

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Local Enterprise Boards

Local Enterprise Boards will be led by local entrepreneurs. They will be attached to each Launch Pad area and will provide pre-start and start up mentoring support through the Business Buddies programme to entrepreneurs who are starting through the Launch Pad process. Each board will include representatives from RMBC, Rotherham Chamber of Commerce, Business Link South Yorkshire and Jobcentre Plus to ensure the board has links into existing support mechanisms. The Boards will be managed as part of the Enterprise Champions structure, linked with the Local Strategic Partnership and Work and Skills Board (part of the city strategy pilot). Work by the Sirrolli Institute and organisations such as BIZZFIZZ shows that businesses need someone with drive in each of the following three skills sets:

Product

Marketing

Finance

A single person may have drive in any two of the three skills, but never all three. Local Enterprise Boards (and their networks) will support the missing element(s) for budding entrepreneurs. The Business Buddies will be paid a fee to cover them for their support time; part of this will be funded by the LEGI programme with the remainder being paid by the new-business once trading, along the same lines as the student loan scheme. The Boards will be recruited from local businesses, the South Yorkshire Investment Fund's Mentor Bank and support agencies – a number of local businesses have already agreed to be on the boards. Through links with local FE colleges and Universities the business buddies will include undergraduates with relevant skills.

The Boards and new entrepreneurs will be supported by the Enterprise Champion who will facilitate the link between the two, helping to identify the support required.

Initially the service will be restricted to new enterprises only but depending on experience through running the programme the service will be extended to existing small businesses.

Local Enterprise Growth Allowance Scheme (LEGAS)

Not all budding entrepreneurs are able to access support from New Deal for Self-Employment to carry out test trading, but working with Business Link, Jobcentre Plus, Rotherham Chamber of Commerce and Rotherham Social Enterprise, potential business enterprises with more than one individual will be given access to the Local Enterprise Growth Allowance scheme (LEGAS). LEGAS will create a range of businesses across the Borough which have a better chance of survival because they do not rely initially on one person. Only individuals are eligible for New Deal for Self Employment and consultation has shown that a number of benefit claimants and other individuals wish to operate start businesses together.

LEGAS will be aimed at supporting individuals from deprived neighbourhoods, for up to 12 months with a subsidy/living allowance to support them in developing and sustaining a new business *that operates with more than one individual*. New businesses will be given six days business support to assist with setting up record keeping, accounting and VAT return systems. At least 50% of the individuals setting up the new organisation must come from one of the target communities.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

ACHIEVE

The Achievement part of our bid is about maximising local benefit from investment to the borough and developing our traditional business support network so that more business starts and existing businesses realise their full potential. This is partly about better engagement of existing businesses but also provides new services and additional capacity to handle the greater numbers of businesses supported, as well as supporting local people to access new opportunities (whether they be employment or business) created by new investment.

Engagement Brokers

A team of Engagement Brokers will be recruited to engage with and support existing businesses who are not accessing the current provision. Engagement Brokers originated in Boston USA (as Streetwalkers) and have since been adopted by St Helens as part of their successful round 1 LEGI bid. Particularly relevant to town centre and deprived neighbourhood economies a team of professionals will be out 'on the streets' of Rotherham with local small businesses, delivering low level advice and guidance to assist their growth as well as assisting in 'smoothing' compliance difficulties by facilitating communication with official bodies and helping them to deal with bureaucracy. This will assist to reduce failure rates and increase productivity. Engagement Brokers will also support the development of business watches, supporting actions such as CCTV projects and crime prevention initiatives and will encourage local businesses to draw on other sources of help e.g. Business Link. The Engagement Brokers will be based in the Central Launch Pad Plus.

Supply Chain activity:

- **Business Opportunity Spin Out (BOSO)**
- **Rotherham Knowledge Diffusion Centre (RoKD)**

The Achieve strand of our bid is directed towards existing businesses that are underachieving because their owners don't have the confidence or resources to seek new customers and markets or develop new, more profitable, products and services. The **Business Opportunities Spin Out (BOSO) database** will provide ideas for new products and the **Rotherham Knowledge Diffusion Centre (RoKD)** will help businesses to acquire and utilise the knowledge that they require to successfully develop a new product or service.

BOSO is a development of a successful programme developed by Twente University in Holland. It will be established as an innovation database and contain ideas for products where originators have suspended development and products / services where the current offer was considered unsatisfactory. There will also be analysis of the RMBC procurement spend. This database will be available to local businesses seeking product development ideas and new entrepreneurs looking for business ideas.

RoKD will be a social enterprise based on the community interest company model with a predominately private sector Board of Directors, to ensure that RoKD retains a focus driven by business needs of local private and social sector companies. This structure will permit RoKD to raise some private sector capital and the business plan

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

shows that it will be self financing after 3 years with future profits being used to sustain elements of the Rotherham Achieving programme. RoKD has adapted a Knowledge Acquisition and Dissemination technique, that has been used successfully to transfer knowledge within large businesses including Rolls Royce, to help SMEs define the scope of the knowledge they need to solve a problem or develop a new product or service. This intervention is needed because a study carried out in 2005 for the Rotherham Achieving Partnership to identify barriers to research, development and innovation in leading Rotherham SMEs showed that whilst businesses recognise that universities have highly skilled people and that there are potential benefits in working with them, practicalities of such linkage is difficult.

BOSO and RoKD will be operated by a team of three people who will work with businesses on sourcing ideas for the database and RMBC to open up supply chain activity, as well as work with entrepreneurs and businesses who wish to develop the ideas. These services will be available via the Launch Pads.

Local Benefit (JOBMatch and Stepping Stones)

The additional investment that is planned for Rotherham over the next ten years is high – but will local people maximise this benefit for the good of their community and economic well-being. Recognising that business start up is not the preferred option for everyone additional support will be available to improve local access to new jobs created. This will be built on the already successful JOBMatch and Stepping Stones (pilot) model which is complementary to JobCentre Plus provision. With JOBMatch working closely with investors to fully understand their needs and Stepping Stones working within the communities to engage people and ensure that they are job ready, with skills that match the economic growth. The JOBMatch and Stepping Stones workers will operate from within the community linked closely to the Launch Pads.

Franchising

As an enhancement to the services provided the importance of franchising and current lack of support has been recognised. Based in the Central Launch Pad Plus the Franchise Broker will provide a full support package. Typically this will include:

- Financing the business/Evaluating a franchise
- Help in setting up the business
- Trading locations
- Costs and returns
- Competitors and a realistic assessment of the completion
- Introductory training, usually covering general skills e.g. book-keeping as well as training needed for that particular business
- A detailed operations manual which tells an individual how to run that business
- Ongoing support and advice

Franchising is recognised as being particularly attractive to women, the black and minority ethnic community and the 3rd age - since 1995, the number of franchisors looking to specifically recruit women has tripled.

The franchising proposals already have the full support from one of the banks in Rotherham who will partner the project.

Successful franchise operations have a much less lower failure rate than completely new businesses. Source: HSBC

Project Design and Readiness

The individual projects outlined above will complement Rotherham's existing enterprise network so that we genuinely offer enterprise for all.

The need for the projects has been identified by a range of different organisations and, following agreement by the full partnership, project design has been led by the most appropriate organisation which has resulted in projects being proposed and led by Rotherham Chamber of Commerce, individual companies, Rotherham College, RMBC and in the case of RoKD by a sub group of the Achieving Partnership led by a private sector chair.

We believe the scene is set in Rotherham to embrace the opportunity LEGI funding will bring to the borough. We have spent a number of years tackling the issues of employer engagement & developing comprehensive partnerships and supporting structures which means we are well placed to "hit the ground running".

***"People make things happen.
And we have the right people to make the right things happen."***
Richard Poundford, Head of RiDO

(b) Please explain how your proposals ensures that people living in deprived areas will benefit.
--

Bottom Up rather than Top Down

Our bid will provide opportunities for those in deprived areas and the identified under represented groups, in six key ways:

1. It provides a community based approach to engaging people in our new enterprise programmes which will leverage existing trust relationships by using people living and/or providing community based services in these areas to introduce people with an embryonic idea to the locally based Enterprise Champions.
This trust relationship is an essential part in helping people overcome any fears of not being taken seriously when they seek advice. Significantly in the recent Enterprise Island mini-challenge 90% of the participants came following a referral from someone they knew.

<i>Example - Jane a lone parent from Rawmarsh uses her local Children's Centre and through a presentation given at the Centre by the Enterprise Champion became interested in setting up her own café. Jane discussed this with the staff at the Children's Centre who she is familiar with and through their newly developed knowledge as Enterprise Spotters set up a meeting for Jane with the Champion at the Children's</i>
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**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Centre. Through the flexible LEGI provision, individual enterprise support is available to help her to achieve her goal.

2. It recognises that whilst people living in these areas have enterprising qualities their circumstances mean that they are often short of confidence and lack resources. The programme will help people to overcome the confidence issue and will provide the resources needed to turn the idea into a strong business concept ready for development and implementation.

Example - Bob has not taken his business idea forward before as he didn't think the services of Business Link and RiDO were for him. Through meeting the Enterprise Champion in the local library, he is now able to progress his business idea by being coached through a process which has helped him to recognise and develop his own skills and abilities. The Enterprise Champion also linked him in to the incubation facilities available in the area, which provide professional office space at low cost.

3. By getting out in the streets and door knocking with businesses who haven't engaged in Rotherham economic development agenda before.

Example - The new posts on Engagement Broker are concentrated on engaging with existing businesses that currently don't access the support provided for them. The Engagement Brokers will help businesses to meet their regulatory obligations, support them to grow their business through linking into new supply chain activity or working on staff training issues to improve productivity for example.

4. For people who have the desire to start a business but don't have a clear idea of what to do the programme proposes to support a new approach demonstrating new, viable business opportunities.

The programme will analyse local supply chains for opportunities and provide a brokerage service to bring together people who have an idea for a product but don't wish to develop it themselves with people and existing businesses that are able to commercialise the idea.

Example - Through the Spotters and Champions Sam has expressed an interest in starting her own business but she hasn't got a viable business idea to progress. By working with the Champion and BOSO team on assessing her strengths and looking at the opportunities available locally through new investment Sam has an idea to develop.

5. The supply chain element of the programme will be demand led to improve business competitiveness. This programme will identify local supply opportunities, linking them to appropriate businesses that are likely to win contracts and then using advanced knowledge management and diffusion techniques to coach enterprises in the private and social sectors so they are aware of what they need to do to win business from these opportunities.

Example - Through the Engagement Broker programme any business looking to grow will be linked into the support available linked with Supply Chain activity (Knowledge Diffusion, Business Opportunities Spin Out, etc). The support package will assist them in improving their ability to tender and access new opportunities.

6. Successful growing businesses and new investors will create new employment opportunities. The existing JOBMatch and Stepping Stones pilot programmes will link people from deprived communities with these new employment opportunities.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Example - By working closely with investors to identify new opportunities and jobseekers to match them with the opportunities available, local people will be able to access jobs easier.

JOBMatch have experience in running recruitment programmes for new investors and this would be expanded to focus on the LEGI communities.

“We need to get the message across that there are all those opportunities out there.”

Andy Pickles, The Music Factory Ltd

Fit for Purpose

The programme is fit for purpose in terms of ensuring that people living in deprived areas will benefit, however there is under-representation of business starts by different groups; Women, BME, Disabled and 3rd Age living in all areas of Rotherham. The programme is relevant to all and builds upon existing good practice such as Rotherham Ready (which provides Enterprise Education from age 4 to 19 years), the well developed and respected Rotherham Youth Enterprise Programme, the Business Centres, the Rotherham Women’s Business Network and the Athena programme focused around encouraging and celebrating women’s leadership.

Identified barrier	Proposal to address
Culture of traditional businesses, job for life	Using Rotherham Ready, Enterprise Spotters, Launch Pads, Enterprise Champions and role models to inspire people.
I can’t do that	Using the Enterprise Champions to work on areas such as motivation, confidence and skills. Building trust in the locality through the Enterprise Spotters.
Finance	Local Enterprise Growth Allowance Scheme.
Low Skills	Rotherham Ready and Investors in Education providing young people with a better awareness of the business world. Enterprise Champion and Enterprise Broker supporting skills development.
Business support is not for me	Enterprise Launch Pad, localised provision, targeted support for under-represented groups all with a high presence in deprived neighbourhoods.
Low aspirations	Raising awareness of enterprise and local opportunities.
No business ideas	Franchising, BOSO, Supply Chain, Knowledge Diffusion.
Dependence on benefits	Increasing flexibility for a phased reduction in benefit dependency through the Local Enterprise Growth Allowance Scheme (LEGAS).

**OUTCOME : A culture change to Enterprise for All
*People and Businesses Achieving***

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

(c) Please outline how your proposals are fully integrated with other relevant local and regional strategies.

Rotherham completed a major refresh of its **Community and Neighbourhood Renewal Strategies** in July 2005 based upon extensive public and partner consultation. The refresh also provided improved alignment with the **Regional Economic Strategy** and the **Northern Way**.

The **Local Area Agreement (LAA)** signed earlier this year stems from these strategies. Expert Block groups were established, reporting to the Local Strategic Partnership (LSP) Theme Groups, and to the Chief Executive Officers Group of the LSP group. The Block Groups brought together evidence, needs assessment and consultation material to determine the added value the LAA could bring. Consultation has included borough wide events, geographic events and focus groups of communities of interest, as well as Citizen Panel surveys, and consultation on single issues and services.

Rotherham's Neighbourhood Renewal Strategy (NRS) (2004-2010)

The Rotherham Achieving – "Enterprise for All" programme is supportive of the NRS ensuring that all communities benefit. Rotherham Achieving combines the efforts of a wide range of partners to tackle some of the root causes of deprivation and will link with activities funded by the Neighbourhood Renewal Fund to provide an integrated message and operational referral system within neighbourhoods and target groups. Enterprise has a strategic fit with the focus areas of the NRS:

- Improving the life chances of children and young people
- Enabling everyone to achieve functional skills for life
- Improving the position of the economically disadvantaged through sustainable employment.

The LEGI programme has been developed to directly deliver the actions agreed within the LAA. It offers an integrated strategic programme that addresses economic inactivity and the weak entrepreneurial culture and is a programme that has direct local small area relevance.

A summary of links to relevant strategies is detailed in the table that follows.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

<p>NW = Northern Way RES = Regional Economic Strategy CS = Rotherham Community Strategy</p>	<p style="text-align: center;">Rotherham Achieving Actions</p> <p>~ Engagement Brokers and supply chain activity to encourage business growth, and hence new employment opportunities.</p> <p>~ More competitive and innovative businesses will create new quality jobs. The Stepping Stones and JOBMatch programmes will connect people with these new opportunities.</p> <p>~ Engagement Brokers activity will engage more businesses into traditional growth programmes which will be enhanced to handle the increased demand for their services.</p> <p>~ RoKD will help businesses become more competitive by using supply chain opportunities to clearly identify the steps a business must take to become fit to supply that market. The Centre will help businesses acquire the knowledge that they need to develop innovative new products and services.</p> <p>~ The Launch Pad and Enterprise Champions structure will increase new business starts.</p> <p>~ Increased incubation capacity at Dinnington will provide additional start up support.</p> <p>~ The Enterprise Launch Pads and Champions structure will engage and nurture the latent entrepreneurs who feel that traditional business services are not for them.</p> <p>~ Rotherham Achieving enhances the current children and young people's offer. The enhancements are based on experience from Rotherham Ready and include initiatives such as the Young Chamber, resulting in a new enterprise-ready generation.</p> <p>~ The Knowledge Diffusion Centre will assist with innovation.</p> <p>~ Rotherham Achieving is rooted in the communities encouraging people to set up businesses and social enterprises in their own communities. As part of our public sector procurement process we will track local spend to assess the impact of increased local procurement and ensure that deprived communities benefit from the change in procurement.</p> <p>~ Improving the quality of local supply chains will reduce traffic movements. Also it is well documented that worklessness is bad for health. By improving jobs and self employment opportunities the health of the community should improve.</p> <p>~ The Launch Pad will encourage business starts from under-represented sections of the community. In particular we are targeting BME, 3rd Age, Disabled People, Young People and Women.</p>
<p>Objectives</p> <p>NW = Bring More People into Work RES = Connect people to Good Jobs CS = Create the right conditions for inward investment</p> <p>NW = Strengthen our knowledge base to support innovation by every company RES = Competitive Businesses CS = Delivering Competitive growth sectors & Provide the necessary support to increase the number of successful businesses.</p> <p>NW = Build a more entrepreneurial culture RES = More Businesses CS = Stimulate enterprise (particularly between business and business and education), creativity and innovation.</p> <p>NW = Create truly sustainable communities RES = Sustainable Development CS = Sustainable Development</p> <p>RES = Diversity CS = Fairness</p>	

- | | |
|-----|--|
| (d) | Describe your partnership arrangements in relation to the development, governance and implementation of the proposals. |
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Who developed the bid?

The programme has been built and developed by the Rotherham community and the whole of the borough and its partners are behind making LEGI a real success story.

Core Team - The bid has been a natural process for Rotherham due to the mature and comprehensive nature of our partnerships. The development of the proposals has been managed by the LEGI Steering Group, containing representatives from the following organisations:-

- Rotherham MBC (Economic Development and Children and Young People's Services)
- Rotherham Partnership
- Jobcentre Plus
- Private Sector Businesses
- Business Link South Yorkshire
- Voluntary Action Rotherham
- Rotherham Chamber of Commerce
- Rotherham College
- Yorkshire Forward
- Phoenix Enterprises (Social Enterprise)
- Community Partnerships
- Learning and Skills Council

Wider Involvement - Involvement and consultation has included a much wider partnership with input from as varied a range of partners as possible, as demonstrated in the table at the end of this section.

Involvement in the creation and development of the LEGI programme of work has been dependent on the focus on activity e.g.

- **Enterprise Apprenticeship** has been developed by partners including the Further Education sector, RMBC, Prince's Trust, Nord Anglia Training, Lifetime, Connexions and Sheffield Hallam University – with input from young people as to their requirement of the programme;
- **Launch Pad and Enterprise Champion and Spotters** structure has been developed by RMBC, Community Partnerships, Voluntary Action Rotherham, Rotherham Chamber of Commerce, the Prince's Trust, Children's Centres and the private sector (via businesses operating in the Council's Business Centres)
- **Knowledge Diffusion** development has been undertaken by a number of private companies including Nicholas Associates Ltd, Innovex Advanced Solutions Ltd, ASD lighting, Fretwell-Downing Group, Beta Technology, Music Factory, Business Link, RMBC,

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Rotherham Chamber, Rotherham Partnership, Sheffield University, Sheffield Hallam University, Rotherham NHS Hospitals Trust and Rotherham College.

- **Rotherham Ready enhancement** - led by private sector with strong input from RMBC, Chamber, Chamber members and organisations such as Business Education South Yorkshire.
- **LEGAS** led by the social sector with input from the public sector.
- **Engagement Broker** activity will be a joint activity between Chamber, RMBC, Business Link South Yorkshire, Police and Private businesses.

The table below sets out details of local groups and organisations that have been involved in the development of the bid:-

Groups/Individuals	Involvement	Contact
RMBC - Economic & Development Services, Children and Young People's Services	Member of LEGI Steering Group Delivery Partner for <ul style="list-style-type: none"> ▪ Enterprise Apprenticeships ▪ Programme Management ▪ Launch Pads and Champions 	Richard Poundford (Head of RiDO)
Rotherham Chamber of Commerce	Member of LEGI Steering Group Sought private sector comment and input to bid through "Rep Council" and "Working Groups" Delivery partner for :- <ul style="list-style-type: none"> ▪ Launch Pad Plus ▪ Engagement & Enterprise Brokers 	John Lewis (Chief Executive)
Rotherham Local Strategic Partnership	Member of LEGI Steering Group Achieving Board provide strategic management of programme and will support the Local Enterprise Boards	Nick Cragg (Chair of Achieving Board)
Rotherham College	Member of LEGI Steering Group Deliver "Enterprise Apprenticeship" activity	George Trow (Principal)
Business Link South Yorkshire	Member of LEGI Steering Group Led on development of marketing activity brief	Denis Healy/ Anne Selwyn
Voluntary Action Rotherham	Member of LEGI Steering Group Leading on recruitment and management of the Enterprise Spotters	Keith Dodson
Yorkshire Forward	Member of LEGI Steering Group	Guy Gibson
Private Sector <ul style="list-style-type: none"> • Julie Kenny CBE DL (Pyronix) • David Thomas (Merlin 360) • David Bowser (Reco) 	Members of LEGI Steering Group Delivery of "Lets do business" Delivery of marketing Questionnaires on needs & barriers completed by 100+ town centre businesses	Jeff Wharfe (Local Strategic Partnership)

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

International Ltd) • Andy Pickles (Music Factory) • Laurianne Enos (OiMoi)	1-2-1 interviews with existing businesses in RMBC incubators Support to Local Enterprise Boards Member of Enterprise Island panel	
Disabled Support Groups • Scope • Speak Up • Headway • IMBY • MyWays	Provide staff to fill Enterprise Spotter roles. Deliver Enterprise Champion activity, through existing staff	Val Allen (Scope)
Jobcentre Plus	Member of LEGI Steering Group	Shamsa Latif
Learning and Skills Council	Regular consultation on the bid	Bob Johnson
Community Partnerships • Canklow • Eastwood & Springwell Gardens • Wath • Dinnington • Treeton	Members of LEGI Steering group Provide Enterprise Spotters Provide Launch Pad premises and reception staff Questionnaire to people undertaking community learning activity Enterprise Island – attended by 27 members of the community	Keith Dodson (VAR)
Prince's Trust	Member of LEGI Steering Group Manage Young Person's Enterprise Champion.	Paul Baker
Phoenix Enterprises	Member of LEGI Steering Group Delivery of LEGAS activity	Peter Butters
Young People	Questionnaires to 6 th formers on starting own business/self employment 1-2-1 interviews with existing Youth Enterprise Businesses	Jackie Frost (Youth Enterprise)

Pilot activity:

Much of the activity in the bid is developed through learning from existing best practice in the UK and internationally as well as some activity that we have piloted locally. The Enterprise Launch Pad and Champion, Enterprise Island and Stepping Stones have all been piloted and their success proven. Incubation Centres are well established and successful in other parts of Rotherham.

How will the LEGI programme be managed?

Delivery - A LEGI Team will be recruited to manage the day to day operation of the programme and provide monitoring of expenditure and delivery of the agreed outcomes and outputs. The team will comprise:-

- LEGI Manager (up to £40,000)
- Finance Officer/ Monitoring Officers (x2) (up to £26,000)
- Admin Support (up to £15,000)

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Recruitment of this team will commence as soon as a bid decision is made with partners picking up the work prior to the appointments in order to ensure a prompt start in January 2007.

Strategic Management - Rotherham's LSP has five theme boards relating to the Community Strategy themes of Achieving, Learning, Safe, Proud and Alive. The Achieving Partnership Board is charged with economic development and enterprise and has provided strategic input into this bid. This Board, which has a private sector chair and deputy chair includes representatives from the private, social and public sectors including health, education, environment and transport.

The Board has responsibility for ensuring delivery of the 4th block of Rotherham's LAA and will assume similar responsibility for delivering LEGI.

Strength in Partnership

Partnerships already in existence in Rotherham and ready to deliver the LEGI programme are:

The Achieving Board is the economic element of Rotherham's Local Strategic Partnership and is led by a private sector chair and vice-chair - a particular passion of the group is enterprise and employment.

The Rotherham Enterprise Network which brings together in excess of 15 agencies working and communicating together to foster enterprise.

Rotherham Employability Group – a wide ranging group tackling issues of worklessness and social exclusion, focused on increasing Rotherham's Employment Rate and supporting the hardest to reach groups.

The Chamber of Commerce - Education and Training Group which brings together a wide range of employers with key figures from the Education to develop the enterprise agenda.

The Rotherham Ready - Enterprise Development Groups represented again by key people from both the public and private sectors.

Investors in Education – an employer led network of over 200 SMEs actively supporting young people's enterprise enthusiasm

- (e) Please outline how you would ensure your proposals will develop a more comprehensive knowledge base that will enable current and future enterprise growth projects and policies to take full advantage of lessons learned, and to replicate what works.

Sharing Best Practice

Embedded in Rotherham's approach is a willingness to work closely with others which emanates from experience and multiple benefits of the national Beacon Status dissemination programmes and lessons learned from others including our international partners. Regional and sub-regional networks will be used as a tool to share the experiences, primarily through Yorkshire Forward. A full summary of the activities undertaken as part of the Beacon work are available from RMBC.

Built into our LEGI proposals are plans to take knowledge sharing a stage further by continuing to host learning visits and undertake detailed project evaluation all of which will be publicly available.

Evaluating the Programme of Work

Due to the long-term nature of LEGI a full evaluation programme will enhance future policies locally, regionally and nationally. This evaluation will be undertaken by an independent body to give the programme the important external assessment. Similar evaluations will be undertaken at two yearly intervals after the third year of LEGI to inform the continued growth and development of the programmes put in place.

At the start of the LEGI programme the Rotherham Reachout Panel (citizen's panel of 1,400 local residents) will be utilised. Panel members will be surveyed on the concept of Enterprise, which will be followed by a mid-term survey after 18 months with a further survey at the end of the three year period. The survey will be broken down geographically and by community of interest.

Alongside this, detailed focus groups will be held in the four Launch Pad areas (with individuals and businesses) to assess enterprise awareness, knowledge and achievements over the term of the project.

The evaluation team will be commissioned to undertake analysis with partners, providers, communities and beneficiaries.

The Chamber of Commerce's Benchmarking Group will lead on evaluation for the LEGI partnership.

Data Management

Rotherham's bid has been developed on a strong evidence base which will continue to develop through the lifetime of the LEGI programme. The 2005 deprivation study undertaken

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

by the Oxford Consultants for Social Inclusion provided Rotherham with baseline evidence of deprivation. This will be built on through the work of LEGI.

Using partner's data management expertise and the monitoring officer employed as part of the LEGI review team output data will be collected quarterly and presented to the Strategic Steering Group for LEGI, who will have responsibility for monitoring and reviewing performance.

Systems for managing the LEGI project and performance data are in place in RMBC via the system Performance Plus which is used to manage the information required for the LAA, Community Strategy and other strategic plans. "BETA model" provides detailed information on the local business base. The data systems will work in a co-ordinated way to provide effective local statistics and will be linked to systems being developed to share data across South Yorkshires City Strategy pilot area. The intelligence collected will feed in to quarterly review of the programme thereby enabling gaps in provision to be addressed.

Annual Enterprise Celebrations

The four Enterprise Launch Pads will have annual enterprise days and Celebration of Achievement events, which will be used as a key tool to collect evidence and identify how to further address barriers to enterprise. Lessons learnt from the Rotherham Ready and Investors in Education programmes will be linked into the LEGI programme.

Mystery Shopper

In addition a mystery shopper model will be used to assess the quality of services being delivered by the programme – this will be based on an existing model operating within Rotherham's tourism sector.

- (f) Please provide a description of:
1. What would qualify as success for your local proposals.
 2. How success would be measured.
 3. How often success would be measured.

Rotherham – A better place to live, work and learn

Our overall measure of success would be to increase the number of people in Rotherham's deprived areas and communities, who had knowledge of enterprise as a progression route for employment and/or education.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

Specific measures of success would be two fold;

Clearly tangible outcomes based on an increase in business start ups, people going into self employment, increasing incomes, increasing employment rates, reducing social exclusion and child poverty will move us toward our goal of achieving the national average – this will be the core of our success.

However, this will be underpinned with less tangible outcomes, such as more people feeling good about themselves and the community they live in. We need to be vocal about the successes in Rotherham so as to inspire others to add their own contribution to the regeneration of the borough.

Our methodology for measuring these outputs/outcomes will be as follows:

- Outputs will be measured quarterly and reported to the LSP Achieving Board. As with LAA there will be in depth 6-monthly reviews of overall progress and success.
- The less quantifiable outcomes will be measured after 18 and 36 months. This has been built into the programme management costings.

(g) Please set out how your proposals would make a <u>sustainable</u> difference after funding from LEGI has come to an end.
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The 3 year LEGI investment will allow us to make a long term sustainable change to our local economy by stimulating enterprise growth in our deprived neighbourhoods and bringing them into the existing supporting infrastructure, where they can grow through our embedded partnerships and business support.

The LEGI activity will be the catalyst to create a cultural change in attitude towards enterprise and entrepreneurship with it becoming a viable option within communities rather than an option for the elite.

With dedicated funding the LEGI investment will allow us to plant the necessary seeds within our communities through which enterprise understanding can grow and prosper. When funding ends the cultural foundations will have been laid allowing Rotherham to cultivate the growing enthusiasm for enterprise and reinvest the experiences and examples of these new businesses back into the community, stimulating more interest. Our objective through the LEGI investment is to build the necessary capacity within our 'enterprise spotters' and community organisations to support enterprise long after the funding has ceased.

As stated in our opening outline there has to be a sustainable return on this investment and to that end our focus is to not only to **deliver quality enterprise programs**, but more so to **build capacity and understanding** backed up with robust **supporting structures** to sustain growth.

Partners in the bid see continuation as a priority of how the programme will be established with continual review and evaluation informing how the programme will be delivered locally.

Specific Sustainability Plans - Examples

The LEGI Programme has identified three main options for the proposed activities once LEGI funding ceases:-

- 1) The activity is time-bound to provide an initial boost to enterprise and entrepreneurship in the target groups and communities. Subsequent to this the activity will be absorbed into existing provision.
 - **LEGAS** – no other sources of funding it will continue as long as LEGI lasts
 - **Enterprise Island** – Three events run over first two years to kick start activity and raise profile of enterprise. Will then cease.
 - **Marketing** – high level of marketing will cease after Year 3, although brand will continue
 - **Enterprise/Engagement Brokers** – will continue as long as LEGI is available, although numbers will reduce after Year 4 as initial surge in numbers reduces.
 - **JOBMatch/Stepping Stones** – taper off support from Year 4, cease after Year 5.

- 2) The activity becomes self-sustaining, or in certain cases will deliver a surplus, which will be reinvested into other LEGI activities identified through.
 - **South Rotherham Incubator** – generating a surplus by Year 3
 - **Enterprise Spotters** – can continue without funding post-LEGI, although this will remove the reward element and may have a negative impact
 - **Rotherham Knowledge Diffusion Centre** – sustainable by Year 3.
 - **Business Crime Initiative** – sustainable by Year 3 through fees from private sector beneficiaries
 - **Launch Pad Plus** – Rental of space to other support agencies will provide funds to sustain the building with reduced level of staffing from year 3.
 - **Launch Pads** – after year 3 continue in local facilities provided by the local partners, or revert to a “virtual model” run from the Incubation Centres.

- 3) Other sources of funding are identified to continue the activity, albeit at a reduced rate in certain cases
 - **Geographical Enterprise Champions** – reduced funding sought in years 4 and 5 to taper off LEGI support as other sources secured
 - **Enterprise Apprenticeships** – LSC funding will start after year three, but will rise gradually meaning some reduction in provision if LEGI ceases before Year 10

In the longer term it is proposed that both buildings funded through LEGI (Incubator and Launch Pad Plus) could be turned into Social Enterprises. The feasibility of this will be included within the Year 3 evaluation of the scheme.

(h) Please set out how your proposals represent value for money.
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Our proposed LEGI programme builds on a strong base of existing activity which gives confidence to all partners and others of our ability to make a difference. The parties to the bid have a rationale to test and deliver value for money on each element of the programme and are used to comparing themselves to national norms for unit output.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

After discussions with some of the successful Round 1 bidders and with RBT, the Council's procurement partner, we have decided that a mixed procurement strategy will provide best value for money and simplify the procurement process as much as possible.

Although the Council will remain the bid's "Accountable Body" a number of other organisations will be named as "Delivery Partners," where they have been involved in the development of the bid and also can show a proven track record in delivering this activity to an acceptable cost and quality level. These Partners will be tasked with delivering certain parts of the bid activity, through a Service Level Agreement with RMBC, and the requirement to follow public procurement processes for any work that is sub –contracted to other organisations.

Proposed Delivery partners are:

- **Rotherham Chamber of Commerce** – Engagement & Enterprise Brokers, Franchising and running of the Launch Pad Plus
- **Phoenix Enterprises** – LEGAS and Stepping Stones
- **Voluntary Action Rotherham** – Enterprises Spotters
- **Music Factory** – U-xplore (which they have developed themselves)

Construction of the South Rotherham Incubator will be through Rotherham Construction Partnership, who is an existing delivery agent for RMBC and have tendered for and won the contract.

Marketing activity will be tendered through normal procurement routes, OJEU due to its value. This will be started as soon as the bid has been submitted, subject to money being secured, to ensure that it does not slow down delivery.

The high number of awards/endorsements won by the delivery partners for their existing activity [RMBC (Beacon Awards), Chamber of commerce (Chamber of the Year 2005) and Phoenix Enterprises (NEP Award)] demonstrate an independent endorsement of the high quality of our product.

All RMBC Incubation Centres operate on a break even basis and in a number of cases produce annual surpluses.

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| (i) Please provide details of annual indicators and outcomes expected to be delivered using LEGI funding. It should be made clear to which of the three LEGI outcomes the indicators and outcomes relate. Collaborative bids also need to indicate within which authority these would be delivered. |
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**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

	Indicator (Sets out which indicators are to be used)	Year 1 (January 2007- March 2008)	Year 2 (FY 2008 – 2009)	Year 3 FY 2009 – 2010)	Forecast Outcomes and Indicators <small>(Please indicate below the Financial Year in which these are expected to be achieved)</small>
Increase total entrepreneurial activity among the population in deprived areas*	Business deficit gap per 10,00 population between Rotherham and the target communities (Betamodel figures)	21	28	36	
		15	20	25	
	Number of VAT registered business start-ups per 10,000 population	26	27	26	Parity with regional achieved year 2 and national year 5
		30	33	36	
	Percentage of people thinking of starting a business	3.3%	3.3%	3.3%	
		4.0%	4.4%	5.0%	
Number of new start businesses located in RMBC owned business centres of registering with business link (LAA 4 th Block stretch target)	210	214	218		
	260	264	270		
Support the sustainable growth, and reduce the unnecessary failure, of locally owned businesses in deprived areas*	Percentage of people of working age in employment who are self employed	8.3%	8.1%	8.3%	Parity with regional figures year 5/6
		8.6%	8.9%	9.4%	
	Number of VAT registered businesses per 10,000 population	242	244	246	Gap with regional rate halved by year 10
		247	256	266	
	36 month Business Survival rates	71%	71%	71%	
		71.5%	72.0%	72.5%	
Attract appropriate inward investment and franchising into deprived areas, making use of local labour resources*	Gap in average annual income for households between Rotherham and GB	£5,325	£6,125	£6,925	
		£5,225	£5,925	£6,625	
	Employment Rate	74.8%	75.1%	75.4%	Rotherham's long term target is to reach an 80% employment rate
		75.2%	75.6%	76.2%	
	Economic Inactivity	22.2%	21.9%	21.6%	
		22.0%	21.8%	21.4%	
	Number of IB claimants assisted into work for > 16 hours/ week for 13 consecutive weeks (LAA 4 th Block target)	44	106	188	
		55	133	255	

*Rows are split to show outcomes with and without LEGI

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

5. Finance section

(a) Please provide headline costings (LEGI resources) for the first three years of your programme. Collaborative bids should also indicate a breakdown by authority. *For further information on funding payment options for collaborative bids, see the guidance document.*

		Revenue	Capital	Total
Year 1	January – March 2007	454,000	250,000	704,000
	April 2007 – March 2008	3,284,000	2,360,000	5,644,000
Year 2		3,548,000	0	3,548,000
Year 3		2,901,500	0	2,901,500
TOTALS		10,187,500	2,610,000	12,797,500

(b) Projected outline costs for the remainder of your proposed programme.

Year (where applicable)	Revenue	Capital	Total
Year 4	1,838,000	0	1,838,000
Year 5	1,751,500	0	1,751,500
Year 6	1,415,500	0	1,415,500
Year 7	1,328,000	0	1,328,000
Year 8	1,170,000	0	1,170,000
Year 9	1,048,000	0	1,048,000
Year 10	948,000	0	948,000
TOTALS	9,049,000		9,049,000

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

(c) How do these costs break down against the work streams. Include details of any management or administrative costs.

Workstream	Jan-Mar 2007		2007/08		2008/09		2009/10	
	LEGI	Other	LEGI	Other	LEGI	Other	LEGI	Other
Dinnington Incubator	50,000	332,000	1,560,000	1,758,000	100,000	720,000	50,000	50,000
Enterprise Champions	10,000	20,000	365,000	75,000	405,500		334,000	
Knowledge Diffusion/supply chains	65,000		176,000		130,000		78,000	
Launch Pads	15,000		70,000		55,000		53,000	
Local Enterprise Boards	13,000		84,000		96,000		112,000	
Rotherham Ready	0	87,000	263,000	357,000	213,000	349,000	0	
Launch Pad Plus - purchase, refurb and running costs	222,500		1,025,000		305,000		310,000	
Town Centre engagement - staff & events	150,000	126,000	1,137,500	781,000	1,066,000	170,000	822,000	
Let's do business	0		55,000		60,000		63,500	
LEGAS	0		110,500		158,500		168,000	
Enterprise Spotters	10,000		63,000		50,000		45,500	
Business Crime	32,000		100,000		100,000		100,000	
Enterprise Apprenticeships	26,500	43,000	175,000	201,000	229,000	253,000	240,500	67,000
Marketing	0		150,000		150,000		150,000	
Enterprise Island	60,000		60,000		60,000		0	
Stepping Stones/ JOBMatch	0	143,000	0	430,000	120,000	200,000	125,000	
Programme Management	50,000		250,000		250,000		250,000	
Total	704,000	751,000	5,644,000	3,602,000	3,548,000	1,692,000	2,901,500	117,000

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

- (d) Please detail leverage from other sources of funding that will be applied to the LEGI proposals.

Leverage

SRIP

£900,000 approved to stage two for the South Rotherham Incubator
£1.2 million of funding for the Rotherham Enterprise Development (RED) Project. This is split between Town Centre, Youth Enterprise and Rotherham Enterprise Network activity that will link with and complement LEGI

European Structural Funds

£1.59M from Objective 1 Priority 5 is being developed with the Objective One secretariat.

Rotherham will receive support under the **Objective 1 Successor Programme** (2007-13), which supports the Lisbon agenda of Jobs and Growth will link closely to LEGI. Details on the exact amount of money available and activities it supports are still under discussion, but the LSP through the Rotherham Investment Plan will ensure maximum complementarity of the Programmes.

UK Business Incubation – Small Business Service Business Incubation Development Fund

£150,000 already secured to fund the Enterprise Champion post within Dinnington, until March 2008, when it will be picked up by LEGI

Rotherham Social Enterprise will receive £280,000 from Objective 1/SRB to continue their existing activity until March 2008.

Rotherham Enterprise Agency's Start –Up programme, is funded by Objective 1 until December 2008, with ££595,000 profiled for spend

Alignment

“**Rotherham Renaissance**” is a 25-year multi-million pound programme of massive regeneration for the Town Centre, providing major opportunities for local people and business. **£220 million** of activity is profiled over the next 5 years, with money from SRIP (£34million), Housing Market Renewal (£19 million), Rotherham MBC (£19 million), Objective 1 (£6 million) and the private sector (£140 million)

One scheme included in this package, with a start date on site of October 2006, is **Westgate Demonstrator**. Constructing 5 buildings in the Town providing a mix of retail (2,000m²), Office (3,000m²) and accommodation (150 apartments). Cost of **£50 million** is

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

split equally between public (RMBC, SRIP and Housing Market Renewal) and the private sector developer.

Current spend on **inward investment activity** is currently **£100,000 per annum**, coming from Yorkshire Forward, Rotherham MBC and Objective 1

Huge levels of private sector investment are being targeted at major development sites within the Borough, including: Dinnington (**£200M**), Manvers (**£123M**), Advanced Manufacturing Park (**£50M+**) and the YES project (**£300M**)

- (e) Please provide a basic sensitivity analysis for your proposals illustrating what could be delivered with reduced levels of funding.

10% reduction in funding (£1.34m over 3 years)

This level of reduction would be achieved by cutting the revenue support to a number of activity streams. Although some of these cuts can come from non-staff costs (marketing, etc) a number of posts would have to be lost impacting on the engagement and/or support activities of the bid. This would have a knock on effect on the number of people engaged, businesses started that the programme will achieve.

20% reduction in funding (£2.68m over 3 years)

Removal of this level of funding will start to have a fundamental impact on whether the programme can be delivered. To ensure the revenue based activities, predominantly engagement, are not totally compromised one of the two capital projects will have to be withdrawn. The Management Group would have to decide which building, but either would reduce the impact in the South of the borough or the Town Centre. Loss of the building would also severely the number of people who are engaged while “passing through” the facilities on other business.

6. Risk management

- (a) Please describe the risk assessment process you have undertaken in developing the proposals? What will be the ongoing approach to managing risks during implementation?

Our LEGI programme will use the “Ris-Gen” software model for measuring risk. This assesses strategic and business risk at both a programme and project level, determines and implements mitigating actions and monitors impacts and outcomes. It will also assess probability of risk occurring, the potential impact in terms of cost, service delivery,

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

reputation of partners and legal and statutory compliance. Each risk is nominated a specific responsible officer.

Each strand of activity has produced a delivery plan, which includes milestones for spend and outputs/outcomes, potential delivery risks and what remedial actions should be taken if they occur. Performance of each project against these plans will be monitored on a Quarterly basis by the LEGI Management Team, who will report to the Achieving Board of the LSP.

We have spoken to a number of the bids that were successful under Round 1 (Bradford, St Helens) to ascertain what problems they have encountered and exchange best practice on how they have dealt with this. One of the main areas was the time taken for procuring work, and we have developed our procurement strategy based on the “named partner” approach adopted by St. Helens.

(b) What would be the top 5 key risks to the delivery of these proposals?

Risk	Probability	Impact	Mitigating Action
Failure to recruit numbers and quality of staff to successfully deliver the activity Appointing the right staff is of particular importance for the engagement/mentoring roles	15% Good response when advertising for Champion post in Dinnington	Medium	Widespread advertising for posts. Use existing staff to cover any gaps in the short term. Training
Failure to meet forecast outputs and targets	35% Each activity has undergone detailed planning and risk assessment	High	Realistic phasing of activity and key milestones will reduce risk. Performance Management arrangements with delivery partners will involve strict milestones and contract break clauses. Robust monitoring will ensure that corrective action is taken at an early stage
Low take up of opportunities by target groups and communities	25% Ideas have been developed with the communities and in case of Enterprise Champion already piloted	High	Continue to build the capacity of the communities and business leaders in our key target areas to act as conduits at street level. Enterprise Spotters will be recruited from the locale and will be aware of the barriers to engagement. We will constantly monitor performance and be prepared to change direction and introduce new approaches, with some money ring

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

			fenced for this.
Implementation delays	35% Large projects suffer delays. All partners have high level of experience and can plan/react accordingly	High	Potential to leverage other resources locally and regionally. Delivery mechanisms will commence only when outline budgets and have determined to ensure outputs match funding available
Changing economic trends affecting calculation of impacts and outcomes over the life of the programme	10% Can not effect if it happens but need contingencies in case it does	High	Economic trend analysis and frequent reassessment and evaluation of impact, cause and effect. Regular reviews will ensure that any changes, either political or social are addressed at an early stage

7. State Aid

Please provide details of your assessment of the state aid implications of your proposals, and how you will ensure local proposals are fully compliant with EU state aid rules and procedures:

RMBC will take accountable responsibility for state aid compliance of LEGI supported actions.

The majority of the elements of this bid are delivered under the state aid exemption of 15% aid towards small companies and 7.5% to medium sized companies, or within the de minimus ruling of no more than 100,000 euros of aid within a 3 year period. These rules are routinely tracked as part of existing funding regimes.

The capital proposals for the construction of a business incubator follow the same model as the RMBC's other similar facilities and do not breach State Aid rules

Assistance towards local services or making and selling businesses will be carefully monitored against state aid restrictions to supporting retail activity.

Any future variations in state aid regulations will be tracked and the implications and benefits considered as part of the governance role.

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

8. Governance arrangements

(a) Who would be the named senior responsible owner (SRO) responsible for the delivery of these proposals?

Responsibility for delivery of LEGI activity will be shared between:-
Richard Poundford - Head of RiDO, Rotherham Metropolitan Borough Council
Nick Cragg – Chair of Achieving Board, Rotherham LSP

(b) Please describe the governance arrangements for implementation.

The Achieving Board of the Rotherham LSP will be responsible for overall delivery of the LEGI proposal, monitoring and ensuring that spend and output targets are met and that links are made with other relevant activities in the Borough, the sub-region and the region. This is a role it already carries out for the Economic Development and Enterprise Block of the Rotherham Local Area Agreement.

Strategic operational management of the programme will sit with a new group, based on the Steering Group that has developed the bid. This will link into the Rotherham Enterprise Network (REN) and the existing sub-group of the LSP, which leads on enterprise development in Rotherham.

Each delivery partner has provided a detailed delivery plan for their activity, including profiling of spend and outcomes. These will be used to produce and SLA between the partner and RMBC as programme Accountable Body

(c) What internal resources will be assigned to the programme?

Staff

RMBC:

- Richard Poundford, Head of Rotherham Investment and Development Office, is Senior Responsible Officer for this bid, with at least 50% of his time spent on delivery and management of the programme, predominantly at a strategic level.
- The LEGI Programme Management Team will be managed by RMBC's Economic Strategy Team.
- The geographically based Enterprise Champions will be managed by RiDO's Business Development Team, who already manages the advisers located at the existing Incubation Centres.

Voluntary Action Rotherham:

- Senior Manager sitting on Achieving Board and REN.
- Provide 2 Enterprise spotters, with any "rewards" earned passed onto client organisations

**ROTHERHAM – LOCAL ENTERPRISE GROWTH INITIATIVE BID
SEPTEMBER 2006**

- VAR Network Officers will spend 25% of their time linking networks in to the local LEGI activity

Rotherham Chamber of Commerce:

- Rotherham Core resources including resources from Chamber Skills Solutions will support the delivery of LEGI and will attempt to add value through Chamber Membership Services and the commercial training arm. There are currently 21 staff from both organisations. 1 x CEO 3x Senior Managers - - Business Development Managers x 3 - Events and Marketing Team x6 Account Managers x 4 - Admin Staff x 4

Phoenix Enterprises:

- Four full time staff will be employed by Rotherham Social Enterprise on giving Business Advice and support to the third sector, they will also operate the secretarial and treasury roles for LEGAS.
- Eight staff connected to Stepping Stones and Formula 4 Success will support the programme by helping those who fail to start a business with advice and guidance to enter mainstream employment

Rotherham College of Art & Technology:

- 10% of time of Director of Curriculum and Strategy and Enterprise Manager, will be spent on managing of Enterprise Apprenticeship programme.

Systems

RMBC will use its "System K" database to monitor expenditure and output delivery for the Programme. This is already being used in the delivery of SRB6 (£23 million) and NRF (£7million) programmes providing a regular overview of programme and project performance against profile.

As mentioned elsewhere, Performance Plus and Ris-gen software packages will be used to manage performance and risk. These are already in use by RMBC.

Existing Programmes

Details on existing programmes are contained in Section 5d, setting out leverage and aligned funding for the programme.

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS
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1.	Meeting:	Regeneration and Asset Management Board.
2.	Date:	18th October 2006
3.	Title:	Rotherham Economic Regeneration Fund (RERF) Revised Application Form
4.	Programme Area:	Economic and Development Service

5. Summary

The aim of this report is to inform Members of the revised application form for RERF. The application form has been changed to reflect the newly adopted Neighbourhood Renewal Strategy (NRS) and the Achieving Theme of the Community Strategy. The areas which have changed on the application form are the:

- a. aims and objectives,
- b. addition of new questions
- c. approval criteria

The revisions to the application form, has resulted in it focusing directly on the Achieving Theme of the Community Strategy.

6. Recommendations

That Members note the

Revised application form including the changes to RERF's aims and objectives and approval criteria, which was approved by Cabinet Member for Economic and Regeneration Services at his meeting on 2nd October 2006.

7. Proposal and Details

RERF, previously known as CERB (Community and Economic Regeneration Budget) has been in operation since 1994. It is an initiative internal to Rotherham MBC. From time to time it is necessary to review protocols and systems to make them more effective and efficient. This change to the application form builds on the existing application form that was approved in August 2003 by the Cabinet Member for Economic and Development Services.

The revised application form is attached to this report as **Appendix 1, this includes the aims and objectives, measures of progress, output descriptions and approval criteria**

The first change to note is to the aims and objectives to include links to the Neighbourhood Renewal Strategy. It is important to note that RERF will retain its economic focus when approving funding.

Secondly, additional questions have been included on the application form. These include

- which other alternative sources of funding have been explored prior to applying for RERF,
- what consultation has taken place regarding the proposal,
- how the proposal links into the Achieving Theme and other themes of the Community Strategy
- Qualifying the value for money element of the proposal.

The last change to note is in respect of the scoring criteria. Previously this was based on the proposal achieving a score out of 21. The new approval criteria are not based on a score, but whether or not the proposal meets the strategic objectives of RERF, the Community Strategy and the Neighbourhood Renewal Strategy.

8 Finance

There are no direct financial implications from this proposal. The changes to the application form, will ensure a more focussed approach when allocating RERF monies to regeneration projects

9. Risks and Uncertainties

The risks are low associated with this proposal, which is based on the assessment and experience of running RERF in previous years. The system has been derived from a benchmarking exercise against the Single Regeneration Budget Criteria.

10. Policy and Performance Agenda Implications

Allocating funding to projects which meet the approval criteria for RERF will ensure a more focussed contribution towards meeting the Achieving Theme of the Community Strategy.

11. Background Papers and Consultation

Report to Cabinet Member for Economic Development Services, 11th August 2003 approving the application and monitoring process for the economic element of CERB.

Report to Cabinet Member for Economic Development Services 2nd October 2006, which approved the changes to the RERF application form.

Contact Name : Christine Majer, Economic Strategy Officer, Economic Strategy Team.
Telephone 3817. email christine.majer@rotherham.gov.uk



Economic & Development Services

REVISED FORM - October 06

Rotherham Economic Regeneration Fund Initial Application Form 2006/2007

Project Name **Input project Name**

**Project Sponsor:
(Programme Area)** **Input Project sponsor (Programme Area)**

**Project Manager:
Telephone No.
Email** **Input Manager Name
Phone Number**

Funding required: **Cap Rev & Total**

- 1. Alternative Funding Options.**
List all other funding options explored prior to applying for RERF.

Fund	Date applied	Decision	Reason

2. Project Description -

Describe what your project will do, who will do it, when they will do it and how they will do it. Give details of the aims and objectives the project is seeking to achieve. Be specific as to what R.E.R.F is funding.

3. Consultation.

In the development of this project, what consultation has taken place? State who the consultation involved, the type of consultation undertaken, when it was completed and the outcome.

- 4. R.E.R.F Objectives.**
State which of the objectives this project meets and how. See appendix 1.
- 5. Community Strategy 2005-2010. Achieving Theme.**
Explain how this project contributes to the Key Priorities of the Achieving Theme.
See Appendix 2.
- 6. Community Strategy 2005-2010. Other Themes**
In some cases, projects will also contribute towards other themes of the Community Strategy. Identify which Theme and Key Partnership Priorities this project contributes to. Please refer to the Community Strategy document, pages 55 to 62, which can be found on the Intranet, under Programme Area then Chief Executives.

7 Community Strategy 2005-2010. Cross Cutting Themes of Fairness and Sustainable Development.

State how this project will contribute towards the cross cutting themes.

Please refer to the Community Strategy document, pages 44 to 54, which can be found on the Intranet, under Programme Area then Chief Executives.

8. Funding Profile - All Years

Funding	Status of funding. Approved/ Awaiting Approval				Total
		2006/07	2007/08	2008/09	
RERF					
Capital					-
Revenue					-
TOTAL RERF		-	-	-	-
Other Funding Sources					
					-
					-
					-
					-
TOTAL OTHER FUNDING		-	-	-	-
Grand Total		-	-	-	-

Note

- I. Should RERF funding be approved it will be a one off allocation and no continuation funding will be available.*
- II. Where requests are made from R.E.R.F for salaries, it is expected that future funding will come from mainstream sources. Where this is not possible a full explanation should be provided.*
- III. Please provide the expected or actual approval date for other funding.*

9. Quarterly Profile for current year

Funding	2006/07				Total
	Qt 1	Qt 2	Qt 3	Qt 4	
RERF					
Capital					-
Revenue					-
TOTAL RERF	-	-	-	-	-
Other Funding Sources					
					-
					-
					-
TOTAL OTHER FUNDING	-	-	-	-	-
Grand Total	-	-	-	-	-

10 Project Cost Breakdown.

Show itemised breakdown of the total project costs, identifying what each funding source is paying for

Item	Funding Type			
	RERF			
Total	-	-	-	-

11 Outputs – All Years Table – See Appendix 3.

Code	Output Description	2006/07	2007/08	2008/09	Total
	List outputs				
1Ai	e.g no. of jobs created				
3A	e.g. Ha. Land improved.				

12 Outputs – Current Year Quarterly Profile.

		Qt 1	Qt 2	Qt3	Qt4	Total
Code	Output Description					
1Ai	e.g no. of jobs created					0
3A	Ha. Land improved.					0

13 Key Milestones/Events of the Projects

Milestone	Expected date of completion

14 Explain how this project represents value for money.

15. What is the Forward/Exit Strategy for this project?

Project Name

Input project Name

Project Manager Signature

Name:

Signature:

Date:

Economic Strategy Team

Name:

Signature:

Date:

Revised Aims and Objectives October 2006

1. To help facilitate the economic regeneration of the Rotherham Borough in an integrated way.
2. To enable access to other external funding regimes by undertaking relevant feasibility studies and by providing match funding to achieve maximum leverage.
3. To contribute towards the Regeneration Plan and in turn the Community Strategy.
4. To benefit the community of interest areas as identified in the Neighbourhood Renewal Strategy 2004 – 2010. These include parts of Rawmarsh, Kimberworth Park, Masbrough, Central, Dinnington, Maltby and Wath.

The October 2006 amendment to the RERF Aims and Objectives is the addition of item 4.

Rotherham Achieving – Measures of Progress

Key Partnership Priorities	Measures of Progress
<p>Develop competitive growth sectors, building on the existing strengths & assets in Rotherham & the sub-region, to create jobs & diversify the local economy</p>	1. Close gap in average earning between Rotherham & the UK
	2. Increase employment rate relative to the national average
<p>Create the right conditions for inward investment & the development of world class businesses that will drive the economy by developing the skills of local people & providing high quality facilities & services, & quality environment for growth</p>	3. Increase number of new inward investors (Inc. local expansions)
	4. Increase number of new jobs created from inward investment per annum (cumulative total)
<p>Stimulate enterprise (particularly between education & business), creativity & innovation across the economy, in urban and rural communities, to create new & sustainable opportunities for wealth creation</p>	5. Increase number of young people benefiting from business enterprise activity
	6. Increase annually the net stock of VAT registered businesses
<p>Provide the support necessary to increase the number of successful businesses in Rotherham - both new start-ups & expansions of existing businesses, including social enterprises</p>	7. Increase number of new start up businesses
	8. Improve survival rates of new start up businesses
<p>Engage support & secure private sector & other investment, such as social & community investment, into Rotherham</p>	9. Stabilise the economic contribution of the VCS following the demise of external funding programmes
	10. Increase number of new start-up social enterprises
<p>Maximise economic & other opportunities to reduce disadvantage and raise quality of life & living standards, particularly in the most deprived communities</p>	11. Reduce number of people on incapacity benefit
	12. Reduce level of economic inactivity to the UK average
<p>Develop Rotherham town centre as a destination providing a mixed economy of specialist & quality shops, markets, housing & cultural life for all age groups, & establish a strategy to ensure local centres complement the offer in the town centre.</p>	13. Increase foot flow in primary shopping streets in town centre
	14. Reduce vacancy rate in town centre premises

R.E.R.F – Output Descriptions

Code	Description
1Ai	No. of jobs created (external)
1Aii	No. of jobs safeguarded.
1Aiii	No. of Constructions job weeks.
2A	No. of new business start ups.
2Bi	Area of business/commercial floor space improved
2Bii	Area of new business/commercial floor space created.
2Ci	No. of new businesses supported.
2D	No. of businesses advised.
3A	Area of land improved/reclaimed for open space.
3B	Area of land improved/reclaimed for development.
3C	No. of buildings improved/brought back into use.
4D	No. Of Feasibility Studies completed.

Approval Criteria for Applications made to R.E.R.F

- | | | |
|---|----------------|--------------------------|
| 1. Does the project meet a RERF objective? | Yes/ No | <input type="checkbox"/> |
| 2. Does the project meet Key Partnership Priorities of the Achieving Theme? | Yes/ No | <input type="checkbox"/> |
| 3. Will the project deliver any of the RERF outputs? | Yes/ No | <input type="checkbox"/> |
| 4. Does the project attract other sources of funding? | Yes/ No | <input type="checkbox"/> |
| 5. Will the project be of benefit to a community of interest area as identified in the Neighborhood Renewal Strategy. | Yes/ No | <input type="checkbox"/> |

Recommendation

To be completed by those scoring the project

Approve to progress to Delegated Powers

Reject

Head of Service Comments

Signed Head of RIDO. _____

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of the Local Government Act 1972.

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