

REGENERATION AND ASSET BOARD

Venue: Town Hall, Moorgate
Street, Rotherham.

Date: Wednesday, 6 December 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 15th November, 2006 (Pages 1 - 8)
4. Matters arising
5. Minutes of a meeting of the Town Centre Accommodation Project Board held on 10th November, 2006 (Pages 9 - 13)
6. European Social Fund (ESF) - National Operational Programme 2007-2013 (Pages 14 - 22)
Economic Strategy Manager to report.
 - to update on development of the new ESF Programme and consultation process.
7. VAT Registered Businesses (Pages 23 - 27)
Research & Spatial Analysis Officer to report.
 - to note the content of the report.
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 particular individual (including the Council)):-
9. Adult Services Asset Management Plan (Pages 28 - 38)
Asset Manager to report.
 - to report funding proposals for adult services asset management plan. (Please note that Appendices D1, D2 and D3 will be provided separately.)

10. Community Building Review and Area Asset Management Plan (Pages 39 - 42)
Asset Manager to report.
 - update on the proposed community buildings review and development of area asset management plans
11. Land adjacent to 67 Low Golden Smithies, Swinton (Pages 43 - 46)
Strategic Property Manager to report.
 - to seek approval to dispose of the asset.
12. Ferham Road School site (Pages 47 - 52)
Strategic Property Manager to report.
 - to consider the options for the future use of the site.
13. Land and Property Bank: Capital Receipts (Pages 53 - 57)
Strategic Property Manager to report.
 - to provide an update on the latest position.
14. Bellows Road Shopping Complex - Rawmarsh (Pages 58 - 63)
ADF Manager to report.
15. Dalton Depot - Herringthorpe Valley Road (Pages 64 - 65)
Valuer to report.
 - to consider disposal.

The Chairman authorised authorised consideration of the following items in order to progress the matters referred to:-

16. Security at the Town Hall (report attached) (Pages 66 - 70)
17. Review of CCTV Monitoring (report attached) (Pages 71 - 77)
18. Long Term Vacant Industrial Premises (report attached) (Pages 78 - 82)

For information:-

19. Date, time and venue of next meeting
 - to consider:- WEDNESDAY, 17TH JANUARY, 2007 at 10.00 a.m. at the Town Hall, Rotherham.

REGENERATION AND ASSET BOARD
Wednesday, 15th November, 2006

Present:- Councillor Smith (in the Chair); Councillors Ellis, St. John, Wardle, S. Wright and Wyatt.

73. MINUTES OF THE PREVIOUS MEETING HELD ON 18TH OCTOBER, 2006

Consideration was given to the minutes of the previous meeting held on 18th October, 2006.

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

74. MATTERS ARISING

There were no matters arising from the minutes of the previous meeting.

75. RIDO BUSINESS DEVELOPMENT TEAM - SIX MONTHLY PROGRESS REPORT

Consideration was given to a report, presented by the Research and Database Co-ordinator, detailing the activity and performance of the RiDO Business Development Team for the period April to September, 2006.

The following aspects were highlighted:-

- more than 500 inward investment enquiries for the period handled, for the third consecutive year;
- more than 2,000 new jobs in the Borough from inward investment, local expansions and start-ups during the past six months;
- 233 new companies starting up, moving into or expanding in Rotherham in this six months' period;
- 18 new 'start-up' companies moving into the Moorgate Crofts, Brampton and Century business centres;
- the Moorgate Crofts Business Centre is now 75% full;
- the occupancy level of the two business centres in the North of the Borough is almost 100%;
- Garnett Dickinson's print facility at Brookfield Park is now completed, with the 'Next' warehouses well underway;
- the Beacon year for 'Supporting New Business' has now ended, with

over 825 delegates from local authorities and other organisations seeing this Council's work;

- Rachel Clark is now in post in Dinnington as Business Advisor, and has already helped six new businesses to start-up;

- the JOBMatch team is working with clients to recruit over 300 employees.

Resolved:- (1) That the report on the activity and performance of the Business Development Team for the period April to September, 2006 be noted.

(2) That the Business Development Team continues to monitor performance and activity and continue to report to the Regeneration and Asset Board on a six monthly basis.

76. STRONG AND PROSPEROUS COMMUNITIES: THE LOCAL GOVERNMENT WHITE PAPER - OCTOBER 2006

Consideration was given to a report, presented by the Asset Manager, which provided the Board with a property briefing note on the Local Government White Paper October, 2006.

Appendix 1 to the report set out a summary of the key issues of the paper as they related to property.

The Board noted that the White Paper recognised Rotherham as an exemplar of good practice.

It was pointed out that to maintain this status and implement the proposals in the paper, the Council would need to:-

- develop, in consultation with Rotherham's communities, area asset management plans which support the approved community plans. These plans would include all Rotherham's assets not just Council assets.
- develop and undertake, in consultation with Rotherham's communities, area based asset reviews to inform the area asset management plans.
- develop and use our property performance data.

A programme for the development of area asset management plans, together with a proposed methodology, timescales and resources implications would be presented to a future meeting.

Resolved:- (1) That the report on the key issues as they relate to property be noted.

(2) That the programme for the development of area asset management

plans, together with a proposed methodology, timescales and resources implications be presented to a future meeting of this Board.

(3) That the report be included on the agenda of the Council's next meeting with the three local Members of Parliament.

77. 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 below 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 particular individual (including the Council)).

78. CHRISTMAS ACTIVITIES

Further to Minute No. 63 of the meeting of the Regeneration and Asset Board held on 18th October, 2006 consideration was given to a report, presented by the Assistant Town Centre Manager, setting out the programme of Christmas events and activities for 2006.

Also reported was a summary of the recently agreed proposal regarding the co-ordination of music (recorded and live) and the Big Screen festive schedule.

Resolved:- (1) That the Christmas activities planned for 2006 be noted.

(2) That the agreed proposal relating to the co-ordination of Christmas music (live and recorded) and the Big Screen schedule be noted.

79. LAND AT CANKLOW

Further to Minute No. 56 of the meeting of the Cabinet Member for Neighbourhoods held on 25th July, 2005, consideration was given to a report, presented by the ADF Manager (Rotherham West), relating to the use of land at Canklow for the development of new homes following the Regional Housing Board's Approved Development Programme for the Regional Housing Investment Plan.

The report detailed a number of options for the land transfer.

The Board noted the Council's existing policy that capital receipts would not be ring-fenced to specific projects. Members expressed the view that further consideration should be given to a report concerning the use of capital receipts in support of regeneration projects in the ADF areas.

Resolved:- That approval be given to process this project on the basis of disposal, as outlined in Option 1 in the report submitted.

80. LAND AT FERNBANK, KIMBERWORTH

Further to Minute No. 56 of the meeting of the Cabinet Member for Neighbourhoods held on 25th July, 2006, consideration was given to a report, presented by the ADF Manager (Rotherham West), relating to the development of new homes following the Regional Housing Board's Approved Development Programme for Regional Housing Investment Plan.

The report detailed options for the land transfer.

Resolved:- That approval be given to process this project on the basis of a disposal as outlined in Option 1 in the report submitted.

81. FORMER RAWMARSH BATHS SITE, HAUGH ROAD, RAWMARSH

Consideration was given to a report, presented by the Strategic Property Manager, relating to options for the future use/disposal of the above-mentioned site.

The appendices to the report illustrated the land in question and an indicative site development layout.

Discussion took place on the proposed scheme for the re-development of the nearby Bellows Road retail area at Rawmarsh, including the need to provide gap funding.

Resolved:- (1) That the land be marketed for disposal both with and without provision by the developer to maintain a community garden in perpetuity.

(2) That, at the present time, no action be taken concerning the relocation of the telephone mast.

(3) That a further report be submitted to this Board concerning the funding issues, now discussed, of the proposed Bellows Road retail development and the proposed 'Boulevard' development off Barbers Avenue, Rawmarsh (refer to Minute No. 82 below).

(4) That the site be marketed by the Head of Rotherham Investment and Development Office on the basis of a planning brief and existing garage tenants are served notice to quit at the appropriate time.

(5) That the Head of Legal and Democratic Services registers title to the land to permit effective marketing of the site.

(6) That the Head of Legal and Democratic Services complete the necessary transfer documentation.

5F

82. RAWMARSH DEPOT, BARBERS AVENUE, RAWMARSH

Consideration was given to a report, presented by the Strategic Property Manager, relating to options for the future use of the above-mentioned site.

The site under consideration was illustrated on the plan accompanying the report.

Resolved:- (1) That the Head of Asset Management Service negotiates a relocation of 2010 Rotherham Ltd from the Barbers Avenue Depot.

(2) The Head of Neighbourhood Development, in consultation with the Cabinet Member for Neighbourhoods, is requested to declare the site surplus to requirements subject to the relocation, referred to at (1) above, taking place.

(3) That a further report about this depot site be submitted to this Board, after the Board has had the opportunity to consider future proposals for the Bellows Road Centre, Rawmarsh.

83. LAND OFF WILLIAM STREET, WELLGATE

Consideration was given to a report, presented by the Strategic Property Manager, detailing options for the future use of the above-mentioned land.

The accompanying plan illustrated the areas of land to be considered.

Resolved:- (1) That site A (as shown on the drawing submitted) be sold on the open market by the Head of Rotherham Investment and Development Office and site B shall be retained in the ownership of the Council.

(2) That, at the appropriate time, the Head of Legal and Democratic Services serve notices on the existing occupiers of the site

(3) That the Head of Legal and Democratic Services complete the necessary documentation.

84. LAND AT LONGFOLD, MELTON HIGH STREET, WEST MELTON

Consideration was given to a report, presented by the Strategic Property Manager, relating to options for the future use, or disposal, of the land at Longfold, Melton High Street, West Melton.

The area of land under consideration was illustrated on the accompanying plan.

Resolved:- (1) That the Head of Rotherham Investment and Development Office take steps to remove unauthorised occupation on the land in consultation with the Head of Legal and Democratic Services and

subsequently market the land for sale for residential development purposes.

(2) The Head of Legal and Democratic Services shall register the Council's land and complete all the necessary sale documentation.

85. LAND ADJACENT TO 17 FITZWILLIAM ROAD, EASTWOOD

Consideration was given to a report, presented by the Strategic Property Manager, relating to the future use of the above-mentioned land.

A plan appended to the report illustrated the area of land under consideration.

Resolved:- (1) That the Head of Rotherham Investment and Development Office conduct negotiations with the special purchaser and in the event of this failing to produce best consideration, the property be placed on the open market.

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

86. DALTON DEPOT AT DONCASTER ROAD/HERRINGTHORPE VALLEY ROAD

Consideration was given to a report, presented by the Principal Valuation Officer, relating to the progress on the disposal of the former Dalton Depot at Doncaster Road/Herringthorpe Valley Road.

It was reported that the land had been marketed as "Open to Offers" and details of the offers received were set out in the report.

Resolved:- That consideration of this matter be deferred until the next meeting, to enable Officers to clarify the intentions of the highest bidder.

87. LAND AT BROOKFIELDS PARK, WATH

Consideration was given to a report, presented by the Principal Valuation Officer, relating to the disposal of land at Brookfields Park, Manvers.

The report detailed the background to the acquisition of this land in the early 1990s.

It was reported that this area of land, illustrated on the plan accompanying the report, because of the problematic configuration was not included in the reclamation scheme, and a decision was made to incorporate it into the landscaping of the remaining area.

Reference was made to the geography of the site.

It was reported that interest had been expressed in disposal of the site by private treaty to St. Paul's Developments plc, and thereby removing the site from the maintenance contract.

Resolved:- That approval be given to the disposal of this site by private treaty, as detailed in the report now submitted.

88. LAND AND PROPERTY BANK - CAPITAL RECEIPTS UPDATE

Consideration was given to a report, presented by the Strategic Property Manager, updating the Board of changes to the forecast of capital receipts accruing to the General Fund resulting in a revision of the Council's Capital Programme.

Resolved:- That the position on the current status of the Capital Programme be noted.

89. GROVE ROAD, OFFICE ACCOMMODATION STRATEGY

Further to Minute No. 27 of the meeting of the Regeneration and Asset Board held on 12th July, 2006, consideration was given to a report, presented by the Head of Asset Management Service, detailing the progress on the development of the strategy for the refurbishment of Grove Road, 2nd floor, north east (Moorgate) end of the 1st floor, the south east end of the ground floor, the reception and staircase.

It was reported that a permanent office had been identified at Millside for GMB personnel. The costs associated with their temporary location and refurbishing the area at Millside were also detailed in the report.

The Board was advised of the revised anticipated timescale for the works which was now 8 months, with completion by December 2006.

Resolved:- That approval be given to the proposed modifications to the timescale of the works and Cabinet be asked to consider that a further £22,500, bringing the revised total to £742,500, be made available from the Council's Capital Programme.

90. DINNINGTON CUSTOMER SERVICE CENTRE

Further to Minute No. 45 of the meeting of the Board held on 13th September, 2005, consideration was given to a report, presented by the Head of Asset Management Service, identifying funding actions required to progress the development of a Customer Service Centre at Dinnington.

It was reported that adapting the existing neighbourhood office for use as a temporary customer service centre until the permanent purpose built centre is completed would meet the Council's obligation to provide customer service centres within the given timescale.

Resolved: That the Cabinet be requested to approve that the £600,000, not required for the Swinton Customer Service Centre, be now used to finance the temporary facility at Dinnington and to contribute towards the relocation of the community library to the Aston Customer Service Centre.

91. TEMPLEBOROUGH TO ROTHERHAM FLOOD ALLEVIATION SCHEME - WETLAND MANAGEMENT PARTNERS

Consideration was given to a report, presented by the Partnership Implementation Officer (RiDO), setting out proposed details for the lease of an area of land, for the creation of a wetland as part of the Flood Alleviation Scheme at Centenary Riverside, to an external partner for the future management of the site.

Resolved:- That approval be given to the lease of the area of land for the creation of a wetland as part of the Flood Alleviation Scheme at Centenary Riverside to an external partner on a nominal lease in order to transfer responsibility for the ongoing liability for the future maintenance of the site, as detailed in the report now submitted.

92. DATE, TIME AND VENUE OF NEXT MEETING:

Resolved:- That the next meeting of the Regeneration and Asset Board be held on Wednesday, 6th December, 2006 at 10.00 a.m. at the Town Hall, Rotherham.

TOWN CENTRE DEVELOPMENT PROJECT BOARD
Friday, 10th November, 2006

Present:- Councillor Smith (in the Chair); Councillors St. John and Wardle.

18. APOLOGIES

Apologies were received from:-

Councillor Wyatt	Cabinet Member, Customer Services and Innovation
Carol Mills	Executive Director, Corporate Services
Paul Smith	Design Consultancy Manager

19. MINUTES OF THE PREVIOUS MEETING HELD ON 25TH SEPTEMBER, 2006

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

20. MINUTES OF A MEETING OF THE TASK AND FINISH GROUP - MEMBERS' SUITE BRIEF - HELD ON 26TH SEPTEMBER, 2006

Consideration was given to the minutes of a meeting of the Task and Finish Group – Members' Suite Brief, held on 26th September, 2006.

Resolved:- That arrangements be made for a further meeting of the Task and Finish Group.

21. MATTERS ARISING

There were no matters arising from the previous minutes.

22. 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 (as amended March 2006) (information relating to the financial or business affairs of any particular person, including the Council)).

23. CULTURAL CENTRE NEEDS ASSESSMENT & BUSINESS CASE

Consideration was given to a report relating to the feedback received from the Big Lottery Fund 'Living Landmark' assessors about the Council's

failed bid for a grant towards the cost of the Cultural Centre.

It was now proposed to engage consultants to work with officers in both Economic and Development Services and Culture and Leisure Services to undertake a needs analysis (i.e. challenging the specification previously prepared) and to draft a business plan. It was estimated that this work would cost approximately £50,000, and a bid would be made to the Arts Council for a contribution towards these costs.

It was explained that the consultants would be expected to undertake consultation with user groups, 'Friends of' and other interested parties.

The Executive Director, Economic and Development Services, added that a report had been considered by the Corporate Management Team – Development Sub-Group in respect of a request for the funding from the Capital Programme. However, the total sum for the development of the centre was still to be debated.

Resolved:- (1) That support be given to the engagement of consultants to prepare a needs assessment and business plan to support the case for, and ensure the viability of, the proposed Cultural Centre.

(2) That this Project Board receives a further report in respect of the outcome of the discussions with the Arts Council.

24. CLIENT BRIEF/DESIGN ISSUES

Consideration was given to a comprehensive report detailing the content of the output specification, and the assumptions on which the Client Brief was based.

It was explained that the document would enable prospective developers/bidders to work up their submissions, including design, costs and workability of the proposed building. It was pointed out, however, that the document was very detailed and would change continually up to the point of signing a contract. Reference was made to the forthcoming organisational changes in the Council.

The Project Board's attention was drawn to a number of key assumptions (detailed at (a) to (l) in the report submitted) which had been made in the production of the documentation. The Executive Director, Economic and Development Services, gave a fuller explanation of the implications of each of the key assumptions.

Reference was also made to:-

- affordability
- limit of capital spend supported by prudential borrowing
- sustainability
- workstyle

- use of consultants
- stakeholder involvement
- use of in-house expertise

The Executive Director of Finance explained the proposed financing arrangements.

Resolved:- (1) That the Project Board notes and approves the content of the output specification.

(2) That the assumptions made as the basis of the Output Specification be noted and approved.

(3) That the content of the Town Centre Work Style document (attached to the main report at Appendix 2.2.1A) be noted and approved.

25. PROGRAMME AND PROGRESS

Consideration was given to a report detailing the progress and changes to the process in the procurement activity.

It was reported that to date two submissions had been received. A summary of the Council's comments on one of the submissions was attached to the main report.

It was also reported that a meeting had taken place with one of the proposed developers to agree a way forward, and details were set out in the report.

The anticipated timescale was outlined together with the proposed logistics.

In view of the interest expressed it was suggested that progress on Lots 2 and 3 be put on hold until the viability of Lot 1 was established.

Resolved:- (1) That agreement be given to officers prioritising work on proving the viability of Lot 1.

(2) That officers carry out joint working on Lot 1 with the interested developer, and with RCAT.

26. EVANS OF LEEDS PROPOSALS - PRESENTATION

The Executive Director, Economic and Development Services, gave a PowerPoint presentation in respect of the submission by Evans of Leeds.

The presentation covered:-

- identification of the proposed site, its size and ownership

- former use of the site
- planning consent
- the Council's Masterplan vision
- accommodation requirements of the Council and proposed partners
- public space and access
- use of water features
- sustainability, ecological and environmental standards
- indicative programme and estimated timeline

Resolved:- That the presentation be noted.

27. EXPRESS PARKS PROPOSALS - PRESENTATION

The Executive Director, Economic and Development Services, gave a presentation in respect of the submission by Express parks in respect of Lots 2 and 3.

The following issues were highlighted:-

- Detail and quality of the submission
- Company's financial standing, reputation, previous experience and confidence in the market
- Alignment with the Council's corporate objectives and the Town Centre Masterplan
- Background and research work already carried out
- An overall plan illustrating sites and buildings and their proposals for each
- Costings and timescale
- Visuals
- Traffic management and transport
- Proposed three phase development
- Viability of the proposal

Resolved:- That the presentation be noted.

28. INTERCHANGE PROPOSALS - PRESENTATION

The Development Team Manager explained the proposals in respect of the Interchange.

A model and photographs were made available to illustrate the PTE's proposals.

Issues highlighted included:-

- the need to refurbish the multi storey car park
- provision of retail floor space/shopping mall/office space
- proposals include the area currently occupied by Crinoline House

- phased construction to enable continuous operation in part
- self financing

It was suggested that, at the appropriate stage, the PTE, their developers and Express Parks be invited to discuss the proposal further.

The Project Board commented on the confidence which was shown in the future of Rotherham by these projects/developers.

Resolved:- That the presentation be noted and the importance of the proposal for the future of Rotherham also be noted.

29. ANY OTHER BUSINESS

- (i) Westgate Demonstrator Project

The Executive Director, Economic and Development Services reported that the Development Agreement had now been signed with Iliad.

30. DATE, TIME AND VENUE OF FUTURE MEETINGS

Resolved:- That the following dates for future meetings of the Project Board be agreed:-

MONDAY, 4TH DECEMBER, 2006 at 11.00 a.m. - cancelled

THURSDAY, 18TH JANUARY, 2007 at 9.30 a.m.

WEDNESDAY, 21ST FEBRUARY, 2007 at 2.00 p.m.

FRIDAY, 2ND MARCH, 2007 at 9.30 a.m.

ROTHERHAM BOROUGH COUNCIL – REPORT

1.	Meeting:	Regeneration and Asset Management Board
2.	Date:	Wednesday 6th December 2006.
3.	Title:	European Social Fund – National Operational Programme 2007-13
4.	Programme Area:	Economic Development Services.

5. Summary

This paper provides members with an update on the development of the new European Social Fund (ESF) operational programme covering the period 2007-13

6. Recommendations

That members:

- 1 Note the report**
- 2 Feedback any comments on the Draft operational Programme for inclusion in the RMBC response to DWP**
- 3 That RMBC's response to the consultation is brought to a future meeting of the Board for information.**

7. Proposals and Details

Background

The ESF is Structural Funds money from the European Commission supporting activity that will improve employment opportunities and develop human resources. It must also contribute towards the Lisbon Agenda outcomes of growth, jobs and innovation.

ESF has been available in South Yorkshire for the last 6 years as part of the current Objective 1 Programme. A new Programme is now being developed to cover the period 2007-13. The Executive Summary of the draft programme is attached to this report as Appendix 1, the full document is available at www.esf.gov.uk

As an ex-Objective 1 area South Yorkshire receives a ring-fenced allocation of 165 million euros (approx. £110 million at current exchange rates). This spend is front-loaded in the Programme with £96 million profiled to be spent by the end of 2010.

ESF monies are managed at a national level, with each Region developing a regional ESF strategy led by the Regional Skills Partnerships, which in the case of Yorkshire and the Humber is located at the LSC in Bradford.

The programme has 2 main priorities:-

- **Extending employment opportunities** – focuses on improving employability and skills of unemployed and inactive people and tackling the barriers to work faced by hard to reach communities and groups
- **Developing a skilled and adaptable workforce** - improve qualifications and skills for those with no or low qualifications. Also develop managers and workers within SMEs.

It is expected that ESF activity will link closely with activity funded under the European Regional Development Fund Programme 2007-13, which also seeks to promote the Lisbon Agenda, ensuring that maximum impact is achieved by these monies.

The Programme will be also expected to respond to the recommendations of the Leitch Review, due for publication in December 2006, which will set out the skills mix the UK should aim to achieve by 2020 in order to support economic growth and productivity as well as social objectives.

As a phasing-in area, South Yorkshire can complete activities from the 2000-06 Objective 1 Programme that continue to be eligible for funding

The Consultation Process

The Department of Work and Pensions (DWP) and Department for Education and Skills (DfES) are currently consulting on the draft ESF programme, with response to be submitted by 22nd January 2007.

Consultation is being sought on specific questions, which are set out in Appendix 2 to this paper. This appendix also sets out for further discussion some of the major issues for Rotherham relating to these questions.

Rotherham MBC will submit a corporate response, which this Board are requested to contribute their comments towards.

8. Finance

Structural Funds have to be “matched” with other monies. As with the current Objective 1 programme the sub-region will seek to co-finance the majority of money at source with the budgets of major partners such as the LSC, and Job Centre Plus.

Co-financing organisations will have responsibility for bringing together ESF and the required domestic match funding, and for contracting with partners. National Government anticipate that there will be sufficient domestic funds within LSC and Job Centre Plus to co-finance ESF priorities. However, local providers are already highlighting that this may not be the case. In particular the new ESF programme contains initiatives to support 14-19 year olds. In the current Objective 1 Programme match funding for 14-19 activity has been provided directly from schools and Children and Young People’s Services. This issue has been raised with the South Yorkshire Partnership and GOYH.

The new ESF Programme is likely to provide funding for continuation and or expansion of existing initiatives within the Borough such as Stepping Stones and JOBMatch.

Under the current Objective 1 programme Rotherham MBC has so far secured £9.2 million of ESF funding for 14-19 activity

9. Risks and Uncertainties

ESF is a competitive programme which organisations have to bid for against set criteria.

As the programme is heavily skewed towards spend in the early years of the programme it is essential that projects are developed and ready to commence as soon as the programme is officially launched, likely to be mid 2007.

10. Policy and Performance Agenda Implications

ESF funded activity will contribute to a number of key objectives under both the Achieving and Learning themes of the Community Strategy, these include:-

- Maximise economic and other opportunities to reduce disadvantage and raise quality of life and living standards in the most deprived communities.
- Reduce the number of working age adults lacking essential skills – reading, writing numeracy & ICT.
- Address the skills shortage which is a growing concern for the business community in the Borough. Particularly in higher level skills sectors.
- Create specific initiatives to maximise the engagement and participation of particular targeted groups or disadvantaged geographical areas.

11. Background Papers and Consultation

Draft ESF Operational Programme for England in 2007-13, available at www.esf.gov.uk

A South Yorkshire consultation event is taking place at the Marriott Courtyard hotel on 4th December 2006, which will be attended by a number of officers from the Council.

Contact Name : Simeon Leach.
Economic Strategy Manager.
Ext 3828.
Simeon.leach@rotherham.gov.uk.

Appendix 2

Consultation questions of ESF Operational programme 2007-13

1) What are your views on the analysis of the strengths and weaknesses of the English labour market?

- Influx of labour from the EU, particularly accession countries such as Poland.
- Barriers to work that are excluding people from our deprived areas and hard to reach groups, i.e. low skills and benefit dependency.
- High numbers of Incapacity Benefit and Sickness Disability Allowance claimants, a high proportion of who have been on the register for 12+ months.

2) What are your views on the strategy for using the England ESF Programme to support the relevant EU, national and regional objectives and policies?

- **EU** – strategy based around Lisbon agenda of growth, innovation and more and better jobs.
- **Nationally** – set out in National Strategic Reference Framework. Seeks to develop a skilled and adaptable workforce and to extend employment opportunities, particularly for the hardest to reach groups. Will be led to a large degree by the Leitch Review due out in December 2006.
- **Regionally** – Regional Strategy still to be written. Likely to include 80% employment target, (City Strategies); increasing workers qualified to level 2 (LSC Train to Gain), supporting people with disability or health problems (Pathways to Work and Programme Condition Management). South Yorkshire are also looking for specific support for people seeking higher level qualifications (NVQ levels 3+). Should seek to link into the LAA for each area.

3) What are your views on the proposed indicative activities and indicators for the following priority areas

Priority 1 – extending employment opportunities

Activities include: job search help and advice; support for self employment and social enterprise creation; community and volunteering projects; improving job brokerage, develop vocational skills amongst 14-19 year olds

Indicators: numbers of participants, broken down by groups (i.e. unemployed, BME, 50+, etc), numbers of these assisted into employment and those still in employment after 6 months

Priority 2 – developing a skilled and adaptable workforce.

Activities include: support apprenticeships; fund Skills for Life; support training up to Level 3 in certain target sectors; training for those made redundant or facing redundancy; training in ICT and e-learning skills.

Indicators: Number of participants, improvements in their qualification levels and how may find employment.

Priority 3 – technical assistance

Activities: preparatory management, monitoring, evaluation, information and control activities of the Operational Programme

Indicators: None

4) In view of the limited funding available, what do you think should be the themes for innovative activity to extend employment opportunities and develop a skilled and adaptable workforce?

- Build on innovative work piloted within Rotherham, such as the Stepping Stones JOBMatch, Rotherham Ready and Youth Enterprise programmes.

5) What are your views on the proposed roles of Regional Skills Partnerships and Regional ESF strategies

- **Regional Skills Partnership** – set up in April 2006, based in the LSC offices in Bradford. Remit is delivery of the skills element of the RES, including the 14-19 agenda. Board is chaired by private sector, Local Government Rep is Phil Coppard (Barnsley MBC)
- **Regional ESF Strategy** - will ensure that ESF priorities are developed within context of the RES; that ESF adds value to existing activity and pulls together the various funding streams. The Yorkshire & Humber Strategy will include a specific section on South Yorkshire as a phasing-in area. Need to ascertain who will be leading on this work and how RMBC can contribute?

6) What are your views on how the equal opportunities cross-cutting theme should be implemented?

- Adopt dual approach of funding specific projects that target women and other disadvantaged groups, as well as integrating equal opportunities into planning and implementation of whole programme
- Aim to promote, as far as possible, and equal split between men and women in the management and delivery of the programme.

7) What are your views on how the sustainable development (including environmental sustainability) cross-cutting theme should be implemented

Three issues identified for putting sustainable development into practice;

- Providing opportunities for everyone to achieve their potential
- Environmental protection and enhancement through the delivery of projects
- Providing skills that businesses both demand and require – now and in the future.

8) Do you have any views on the proposed implementation arrangements?

- Strategic management of Programme is located in Department of Work and Pensions in London; they will ensure programme activity fits criteria, certify expenditure and run the audit programme.
- Certain tasks will be submitted to intermediate bodies, as with GOYH for current programme. No decision yet on who the intermediate bodies will be or what their tasks are, but the RDA are carrying out regional management of the RERDF programme.
- Payments are made from European Commission to DWP, who pay beneficiaries on receipt of valid claims. For co-financed programmes payments are made to the co-financing organisations who then reimburse the individual projects.
- Regionally will seek to use existing structures, with the Regional Skills Partnership expected to take a leading role in developing the Regional Strategies.

Summary

Introduction

The England and Gibraltar European Social Fund (ESF) programme will contribute to sustainable economic growth and social inclusion by extending employment opportunities and by developing a skilled and adaptable workforce.

The programme establishes the national priorities for spending ESF money in line with the Lisbon agenda and the Government's employment and skills strategies. Within these priorities, each region will develop its own strategy for addressing its distinctive regional, sub-regional and local needs.

The programme covers the whole of England and Gibraltar. It includes ring-fenced funding for the 'Convergence' area of Cornwall and Isles of Scilly and the 'phasing-in' areas of Merseyside and South Yorkshire. In these areas, the programme will build on the knowledge and experience developed within the 2000-2006 Objective 1 programmes.

Analysis

The labour market has performed well in recent years. The UK exceeds the EU's Lisbon employment targets and unemployment remains historically low. There are rising attainment rates at age 16, and rising attainment and participation in Higher Education, leading to more qualified young people entering the labour force.

However, there are also significant challenges. These include low employment rates and high inactivity rates among disadvantaged groups such as people with disabilities and health conditions, lone parents, older workers, ethnic minorities and low skilled people. Pockets of worklessness exist in deprived areas, particularly in the big cities. About 11% of 16 to 18 year olds are not in education, employment or training.

Large numbers of people lack basic skills and qualifications, and seven million workers lack level 2 qualifications. This skills deficit contributes to the productivity gap with comparator nations. Cornwall and the Isles of Scilly face specific employment and skills challenges to achieve economic convergence.

Strategy

The England ESF programme will support EU, national and regional strategies to tackle these challenges. It will add value to the Lisbon National Reform Programme and thereby contribute to the European Employment Strategy, and to relevant EU objectives on education and training, social inclusion and equal opportunities.

The programme will contribute to policies to increase employment by helping more unemployed and economically inactive people enter sustainable jobs, particularly those at a disadvantage in the labour market. It will also help to prepare young people for working life and reduce the numbers not in education, employment or training.

The programme will contribute to policies to develop a skilled and adaptable workforce by increasing the numbers of people gaining basic skills, level 2 qualifications and, where justified, level 3 qualifications. It will also help to reduce gender segregation in the workforce, and to improve the skills of managers and workers in small enterprises.

Priorities

The programme will contain six priorities:

	Regional Competitiveness and Employment Objective <i>All of England and Gibraltar except Cornwall and the Isles of Scilly</i>	Convergence Objective <i>Cornwall and the Isles of Scilly</i>
Worklessness	Extending employment opportunities (Priority 1)	Tackling barriers to employment (Priority 4)
Workforce skills	Developing a skilled and adaptable workforce (Priority 2)	Improving the skills of the local workforce (Priority 5)
Technical assistance	Technical assistance (Priority 3)	Technical assistance (Priority 6)

Priorities 1 and 4 will improve the employability and skills of unemployed and inactive people, and tackle barriers to work faced by people with disabilities or health conditions, lone parents, people over 50, ethnic minorities, young people, people with no or low qualifications, and other disadvantaged groups, including people experiencing multiple disadvantage.

Priorities 2 and 5 will improve the qualifications and skills of people without basic skills and with no or low qualifications. They will also develop managers and workers in small enterprises. In Cornwall, the skills priority will support Cornwall's Higher Education strategy.

Priorities 3 and 6 will fund technical assistance activities to support the delivery of the programme.

Implementation

The programme's Managing Authority and Certifying Authority will be the European Social Fund Division of the Department for Work and Pensions. The Audit Authority will be the Department's Risk Assurance Division. At national level, the programme will be overseen by a Programming Monitoring Committee.

Most of the delivery of the programme will take place at regional level. Regional Skills Partnerships will have a leading role in developing regional ESF strategies. Regional ESF strategies will provide the framework, along with the Operational Programme, for Co-financing Organisations to develop detailed ESF delivery plans. Co-financing Organisations will have responsibility for bringing together ESF and the required domestic match funding, and for contracting with providers.

The Convergence area of Cornwall and the Isles of Scilly will have its own strategy and committee. The regional strategies and committees in the North West and Yorkshire and the Humber will take account of the specific needs of the phasing-in areas of Merseyside and South Yorkshire. In Gibraltar, the Government of Gibraltar will be the Intermediate Body.

The programme will contain two cross-cutting themes: gender equality and equal opportunities; and sustainable development including environmental sustainability. These themes will build on good practice developed in 2000-2006. All activities will be expected to address these themes.

Funding

The Community funding for the England ESF programme in 2007-2013 will be €2.75 billion, of which €174 million is ring-fenced funding for the Convergence area of Cornwall and the Isles of Scilly, €187 million for the 'phasing-in' area of Merseyside, and €165 million for the 'phasing-in' area of South Yorkshire.¹ The indicative allocation of the €2,225 million not ring-fenced for these three areas is:²

East of England €204 million

East Midlands €220 million

Gibraltar €3 million

London €436 million

North East €212 million

North West (excluding Merseyside) €298 million

South East €203 million

South West (excluding Cornwall and the Isles of Scilly) €128 million

West Midlands €330 million

Yorkshire and the Humber (excluding South Yorkshire) €191 million

¹ All figures at 2004 prices and rounded to nearest million.

² Regional Competitiveness and Employment for the nine English regions include a small amount of technical assistance money which will be administered centrally by DWP.

RMBC – REPORT TO REGENERATION AND ASSET BOARD
--

1.	Meeting:	REGENERATION AND ASSET BOARD
2.	Date:	6th December 2006
3.	Title:	VAT REGISTERED BUSINESSES IN ROTHERHAM
4.	Programme Area:	ECONOMIC & DEVELOPMENT SERVICES

5. Summary

Estimates of the number of enterprises registering and de-registering for VAT in 2005 have been published by the Small Business Service (SBS). They are the best official guide to the pattern of business start-ups and closures across the UK and in each industry. At the end of 2005 Rotherham had 4,800 VAT registered businesses, an increase of 105 during the year – at 2.2% a larger increase than that experienced nationally or regionally. However, despite the recent above average increases Rotherham has a relatively low number of VAT registered businesses for its population compared to regional and national averages.

6. Recommendations

The Regeneration & Asset Board notes the content of this report and the following key points:

- **During 2005 Rotherham saw a net increase of 105 VAT registered businesses, a 2.2% rise being above both national and regional increases, with 4,800 businesses at the end of the year.**
- **Actual VAT registrations showed a small fall from 2004 but showed a record low for the number of VAT de-registrations.**
- **There are now almost 600 more VAT registered businesses in Rotherham than in 1995 – equivalent to a 14.1% rise, compared to 14.8% nationally and just 10.8% in the Yorkshire & Humber region.**
- **Despite the recent good performance Rotherham has fewer VAT registered businesses per 10,000 adult population at 237 compared to nationally (379), regionally (327), and to South Yorkshire (256).**

7. Proposals and Details

In addition to new figures for 2005 the VAT registration figures for 1994 to 2004 have also been revised and replace those previously available on Nomis – care should therefore be taken when comparing with previously published figures. The 2004 de-registrations estimate released last year (October 2005) has been revised downwards significantly. This is because a number of dormant businesses, which had previously been identified as de-registered, became active again.

National (UK) results show:

- In 2005, there were 177,900 registrations and 152,900 de-registrations, resulting in an increase of 25,000 (1.4%) in the stock of VAT-registered enterprises during 2005. There have been increases in the stock of VAT registered enterprises in every year from 1995 onwards.
- The number of registrations decreased by 5,900 (3.2%) between 2004 and 2005 and the number of de-registrations decreased by 10,500 (6.4%) over the same period. This is the lowest number of de-registrations since 1999. In 2005, there were 37 registrations and 31 de-registrations for every 10,000 people aged 16 or over in the UK.

The number of VAT registered businesses in Rotherham rose during 2005, there were 105 (2.2%) more businesses registered at the end of 2005 compared to the previous year. This is an increase on the 1.8% rise seen in the previous year and it is higher than both the regional and national increases (1.4% - GB and 1.5% - Yorkshire & Humber) and higher than the increase of 1.4% for the whole of South Yorkshire.

Revised Vat registrations, de-registrations & stocks for GB, Yorkshire & Humber and Rotherham

VAT Registrations	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Great Britain	158,065	162,340	178,735	178,460	173,250	175,450	166,465	173,330	187,375	179,580	173,595
Yorkshire and The Humber	11,040	11,340	11,890	11,805	11,740	12,005	11,665	12,440	13,840	13,060	12,690
South Yorkshire	2,390	2,495	2,520	2,525	2,650	2,595	2,570	2,545	2,910	2,840	2,660
Barnsley	380	395	435	435	435	445	405	430	495	495	425
Doncaster	500	470	500	550	520	530	530	510	615	585	575
Rotherham	435	455	435	455	495	435	460	475	545	505	495
Sheffield	1,075	1,175	1,150	1,085	1,200	1,185	1,175	1,130	1,255	1,255	1,165

VAT De-registrations	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Great Britain	158,180	147,930	143,120	142,960	147,275	152,760	152,935	159,625	162,340	159,805	148,940
Yorkshire and The Humber	12,335	10,945	10,680	10,380	10,670	10,945	11,160	11,560	11,140	11,225	10,745
South Yorkshire	2,535	2,265	2,315	2,270	2,275	2,360	2,370	2,380	2,310	2,390	2,290
Barnsley	420	380	370	330	345	375	425	435	395	400	395
Doncaster	615	500	485	420	420	455	485	415	465	460	470
Rotherham	455	400	440	410	430	425	420	410	415	420	390
Sheffield	1,045	985	1,020	1,110	1,080	1,105	1,040	1,120	1,035	1,110	1,035

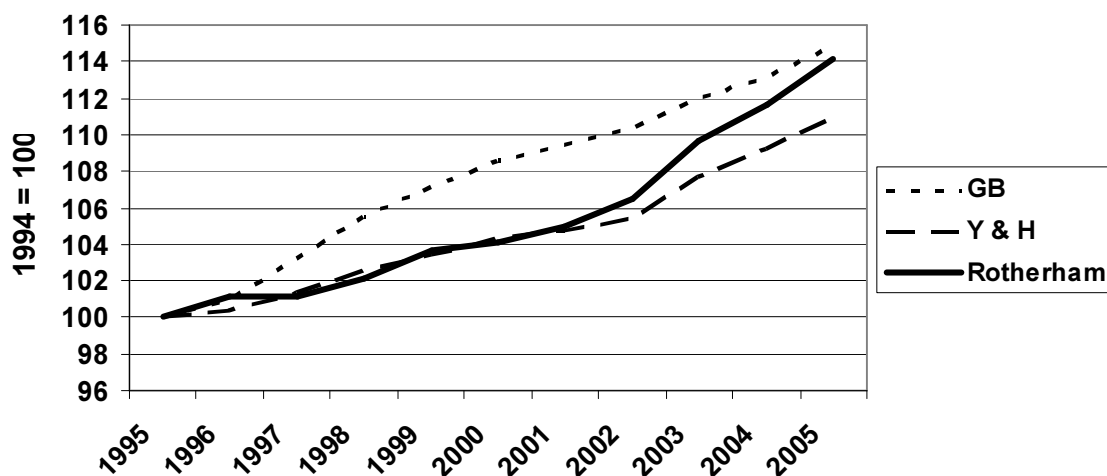
VAT Stocks (year end):	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Great Britain	1,561,180	1,575,590	1,611,205	1,646,705	1,672,685	1,695,375	1,708,910	1,722,615	1,747,650	1,767,430	1,792,080
Yorkshire and The Humber	120,310	120,710	121,915	123,345	124,410	125,470	125,975	126,855	129,555	131,390	133,335
South Yorkshire	23,530	23,765	23,980	24,230	24,600	24,840	25,040	25,200	25,805	26,255	26,625
Barnsley	3,905	3,925	3,990	4,095	4,180	4,250	4,230	4,225	4,325	4,420	4,450
Doncaster	4,940	4,910	4,930	5,060	5,160	5,235	5,280	5,375	5,525	5,650	5,755
Rotherham	4,205	4,255	4,255	4,295	4,360	4,375	4,415	4,480	4,610	4,695	4,800
Sheffield	10,480	10,675	10,805	10,780	10,900	10,980	11,115	11,120	11,345	11,490	11,620

Between 1995 and 2005 there has been an increase of almost 600 VAT businesses in Rotherham equivalent to a 14.1% rise – this compares to a rise of 14.8% in national stocks and a 10.8% rise in the Yorkshire & Humber region. Nationally the growth peaked in the period between 1997 and 1999 while Rotherham has recorded the fastest growth since 2002. However, Rotherham's stock of VAT registered businesses compares poorly with the national picture with just 237 businesses per 10,000 adult population compared to 379 for Great Britain and 327 for the Yorkshire & Humber region.

	VAT businesses per 10,000 adult population
Great Britain	379
Yorkshire & Humber	327
South Yorkshire	256
Barnsley	249
Doncaster	248
Rotherham	237
Sheffield	273

Encouragingly 2005 has seen the lowest number of de-registrations in Rotherham over the last 10 years with the number of registrations falling only slightly (and less than the falls experienced nationally).

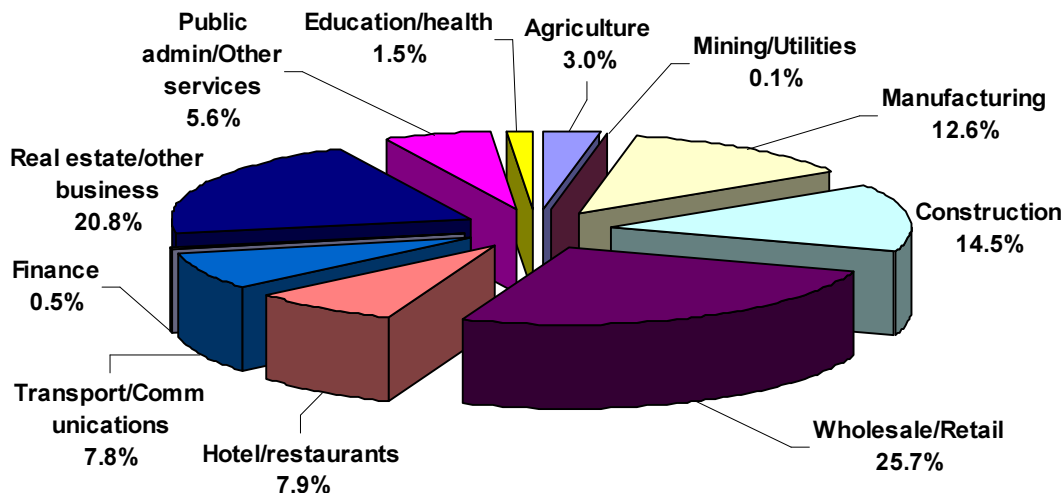
Change in VAT business stock at year end 1995 - 2005



Source: Small Business Service / NOMIS

A breakdown of Rotherham's VAT registered businesses in 2005 is shown below. The highest proportions are found in the Wholesale / Retail sector followed by real estate / other business services, Construction and Manufacturing. Smallest numbers are found in the Mining / Utilities and Finance sectors.

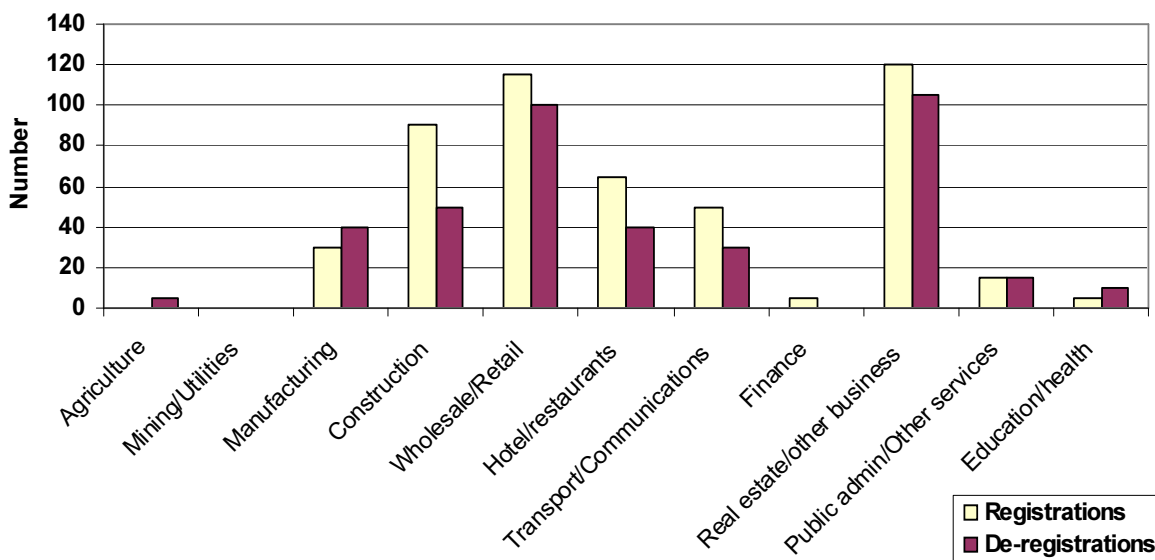
Rotherham stock of VAT registered businesses by sector, at year end 2005



Source: Small Business Service / NOMIS

The overall increase of business numbers is not, however, uniform across all sectors as shown below – the largest increase in numbers for 2005 occurred in the Construction and Hotel / Restaurant sectors (a net increase of 40 and 25 respectively). Other sectors showed only small net-changes in the number of VAT registered businesses with manufacturing showing the largest decrease in numbers (a net decrease of 10 businesses).

Rotherham VAT registrations & deregistrations by sector in 2005



Source: Small Business Service / NOMIS

8. Finance

None

9. Risks and Uncertainties

Care should be taken in using VAT stock increases and decreases as measures of economic prosperity. It is important to understand that many businesses, both manufacturing and service, will be VAT registered at a head office, often in another area, so these companies will only show on the VAT figures in the geography where the company is registered, not where the firm operates. Also, there is no way of differentiating between large and small companies, so an increase or decrease of 1 company employing 1 person has as much affect on figures as a factory employing 500 people opening or closing.

The changes in VAT stocks are not simply due to the net change in total stock, but due to a complex pattern of registrations and de-registrations in different sectors. Each registration is not necessarily a new company formation, and each de-registration is not necessarily a company liquidation. New registrations can result from new company formation or from non-registered companies increasing turnover, which brings them above the VAT threshold (currently £60,000). Similarly, de-registrations can be the result of company closure (or re-location) or the result of a fall in turnover pushing the company below the VAT threshold.

10. Policy and Performance Agenda Implications

This has links to the Community Strategy themes of:

Achieving – It is important for Rotherham to have a good number and wide range of businesses across all sectors of the economy to provide a range of employment opportunities and avoid over reliance on one sector. This will attract people to work in the borough, ensure a high rate of employment and provide a mix of jobs which local people can access.

Sustainable Development – Ensuring sufficient local employment opportunities will encourage people to remain in the borough and help reduce the need for out commuting.

11. Background Papers and Consultation

Data is taken from the Small Business Service (SBS) and released by NOMIS for the year January to December 2005.

Contact Name:

Neil Rainsforth
Research & Spatial Analysis Officer
Forward Planning
Tel: 823854
<mailto:neil.rainsforth@rotherham.gov.uk>

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Document is Restricted

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted