

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Improving Places Select Commission
2.	Date:	Wednesday 1st July 2015
3.	Title:	Update on progress against the Scrutiny Review on Supporting the Local Economy
4.	Directorate:	Environment and Development Services
5.	Advisory Cabinet Member	Councillor Lelliott

6. Summary

- 6.1 This report provides an update on progress in implementing the 13 recommendations of the Scrutiny Review into supporting the local economy.

7. Recommendations

- 7.1 That the Commission note the report, the actions taken to date and those proposed for the coming year.
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8. Background

8.1 The review was conducted by a group from the Improving Places Select Commission, chaired by Cllr Emma Wallis. It took place between November 2013 and May 2014.

The Objectives of the review were:-

- To analyse the impact of changes to local government finance – particularly business rates,
- To analyse how the Council can create the right conditions for growth in the private sector,
- To influence the development of the Economic Growth Plan for Rotherham, which in turn feeds into the City Region Strategic Economic Plan (SEP),
- To develop a whole Council approach to increase business rates in Rotherham.

Members agreed to focus on the following lines of enquiry during the review:-

- What is the impact of an increase/decrease in business rates on the Council finances?
- What is the impact of this on the local economy?
- How can the Council support economic development and what should be in the Economic Growth Plan? What different models can be adopted?
- How are supply chains supported?
- What incentives can be offered to local businesses?
- How do we evaluate success? How have others achieved it?
- Impact of funding?
- What are Rotherham's growth areas?
- What specifically is the approach to Tourism?
- How can the following services be used to generate business investment?
 - Asset Management
 - Transport
 - Planning
 - Housing
- How do we impact on the most deprived areas of Rotherham?

8.2 The group interviewed a wide range of witnesses during the course of their work; including Council Officers, the Chamber of Commerce and private sector business owners.

8.3 The Group produced 13 recommendations, covering a range of issues relating to the Rotherham economy, which officers responded to in a paper that went to RMBC Cabinet in January 2015.

- 8.4 The attached appendix sets out all 13 recommendations; progress made to date on them, likely activity against them for the coming year and rated the risk level of them not being delivered.

The appendix looks at each recommendation in detail, but some of the main points raised include:-

- The Economic Growth Plan goes to full Council on 8th July. If approved it becomes a live document.
- Setting up of “Task & Finish” groups to set out the details for the delivery of the interventions and priorities from the Economic Growth Plan. This will include challenging and relevant targets/outcomes.
- There has been widespread consultation during development of the Economic Growth Plan.
- The Economic Growth Plan and draft Local Plan are closely linked and will provide sufficient suitable sites to deliver job and business growth targets.
- A plan will be put in place to communicate the performance of the Rotherham economy and the many good things happening in it.
- The Economic Growth Plan will be reviewed to ensure it fully complements the new Community Strategy and vision for the borough which will be in place for 2016.
- Rotherham have been very successful at accessing money through the Regional Growth Fund.
- Although certain parts of the Council are already very business friendly (i.e. RiDO), it is important that all areas of the Council are aware of how they can contribute to the economic growth agenda.

9. Finance

- 9.1 Once the Plan is approved, then going forward it will require the involvement of officers who deal with capital spend and business rates; to review any assumptions and advise on financial implications.

Part of the work with regard to implementation of the Economic Growth Plan is to identify funding sources that are available to provide funding for our priority projects and business support activities. This will include the 2014-20 European ERDF/ESF programme, the SCR Growth Deal with government and some RMBC capital support.

10. Risks and Uncertainties

- 10.1 One risk is the potential impact of the national and international economy on Rotherham, which the Council will not have much influence on being able to mitigate.
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10.2 The ability to secure the funding to support the Plan is a potential issue, but improved partnership working with the SCR and Combined Authority teams should ensure that we maximise the funding we can access through them.

11. Policy and Performance Agenda Implications

11.1 Supporting the economy is a key corporate priority for the Council and a key element of the Sheffield City Region agenda.

The Rotherham Economic Growth Plan will help deliver:-

- 10,000 net new private sector jobs over the next 10 years
- Create 750 additional new businesses over the next 5 years
- Increase gross value added (GVA) for the Rotherham economy

Once the new Community Strategy and vision is produced, then there will be a major review of the Economic Growth Plan to ensure that it picks up those economic priorities that have been included in it.

12. Background Papers and Consultation

12.1 RMBC Finance have been consulted on the report.

Officers from Human Resources, Communications, RiDO, Planning, Scrutiny and Economic Development were consulted on, and contributed to, the report.

12.2 Response to the Scrutiny Review on Supporting the Local Economy – paper to Cabinet, 14th January 2015.

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