

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member and Advisers for Business Growth and Regeneration
2.	Date:	Monday 12th January 2015
3.	Title:	Consultation on the Rotherham Growth Plan
4.	Directorate:	Environment and Development Services

5. **Summary**

This report seeks comments and input from the Cabinet Member and his advisers on the draft Rotherham Growth Plan, which is currently out to consultation with relevant stakeholders and interested parties

6. **Recommendations**

That any comments on the draft Rotherham Growth Plan are fed back to the Councils' Economic Development Team

7. Background

Built on a robust evidence base, clear strategy and challenging economic outcomes, the Rotherham Growth Plan will map out a programme of investment in economic infrastructure and activities over the short, medium and long term. The Plan will be a partnership between the public, voluntary and private sectors.

With the relative volatility of the world economy, the Plan will cover a maximum 5-10 year timeframe, with regular reviews built in to ensure it stays relevant during this period.

The Plan is broken down into a number of themes, matching closely with the SCR Plan to ensure close links between the two. These themes are:-

- Grow existing and develop new businesses;
- Skills for employment and progression;
- Skills;
- Employment land and business premises
- Housing.
- Town centre
- Transport

SWOT analysis.

A SWOT analysis was carried out in conjunction with Ekosgen, the consultants working with us on the production of the Growth Plan.

Strengths

- AMP – nationally significant centre of excellence. Waverley more widely as a business location.
- Location at centre of country and with good access to motorway network
- GCSE attainment – A*-C above national average. Plus colleges and sixth forms very strong
- Good place to start a business, with strong business support and incubation support
- Enterprise education – Rotherham model rolled out in other areas
- Pro-business local authority
- Affordable place to live and do business

Weaknesses

- Workforce skills, including skills of new arrivals and attainment at L3+ (post 19)
 - Lack of HE presence
 - Lack of sites and premises that are attractive to markets
 - Skills – supply and demand – recruitment difficulties (e.g. engineers)
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- Perception of Rotherham – internal and external image and perception – linked to image of town centre
- Long standing pockets of multiple deprivation

Opportunities

- Town Centre – work, residential and entertainment offer
- HS2 – connectivity, station location, increase values along corridor to town centre
- Higher Education presence – town centre
- Establishing a Growth Fund to re-invest receipts
- Capturing inward investment – piloting faster process for dealing with investors (e.g. streamlined planning process)

Threats

- Retail and logistics – change in jobs, purchasing patterns, drive for low costs
- Social exclusion – resources required to address very challenging issue
- Businesses located in old, out of date premises with lack of new/modern alternatives
- Medium / large companies where decisions are made at HQ outside Rotherham

Thematic objectives

For each theme of the Plan there is:-

- 1) Current overview
- 2) Challenge(s) facing Rotherham
- 3) Ambition
- 4) Interventions
- 5) Targets/impacts/outcomes
- 6) Delivery partners, including a lead organisation

8. Finance

The Plan has been developed and written by the Council's Economic Development Team and as such has been of nil cost except for staff time and some printing/design costs of the final document.

Ekosgen have carried out consultancy work on the Plan, which was funded by money from the LGA, which was applied for and secured for this purpose

DCLG guidance on "Growth Deals" with LEPs seeks evidence that local authorities are pooling/aligning capital and revenue spend to drive economic growth. This needs to be set out in detail within the Rotherham Growth Plan.

The implementation of the Plan will drive growth of the economy leading to a number of new sources of income, or savings, to the Council. These potentially include:-

- Increased business rate receipts
- Uplift in New Homes Bonus money
- Reduced “benefits bill” as people move into employment

There are potential costs to RMBC in providing land or property to help enable developments, although these would be seeking a future return.

9. Risks and Uncertainties

There are a range of risks associated with implementing the Growth Plan, although the monitoring and management of the completed Plan will take account of these and remove or mitigate them.

- Levels of available funding are relatively low compared to prior to the recession.
- Rotherham is part of the Sheffield City Region, which is the main conduit for money from Government and Europe, rather than individual local authorities.
- There are potential costs to RMBC (and partners) in providing land or property to help enable developments, although these would be seeking a future return.
- Rotherham’s economy is susceptible to wider impacts at national and international level, over which we have little control

10. Policy and Performance Agenda Implications

The Plan will mainly contribute to the corporate objective of **stimulating the local economy and helping local people into work**

It will also contribute to the LEP’s targets of the City Region creating 70,000 net new private sector jobs and 6,000 new businesses over the next 10 years

11. Background Papers and Consultation

RMBC Finance have been consulted on this paper.

Consultation on the draft Growth Plan is taking place with a wide range of stakeholders and interested parties, this will continue until 30th January 2015

A copy of the consultation draft of the Plan is attached as an appendix to this report

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