

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Overview and Scrutiny Management Board
2.	Date:	23rd January 2015
3.	Title:	Response to the Scrutiny Review on Supporting the Local Economy
4.	Directorate:	Environment and Development Services

5. **Summary**

This report outlines the Cabinet response to the Scrutiny Review – Supporting the Local Economy, undertaken by Improving Places Select Commission chaired by Cllr Emma Wallis.

The response was considered by Cabinet on 14th January 2015.

6. **Recommendations**

That OSMB:

- a) Receive and note the response from Cabinet to the Scrutiny Review (Appendix 1)
- b) Request that the first monitoring report of the implementation of the review be presented to Improving Places Select Commission in 6 months' time

7. Background

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 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

The scope of the review was kept narrow as it was anticipated that the review could expand to cover a wide range of issues thus diluting the impact of its recommendations and extending the time it would take to complete. Members therefore 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 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?

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

The Group produced 13 recommendations, covering a range of issues relating to the Rotherham economy.

Officers have reviewed these recommendations and their responses are set out on the attachment to this report.

Officers agree, in whole or part, with all the recommendations and in a number of cases they have already been implemented. However, some of them will require further consideration and require either policy considerations and/or financial considerations. It is proposed to defer these and bring them back to Cabinet when further work has been carried out.

8. Finance

There will be costs to delivering the recommendations, although it is difficult to put a precise figure to these at the current time.

For example, there is insufficient capacity in the RiDO and Economic Development teams at the current time to deliver the recommendation to prioritise all town centres. To do so would require additional staffing, with associated costs.

9. Risks and Uncertainties

The main 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

10. Policy and Performance Agenda Implications

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

The Rotherham 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

11. Background Papers and Consultation

RMBC Finance were consulted on the report.

Officers from Human Resources, Asset Management, RiDO, Planning, Scrutiny and Economic Development were consulted on, and contributed to, the response, a copy of which is attached.

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