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| Financial Year | 2016/17 |
| Proposal no. | EE112 |
| Directorate | Economy |
| Service Name | Economic Affairs |
| Area of Service | Economic Affairs |

| Savings Programme Pre-consultation Report | | | |
|--|--|--------------------------|--|
| Subject: | Economic Affairs Budget | | |
| Report of: | Director of Economy | Author: | Susan Ayres |
| Cabinet Member: | Cabinet Member for Business, Skills and Employment | Author Telephone: | 01706 925636 |
| Type of Consultation | Service Delivery with Workforce Implications | Author Email: | Susan.ayres@rochdale.gov.uk |

1 Recommendations

1.1 Members are asked to consider the proposal, as a basis for consultation, to reduce the budgets within the Economic Affairs Team as follows:

- Reduction of the Business Support budget
- Reduction in the grant to Rochdale Shop Mobility
- Reduction in the grant to Rochdale Town Centre Management Company

1.2 The total savings from the proposal would be £100k.

Reason for recommendation

1.3 The Economic Affairs Service supports a range of activity to improve the prosperity of business and residents in the borough. This is primarily through grants to other organisations to support and grow the local economy, or the commissioning of services such as training and business advice. With the Greater Manchester Devolution Deal, there are opportunities to reduce council support in some areas of activity as new Greater Manchester-wide services start. Local organisations that have received council grants for some time, have been aware of the need to seek new sources of income to become less dependent on council grants as the council's financial resources have been reducing significantly.

2 Background

2.1 The economic development services provided by the Council are not statutory.

2.2 Business Support Budget

The budget reduction will retain sufficient funding to continue the role of the Business Growth Adviser employed by the Greater Manchester Business Growth Hub and part funded by the Council, matched with European Regional Development Funding. It is proposed to delete the remaining budget which has been used for small business grants, support for townships for activity such as improving their high streets, and business training, networking events, and campaigns such as Small Business Saturday and National Enterprise Week. The Greater Manchester Business Growth Hub provides a wide range of business support and growth services and the council will promote and sign-post to these services, along with using its own local flexibilities where job creating business growth projects benefit the borough.

The 62% reduction of this budget provides a saving of £41k.

2.3 Reduction in grant to Rochdale Shopmobility

The grant funds the majority of the service which provides electric scooters to visitors to the town centre who have mobility difficulties. Other income comes from membership fees and fundraising. The reduction in the grant may affect the service Shopmobility are able to provide and therefore there will be more reliance on membership fees, hire of scooters and fundraising.

The 10% reduction of the grant provides a saving of £3k.

2.4 Reduction in grant to Rochdale Town Centre Management Company

The grant funds the majority of the income of the company which has the role of supporting town centre traders, acting as the liaison point between traders and the council, police and other organisations. Other sources of income include the town centre radio scheme, and a new membership scheme launched this year which has attracted 64 new members who pay fees. The membership scheme was recommended by a report commissioned by the Council in 2014 into the

sustainability of the company in order to reduce the dependency of the company on Council funding. The annual income based on the 64 current members will cover the proposed reduction in grant.

The 10% reduction in the grant provides a saving of £6k.

2.5 [REDACTED]

[REDACTED]

3. Financial Implications

3.1 The saving proposal is 29% of the total budget for the area of service affected.

3.2 Table 1 provides details of the Proposal to reduce Business Support funding, grants to Rochdale Town Centre Management Company and Shopmobility and Economic Affairs Staffing.

| | Savings 2016/17 | | Savings 2017/18 | | Total savings | |
|----------------------|-----------------|---------|-----------------|---------|---------------|---------|
| | £k | | £k | | £k | |
| | On-going | One off | On-going | One off | On-going | One off |
| Total savings | 100 | | | | 100 | |

4 Asset implications

4.1 There are no significant asset implications arising from this report.

5 Voluntary Sector impact

5.1 The following Voluntary Sector impacts arise from the issues raised in this report as set out below:

- Shopmobility is a registered charity and the proposal is to reduce the grant from the Council by 10%. As Shopmobility has income from other sources such as donations and fees, the impact is not likely to be significant.

5.2 The Council has an obligation under the Borough of Rochdale Compact to consult with charities and the voluntary sector and work with them to mitigate the impact of the reduction of funding

6 Consultation

6.1 The key stakeholders for this proposal have been identified as:

- Visitors to the Town Centre who have mobility problems
- Businesses in Rochdale Town Centre
- Businesses in the borough
- Staff and Trade Unions
- Voluntary Sector and Charities

6.2 The Council must ensure that it remains open minded throughout the consultation period to all alternative proposals and expressions of interest.

7 Alternatives considered

7.1 No alternatives were considered as part of this proposal.

7.2 Members could decide not to take the proposal forward and identify alternative savings proposals.

8 Risk Assessment Implications

The following risks arise from the issues raised in this report as set out below:

8.1 There is a risk that the Greater Manchester Business Support services do not meet the Borough's needs. This would be mitigated by closely working with the providers of services and involvement where possible in the scrutiny and governance arrangements for the delivery organisations e.g Manchester Growth Company and Team Manchester Economic Development Leads.

8.2 There is a risk that Shopmobility is unable to provide a service following a reduction in the grant. Assistance will be offered with business planning to assess the ability for increasing income or reducing costs.

9 Legal Implications

9.1 The Council must ensure that it fulfils its obligations under the Borough of Rochdale Compact to give three months' of its intention to reduce funding and consult with staff, volunteers, service users, beneficiaries and stakeholders and work with the organization to mitigate the impact of such reduced funding.

9.2 The Council must adhere to its Personnel Policy Framework when consulting with staff on the savings proposal.

10 Personnel Implications

10.1 The proposals outlined within this report will have personnel implications for the council's workforce and formal consultation will be undertaken in accordance with council's Personnel Policy Framework

11 Equalities Impacts

Workforce Equality Impacts Assessment

11.1 The Proposal will have staffing implications which will be included in a full Equalities Impact Assessment of all “at risk” groups of staff.

Equality/Community Impact Assessments

11.2 The following equality/community issues arise from the issues raised in this report as set out below:

11.3 If the 10% proposed grant reduction to Shopmobility affects the service currently delivered, there will be an impact on visitors to the town centre with mobility problems who rely on the Shopmobility service.

More detail can be found in the Equality Impact Assessment in Appendix 1.

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EQUALITY IMPACT ASSESSMENT FOR SAVINGS PROPOSALS

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| 1. Please state the name of the officers leading the EIA |
| Susan Ayres |
| 2. Who has been involved in undertaking this assessment e.g. list the stakeholder groups which have been involved? |
| Shopmobility |
| 3. What is the scope of this assessment? |
| The saving proposal to reduce the grant to Shopmobility by 10% (£3000) |
| 4 a). What does the function currently do? |
| Shopmobility provide mobility scooters for people with mobility problems to enable them to get around the town centre |
| b). Describe the needs which this service meets? |
| People with mobility problems will struggle to get around the town centre which would exclude them from using shops and other services e.g banks etc |
| 5. What proposed changes do you wish to make? |
| A 10% reduction in the annual grant to Shopmobility from the Council (£3000) |
| 6. Who are the key stakeholders who may be affected by the proposed changes? |
| Shopmobility users and staff. |

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| <p>7. What impact will this proposal have on all the protected groups?</p> <p>In Quarter 2 of the year 2015/16 551 visitors to the Town Centre, with mobility difficulties, used the Shopmobility Service.</p> <p>The impact of the proposal should become clear during consultation, however, the proposed cut is relatively small and it is anticipated that the level of service can be protected.</p> |
| Race Equality |
| None |
| Disabled People |
| <p>The reduction in the annual grant to Shopmobility may have an impact on this group, if the reduction cannot be absorbed by Shopmobility through other income and reserves.</p> <p>Shopmobility provide the motorised scooter service to visitors to Rochdale Town Centre.</p> |
| Carers |
| Some individuals with mobility difficulties may use the motorised scooter service to access facilities in the town centre independently without the need of assistance from a carer or other individual |
| Gender |
| None identified |
| Age |
| A high proportion of people with mobility problems will be elderly |
| Armed Forces and Ex-Armed Forces Personnel |
| None identified |
| Religion or Belief |
| None identified |
| Sexual Orientation |
| None identified. |
| Gender Reassignment |
| None identified. |
| Pregnant Women or Those on Maternity Leave or Those who have given Birth in the |

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| Previous 26 weeks |
| None identified. |
| Marriage or Civil Partnership |
| None identified. |

8. Conclusions and Recommendations

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| What are the main conclusions and recommendations from this analysis? |
| If the proposed grant reduction results in a reduction of service, then protected groups – e.g. carers, disabled people, will be affected if they use or may use in the future, the Shopmobility service. |
| What are your recommendations? |
| That during the consultation period, feedback is sought from Shopmobility on the likely impact of the proposal and how this might be mitigated if needed. |

9. In the box below please provide details of who you will consult with on the proposals, when you consult, and the methods which you will use to consult. In the box below

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| <i>The Consultation and Inclusion Methodology Used</i> |
| The Consultation and Inclusion Methodology Used |
| Consultation will take place with Shopmobility to understand the likely impact. |

10. Produce an action plan detailing the mitigation measures that you propose to put in place to address any adverse impacts.

Await for consultation feedback from Shopmobility to understand if there are any impacts that need mitigating.

| Mitigation Measure | Action | Responsible Officer | Implementation Date | Review Date | Evaluation Measure |
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