

Scrutiny Board (City & Regional Partnerships)
Small Businesses Working Group

Meeting held on 7th October 2008

Present:

Councillor Sue Bentley
Councillor Bernard Atha

Others in Attendance:

Paul Stephens, Chief Economic Services Officer, City Development
Phil Cole, Head of Business Support and Tourism, City Development
Richard Mills, Principal Scrutiny Adviser, Democratic Services

1.0 Note of Last meeting

- 1.1 The note of the Working Group's last meeting held on 18th July 2008 was considered and agreed. The Principal Scrutiny Adviser confirmed that this note had been submitted to the Scrutiny Board (City & Regional Partnerships) at its meeting on 25th September 2008.

2.0 Briefing Paper

- 2.1 Members considered a briefing paper from the Chief Economic Services Officer and the Head of Business Support and Tourism headed "Small Businesses in Leeds – The Statistics". This had been requested at the last meeting of the Working Group to assist Members in their deliberations.
- 2.2 A discussion took place on a number of issues and topics including:
- The key statistics on the business stock which are always difficult to interpret.
 - Business size and formation.
 - Business support provided by the Council to the Leeds Chamber of Commerce, key sectors in the Leeds economy, the provision of workspace and assistance to help local companies and new companies in Leeds.
 - Local Enterprise Growth Initiative (LEGI), the work being carried out in schools and Enterprise Leeds at White Rose House.
 - Information on our key partners and partnership arrangements.
 - Requirement to pay business rates on empty premises which is preventing speculative developments from taking place
 - Enterprise Catalyst Centres in Leeds
 - New economic development strategy
- 2.3 A Member expressed concern that many individuals particularly in the more deprived areas of the city would like to start their own small business but cannot find suitable premises at a reasonable rent. There are also small businesses and charity shops which provide a community service which are threatened with

closure as rents are increased and the Council should be providing more support.

Officers referred to the fact that as they only have about 200 small units across the city and there are 46,000 businesses in Leeds the Council's contribution in this regard is extremely limited particularly when taking into account the turnover of tenants. They are also required to achieve best consideration on business rents.

They were also of the view that their rents are reasonable having regard to the condition of the stock available and that there was not a fundamental problem with small businesses in Leeds.

- 2.4 A Member asked about whether there were plans to dispose of more of the small units owned by the Council and officers responded that this was the responsibility of Asset Management.

3.0 Action Agreed by Working Group

3.1 It was agreed that the

- (i) Chief Economic Services Officer let Members of the Working Group know the specific legislation and or Statutory Instrument that requires the Council to achieve best consideration in respect to business rents.
- (ii) Current development of a new economic development strategy (An agenda for Economic Performance) be used by Scrutiny Board (City & Regional Partnerships) at the start of the new municipal year 2009/2010 to examine how effective it has been in bringing partners together to work collaboratively on common objectives, identify best practice and any lessons learned for future partnership working.

4.0 Recommendation

- 4.1 That Scrutiny Board (City and Regional Partnerships) approve the proposal as set out paragraph 3.1(ii) which will be subject to acceptance by the successor Board.