

**INFORMATION REPORT:
CABINET RESPONSE TO THE REPORT BY THE ECONOMY & CULTURE
SCRUTINY INQUIRY – SMALL BUSINESS**

Purpose of report

1. To update Members on the Cabinet response to the recommendations made in the Economy & Culture Scrutiny Committee inquiry 'Small Business'.

Background

2. As a part of the Economy and Culture Scrutiny Committee work programme for 2012-13, the Committee established a task and finish Inquiry into Small Business in Cardiff.
3. The following terms of reference were used as the basis for this short scrutiny exercise. It was agreed the Inquiry would explore:
 - How small enterprises in the City and those wishing to move here are supported by the Council, in partnership with governmental and non governmental agencies.
 - How the Council's strategic approach operates and supports small businesses and whether it meets its objectives.
 - How support is offered in appropriate areas, including training, staff recruitment, finding/providing suitable premises, sign posting to information including (health and safety, taxation, employment law etc), business start-ups, planning and expansion, access to funding.

- The support given by other Councils to their small enterprises to identify best practice and value for money.
 - Perceptions of small enterprises of the role the Council plays and the services the Council provides e.g. Business Rates (Research Element).
4. This inquiry was part of a suite of work focussing on the economic regeneration of Cardiff undertaken by Committee to assess the emerging needs of the city's new businesses, also including reports on **Higher Education Innovation in Cardiff** (Autumn 2013) and **Cardiff Central Market and Historic Arcades** (Spring 2014).
 5. Members received evidence from a range of Council officers from Economic Development, Commissioning and Procurement, and Culture Tourism and Events. Evidence was also received from a number of small businesses and a representative of the Federation of Small Businesses in Wales. Two research reports were also commissioned to support this Inquiry.
 6. The report for this task and finish inquiry was taken to the Cabinet meeting held on 14 May 2014. The full report for this inquiry can be found at: https://formerly.cardiff.gov.uk/objview.asp?object_id=28853

Cabinet Response to Recommendations

7. A full copy of the Cabinet paper, outlining the recommendations made and the Cabinet response to each, is attached at **Appendix A**.
8. Overall, the Committee made sixteen recommendations to the Cabinet. The Cabinet response shows that:
 - Ten of the recommendations are accepted – R1, R2, R4, R5, R6, R8, R10, R11, R14, R16
 - Five of the recommendations are partially accepted – R3, R9, R12, R13, R15

- One of the recommendations is rejected – R7
9. The Cabinet report notes that “responses will need to be taken in the context of current resource constraints, and that with reducing resources projected for the next three years there will inevitably be a commensurate reduction in overall levels of service delivery. As a result services provided will need to become more focussed and targeted on those areas that can have the greatest impact in terms of supporting business and employment growth”.

Legal Implications

10. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

11. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme.

However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

Recommendation

12. The Committee is recommended to receive the Cabinet response and agree the way forward for receiving progress reports on the work required in response to the recommendations in the report.

MARIE ROSENTHAL

County Clerk and Monitoring Officer

2 January 2014

The following Appendices are attached:

Appendix A: Cabinet Response to the Report by the Economy and Culture Scrutiny Committee into “Small Business” – 15 December 2014