

Meeting of the Cabinet - 16th March 2011

Report of the Director of the Urban Environment

Dudley Borough Economic Assessment and Dudley Borough Economic Development Strategy 2011/12 - 2013/14

Purpose of Report

1. To seek Cabinet approval to the statutory Dudley Borough Economic Assessment (March 2011) and the Dudley Borough Economic Development Strategy (2011/12 - 2013/14).

Background

2. The Economic Assessment will be the formal economic evidence base for the Dudley Borough Economic Development Strategy and other related strategies including the Dudley Sustainable Community Strategy and the Local Development Framework. It will also inform the Black Country Economic Assessment (evidence base for Black Country LEP).

Dudley Borough Economic Assessment (March 2011)

3. The purpose of the Assessment is to provide a common economic evidence base for use by the Council and partners to determine key issues and better inform decisions in respect of local priorities and the targeting of resources for sustainable economic development.
4. The Economic Assessment has been developed around three key themes, which are:
 - Place and Physical Environment;
 - Business & Enterprise; and
 - People & Communities.
5. The Assessment has resulted in the identification of a number of key economic challenges that have the greatest impact on the overall economic competitiveness and productivity of Dudley Borough. These broad challenges are detailed in Appendix 1 to the report, coupled with the strategic aims of the 2011/12 - 2013/14 Dudley Borough Economic Development Strategy.
6. The Economic Assessment will be revised every three years. It is also proposed that the Economic Development Strategy is updated every 3 years in line with the Economic Assessment to provide a longer term view of economic development activities.

Dudley Borough Economic Development Strategy - 2011/12 - 2013/14

7. The Economic Development Strategy (2011/12 - 2013/14) provides a long-term plan for economic development activities in the Borough. It has been developed in response to the key economic challenges set out in the Economic Assessment and aims to ensure that economic development activities taken forward in the borough will create the right conditions for increasing competitiveness and sustainable economic growth.
8. The Economic Development Strategy focuses on key regeneration projects and initiatives to be taken forward. For example, the regeneration of the Borough's town centres remains an important priority; with New Heritage Regeneration Limited established to work alongside the Council in driving forward investment and development opportunities, initially in Dudley and Brierley Hill. There will also be a significant focus on developing support to local businesses and attracting inward investment to the borough.
9. Copies of the Dudley Borough Economic Assessment and the Dudley Borough Economic Development Strategy will be available for inspection in the Members' Room and on CMIS.

Finance

10. The Council will work with all relevant partners and agencies in seeking the required external financial support for economic regeneration projects and activities within the Economic Development Strategy which are not currently financed within either the Council's or other organisations' budgets. However, the impact of the economic recession will continue to provide a major challenge to business, public bodies and the voluntary sector, as well as to families and individuals within the Borough.

Law

11. Section 2 of the Local Government Act 2000 empowers the Council to take action to implement measures it considers likely to achieve the promotion or improvement of the economic, social or environmental well-being of the Borough.
12. Section 69 (Part 4) of the Local Democracy, Economic Development and Construction Act (2009) places a statutory duty on county councils and unitary district councils to prepare an assessment of local economic conditions. The Coalition Government has confirmed that local authorities should be free to determine how they take forward their assessments without interference from Government. The Coalition Government has already removed statutory guidance on local economic assessments, which was published by the previous Government, so there is no requirement for local authorities to adopt a uniform approach to assessments. Furthermore, the Government does not intend to monitor or assess assessments. Consequently, local authorities are now free to determine the breadth and scope of their own assessments reflecting local priorities.

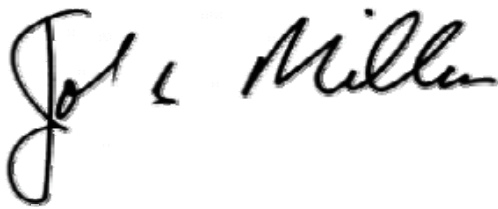
Equality Impact

13. The Economic Development Strategy aims to bring increased prosperity across the Borough. In addition, Strategic Aim 3 - People: Optimising opportunities for local people to obtain local jobs - is primarily aimed at residents, including children and young people, and areas and communities that are recognised as being disadvantaged in economic and social terms.

Recommendation

14. It is recommended that:-

- the Cabinet approves the Dudley Borough Economic Assessment (March 2011) and the Dudley Borough Economic Development Strategy (2011/12 to 2013/14).



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List of Background Papers

Dudley Borough Economic Assessment (March 2011)
Dudley Borough Economic Development Strategy - 2011/12 - 2013/14
Dudley Borough Business Survey Executive Summary (August 2010) -
<http://www.dudley.gov.uk/business/regeneration/economic-information--research/dudley-borough-business-survey>

Dudley Borough Economic Development Strategy (2011/12 - 2013/14) and Dudley Borough Economic Assessment (2011)

| Economic Development Strategy Draft Strategic Aims | Evidenced in Economic Assessment through these broad challenges |
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| 1. Place: To improve and champion the economic infrastructure and assets of Dudley Borough and secure additional resources to improve its competitiveness. | <ul style="list-style-type: none">▪ An ageing population▪ Economy has a large degree of self-containment▪ Limited number of high quality employment sites |
| 2. Business & Enterprise: To encourage the development of a dynamic and diverse business base and job opportunities through support to new and existing businesses in the borough | <ul style="list-style-type: none">▪ Low growth economy (poor productivity levels, low average earnings)▪ Low levels of new business start-ups▪ Over-reliance on public sector employment |
| 3. People & Communities: To optimise the opportunities for local people - including the most vulnerable people and those from deprived areas - to develop and improve their skills and obtain jobs | <ul style="list-style-type: none">▪ High levels of long term unemployment▪ Low skills levels▪ Sharp increase in youth unemployment▪ High levels of child poverty |