

SELECT COMMITTEE ON ECONOMIC REGENERATION – 11TH JANUARY 2006

REPORT OF THE DIRECTOR OF URBAN ENVIRONMENT

INNOVATION, INCUBATION AND ENTERPRISE CENTRE

Purpose of Report

1. To consider the progress to date in relation to the feasibility study into the provision of an Innovation Centre within the Borough of Dudley.

Background

- 2. The select committee undertook a series of fact-finding visits back in 2004 to investigate existing provision for Innovation Centres in the West Midlands. Following these visits there was strong accord that Dudley should investigate the possibility of such a facility here in the Borough. The Economic Regeneration Division, through Chris Tompkins, Business Support Manager for DMBC, was tasked with taking forward this work.
- 3. It was soon evident that there was, and still is, strong sub-regional policy being developed around the incubation agenda [i.e. the provision of premises and support services to start up new and grow existing businesses] and the provision of incubation centres in each of the four Black Country Boroughs. We have therefore embraced this forward momentum and have aligned the requirement of the Select Committee with regard to Innovation to include Incubation within the feasibility study work.
- 4. Investigation recognises that there is significant need to address the issues identified in the Borough's Economic Strategy. These issues include the levels of low paid jobs, the relative lack of knowledge based businesses, the relatively low levels of entrepreneurship within the borough compared to national figures and the low number of AB classification households living in the Borough. In order to address these issues it is proposed that an enterprise element be included to increase levels of enterprise in the Borough. This links closely with the work currently being undertaken in relation to the Local Enterprise Growth Initiative (LEGI).
- 5. Work is ongoing to create a model with three distinct core values and envisages the concept of an **Innovation**, **Incubation** and **Enterprise** Centre located in/on a strategic and prominent location within the Borough. Discussions are ongoing in relation to the location of such a site as a pre-requisite to investigating possible business plans for the facility with potential developers and public sector funding bodies and the private sector.
- 6. The possibility of significant private sector involvement arose late in October following discussions with Black Country Investment and the Economic Regeneration Division is actively working with Black Country Knowledge Society to investigate this further. Progress on this will be reported at a further date. The intention is to link this

development into wider regeneration activities in and around strategic development sites. This has been discussed, and agreed in principal with the Director of Law and Property. This has excellent synergy with the Council's overarching aims and objectives.

7. A number of presentations and consultation meetings have been undertaken with local, sub-regional and regional partners to gauge interest in a facility of this nature and to investigate possible sources of funding for the project and to date these have been very positive and encouraging

These stakeholders include:

Black Country Knowledge Society Black Country Learning and Skills Council Black Country Chamber of Commerce and Business Link Black Country Investment

- 8. It is intended to utilise the committed funding to ensure that aspirations for this facility are documented on a more formalised basis. To achieve this, an architect's brief has been determined for conceptual works and meetings with 3 architectural practices have taken place with a view to inviting them to submit their initial ideas to us.
- 9. Their submissions have now been received and interviews will be held in early January to investigate these concepts further and to select a preferred architect.
- 10. Assistance has been given by Dudley Property Consultants (DPC) in writing the brief and in appraising the submissions and will be invited to be involved in the selection panel in early January.
- 11. DPC were invited to submit their proposals for this work but declined due to existing workloads.
- 12. The results of this work will provide conceptual ideas on how such a facility could look, indicative costs for a building based on costs associated with the required size and specification, a scale model along with visual representations of the potential development. This information will be used in communications with stakeholders, partners, funders and potential developers and also in awareness raising and decision-making processes.
- 13. It must be stressed that at this stage investigations only are being made into the concept of creating an Innovation Incubation and Enterprise Centre within the Borough. It is not yet possible to report on the project's possible implications upon key corporate issues.

Finance

14. The Select Committee suggested £10,000 of feasibility funding should be earmarked for this initial piece of work. It has become evident that £10,000 will not be sufficient to undertake the further work required. Sources of additional funding are being investigated. No further work will be commissioned until this is secured.

<u>Law</u>

15. The Council may do anything, which is likely to achieve the promotion or improvement of either the economic, social or environmental well being of its area under section 2 of the Local Government Act 2000

Equality Impact

16. The processes identified in investigating the possibility of an Innovation, Incubation and Enterprise Centre in the Borough has taken account of the needs of all sections and members of the community.

Recommendation

17. It is recommended that the Select Committee consider the work already undertaken to ensure it is consistent with the committee's original request and that the continuation of this feasibility work is recommended to the Cabinet Member for Economic Regeneration.

J. Millen

JOHN MILLAR Director of Urban Environment

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List of Background Papers

Dudley Borough Economic Strategy West Midlands Incubation Strategy Black Country incubation Strategy