

## **MEETING OF THE COUNCIL - 18<sup>TH</sup> JULY, 2005**

### **ECONOMIC STRATEGY 2005/2006**

#### **REPORT OF THE CABINET**

##### **1. Purpose**

- 1.1 To consider the proposals of the Cabinet regarding the Council's Economic Strategy for 2005/2006.

##### **2.0 Background**

- 2.1 Attached is a document summarising the key areas of the Economic Strategy for Dudley Borough, revised for 2005/06, together with supporting diagrams to show the framework of policy and strategy documents impacting on the strategy and the strategic partnerships and agencies influencing its implementation.
- 2.2 The Economic Strategy underpins the Regeneration Matters theme of the Council Plan. It has 4 strategic aims that provide the 15-20 year vision for economic regeneration in Dudley Borough. The aims are:
  - 1. To optimise the opportunity for local people to obtain local jobs
  - 2. To support new and existing businesses
  - 3. To strengthen and diversify the economic base
  - 4. To improve the economic infrastructure in Dudley Borough
- 2.3 The four strategic aims are underpinned by an action plan with key objectives, actions, milestones and timescales.
- 2.4 The Economic Strategy continues to recognise that successful implementation depends on joint working and resource input from a variety of private and public sector organisations at regional, sub-regional and local level.
- 2.5 It reflects corporate working within the Council and, in particular, cross directorate working with the Directorate of Education and Lifelong Learning and the Directorate of Social Services.
- 2.6 This Economic Strategy supports the aspirations as set out in the 2033 Black Country Vision 'Looking Forward: The Black Country in 2033' and the key elements of the Black Country Study.
- 2.7 The Strategy has been produced in conjunction with Council Officers and representatives from other organisations involved in/influencing the delivery of the strategy.

- 2.8 On consideration of the above the Cabinet, at its meeting held on 20<sup>th</sup> April, 2005 noted that the strategy would be issued for final consultation during April and resolved to recommend the Council to approve the revised strategy.
- 2.9. A copy of the full Strategy is available for inspection in the Members' Room. The Strategy is summarised in Appendix 1 attached.

### **3.0 Proposals**

- 3.1 That the revised Economic Strategy for 2005/06 be approved.

### **4.0 Finance**

- 4.1 Some of the financial implications arising directly from the Economic Strategy are contained within the Council's budget for 2005/2006.
- 4.2 Approval of external funding applications are awaited in order to implement some of the key projects included within the Economic Strategy.
- 4.3 Additional external funding will be sought to provide financial support for economic regeneration projects within the Economic Strategy that are not currently financed within the Council's budget.
- 4.4 It is clear that the delivery of the Strategy will bring additional significant benefits to the Borough as a whole.

### **5.0 Law**

- 5.1 Part 1 of the Local Government Act 2000 enables the Council to do anything, which it considers likely to achieve the promotion or improvement of the economic, social or environmental well-being of the Borough.

### **6.0 Equal Opportunities**

- 6.1 The Strategy aims to build upon the strengths and remove the weaknesses within the local economy to encourage prosperity for the whole Borough.
- 6.2 Details of Dudley Council's Race Equality Scheme are included within Section 8 of the Economic Strategy.

### **7.0 Recommendation**

- 7.1 That the proposals set out in Section 3 be approved.

*David Caunt*

LEADER OF THE COUNCIL

Contact Officer:

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Directorate of the Urban Environment (Ext 4004)

## Economic Strategy for Dudley Borough

### Summary Document

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#### **Introduction**

The Economic Strategy for Dudley Borough aims to provide a 15-20 year vision and focus for economic regeneration activities in the Borough. It makes a significant contribution to the achievement of the priorities contained within the Dudley Borough Challenge, particularly in relation to the Jobs priority, and the Council Plan, principally the Regeneration Matters theme and supports other themes such as Environment Matters and Safety Matters.

Key achievements for economic regeneration to date are included in the latest update of the Council Plan.

#### **Context**

Some key facts about Dudley's economy include:

- A recorded population of 304,800, the highest of the four Black Country Local Authorities
- Lowest unemployment in the Black Country
- A significant restructuring of the industry base with a considerable reduction in manufacturing jobs and an increase in service sector employment. The proportion of jobs in the manufacturing sector is still higher than the UK average.
- Lowest average weekly full time earnings in the Black Country.
- Highest rate of VAT registered businesses per 10,000 of population in the Black Country in 2004
- High concentration of micro businesses employing 1 to 10 people (73.8% of all Dudley businesses).

The 2005/06 Economic Strategy has been developed in response to a number of major issues facing Dudley Borough including the development of skills of local people to meet the needs of employers, the scarcity of quality land for development, the transportation infrastructure, the impact of business crime on the local economy, developing and maintaining a positive image of the Borough to encourage inward investment and promoting the Council as a champion for business.

The Economic Strategy has also been developed in the context of the rapidly changing national, regional, sub regional policy and strategy frameworks which impact on the local economy. The Black Country Study will be critical in shaping the future regeneration of Dudley Borough and will provide emerging planning policy for the sub-region. Dudley Council is actively contributing to the study with local partners.

The key strategies affecting economic regeneration within Dudley Borough are shown in Diagram 1.

#### **Strategic Aims**

The Economic Strategy has 4 strategic aims that provide the 15-20 year vision for economic regeneration in Dudley Borough and are:

## Economic Strategy for Dudley Borough

### Summary Document

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1. To optimise the opportunity for local people to obtain local jobs
2. To support new and existing businesses
3. To strengthen and diversify the economic base
4. To improve the economic infrastructure in Dudley Borough

The Strategy therefore recognises that a successful economy providing well-paid jobs is essential for the prosperity and quality of life of the Borough's residents.

### **Strategic Action Plan**

The strategy is presented as a dynamic action based document that is reviewed and updated annually. Each of the strategic aims is underpinned by a series of objectives, actions, key milestones and timescales.

The aims and objectives of the Economic Strategy seek to address the economic issues facing Dudley Borough. The activities within Strategic Aim 1 focus on targeting disadvantaged groups to provide them with better prospects of quality training to equip them with the appropriate skills to meet the needs of local employers to support people into jobs and reduce unemployment in the Borough.

Activities delivered across the other three strategic aims are centred around providing business support, increasing the availability of quality land and premises, encouraging business innovation, major physical infrastructure developments, town centre regeneration and improving the Borough's transport infrastructure in order to improve business competitiveness, diversify the economic base and stimulate inward investment to attract and create higher value added employment opportunities with increased earnings potential for local residents.

Some of the key activities/projects under each aim are summarised below:

#### **Aim 1 - To optimise the opportunity for local people to obtain local jobs**

- Continuation of existing, and development of new services, delivered through Future Skills Dudley to address training and employment needs linked to jobs for Dudley residents, particularly in the Borough's most deprived areas, focusing on the construction sector and related industries.
- Delivery of the Prince's Trust community regeneration programmes aimed at people at risk of exclusion to promote self-employment as an option.
- Working with partners in Neighbourhood Renewal on Basic Skills development.
- Support for the development of Children's Centres across the Borough to create new childcare places to support people into work.
- Delivery of NVQ Level 2 and Level 3 programmes to increase the skills of the social and health care workforce.

## Economic Strategy for Dudley Borough

### Summary Document

#### **Aim 2 - To support new and existing businesses**

- Provide support to start-up businesses through the Prince's Trust Business Programme.
- Management and support of Lye Business Centre to provide managed workspace to local businesses.
- Support the creation and sustainability of viable social enterprises in partnership with Black Country Housing and Community Services Group Ltd.
- Develop the Single Business Account to improve access by businesses to the Council's statutory and non-statutory services.
- Continue to develop the Dudley and Sandwell Business Parks Network, which engages companies to address the problems associated with poor infrastructure and environment.

#### **Aim 3 - To strengthen and diversify the economic base**

- Ongoing support to start-up businesses with provision of access points within Dudley's most deprived areas
- Improve financial management within SMEs through awareness event and adviser support
- Deliver specific programmes and initiatives to help companies to modernise and improve their processes and diversify into new markets
- To assist companies to increase the use of ICT support local authority suppliers to embrace Local Authority e-procurement directive
- To deliver a number of initiatives to develop leadership and management skills in SMEs inducing specific programmes for Directors, the Investors in People framework and a management development programme targeted at pharmacy managers.

#### **Aim 4 - To improve the economic infrastructure in Dudley Borough**

- Development of the Castle Hill Site for mixed use
- Development and implementation of town centre master plans for Dudley, Brierley Hill, Stourbridge and Halesowen
- Implementation of projects within the Dudley Action Plan for Tourism
- Implementation of a number of schemes to improve transport infrastructure and traffic management within the Borough

#### **Delivery**

The Strategy continues to recognise that successful implementation depends on joint working and resource input from a wide range of local, sub-regional and regional agencies to deliver interlinked services to local communities and businesses. It also engages the Black Country Chamber and Business Link as a strategic partner in the delivery of the third strategic aim, "To strengthen and diversify the economic base".

The key partnerships and agencies influencing the implementation of the economic strategy are shown in Diagram 2.

**Economic Strategy for Dudley Borough****Summary Document**

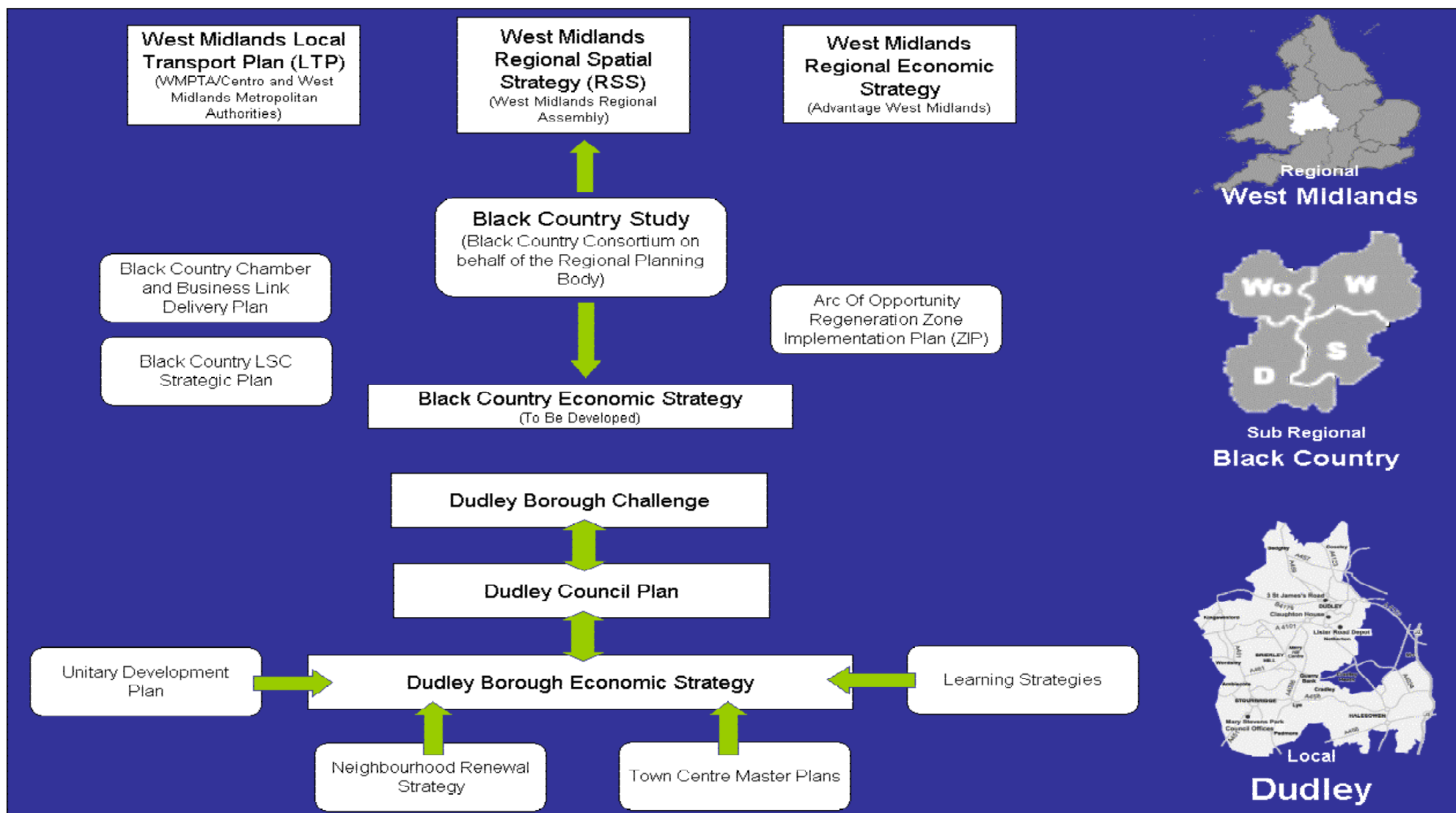
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The Council continues to develop a more integrated approach to Economic Regeneration through the work of Resources and Partnerships, Engineering, Traffic and Road Safety, Design and Projects, and workforce development (Future Skills Dudley) sections within the Economic Regeneration Division in the Directorate of the Urban Environment. The Economic Strategy also recognises the impact of other Council activities on the regeneration agenda including the role of Social Services in developing the social and health care sector and Education and Lifelong Learning in developing the skills of the Borough's residents.

The Dudley Community Partnership's Jobs Theme Group provides the mechanism for deploying and monitoring the delivery of the Economic Strategy through its action plan and performance management framework.

Diagram 1

## Dudley Borough Economic Strategy Strategic Context



**Diagram 2**  
**Key Partnerships and Agencies Influencing Economic Strategy Implementation**

