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**DUDLEY BOROUGH
ECONOMIC STRATEGY**

2009/10

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1.0 Foreword

Joint Foreword from Cllr. Malcolm Knowles, Cabinet Member for Economic Regeneration and Michael Kilduff, Chair of the Dudley Economic Development & Regeneration Partnership

To be inserted

2.0 Introduction

The Dudley Borough Economic Strategy provides a long-term vision, focus and delivery plan for economic regeneration in the Borough.

The Strategy makes a significant contribution to the achievement of the priorities contained within the Dudley Community Strategy, particularly in relation to the priority of 'Creating a Prosperous Borough' and the Dudley Council Plan, principally the Regeneration Matters theme as well as supporting other themes such as Environment and Safety.

There are some major economic issues and challenges for the Borough including the level of people claiming out of work benefits, low skills levels, low income levels and a weak enterprise culture evidenced by the low number of businesses that are started in the borough.

The purpose of the Economic Strategy is to provide a co-ordinated response and approach to these economic issues. The Strategy sets out the local economic priorities for Dudley Borough and provides the mechanism to identify the key regeneration projects and initiatives within the borough's regeneration programme that will create the conditions for economic growth and sustainability.

The Strategy also recognises the need to address those communities and areas in the Borough that are disadvantaged and provide targeted support to improve economic performance and narrow the gap between disadvantaged areas and the rest of the Borough.

The Economic Strategy is informed by input from a range of partners and is developed by Dudley Council on behalf of the Dudley Economic Development and Regeneration Partnership (EDRP). The EDRP is a partnership within the Dudley Community Partnership structure (the Local Strategic Partnership), responsible for delivering sustainable economic regeneration in the Borough. The Partnership brings together a range of key agencies across the Borough which hold an interest in the skills, business, employment, unemployment, inward investment and economic regeneration agendas.

The following organisations are represented on the EDRP:

- Learning and Skills Council
- Jobcentre Plus
- Black Country Consortium
- Further Education Colleges
- Dudley Council for Voluntary Services
- Westfield Shoppingtowns Limited
- Dudley MBC
- Government Office for the West Midlands

Vision

The vision for the Borough's economy, as set out in Dudley's Next Generation Local Area Agreement (2008/09 to 2010/11), is:

“A Borough with a vibrant and sustainable economy, where all neighbourhoods and communities benefit from the prosperity that results and where inequalities are reduced”

Strategic Aims

The Economic Strategy has 4 Strategic Aims, which are:

1. 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
2. To encourage the development of a dynamic and diverse business base and jobs through support to new and existing businesses in the borough
3. To improve the economic and environmental infrastructure of Dudley Borough and its town centres
4. To champion the interests and assets of Dudley Borough, securing additional resources and improving its position regionally, nationally and internationally

Building on Our Achievements

There are a significant number of long term major physical regeneration developments within the Strategy's Delivery Plan, particularly around the regeneration of the Borough's town centres (Brierley Hill, Dudley, Halesowen and Stourbridge) that are critical to delivering the vision and strategic aims.

These transformational developments will radically change the face and nature of the Borough, offering up major large-scale investment and development opportunities with long term economic, social and environmental impacts. Such developments will see a significant change in roles for each of the four town centres aimed at improving their attractiveness to employers, residents and visitors and therefore significantly boosting the local economy.

Work in this area is rapidly gaining momentum. The Dudley Area Development Framework (ADF) was adopted as Supplementary Planning Guidance in December 2005 and, in January 2008, Brierley Hill was officially recognised as the strategic centre for the Borough through the Phase One Revision to the West Midlands Regional Spatial Strategy. This revision also confirmed a new role for Dudley as the civic centre of the borough for residential, heritage and tourism based development. Further work is now being progressed on the development of Area Action Plans for Brierley Hill, Stourbridge and Halesowen and the five priority local centres, providing an exciting and challenging agenda.

There is already evidence of success which is illustrated in the case studies below.

Case Study 1 – Building a Better Halesowen



This project, which was completed in December 2008, has delivered a £30million redevelopment of Halesowen town centre. Vale Retail, Centro-WMPTA and Dudley Council have worked together to deliver the exciting plans to build a better Halesowen, significantly improving the retail offer and providing a major boost for the regeneration of the area.

This redevelopment project consists of an increase of 3,528 sq.m of retail floor space in the Cornbow shopping centre, a new 73,000sq ft Asda superstore trading on two floors and a new 588 space car park, an increase of 188 car parking spaces.

The new store has provided employment for around up to 400 people. More specifically, 93 jobs were secured for people from the local community through ASDA's Local Employment Partnership with Jobcentre Plus.

The redevelopment also includes a new £3.5 million state-of-the-art bus station which is integrated with the Cornbow development.

The designation of Brierley Hill as the strategic centre of Dudley Borough has enabled plans for substantial investment of around £1.5 billion to go ahead for more shops, leisure facilities, offices and housing which will all be built to link Merry Hill, the Waterfront and Brierley Hill High Street as one integrated centre.

The completion of the Brierley Hill Sustainable Access Network has been a significant achievement in taking forward the regeneration of Brierley Hill and 'opening up' potential sites for development.

Case Study 2 – The Brierley Hill Sustainable Access Network

The newly constructed £27million parallel route in Brierley Hill was officially opened in November 2008, having been completed on time and within budget.

Construction partner, Carillion, commenced work on the route in April 2007, which comprised 3 distinct components: the Parallel Route (around Brierley Hill), the Waterfront Way Link (off Pedmore Road to Waterfront Way) and 3 junction improvements on Pensnett Road. The scheme itself consists of 1.2km of new highway, 8 new traffic control junctions and 14 retaining walls.

Through the Council's Construction Initiatives Development Manager working with Carillion, a number of training and employment opportunities were secured for Brierley Hill residents from this development.



The new road will bring many benefits, which include reduced congestion in the High Street, making the town a safer place for everyone to use and improved air quality in and around the town centre. The route also opens up key areas of adjacent land for future development which include the new health and social care centre, for which construction work is well underway, and a major new college which will help transform the town.

The transformation of Dudley town centre is also a key objective for the Council. A dedicated new company, New Heritage Regeneration Limited (NHR), has been created to work on behalf of, but arms length to, the Council to drive the delivery and implementation of the physical developments planned for the Borough, focusing initially on Dudley town centre and delivering the comprehensive £300 million regeneration of the area over the next 15-20 years.

NHR will focus exclusively on physical development projects across the borough and provide a connection with key agencies including Advantage West Midlands and the Homes and Communities Agency. Alongside this will be the creation of a Dudley Town Centre Partnership which will feed into NHR and consist of a network of partnerships and partners working for the best interests of the town.

There is an increasing focus on the wider regeneration agenda, which recognises the importance of other services including housing, health, tourism, education and

environmental management, in tackling economic issues. Dudley Council and Dudley Primary Care Trust have been awarded £4.5 million from the Healthy Community Challenge Fund to deliver the “Let’s Go Outside” programme which aims to encourage families to make the most of outdoor spaces by transforming parks, play areas and nature reserves and, through a programme of activities and events, promote healthy lifestyles for all ages and help reduce the level of obesity in the borough.

Stourbridge is a long established town centre which has an attractive atmosphere, complemented by small shopping arcades and independent shopping establishments. The town’s image as an attractive centre offering unique retail and dining experiences is a key asset which the Council intends to build upon.

Dudley welcomes around 4.8 million visitors every year. Major heritage destinations in Dudley Borough include the Black Country Living Museum, which attracts over a quarter of a million visitors each year, Dudley Zoo and castle, Dudley Canal Trust and Limestone Mines and Dudley Museum and Art Gallery.

The historic Glass Quarter in Stourbridge is a key visitor destination in the borough featuring attractions and glass studios that enable the history of the area to be commemorated. In addition, the International Festival of Glass and the British Glass Biennale held every two years, attracts in the region of 10,000 visitors.



Dudley is also home to the Wren’s Nest National Nature Reserve (NNR), which is a site of special scientific interest (SSSI) and a Scheduled Ancient Monument and has been declared as the first geological NNR in the country. Saltwells Local Nature reserve is one of the UK’s largest urban nature reserves.

The canal network is another important asset for the leisure visitor, in addition to providing a network of green spaces throughout the Borough.

It will be essential to ensure that the strategy capitalises on these major developments to ensure that maximum benefits are derived for local residents, particularly in terms of future training and employment opportunities and, where possible, supporting the regeneration of the borough’s deprived wards.

The revised Strategy for 2009/10 builds on this success and brings together the key regeneration activities that will enable continued progress towards achieving the vision and strategic aims for the economic regeneration of Dudley Borough.

However, it is recognised that the current economic climate will have a significant impact on delivering the vision and aims of the Economic Strategy and will further add to the economic challenges that the Borough faces. The overview of the current context for the Strategy is outlined in the next section and includes the current and anticipated impact on Dudley, including the impact on delivering economic regeneration.

3.0 Current Economic Context - The Credit Crunch and Global Economy in 2009

Introduction

The global economy in 2008 has been subjected to traumas of an intensity not seen since the Great Depression that began in 1929.

The credit crunch, a consequence of sub-prime lending and a sharp economic downturn have, in an increasingly integrated world economy, severely tested the international financial and banking infrastructure. In turn, the shortage of credit facilities for both businesses and consumers has had a major impact on confidence, economic activity and overall demand for goods and services. Whilst beginning with a dramatic and drawn-out financial crisis, it was apparent well before the end of 2008 that the UK economy, and that of most of the 'developed' world, had lurched into recession.

How we got here

The causes of the credit crunch that started in the USA in the Autumn of 2007, and spread rapidly to the rest of the industrialised world, have been exhaustingly analysed. At its most cogent, the origins of the 'credit crunch' lie in the collective behaviour of major financial institutions - including banks, investment banks and insurance companies – to purchase packages of (mostly) 'sub prime' mortgages in the apparent belief that these represented sound investments. However, as many of the mortgagors began to experience difficulty in servicing their debts, property prices began to soften, and the very foundations of these financial institutions began to crack. What banks had considered prime investment 'assets' in their balance sheets had turned into a veritable mountain of 'toxic' debt. The scale of this financial hubris across the globe is still not clear, but estimates start at \$1 trillion. The immediate consequence of this was the risk of a wholesale failure of banks in the US and Europe through insolvency.

It is already clear that the longer-term consequence concerns the inability, or unwillingness, of banks to lend to their traditional business and domestic customers. It is equally clear that this economic fall-out, arising from what began as a *financial* debacle, will adversely impact on the global economy and international growth prospects, for years to come.

The speed and intensity of the financial crisis caught most commentators – including governments and economists - by surprise, and led to a rapidly deteriorating financial and economic situation as policy-makers struggled to come to terms with the speed and severity of the crisis. As the extent of the downturn became clear – in the Summer and Autumn of 2008 - governments across the world took concerted action, on a hitherto unprecedented scale, to inject new equity into their major banks, pump liquidity into the financial system, and slash interest rates, in an effort to stabilise the financial system and revive economic activity.

The fall of Bear Stearns and Lehman Brothers in the US, and the (in effect) nationalisation of the giant US mortgage banks 'Fannie Mae' and 'Freddie Mac', (and

insurance giant AIG), together with the part-nationalisation of Royal Bank of Scotland, HBOS and Lloyds TSB in the UK are only the more visible, if shocking, signs of the crisis to date. The true nature of the crisis concerns the liquidity – or lack of it – of the major lending and investment banks, and the constraints this places on their ability to fund business growth, as well as provide mortgages to support housing growth.

Once the financial sector, and system, has been re-capitalised, consolidated, and restored to something approaching health, the true nature and severity of the impact upon the ‘real’ economy will work itself out. A major issue, ironically, may well turn out to be the inter-dependence of the global economy, where an inter-locking series of negative factors prove to be mutually re-inforcing, and resistant to policy stimuli. These factors include not only decreased bank lending but lower business investment, declining international trade, lower commercial profits, volatile stock markets, declining land (and property) values, and lower consumer spending.

The UK experienced negative economic growth in the third quarter of 2008, when GDP fell by 0.6%. As expected, this was intensified in the fourth quarter (October-December), when the economy shrank by a massive 1.5%, confirming an actual technical recession. The most visible sign of the recession has been a steep rise in unemployment. This is expected to continue to climb in 2009, perhaps reaching 3m in total, and particularly affecting sectors covering financial services, all aspects of the construction sector (both commercial and residential) and retail and distribution.

The Year Ahead - UK

Prospects for 2009, by almost universal consent, appear to be for a grim, relentless grind. Whilst the origins of each recession may be unique, the key factor that dominates them all is a lack of demand for goods and services.

Forecasts and expectations – generally with further down-grades – are revised almost daily, but the consensus for the UK economy is for negative growth for at least the first two quarters of 2009, and possibly for the entire calendar year. The forecasts for the UK range from a decrease in output of around 1% (the Treasury’s own forecast) to the (independent) Centre for Economic and Business Research, which forecasts (December 2008) that the UK economy would shrink by 2.9% in 2009 – a scale of deterioration not experienced since the 1940s. The Ernst and Young Item Club (January 2009) have forecast a similar decline, with a 2.7% fall in output during 2009.

The consequences will be that unemployment will continue to rise sharply, perhaps by 600,000 in 2009, that business failures will increase, business investment will fall sharply (with the CEBR suggesting a decline of 15%), and house repossessions rising owing to redundancy and debt. There is little doubt, then, that 2009 will be pretty cheerless, with an unceasing negative news flow of job-losses, closures and struggling firms. Famous names such as Woolworths and MFI are already casualties of the downturn, and many car-makers are struggling to maintain production, as a result of lower order books.

2009 – The Global Economy

The UK's position needs to be understood in a global context. According to HSBC (December 2008) the year ahead will see the first actual shrinkage of the global economy since the Great Depression. Practically all developed economies (including the USA, most of the Euro Zone, the UK and Japan) are expected to experience (continuing) recession. The inter-locking, and self-reinforcing, nature of this recession is a major concern. There will be few exceptions or bright spots: whilst 'emerging' markets such as China and India are expected to witness some growth (forecasts suggest an average for emerging nations of 3%) this will not be sufficient in itself to lift the developed economies out of recession.

Consequences and Impact

It is not too early to hazard a number of probable consequences and implications of the current, severe downturn.

- **Business growth.** An effectively functioning banking system has traditionally played a key role in supporting business growth, through financing investment and expansion. The current issues around the banks' capacity to fulfil that role will inevitably result not only in lost opportunities but shrinkage in the business base – including many viable small businesses; replacing these will be the work of many years.
- **Housing growth.** With the housing market at a stand-still, the number of new housing starts has fallen dramatically. The Government's target of 3m new homes by 2020 is therefore being called into question. At the same time, failure to meet future housing need/demand risks a future housing supply crisis.
- **Regeneration.** Many broad-based regeneration projects, often involving local authority/private sector partnerships, have either been postponed indefinitely or subjected to significant delay. The consequences will be felt in terms of the strategic regeneration of cities and towns across the UK, together with the business and employment growth such projects would have generated.
- **Economic growth/power.** There can be little doubt that these economic traumas, which originated in the West and are deepest in the western economic blocks (USA, UK and the Euro zone), will accelerate the shift of economic power to Asia and the Far East.

Looking Further Ahead

The fore-going scenario suggests that it would be premature – reckless, even - to predict the timing of the end, or even the end of the beginning, of a down-turn that few saw coming. However, there are a few 'straws in the wind' that may provide grounds for (very) cautious optimism as 2009 unwinds:

- Both in the UK and internationally, interest rates have fallen sharply. From a rate of 5% at the beginning of the year, UK rates fell to just 3% in October 2008, to 2% in December, and to 1.5% in January 2009 – their lowest rate since the Bank of England was formed in 1694. In the medium-term, this

should help to stimulate economic activity, particularly when LIBOR (the inter-bank lending rate) begins to decline, and banks resume their traditional role of financing business and consumer investment.

- The Government is continuing its policy initiatives to ensure that banks have the capacity and appetite to begin to lend again, by guaranteeing loans to business. To the extent that this begins to work, it will help to maintain the business base - particularly of medium size companies that require access to bank finance during difficult times.
- The Government is also applying a fiscal stimulus to boost consumer confidence and spending power. In the UK this has included a 2.5% reduction in VAT, with effect from 24 November 2008.
- Inflation has begun to fall sharply. This is reflected in, for example, lower petrol prices, and an increasingly competitive retail environment. During 2009, inflation (as measured by the Retail Prices Index) is set to fall to between 1% and 2%. In December 2008, for example, the Retail Prices Index fell sharply, to 3.1% (from 4.1% in November), whilst the Consumer Prices Index (which notably includes mortgage costs) fell to 0.9%. This trend not only provides scope for further interest rate cuts, but will equip consumers with additional spending power.
- Lower prices - including oil, gas, food, and mortgage costs – should boost consumer spending power, and hopefully confidence, as 2009 progresses. Some of these extra funds will be used to pay off debts, but much – particularly in view of low rates for savers – will be spent on the high street.
- Lower oil and commodity prices - including most metals. The price of oil has fallen from \$147 to around \$40 a barrel between June and December, and this will feed through not only to lower inflation but reduced costs, and increased competitiveness, for manufacturers, and distributors/retailers.
- The sharp decline in the value of sterling should provide opportunities for exporters, as well as a boost for traditional centres of tourism. However, with the recession so widespread, (and demand therefore so weak) optimism should be tempered.
- Internationally, it seems likely that some important economies - for example China and India - will continue to grow, albeit at a much lower rate than in recent years. The forecasts for the Chinese economy in 2009 range from 5% to 7.5%, against a likely out-turn of 9% for 2008. This continued, if more subdued, growth *may* prevent what has become an international recession turning into a genuine global depression, and provide a foundation for a resumption of moderate growth from 2010.

In summary, when the Bank of England cut interest rates in January, the Monetary Policy Committee noted: *“The recent easing in monetary and fiscal policy, the substantial fall in sterling and the prospective decline in inflation would provide considerable stimulus to activity as the year progressed”*.

The Impact on Dudley

The impact of a national, and international, recession on Dudley's own economy is already evident, and is expected to be severe during 2009.

The current downturn must also be viewed in the context of a sub-region that already had, prior to the recession, a £3.5bn output gap with the West Midlands as a whole – a gap that is unlikely to narrow in such difficult conditions. Key elements making up the gap are a low skills base and poor rates of new business creation – factors that will do little to assist either resilience to the down-turn, or a quick recovery as the UK emerges from it.

The diversity of the local economy, its lack of reliance on a single dominant sector, and the high proportion of residents working in high-value industries (often outside the borough) provides a degree of resilience in the face of external shocks. However, these caveats must be relative, (particularly given the number of Dudley residents thought to be employed in Birmingham's financial sector). It is evident, in early 2009, that a major impact is occurring across, in particular, the construction sectors, financial sectors, many parts of manufacturing, and retail and distribution. The knock-on or multiplier effect of a down-turn in these industries is rapidly cooling economic activity across the whole spectrum of sectors that make up the local economy.

Jobs

The local job market proved resilient through the first half of 2008. However, in recent months Job Seeker Allowance (JSA) based unemployment has risen very sharply, to 4.2% in December 2008 (from 3.8% in November). This trend is expected to continue – even accelerate - through 2009. It is clear that the downturn is affecting all sectors, since 23 of the borough's 24 wards have experienced an increase in the claimant count over recent months.

Between April 2006 and September 2008, 1,882 redundancies were notified to Jobcentre Plus, from Dudley based companies. The majority of these job losses were from manufacturing, financial services and retail. Unemployment is generally a 'lag' indicator, and will probably continue to rise throughout 2009, even if economic conditions stabilise.

Regeneration

Many of the regeneration projects – providing new businesses and jobs – planned for Dudley, including the exciting Castle Hill mixed use development, have encountered significant delays as a result of the economic down-turn.

Castle Hill is not the only example to be cited. The plans for Daniel's Wharf, central to the regeneration of Brierley Hill, have also experienced major delay, as has the site of the old Dudley Guest Hospital, near central Dudley.

In addition, the number of new home completions has fallen sharply, as demand from buyers has evaporated owing to mortgage restrictions.

Business growth

The number of new businesses being created has fallen sharply, in comparison with 2007. This trend is likely to continue into 2009: lower consumer expenditure, and

therefore lower demand for goods and services, provides an unfavourable backdrop for new business creation.

Similarly, the number of business closures has increased in the last quarter of 2008, compared to the same quarter of 2007. This trend is expected to continue in 2009, as the general lack of demand destroys company viability.

Black Country Chamber's latest Economic Survey reports a sharp drop in business confidence, and expectations for lower turnover – consistent with other local and national indicators.

The Housing market

A steep decline in sales, beginning in 2007 but accelerating throughout 2008, has meant that the housing market is all but moribund in many areas, including the most affluent and sought-after neighbourhoods. House sales in September 2008 totalled 2929 – less than half the volume of a year earlier. Clearly, this is a consequence of the 'credit crunch' on mortgage availability, as well as the increasing risk aversion of residents. The inevitable result was a 16.2% fall in house prices in 2008, with a projected further fall, of a similar magnitude, in 2009.

Incomes

Household incomes have been under pressure, owing to rises in the price of essential items, such as food and heating, and a lack of earner power due to increasing risks of redundancy. Tougher conditions for consumers, redundancies and greater indebtedness have led to a 40% increase in client referrals to the Citizens Advice Bureau for debt advice, owing to mortgage arrears, and credit card and other debts.

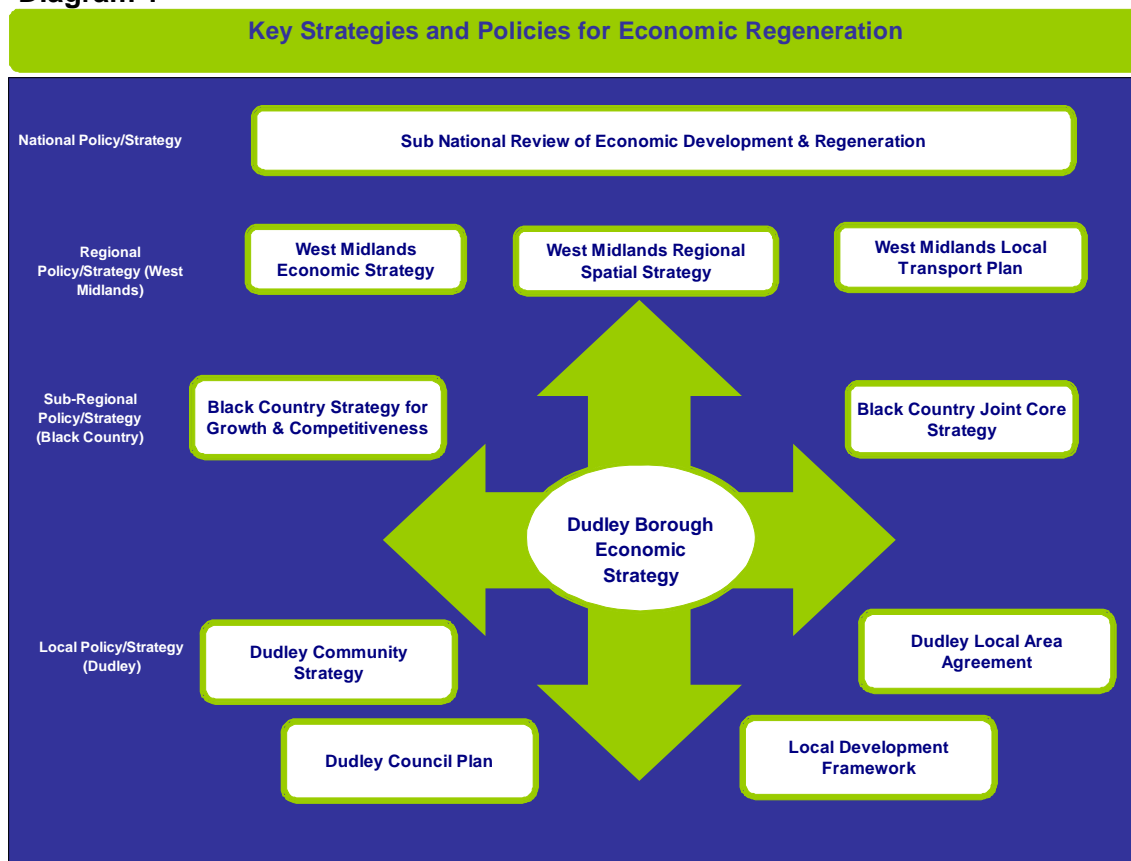
It may be, however, that recent falls in the price of many basic goods, including petrol, and the Government's action to lower taxes, will provide relief and room for extra expenditure for those still in employment. In addition, mortgage costs – possibly the biggest drain on many family budgets – should start to fall sharply, in response to slashed interest rates - again providing spending headroom.

In summary, while the die was cast in 2008, the coming year will be one of recession and rising unemployment, of a depth and scale not seen for many years. It is likely, however that the latter part of 2009, or early 2010, will see tentative, if shallow, signs of economic recovery, based on a resumption of bank lending, and a revival in consumer spending.

4.0 Strategic Context – National, Regional and Local Policies and Strategies for Economic Regeneration

The Economic Strategy takes into account a wide range of national, regional, sub-regional and local policies and strategies which set out the priorities for economic regeneration. Diagram 1 gives an overview of this strategic context.

Diagram 1



National Policy and Strategy

In July 2007, the Government published the Review of **Sub National Economic Development and Regeneration** (referred to as the SNR) which was undertaken to consider how to strengthen economic performance in England's regions, cities and localities, as well as how to tackle persistent pockets of deprivation.

The SNR set out its vision for reform including a number of recommendations aimed at achieving four objectives:

- Empowering all local authorities to promote economic development and neighbourhood renewal, giving them added flexibilities and incentives to promote sustainable economic growth
- Supporting local authorities to work together, where they wish, across the sub-regional level to promote economic development, and providing them with the tools to do this

- Streamlining the regional tier outside London through simplified structures, streamlined decision-making and improved accountability
- Reforming central Government's relations with regions and localities

In March 2008, The Government published a consultation document, “**Prosperous Places**” which set out its proposals for taking forward some of the SNR's key reforms. The Government now intends to take forward refined proposals on:

- The creation of an economic assessment duty on upper tier and unitary local authorities;
- Ways for local authorities to set up formal collaborative arrangements on economic development;
- The production of the new regional strategy and reformed regional governance structures; and
- The delegation of decision-making by Regional Development Agencies to local authorities and sub-regional partners

In July 2008, the Department for Communities and Local Government published a consultation document, “**Transforming places; changing lives - A framework for regeneration**”, which sets out an ambitious package of proposals that aim to shape the way that regeneration is carried out in future in England. The aims of the proposed measures include ensuring that regeneration investment is co-ordinated and prioritised and focusing regeneration investment on tackling the underlying economic challenges that hold back deprived areas, in particular supporting people to get a job and boosting levels of enterprise.

Regional Policy and Strategy (West Midlands)

The **West Midlands Regional Spatial Strategy (RSS)** sets out an overarching spatial strategy for the West Midlands region and provides one way that regional partners can jointly address major economic, social and environmental issues facing the West Midlands. The RSS provides a long-term land use and transport planning framework for the region and provides details of policies to ensure that physical development in the region will deliver renaissance for both urban and rural communities in the West Midlands.

The RSS was approved by the Secretary of State in 2004 subject to three stages of revision, which are:

Phase One - Strategic Guidance for development and investment in the Black Country up to 2021 which was approved in January 2008 and endorsed strategic centre status for Brierley Hill.

Phase Two - launched in November 2005, the review will cover housing figures, employment land, transport and waste

Phase Three - launched in November 2007, the review will cover rural services, recreational provision, regionally significant environmental issues and provision of a framework for gypsies and travellers.

The **West Midlands Economic Strategy (WMES): Connecting to Success** is produced by Advantage West Midlands and sets out what the West Midlands region

needs to do to improve its economic performance and deliver sustainable economic development and growth.

The Strategy sets an ambitious vision for the West Midlands - "To be a global centre where people and business choose to connect"

The Strategy focuses on 3 main themes, which are Business, People and Place and also recognises the need to provide a powerful voice for the West Midlands. The WMES contains the Skills Action Plan for the region which sets out the skills ambitions for the region for 2020 and also facilitates the move towards a single integrated regional strategy, as proposed in the SNR.

The Dudley Borough Economic Strategy supports the vision of the WMES and its key components - Business, People and Place - are important at a local and regional level. The Delivery Plan for the Economic Strategy sets out interventions that will contribute to each.

City Region - Dudley MBC continues to work with the metropolitan authorities of Birmingham, Coventry, Sandwell, Solihull, Telford, Walsall and Wolverhampton, together with the Regional Development Agency, Learning & Skills Council, West Midlands Regional Assembly and business community who have joined together to form the Birmingham, Coventry and Black Country City Region.

The City Region approach is intended to ensure that strategic policies for spatial planning, economic development, skills and employment, transport, regeneration, housing, the reduction of carbon emissions and quality of life are effectively co-ordinated and mutually supportive.

Dudley's participation as a partner in the City Region is viewed as complementary to its Economic Strategy. In many ways, the performance of the local economy is dependent upon the 'economic geography' of the wider sub-region and region. By a process of collaborative working on 'the bigger picture' – focusing on transport, infrastructure and inward investment across the urban core of the West Midlands – the aim is to further raise Dudley's prospects and increase its potential.

An example of City Region working is the **City Strategy Pathfinder**, which is a new approach to removing barriers to economic participation and employment. The Strategy aims to halve the gap between the City Region employment rate and that of the 55 target wards by 2012. However, it will achieve this by building on existing structures and partnerships and adding value to Local Area Agreements.

The City Region of Birmingham, Coventry and the Black Country are currently pursuing the agreement of an Employment and Skills Multi- Area Agreement (MAA). The rationale for the development of a MAA is to address a number of challenges facing the City Region, namely:

- Economic output per head in the City Region is below the national and regional averages with a significant proportion of the productivity gap attributable to worklessness and low skills
- An economy which has experienced sharper economic changes than many other parts of the country which is forecast to continue

- Despite recent improvements, skills levels are significantly lower than national and regional averages

Sub-Regional Policy and Strategy (Black Country)

The **Black Country Joint Core Strategy** will be the key statutory plan in the Black Country to support the sustainable growth of the Borough in terms of its population, economy and prosperity over the next twenty years.

The Strategy will shape the transformation of the Borough to create new communities, make considerable improvements to the quality of the Borough's employment area and strengthen the viability of town centres, especially Brierley Hill as the new strategic centre within the Borough.

The strategy is predicated on a series of regeneration corridors linking the strategic centres across the Black Country which, along with the strategic centres themselves, will be the focus of transport improvements and housing growth as well as industrial and commercial growth.

The vast majority of new housing will be concentrated in the regeneration corridor running south west from Dudley Town Centre to Brierley Hill to Stourbridge Town Centre which will provide over 5,000 additional dwellings over the next twenty years. In addition to this, a further 3,000 new homes are set to be provided in and around Brierley Hill Town Centre. The other major area of housing growth will be within the corridor following the Jewellery Railway Line running from Birmingham to Stourbridge through Cradley Heath and Lye. It is proposed that over 2,000 additional homes will be created along this corridor.

The main focus of new economic activity will focus on improving and maintaining the Borough's high quality employment areas as well as increasing the offer of commercial, industrial and retail floor space in and around Brierley Hill.

The Joint Core Strategy will also promote the environmental transformation of the area and the Borough through improving and providing better links between parks, open spaces and areas of nature conservation and will support the continued protection of the Green Belt. It will also seek to protect and maintain the existing character of the Borough and will also support district and local shopping centres serving primarily local needs.

The timetable for the completion of the Joint Core Strategy is as follows:

Publication - November 2009

Submission - February 2010

Examination in Public - June 2010

Adoption - December 2010

The **Black Country Strategy for Growth and Competitiveness** focuses on two major drivers of renaissance of the Black Country sub region, which are lifting educational and skills performance and a radical transformation of the environment. It sets out a clear spatial strategy focusing growth in the four strategic centres and along corridors served by high quality public transport.

The vision-led strategy has been developed to achieve four key objectives, which are:

1. Population growth to 1.2m
2. Raising incomes to the national averages
3. Achieving a better balance of resident households reflecting the national average
4. Transforming the environment

Key outcomes of the Black Country Strategy are the elimination of the sub-region's output gap which currently stands at £3.5 billion, which represents around a third of the West Midlands regional economic underperformance compared to the national average, and land use/transportation restructuring to create high quality sustainable environments.

The Black Country Investment Plan will be a mechanism to achieve the vision and objectives of the Black Country Strategy. It will provide a framework for the sub-region to ensure that investment opportunities are aligned against agreed priorities, as well as serving as catalyst for tackling cross cutting issues, which will enable the transformational changes required across the Black Country.

Local Policy and Strategy (Dudley)

The **Dudley Community Strategy**, produced by Dudley Community Partnership, sets out a 15-year vision for the community and the core of this vision is the promotion of stronger communities. The strategy identifies 6 key priorities to assist the creation of stronger communities and the activities within the Economic Strategy will impact directly on the key priority of 'Creating a Prosperous Borough'.

The Dudley Next Generation Local Area Agreement (NGLAA), is a 3-year agreement which started in 2008/09. The NGLAA seeks to highlight what needs to be done in the next 3 years to improve the quality of life of residents in Dudley Borough.

Dudley's NGLAA places economic regeneration at the heart of the social and physical development of the Borough. The vision for the economy in the NGLAA is Dudley Community Strategy but supports it by recognising that a strong economy is one of the key ingredients necessary to deliver stronger communities.

The priorities for the NGLAA are focused around four high level outcome areas - Wealthy Communities, Healthy Communities, Environmentally-aware Communities and Safe and Cohesive Communities.

In terms of Wealthy Communities, Dudley Community Partnership believes worklessness is a root cause of deprivation and that a diverse, vibrant and growing local economy is essential in providing a healthy jobs market, offering good quality jobs across the range of sectors and occupations with higher income prospects. For most people, employment is the critical factor in improving individual prosperity and can bring about significant improvements in the fundamental elements of their quality of life such as better health and housing.

The key priorities for the Wealthy Communities outcome therefore focus on reducing worklessness, raising skills levels and increasing enterprise and investment in order

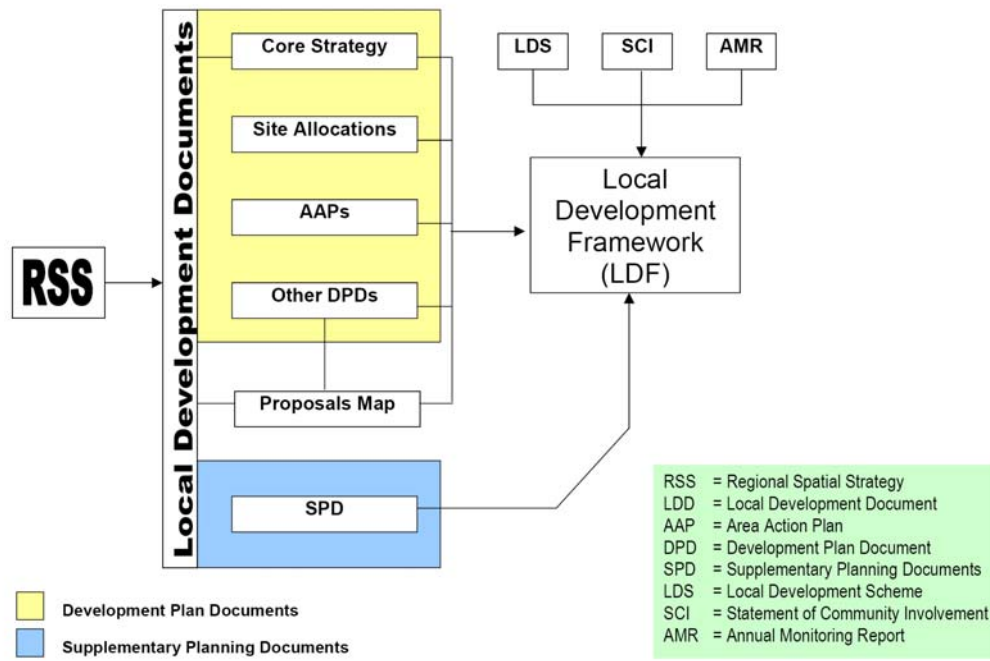
to impact on performance against a chosen set of National Indicators, as shown in the table below.

NGLAA 2008-2011 - Wealthy Communities Theme - National Indicators (NIs)

Priority	National Indicator	Indicator Description	Baseline and Year	Totals over 3 year period (2008/09 to 2010/11)
Increasing incomes and wealth and reducing poverty	116	Proportion of children in poverty	20.2% (11775 children) (Yr. 2007)	3% reduction
	166	Median earnings of employees in the area (gross)	0.9248 (£361.70) (1997-2006)	Maintain ratio of 0.925
Reducing worklessness	152	Working age people on out of work benefits	13.3% (May 2007)	1.5% reduction
	153	Working age people on out of work benefits in the worst performing neighbourhoods	29.2% (May 2007)	1.0% reduction
Improving skill, qualification and knowledge levels, especially among disadvantaged and vulnerable groups	163	Working age population qualified to at least Level 2 or higher	65.4% (111834 people) (Yr. 2006)	9% increase
	165	Working age population qualified to at least Level 4 or higher	22.4% (38304 people) (Yr. 2006)	3.5% increase
Improving enterprise and investment	171	The total proportion of business registrations per 10,000 (Age 16+)	32	NI Deferred until October 2008

Dudley's Economic Strategy, together with Dudley Community Strategy, has provided a highly developed evidence-base for informing both current LAA and Next Generation LAA.

Local Development Framework - as part of a new planning framework, Local Authorities must produce a Local Development Framework (LDF), which is a collection of documents to guide development in the Borough, as illustrated in the diagram below.

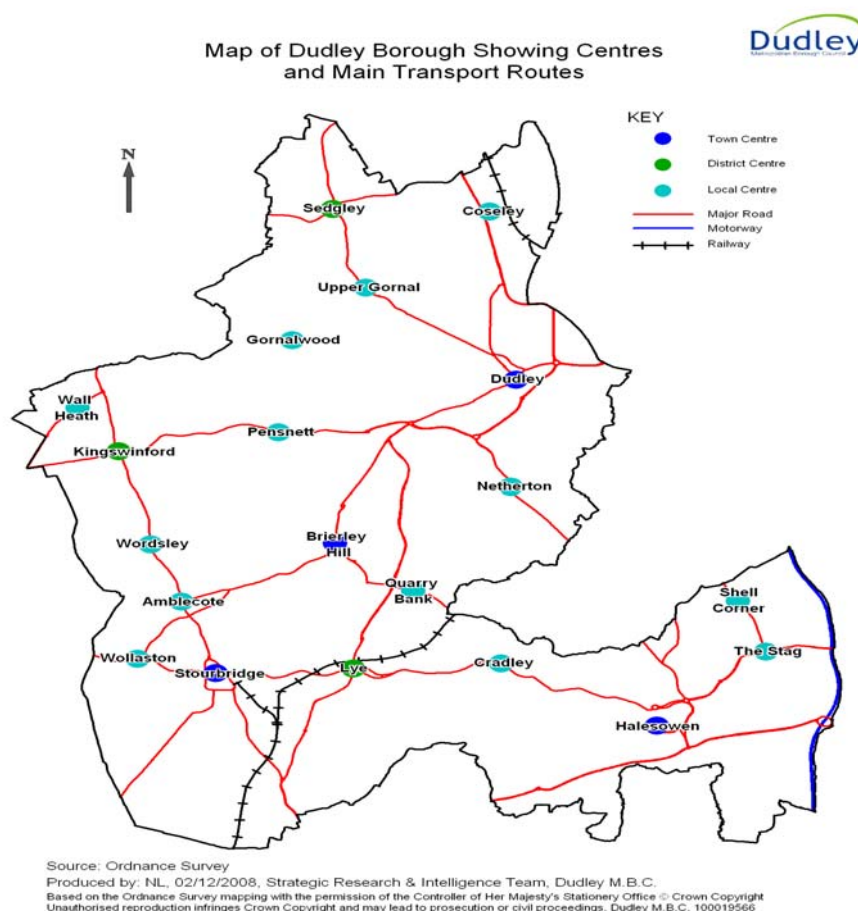


5.0 This is Dudley

About Dudley Borough

The borough of Dudley, located in the western half of the West Midlands conurbation, covers 38 square miles with a population of 305,400.

- The borough is the third largest in population size in the West Midlands and the 17th largest authority in England and Wales.
- Over the last 30 years the economy has been transformed; whilst manufacturing continues to be important, the borough now boasts a strong and diverse service sector, including financial services, distribution and retail – most notably the Merry Hill shopping centre near Brierley Hill, one of the largest retail developments in the UK.
- Dudley Borough has strong transport links with the region via the M5 motorway, and by rail to Birmingham and Wolverhampton.
- Dudley Borough is mainly urban in character although 25% of the land area is open space and green belt.
- Dudley Borough is made up of four main town centres, Dudley, Brierley Hill, Halesowen and Stourbridge.
- There are also sixteen district and local centres in the borough.



Dudley's Economy – Key Facts

Dudley's economy operates very firmly within a sub-regional, regional, national and international context. The Borough's economic success and prosperity is therefore partly dependent upon external factors and influences, and partly on the employment and skills of its residents and the Borough's enterprise and industry.

In October 2008, a Regional Integrated Economic Assessment (RIEA) for the West Midlands region was published. This work constitutes an important first step in the longer term development of the evidence base for the single integrated regional strategy, which is one of the requirements of the Sub-National Review of Economic Development and Regeneration. The RIEA contains three distinct elements: an overarching regional summary, thematic chapters (Economic Structure & Output, Communities & Connections and The People of the Region) and Local authority area profiles which highlight key characteristics of each area and identify some of the current issues facing local economies.

For the future, the Government intends to introduce legislation to place a duty on lead authorities to carry out an assessment of the economic conditions of their area, a Local Economic Assessment (LEA), which will be underpinned by statutory guidance. The LEA will build upon the work undertaken for the RIEA and will inform the future development of the Economic Strategy.

The following summary is based on the content of the Local Area Profile for Dudley Borough.

Dudley Businesses

- **GVA per head**

GVA per head in Dudley and Sandwell was estimated to be £14,612 in 200. This is almost 8% lower than the West Midlands region figure of £16,303 and is significantly lagging behind the average figure for England of £19,413.

- **Earnings**

Average median weekly earnings for people working in Dudley Borough was £399.10 in 2008. This is the second lowest level of earnings in the Black Country and is below the regional figure of £456.40. The level of earnings in Dudley Borough increased by 13.5% between 2002 and 2008, however, the region increased by 18.3%.

- **Business Base**

Manufacturing accounts for 15.7% (18,400 jobs) in Dudley Borough, compared to 10.6% for England. The service sectors represents 78.2% of employment. Distribution (including retail), hotels and restaurants account for the highest proportion of jobs in the service sector, employing 25.1% which is the same as the national average, followed by administration, education and health employing 23.6%.

- **Enterprise**

785 new businesses registered for VAT in 2006, compared 765 in 2006, which is 32 new business formations per 10,000 resident adults. Although Dudley has the highest rate of business formation in the Black Country and the same rate as the West Midlands, this rate lags significantly behind the national average of 43 per 10,000 resident adults.

Dudley Businesses (cont)

- **Business Survival**

One-year survival rates have improved from 86% for businesses registered in 1995 to 93% for those registered in 2004, which is close to the regional average of 92%. Three-year survival rates are around 71% for businesses registered in 2002. This rate is very close to the rates for the West Midlands and the UK, which are both at approximately 71%.

- **Self Employment**

The self employment rate in Dudley Borough is above the West Midlands average. For the period July 2007 to June 2008, 9.3% of the working age population was in self employment compared to 8.4% for the West Midlands. However, Dudley's rate is below the national rate of 9.6%.

Dudley as a Place

- **Place Competitiveness**

Out of the UK's 407 localities, Dudley was ranked at 312 in 2008, 13 places lower than in 2006. Wolverhampton was the highest placed Black Country locality at 305 and Walsall was the lowest placed in the Black Country at 361. Birmingham is ranked 76 places above Dudley at 236.

- **Employment Land**

The total land supply of better quality industrial land and premises in Dudley Borough has reduced from 47.68 hectares in April 2007 to 37.47 hectares as at April 2008. There is a lack of new sites coming forward.

- **Inward Investment**

Since 1994, Dudley has attracted over 50 inward investment projects. During this time these overseas owned companies created over 1,000 new jobs and safeguarded almost 9,000. This amounts to 4.5% of all investments, 2% of new and 6% of safeguarded jobs in the region.

- **Transport**

Dudley had the highest proportion of its population driving to work amongst the West Midlands metropolitan boroughs in 2001. Over 63% of residents in employment drove to work compared with the regional average of 60%.

- **Housing**

Affordability of housing is higher than in neighbouring areas, such as Sandwell and Wolverhampton, similar to Staffordshire and around average for the region. This means that a large proportion of residents find it more difficult to get on the housing ladder. Between 2001 and 2006, house prices in Dudley have increased by 85%.

- **Deprivation**

Dudley ranks at 100 out of 354 Local Authorities with 1 being the most deprived and 354 being the least deprived. Dudley remains the least deprived authority in the Black Country. By "best-fitting" the SOAs to wards, the IMD 2007 shows that the five most deprived wards in the Borough are Castle & Priory, Brierley Hill, Netherton, Woodside & St Andrew's, St James's and St Thomas's.

Dudley's People

▪ **Population**

Dudley is the 17th largest metropolitan authority in England with a recorded population of 305,400 in 2007, which is the highest of the four Black Country Local Authorities, and third only to Birmingham and Coventry within the West Midlands Region.

Dudley has an ageing population with people over 60 accounting for 22.2% of the total population (Census 2001), compared to 20.6% in 1991.

White British residents make up 93.68% of the total population. Of the BME groups, Pakistani is the largest, making up a little over 2% of the overall population.

▪ **Migration**

During the period 2001 to 2007, a total of 49,400 people came to live in Dudley Borough and 51,500 people relocated to areas outside of Dudley. One of the reasons for people leaving the Borough is those people of retirement age relocating to more rural areas just outside of the Borough such as Staffordshire and Shropshire. In addition, a total of 6,500 international migrants have come to live in Borough and 5,700 have left, therefore giving a net in-migration of 800 international migrants.

▪ **Employment**

The employment rate for Dudley Borough is 75% (January to December 2007), which continues to be the highest of the four Black Country boroughs and also higher than the regional and national averages.

▪ **Unemployment**

15.6% of the Borough's working age population, 28,720 people, were in receipt of Working Age Client Group (WACG) benefits (May 2008). This is higher than the average figures for the West Midlands at 15.5% and Great Britain at 13.9%.

The JSA claimant rate for Dudley stands at 4.2% as at December 2008, a total of 7,649 claimants.

▪ **Skills**

38,000 Dudley residents (20.7% of the working age population) are qualified to degree level (Level 4 and above). Although this performance is ahead of the other Black Country Authorities, it is significantly below the national average of 28.6% and the average for the West Midlands of 24.6%.

114,700 Dudley residents of working age (62.5% of the working age population) are qualified to Level 2 and above, which is again lower than the national average of 64.5%.

32,000 Dudley residents (17.5% of the working age population) have no qualifications, which is close to the regional average of 17% but significantly higher than the national average of 13.1%.

▪ **Education**

The percentage of pupils achieving 5+ A*-C GCSE grades increased from 44.3% in 1998 to 59.9% in 2008.

▪ **Health**

Health levels in Dudley are around average for the region. Across a wide range of health and lifestyle measures, one area where Dudley performs less well is the level of regular participation in sport and recreational activity undertaken by adults, which at 16.7% is the highest rate amongst the four Black Country boroughs but below the regional average of 19.3% and the national average of 21%.

Levels of obesity are lower than the regional average but high compared with the rest of the country.

6.0 Delivering the Economic Strategy - Dudley's Regeneration Programme

Dudley's innovative regeneration programme, delivered by Dudley Council and a range of partners, consists of a number of key strategic projects to deliver the vision and aims of the Economic Strategy.

Detailed action plans for each strategic aim have been developed to clearly set out the key projects and initiatives and are included as appendices to the Strategy. Each action plan contains a series of objectives with key actions, milestones and timescales to guide the implementation and management of the Strategy.

The following section provides an overview of some of the key strategic projects and initiatives within the regeneration programme.

Strategic Aim 1 - 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

Tackling worklessness is a key priority for economic regeneration in Dudley Borough. However, tackling worklessness is a complex issue requiring a long-term, multi-dimensional approach. Worklessness is deep-rooted in many of the disadvantaged wards and many of the residents who are out work are hard to reach and have barriers to work including personal barriers such as high levels of debt, substance abuse, family breakdown, mental health problems and caring issues as well as learning barriers including basic skills, particularly numeracy and literacy as well as personal and job-search skills.

Dudley's Next Generation Local Area Agreement places emphasis on initiatives that will assist communities and residents who experience disadvantage, including for example BME communities, lone parents and people who have a health/disability barrier to work, in order to increase aspirations and participation in services that will ultimately narrow the gap between disadvantaged areas and the rest of the Borough.

Strong partnerships have been developed between the Local Authority, local colleges, Connexions, the Learning & Skills Council, employers, training organisations and the community and voluntary sector in order to tackle worklessness on a wide variety of fronts and to assist young people to achieve their full potential.

The Government has made a clear commitment to provide an integrated employment and skills service including:

- A system that identifies those for whom skills or qualifications are a barrier in the way of sustainable employment
- Provision of a ladder of opportunity to ensure that all can learn, earn and fulfil their potential
- Changes to welfare rules and systems to support sustainable employment and progression
- A strong offer to employers, through Local Employment Partnerships (LEPs), Train to Gain, apprenticeships and reform of vocational qualifications.

The Black Country Employment and Skills Plan support the West Midlands Skills Plan and also reflects the role of the Employment and Skills Board and partnership arrangements, as set out in the Black Country Employment and Skills Protocol, to reduce unemployment and create sustainable jobs for local people.

The Strategy also recognises the need to improve higher levels skills in order to increase income levels and increase the competitiveness of the Borough.

Key Objectives

- To reduce levels of worklessness in Dudley Borough, with a focus on disadvantaged wards / groups
- Provide appropriate training, advice / support to equip the workforce of the borough with the skills required by the economy
- Promote social inclusion through responsive provision and the removal of barriers to employment and learning

Key strategic initiatives include:

- ***City Strategy Pathfinder***

This initiative, which has been extended for two years for 2009/10 and 2010/11, is focused on maximising training, support and employment for people in the five most disadvantaged wards in the borough - Castle & Priory, Netherton, Woodside & St Andrew's, St Thomas's, Brierley Hill and St James's.

The work of the Council's Community Renewal Officers is focused on the regeneration/worklessness agenda, taking a key role in facilitating the Neighbourhood Employment and Skills Partnerships in each ward to take forward this initiative.

- ***Pathways to Work***

Pathways is a national programme, which is supported by Jobcentre Plus, and has a key role in delivering the welfare reform agenda and is a major step to helping to improve the opportunities available to people with health problems and disabilities and lifting families out of poverty. The programme provides key measures and interventions, including work-focused interviews and the 'Choices' programme of back to work help, to address the health barriers to employment of people claiming incapacity benefit and support these clients into work.

In the Black Country, the programme is delivered by Seetec who have an office in King Street in Dudley town centre.

- ***Local Jobs for Local People Brokerage & Job Search Programmes***

Delivery of a number of programmes to link local residents with employment opportunities, delivered by Future Skills Dudley and Adult and Community Learning (DMBC) and a variety of delivery partners. To support this activity, a range of local training and skills programmes are delivered across the borough to equip local people with the appropriate skills to help them compete in the labour market.



Key centres in Dudley Borough where people can access services include Regent House in Dudley town centre and the Savoy Centre in Netherton.

- ***Children's Centres***

Seventeen children's have already been developed in Dudley Borough and a further four will be developed by March 2010. These centres are a critical part of the infrastructure to tackle worklessness, in providing adult learning, job training and employment opportunities and provision of family support services.

- ***Black Country Challenge***

The Black Country Challenge, which was officially launched in May 2008, is aimed at boosting educational performance in the sub-region. £25million of funding from the Department for Children, Schools and Families has been secured for the next three years, with the aim of:

- Raising attainment and increasing participation
- Cutting the number of low performing and under performing schools
- Increasing the number of high performing schools
- Narrowing attainment gaps

Strategic Aim 2 - To encourage the development of a dynamic and diverse business base and jobs through support to new and existing businesses in the borough

The provision of high quality, accessible employment land is fundamentally important in stimulating inward investment and in particular, in attracting knowledge based businesses to the area to create higher value employment opportunities.

Enterprise is crucial to the development of a vibrant local economy and this aim is also focused on developing enterprise and providing support to encourage a greater number of business start-ups as well as improving the competitiveness of existing businesses to meet future demands of the global marketplace.

Key Objectives

- To maintain a balanced supply of industrial land and premises in Dudley Borough
- To support new and existing businesses through delivery of a range of business support programmes and initiatives
- To promote Dudley as a place for innovation and investment

Key strategic initiatives include:

- ***South Black Country Enterprise & Innovation Centre***



Development of the proposal to provide an inspirational facility to accommodate and support the growth of new high value knowledge based businesses and jobs in the borough and the Black Country. It is also intended to provide an innovation academy supported by a consortium of local, regional and national universities and local further education colleges.

It is expected that the centre will be fully operational by 2011.

- ***Business Link***

Business Link is a key partner in providing support to create new businesses and supporting existing businesses to grow and develop including support for innovation and product development, new market development, workforce development and access to finance and ICT.

Dudley also has four secondary schools that have been awarded specialist status in Business and Enterprise. This provides an additional resource in developing an enterprise culture in the Borough in order to encourage new business start-ups.

Strategic Aim 3 - To improve the economic and environmental infrastructure of Dudley Borough and its town centres

The four main town centres in the borough will be the focus for substantial future development and investment.

The Economic Strategy aims to ensure that there is innovative and complementary regeneration activity across the borough; however, there is a real need to establish priorities to ensure effective delivery. In terms of town centre regeneration, the priorities are the development of Dudley, followed by Brierley Hill followed by Stourbridge and Halesowen.

Key Objectives

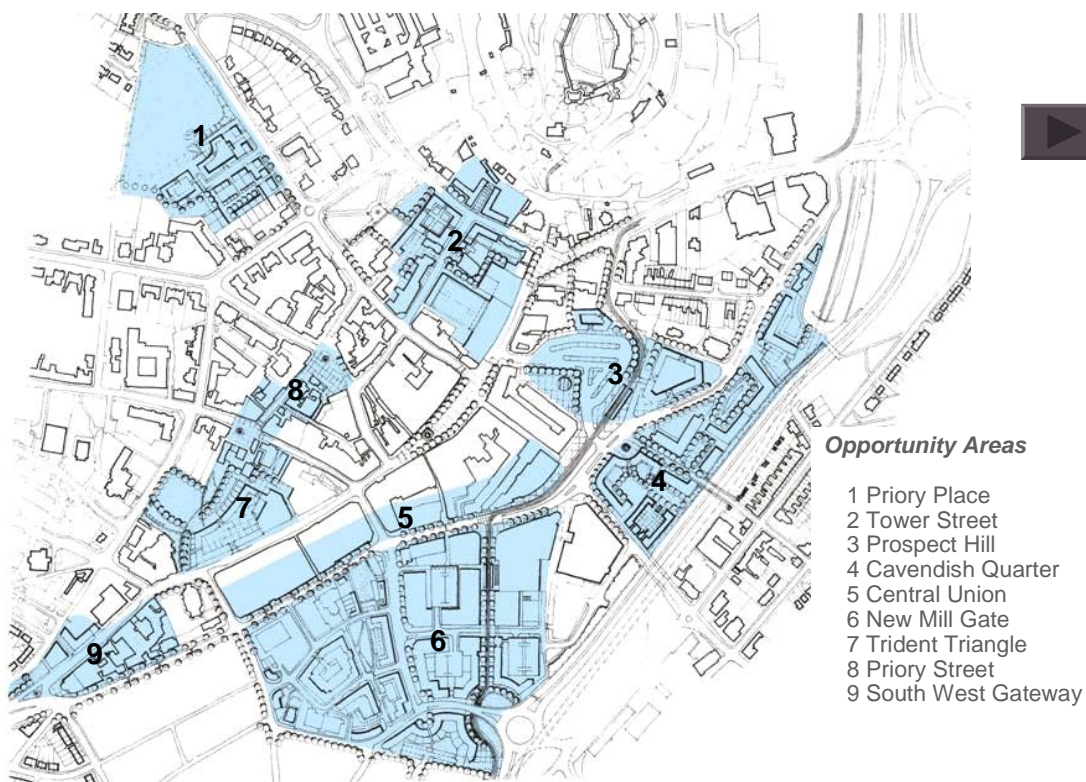
- To maximise the potential of the Borough's major development sites for the benefit of the local economy
- To promote the regeneration of the Borough's Town Centres
- To promote the regeneration of the Borough's District and Local Centres
- Develop the Visitor Economy through enhancing the Borough's tourism potential and promoting the Borough as a high quality visitor destination
- Provide a comprehensive Public Transport System in the Major Urban Areas and ensure the expeditious movement of traffic within the Borough

Key developments in the four town centres include:

Dudley Town Centre

- ***Delivery of the Dudley Area Development Framework (ADF) -***

Physical redevelopment of the eight opportunity sites within the Dudley ADF: Priory Place, Tower Street, Prospect Hill, Cavendish Quarter, New Mill Gate, Priory Street, Trident Triangle and South West Gateway.



The delivery of these developments will ultimately bring significant benefits to the borough including creating around 3,000 jobs, almost 700 residential units, an additional 1,300 residential population in the town centre and £10 million of improvements to public and civic spaces.

- ***Dudley Townscape Heritage Initiative***

This initiative will provide over £4m of grant funding to restore, maintain and conserve key buildings of historic interest and bring vacant floor space back into use as well as enhancing the town's appearance and image. Alongside these physical improvements, THI will also deliver training to improve conservation skills and develop educational resources to promote knowledge and appreciation of Dudley's heritage.

- ***Dudley Castle & Zoo***

The Council is working closely with Advantage West Midlands, the zoo and other interested parties to revisit ambitious plans for a multi million pound development that will link into other local attractions at the Black Country Museum, Canal Trust, Wrens Nest, the Castle Gate Entertainment area and Dudley town centre itself.



- ***Burnt Tree Island***

The Council, in conjunction with Sandwell MBC, is promoting a major junction improvement to the A461/A4123 Burnt Tree Island junction. Reducing delays and congestion at this key gateway to the borough will significantly improve links to the regional and national motorway network, thus contributing to the economic well being of the area and further assisting the regeneration of the borough.

- ***North Priory Housing Regeneration***

Exciting plans to regenerate North Priory are being taken forward to regenerate the estate as a desirable place to live, with homes suitable for the whole community now and in the future.

The plans include building over 300 homes, of which there will be a mixture of social rented properties, shared-ownership and private sale and a range of housing types which will all be built to a high environmental and safety standard.

- ***Ripples through Time – Wren's Nest National Nature Reserve***

This project will be implemented to enhance Wren's Nest National Nature Reserve and see it become a first class destination for geology and environmental regeneration.



The project focuses on two main areas; firstly the physical enhancements of the NNR including improvements to entrances, paths, steps and fencing and the creation of a new accessible route around the reserve, and secondly, developing programmes for education, interpretation and community engagement.

It is hoped that these improvements will see visitor numbers increase from current levels of 12,000 per year to at least 20,000.

- **Priory Park**

Exciting plans will be progressed for a £2.5 million investment in the park which could see a range of improvements including flood lighting, the establishment of an arboretum, resurfacing of the football pitch and bowling green and repairs to path surfaces to allow better access.

Brierley Hill Town Centre



Work is well underway on the production of an Area Action Plan for Brierley Hill as the borough's new strategic centre.

The proposals will link Brierley Hill High Street with Merry Hill and the Waterfront, to become one centre. There will also be improved accessibility through new streets and public transport links to buses and the proposed extension to the Midland Metro.

- **Brierley Hill Health & Social Care Centre**

Construction to continue on the new £26 million health and social care centre, which is the largest LIFT scheme in the UK and will be a fantastic addition to the town centre and a brilliant new health facility for the local community.

The centre will comprise three GP surgeries, a state of the art audiology centre and out patients and social care services.



A formal hand over to Dudley Primary Care Trust is scheduled for early 2010.

- ***Midland Metro***

This is a key transport infrastructure project which is an extension to the existing Metro Line 1 from Wednesbury to Brierley Hill. Having been granted Transport and Works Powers in 2005, the project is currently awaiting future funding.

Stourbridge Town Centre

Dudley's Unitary Development Plan states that Stourbridge is "an attractive, historic town centre which should remain as an important focus for a wide range of shopping, leisure, cultural, housing and administrative activity".



Stourbridge has a high quality residential offer as well as being in an advantageous geographical position for commercial/industrial development.

There have already been a significant number of environmental improvements to the town centre including the subway and the restoration of the town clock resulting the town scooping the Gold Award for the Stourbridge in Bloom award scheme.

- ***Crown Centre Development***

Plans are currently being developed to redevelop this shopping centre to include a new hotel, food store and market hall.

- ***Northern Gateway***

This project will create an attractive and welcoming first impression to visitors accessing the town from the north and improve links with the canal side area around the Bonded Warehouse.

The scheme will create an improved subway, a pocket park at the bottom of Lower High Street and mark the crossing over the River Stour with a public art project.

- ***Ruskin Glass Centre and Glasshouse College redevelopment***

With £11 million funding secured from Advantage West Midlands and the Heritage Lottery Fund, this project will help to restore the Victorian glasshouse and transform it into a state-of-the-art glass, arts and education centre. In addition, 24 new and refurbished specialist business units will be built for rent by glass makers and artists alongside the creation of workshops for small businesses, heritage trails and facilities for visitors.

Halesowen Town Centre

Halesowen has recently undergone a substantial regeneration programme to transform the town centre with a £30 million redevelopment of the Cornbow shopping

centre which has resulted in a new ASDA store and a new bus station for the town centre.

Other developments in Halesowen include:

- **The Leasowes Restoration Project**

This project will see the restoration of William Shenstone's international important designed landscape at The Leasowes, Halesowen.



Regeneration of Local Centres

- The five agreed priority local centres are Lye, Shell Corner, Cradley/Windmill Hill, Quarry Bank and Pensnett. Activity is focused on developing and implementing regeneration strategies for these centres and work is being taken forward to deliver economic and environmental including the upgrading of Lye train station and public realm improvements and a potential health development in Cradley/Windmill Hill.

Strategic Aim 5 - To champion the interests and assets of Dudley Borough, securing additional resources and improving its position regionally, nationally and internationally

This aim is cross cutting and recognises that achieving economic success involves taking a Black Country, West Midlands and even a national and international perspective.

Dudley's economy and transport systems are inter-related and interdependent within a broader sub-regional and regional context. Proposed improvements, funding proposals and interventions therefore need to be tackled in a joined up way.

Dudley MBC is actively involved in the Black Country Consortium, which is a sub-regional partnership for Dudley, Sandwell, Walsall and Wolverhampton, to address the common challenges facing the sub-region and the joint action that is needed to raise the prosperity and quality of life of our residents. Similarly, the 'City Region agenda recognises the benefits of working together across the West Midlands.

Increasingly, the opportunities for external funding to support economic regeneration will require participation and involvement at a transnational level.

7.0 Management and Delivery Arrangements

Key Partnerships

Successful delivery of the Economic Strategy depends on joint working, strong partnerships, and input of resources from a variety of public and private sector organisations at regional, sub-regional and local level.

A wide range of partners, including Directorates within Dudley MBC, external partners and community and voluntary groups, will deliver the Strategy. The key partnerships and agencies influencing the implementation of the economic strategy are shown below.

Key Partnerships and Agencies Influencing the Delivery of the Economic Strategy

Partnerships	Agencies		
<i>Strategic Partnerships</i>	<i>Regional Agencies & Organisations (West Midlands)</i>	<i>Sub-Regional Agencies & Organisations (Black Country)</i>	<i>Local Agencies & Organisations (Dudley)</i>
Black Country Consortium	Advantage West Midlands	Black Country Chamber of Commerce	Dudley College
Regeneration Zone Board	West Midlands Passenger Transport Authority/CENTRO	Black Country Investment	Halesowen College
Black Country Employment and Skills Board	Government Office for West Midlands	Black Country Learning & Skills Council	Stourbridge College
Dudley Community Partnership	The Prince's Trust	Black Country Connexions	Dudley Council for Voluntary Services
Dudley Economic Development & Regeneration Partnership	West Midlands Local Government Association	Black Country Tourism	Centre for Equality & Diversity
Safe & Sound Partnership	West Midlands Regional Assembly	Federation of Small Businesses	Dudley Primary Care Trust
Health & Well Being Partnership	Tourism West Midlands	Black Country Business Environment Association	St Thomas's Network
Brierley Hill Regeneration Partnership	Business Link West Midlands	Groundwork Black Country	
		Jobcentre Plus	
		University of Wolverhampton	
		Black Country Housing Group	
		Black Country Re-Investment Society	

Dudley is an active partner in the Black Country Consortium in order to take forward the regeneration of the Black Country over the next 30 years, as set out in the Black Country Vision and the Black Country Strategy for Growth and Competitiveness.

The Local Strategic Partnership, **Dudley Community Partnership (DCP)**, is the overarching partnership for the borough and its role is to extend and improve partnership working within the Borough whilst ensuring that communities are actively involved in determining service delivery. It also has a responsibility to address inequalities that exist within the Borough so as to ensure no one is disadvantaged by virtue of where they live.

The **Economic Regeneration Division** within the Council's Directorate of the Urban Environment (DUE) provides an integrated delivery approach to the Council's economic regeneration activities in the borough.

There is also significant impact of other Council activities on the regeneration agenda including the role of the **Directorate of Adult, Community & Housing Services (DACHS)** in the provision of Adult & Community Learning and in developing the social and health care sector and in equipping the Borough's residents with skills for entry into this growing sector. The **Directorate of Children's Services** plays a key role in the vital area of education as well as, for example, in the creation of Children's Centres with integrated services that will provide quality childcare and learning provision.

Resources

The Strategy recognises the potential to generate employment and wealth for local people by encouraging and assisting private sector activity through effective public private partnerships. It also acknowledges the important role of regional and sub regional agencies such as Advantage West Midlands, Government Office for the West Midlands, Black Country Learning and Skills Council and Jobcentre Plus, which have core funding to support and stimulate economic development within the borough.

Key funds have already been obtained from competitive external sources. In 2008/09, in excess of £7 million has been secured through externally funded contracts to deliver employment support and training programmes to tackle worklessness. £12m of European funding has been secured for Sustainable Urban Development under Priority 3 for Dudley and Sandwell local authority areas and projects are being developed collaboratively with partners for use of this funding.

In addition, Dudley MBC, through Future Skills Dudley, was short listed by DWP to develop a range of innovative proposals to tackle long term unemployment for funding through Flexible New Deal. If successful, this programme will provide £40million for employment and skills.

In parallel with the introduction of Next Generation LAAs from April 2008, the Government is introducing a number of changes to remove barriers to partnership working and allow greater flexibility in resource allocation. One of these changes is the transfer of a number of specific grants into a non-ringfenced Area Based Grant (ABG). The ABG is accompanied by a breakdown of the funding streams that make it up and those funding streams are allocated according to specific policy criteria rather than general formulae.

From 2008/09, the Neighbourhood Renewal Fund was replaced by the Working Neighbourhoods Fund (WNF), which focuses on measures of worklessness. Dudley's was

allocated transitional funding under this funding stream and £0.4m will be available in 2009/10.

Through the Black Country Challenge, Black Country schools will benefit from £28.5 million additional revenue to support the agreed programmes. There will be an enhancement of the School Improvement Partnership role to include working with Black Country Challenge Advisors for some schools. Other outcomes include additional leverage (such as capital programmes), enhanced recruitment and retention activity, additional opportunities for schools to work collaboratively and with other key organisations and prioritisation in terms of piloting national activity.

New alternative sources of potential external funding will be actively researched and applications submitted, where appropriate.

Since April 2003, the Economic Regeneration Division has secured over £35 million of external funding to support economic regeneration projects.

Performance Monitoring

The Economic Strategy is underpinned by delivery plans for each strategic aim with a series of objectives, actions, targets, outcomes, key milestones and timescales to be delivered by Dudley MBC and its partners. The Strategy is reviewed regularly and updated annually.

The EDRP will monitor and review progress in delivering the economic strategy and delivery as well as reviewing the overall economic performance of the Borough, using some national indicators as well as local indicators. This ongoing performance review will be reported through the Dudley Economic Situation Report, which is published in conjunction with the Black Country Economic Barometer.

Sustainable Development

Sustainable development is a key cross cutting principle in Dudley Borough's Community Strategy, recognising the need for a good quality environment not damaged by economic factors overriding environmental or community ones. The Community Strategy acknowledges the importance of considering the long-term impact that economic development decisions have on the environment and community in creating a prosperous borough. Areas of work identified in the Community Strategy that will contribute to this are the development of an integrated transport system to help relieve congestion, reduce carbon dioxide (CO₂) emissions and pollution; reducing the impact of the Borough on climate change by reducing levels of CO₂ produced through car usage, improving energy efficiency of buildings and encouraging businesses to adopt environmental practices.

Through Dudley's Local Area Agreement issues of climate change and reducing CO₂ emissions, and improving the quality and cleanliness of the Borough's environment and green open spaces will help contribute to economic regeneration.

There is a requirement from National Government that the Community Strategy should be a 'Sustainable' Community Strategy, and therefore be subject to a sustainability appraisal. It needs to reflect the spatial context of Dudley, including the draft Core Strategy, the Local Development Framework, Local Area Action Plans, the various local consultations and plans being carried out within townships and local centres, and the draft Community

Renewal Strategy and its supporting area-based plans. It also needs to encompass the priorities and targets of the new Local Area Agreement (LAA). However, it will also be wider than the LAA, as it continues to reflect priorities for the communities of Dudley as well as focusing on where performance improvements are required. The accompanying delivery plan will need to include a focus on narrowing the gap, informed by evidence of inequalities that exist between communities of geography and interest, within the borough.

The review process for the Community Strategy is underway and it is anticipated that it will be completed in July 2009.

The Economic Strategy will follow the sustainable development principles outlined in the Government strategy, "Securing the Future: Delivering UK Sustainable Development Strategy" published in March 2005.

Dudley MBC's Statement of Sustainable Development is designed to ensure that the diverse needs of all residents can be met, in particular by:

- Promoting social cohesion and a fair society, by giving the local community a voice and an opportunity to get involved in decision-making and by promoting leisure, recreational and cultural activities that recognise the role such facilities have in improving people's quality of life.
- Strengthening economic prosperity by supporting physical and social regeneration activity, creating inward investment opportunities and an appropriate skills base.
- Protecting and improving the borough's unique environment – its biodiversity, green spaces, important buildings and structures, and its heritage.
- Managing natural and other resources sensibly by, for example, promoting integrated forms of sustainable transport, improving the energy efficiency of the borough's housing stock and encouraging the re-cycling of materials. Included in this is the need to use existing buildings appropriately and ensure that Dudley's housing and other assets are put to the best use, and that brownfield sites are developed before considering new provision.

Achieving a more sustainable future requires the Council to work in effective partnership with other agencies and organisations, including Dudley Community Partnership and Business Link to bring about a commonality of purpose in contributing towards a better quality of life. For example, Business Link is assisting local businesses to improve their management of resources, by more efficient energy use, and by reducing waste of materials. The impact of these interventions results in decreased costs to business, thereby increasing employment and providing more secure supply lines, whilst also helping to ensure the future sustainability of materials and energy.

A central aim of the Directorate of Children's Services Investing for the Future strategy is the establishment of good schools and services at the heart of communities to reduce the need for travel. The design of the new and refurbished schools will comply with new energy efficiency standards and encourage children and young people to develop environmentally friendly behaviour. Additionally, the Council's Culture and Community Services Division is actively engaged in improving the borough's many green spaces, including its nature reserves and public parks, thus enhancing the area's environment and image.

8.0 Glossary

AAP	Area Action Plan
ABI	Annual Business Inquiry
ABG	Area Based Grant
AIG	Advice, Information and Guidance
APS	Annual Population Survey
ASHE	Annual Survey of Hours and Earnings
AWM	Advantage West Midlands
BC-BEA	Black Country Business Environment Association
BCC	Black Country Consortium
BCHG	Black Country Housing Group
BCI	Black Country Investment
BCIP	Black Country Investment Plan
BCLSC	Black Country Learning & Skills Council
BCO	Black Country Observatory
BCPC	Black Country Partnership for Care
BCPL	Black Country Partnership for Learning
BCKS	Black Country Knowledge Society
BCS	Black Country Study
BHRP	Brierley Hill Regeneration Partnership
BHSAN	Brierley Hill Sustainable Access Network
BIG	Big Lottery Fund
BME	Black and Minority Ethnic
BSF	Building Schools for the Future
CfED	Centre for Equality & Diversity
CENTRO/WMPTA	West Midlands Passenger Transport Authority
CEPOG	Chief Engineers and Planning Officers Group
CIS	Children's Information Service
CLG	Communities and Local Government
CPO	Compulsory Purchase Order
DACHS	Directorate of Adult, Community & Housing Services
DBERR	Department for Business, Enterprise & Regulatory Reform
DCMS	Department for Culture, Media and Sport
DCP	Dudley Community Partnership
DCS	Directorate of Children's Services
DCSF	Department for Children, Schools and Families
DCVS	Dudley Council for Voluntary Service
DfES	Department for Education & Skills
DfT	Department for Transport
DMBC	Dudley Metropolitan Borough Council
DMP	Destination Management Partnership
DUE	Directorate of the Urban Environment
DWP	Department for Work and Pensions
EDRP	Economic Development & Regeneration Partnership
EEF	Engineering Employers Federation
ERDF	European Regional Development Fund
ESF	European Social Fund
EU	European Union
EYFSCSU	Early Years Foundation Stage Childcare & Extended Services Unit
EZ	Employment Zone
FE	Further Education
FSB	Federation of Small Businesses
FSD	Future Skills Dudley
GDP	Gross Domestic Product
GOWM	Government Office for the West Midlands
GVA	Gross Value Added

HCA	Homes & Communities Agency
HE	Higher Education
HEFCE	Higher Education Funding Council for England
HLF	Heritage Lottery Fund
HMRA	Housing Market Renewal Area
IB/SDA	Incapacity Benefit/Severe Disablement Allowance
ICT	Information & Communications Technologies
IDBR	Inter-Departmental Business Register
JSA	Job Seekers Allowance
LAA	Local Area Agreement
LAAL	Libraries, Archives and Adult Learning
LDF	Local Development Framework
LDS	Local Development Scheme
LEP	Local Employment Partnership
LGA	Local Government Association
LPSA	Local Public Service Agreement
LSC	Learning & Skills Council
LSP	Local Strategic Partnership
LTP	Local Transport Plan
NEET	(Young People) Not in Education, Employment or Training
NGLAA	Next Generation Local Area Agreement
NI	National Indicator
NLC	Neighbourhood Learning Centre
NOMIS	National Office of Management Information Statistics
NRF	Neighbourhood Renewal Fund
NVQ	National Vocational Qualification
MAA	Multi Area Agreement
MAS	Manufacturing Advisory Service
ONS	Office for National Statistics
PAG	Planning Advisory Group
PEG	Principal Engineers Group
RDAs	Regional Development Agencies
RSS	Regional Spatial Strategy
RZ	Regeneration Zone
SBA	Single Business Account
SBEIC	South Black Country Enterprise & Innovation Centre
SBS	Small Business Service
SFI	Selective Finance for Investment
SFL	Skills For Life
SIC	Standard Industrial Classification
SME	Small or Medium-sized Enterprise
SNR	Sub-National Review (of Economic Development & Regeneration)
SOA	Super Output Area
THI	Townscape Heritage Initiative
TIF	Transport Innovation Fund
UDP	Unitary Development Plan
UKTI	UK Trade International
VAT	Value Added Tax
WACG	Working Age Client Group
WMES	West Midlands Economic Strategy
WMHEA	West Midlands Higher Education Association
WMLGA	West Midlands Local Government Association
WMRA	West Midlands Regional Assembly
WMRO	West Midlands Regional Observatory
WMSEN	West Midlands Social Enterprise Network
WNF	Working Neighbourhoods Fund