

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

Progress Report - 2011/12



Summary

- The Dudley Borough Economic Development Strategy was approved in March 2011 as a three-year strategy for the period 2011/12 to 2013/14.
- The Economic Development Strategy is based around 3 strategic aims:
 1. Place: To improve and champion the economic infrastructure and assets of Dudley Borough and secure additional resources to improve its competitiveness.
 2. Business & Enterprise: To encourage the development of a dynamic and diverse business base and job opportunities through support to new and existing businesses in the Borough.
 3. People & Communities: To optimise the opportunities for local people - including the most vulnerable people and those from deprived areas - to develop and improve their skills and obtain jobs.

The following report provides an update on progress in delivering the key economic activities set out against each aim of the Economic Development Strategy.

In summary:

- It is recognised that the strategy is being delivered in a changing economic environment, within the context of global economic challenges and the impact of these challenges on the national economy as well as the challenge of reducing public sector debt and stimulating and increasing private sector growth, which all impact on the local economy.
- However, Dudley plays a vital role in regional economy with 10,000 businesses and a workforce 117,000.
- The Economic Development Strategy sets out an ambitious regeneration programme for the area, with an investment pipeline of £800m over the next few years.
- The transformation of Dudley town centre is well underway and includes a major new leisure destination based around Dudley Castle, new homes and education facilities and expanding retail amenities. Brierley Hill, the borough's strategic centre, is set to offer 2 million square feet of new office space equally matched by new retail space.
- Dudley Business First, the Council's new 'front door' service for local business support, was launched in December 2011, demonstrating the Council's commitment to supporting existing and attracting new businesses to the area.
- The focus for the People and Communities aim has been on developing relationships with the new contractors selected by Government in 2011 to deliver employment-related services in the area as well as working with the National Apprenticeship Service to promote apprenticeships locally.
- Dudley Council has a successful track record of attracting a wide range of external funding. From 2003/04 to 2011/12, over £65m of external funding has been secured to support the delivery of economic regeneration projects in the Borough.



Key Economic Development Activities - 2011/12

Strategic Aim 1: Place

To improve and champion the economic infrastructure and assets of Dudley Borough and secure additional resources to improve its competitiveness

Planning Policy Update

- The **Black Country Joint Core Strategy** was adopted by the four Black Country Local Authorities in February 2011. The Core Strategy is a spatial planning document that sets out the vision, objectives and strategy for future development in the Black Country to 2026. As well as providing the basis for decisions on planning applications, the Core Strategy will also shape regeneration, investment and growth within the Borough.
- The **Development Strategy Development Plan Document (DPD)** will set out the strategic land-use allocations across the Borough and provide detailed development policies to deliver the objectives of the Core Strategy. The Scoping and Issues document was subject to consultation in 2010. There will be an interim formal consultation with landowners in early 2012 on the opportunity sites prior to the 'preferred options' document being published and submitted in July 2012. It is anticipated that the Development Strategy will be adopted by 2014.

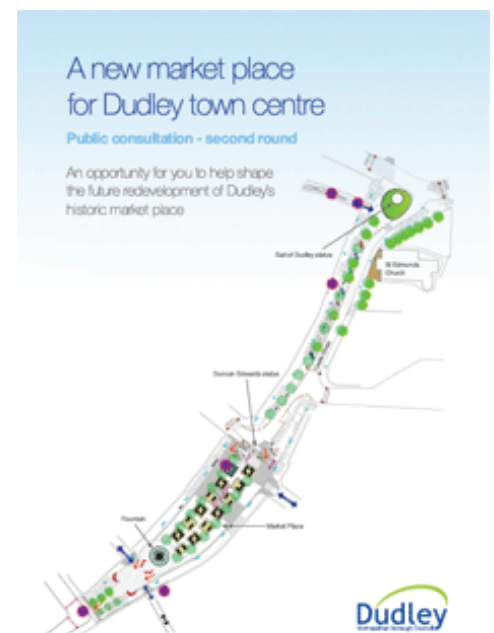
New Heritage Regeneration Limited works at arms length on behalf of the Council to deliver the physical regeneration activity in Dudley town centre and Brierley Hill, supported by the town centre partnerships to deliver a shared approach to town centre regeneration and development.



DUDLEY AREA DEVELOPMENT FRAMEWORK

Dudley Market Place - the multi-million pound redevelopment of Dudley's historic market place will aim to:

- Make the area more open and accessible for all that work on the market or shop there
- Create flexibility for busy days to add stalls and remove them at the end of the day
- See an overall reduction in the number of stalls to create an opportunity for more passing trade, while retaining the flexibility to add stalls when required
- The initial consultation commenced in March 2011 and ran for six weeks and featured three different market place options. The second phase of public consultation took place from 24 October to 2 December 2011 to determine what people who live, work and shop in Dudley town centre want from their town centre.
- A full ERDF bid was in November 2011 with a decision expected in February/March 2012 after which detailed design and tendering will take place.



Dudley Town Centre Public Realm & Ambassador Project - a high quality public realm and ambassador project based in the market place which will significantly enhance the image and perception of Dudley town centre. A ERDF bid was submitted in January 2012 with a decision expected around March 2012.

Dudley College - the new build Dudley College development includes establishing a town centre 'learning quarter' with three new buildings being developed on land close to the existing Broadway Campus.

- A new vocational centre, Dudley Evolve, is under construction on land at Tower Street and will house state of the art facilities providing training for the retail and leisure, public services and creative and performing arts industries.

- Works on the 6th Form College development, Dudley Sixth, at Priory Road will soon be started and a Higher Education Centre, Dudley Higher, will also be built on land on Priory Road.



Castle Hill

- £4.5m ERDF funding was secured in December 2011 to support this major regeneration scheme involving Dudley Zoological Gardens, Black Country Living Museum and Dudley Canal Trust, which will almost double visitor numbers, create new jobs and improve the local economy.
- Work has commenced on the Archive Project with the commencement of ground stabilisation works. Construction work to be carried out between February 2012 and May 2013.
- A project team is currently starting work on the preparation of a planning application for the Castle Hill project and a design team is working on the detail of the second phase of work to come forward after the Archive Project, being the Tipton Road access.



Dudley Townscape Heritage Initiative (THI) provides funding for the restoration of key buildings in the town centre. The programme has brought £3m into the town centre and will see work to 19 key buildings. Projects completed in 2011 are:

- The Crown Public House - temporary tenant (Jigsaw Theatre Company) is in occupation on the Ground Floor.
- Baylies Hall - architectural reinstatement and repair.
- 168 High St (former Ace Disks) - creation of 6 student accommodation units and one retail unit. Retail unit and student accommodation is currently being marketed.
- 16 projects are being progressed and are at varying phases from tenders received and grant appraisal underway, to outline proposals and planning permission being sought.



Priory Park - the project will see the delivery of a programme of improvements to the park including redevelopment of the pavilion to provide educational and community facilities and installation of lighting at the Priory ruins.

- Detailed design is complete and negotiations with the preferred tenderer, Alun Griffiths Contractors, who have been working as part of the design team since the Stage 1 tender exercise, are well advanced.
- Work is due to start on site following determination of a planning application with revised proposals for the roofing material to the pavilion in the new year

BRIERLEY HILL

- **Stourbridge College Art & Design Centre** - Stourbridge College has developed its £12m art and design centre in Brierley Hill. Staff and students have now moved across to the new campus.
- **Brierley Hill Area Action Plan (AAP)** was adopted in August 2011 and will guide the regeneration of the High Street, Merry Hill and the Waterfront up to 2026.



- **Focus on Brierley Hill** - an application for Heritage Lottery funding was submitted in November 2011 to support the development costs for a Townscape Heritage Initiative in Brierley Hill. If successful, a second phase bid will be submitted to provide up to £1m of grant funding.
- **Waterfront Business Park** offers high quality business space. Dudley Council is working with Government and the owners to find flexible ways of providing incentives to investors to kickstart this site.

STOURBRIDGE

- **Crown Centre development** - it was announced in January 2012 that the ownership of the Crown Centre and Bell Street car park has been transferred over to Tesco who will develop a new £50million state-of-the-art store on the site.

The new Tesco store will lead to increased footfall in the town and will also create around 400 new full and part-time posts.



- **Stourbridge Interchange** - work on the £7m redevelopment has been undertaken in 2011 to provide a new bus station and interchange in Stourbridge with improved facilities and passenger information and is scheduled to open in early 2012.



- **Stourbridge Area Action Plan** - the consultation on the 'Preferred Options Report' (July 2011) took place between July and August 2011. This document proposed a vision, objectives and detailed spatial strategy for future development in Stourbridge town centre to the year 2026, along with specific development block proposals to help stimulate regeneration within the town. Internal consultation on the final version of the document planned for January 2012.

HALESOWEN

- **Halesowen Area Action Plan** - the preparation of the Halesowen AAP is underway to guide new development and investment in and around the town. Consultation on the 'preferred options' document is planned between January and February 2012.

BURNT TREE ISLAND

- The multi-million pound road improvement scheme to improve Burnt Tree island opened successfully in July 2011.
- The £12.3m scheme, which was a joint project between Dudley and Sandwell councils and construction partner Carillion, was completed ahead of schedule and within budget.
- The aim of the scheme is to reduce delays and congestion, improve safety for all users, improve links to the regional and national highway networks, improve bus services and provide dedicated pedestrian and cycle facilities at each approach.



DUDLEY LOCAL INVESTMENT PLAN

There are a number of key strategic investment projects, identified in the Borough's Local Investment Plan (LIP) which sets out the priorities agreed by the Homes and Communities Agency (HCA) and Dudley Council.

North Priory

- The regeneration of North Priory is a key strategic objective for the council and the sub-region. The council is working with Bromford Housing Group and Keepmoat Homes to provide 314 new homes comprising a mix of tenure and a wider range of property types to create a mixed and sustainable community. The total investment into the scheme will be in the region of £37m.



- The HCA have so far invested £5.6m in the first phase of the scheme which is delivering 100 homes for rent and sale. The first residents are already moving in. 6 apprentices have been trained on site.
- The remainder of the investment to complete the scheme of £2.35m has also been committed by the HCA and work on the second phase of the project is due to commence in the next few months.

Extra Care Housing

- A total of £11.6m has been invested by the HCA in extra care housing in Coseley and Russells Hall, within an overall investment total of £29.7m. This initiative, with strategic partner Midland Heart, will increase the provision for older people and help meet the needs of a growing population who are living longer.



Russells Hall extra care development

- Opportunities for training and apprenticeships formed part of this investment at both the build stage and for care opportunities.
- A further £12m has been allocated by HCA for the remaining schemes to be built up until March 2015.

Local Authority New Build

- The Council's local authority new build project will invest £11m in building 72 new council homes, of which £4.3m of investment has come from the HCA.
- These properties are handing over from February to March 2012 and comprise a range of property types including apartments, bungalows and houses - including some 4 bed properties. The apartments will be used to house persons with learning disabilities and form part of the council's strategic intent to house people with learning disabilities in the community and away from institutional settings. Apprentices have been engaged on the project.

Middle Park Rd

- This development will comprise 15 houses, 7 bungalows and a 14 bed supported housing scheme.
- The HCA have invested £2.2m in the project with the remainder of the £4.4m investment coming from West Mercia Housing Group.

Strategic Aim 2: Business & Enterprise

To encourage the development of a dynamic and diverse business base and job opportunities through support to new and existing businesses in the Borough

The **Dudley Borough Business Survey** was undertaken in August 2010 and consulted 500 local businesses. Some of the key findings from the survey are:

- 70% of the businesses based in the area said Dudley is a good place to do business.
- A third of local businesses are looking to expand over the next 3-5 years and 75% of these wish to expand within the Borough.
- The top three areas of priority identified by the local business community were: supporting businesses to be more innovative; increasing the number of apprenticeships and free support and advice and that the government should increase investment in Dudley Borough's infrastructure.

DUDLEY BUSINESS FIRST

- Dudley Business First is the Council's new 'front door' service for local business support, launched in December 2011.
- The purpose of Dudley Business First is to ensure a single point of contact exists within the Council to respond to business support and inward investment enquiries.
- The Dudley Business First service has been established:
 - In response to the findings from the Dudley Borough Business Survey;
 - To consolidate existing business support, inward investment, external funding and economic intelligence activity within the Economic Regeneration and Transportation Division;
 - To respond to the needs and expectations of local businesses, partners and property agents and developers for the creation of an accessible point of contact to handle enquiries; and
 - To promote the Council's 'enabling role' in assisting local businesses; particularly in terms of assisting with site assembly and expansion plans.
- The Dudley Business First offer includes:
 - A dedicated team responsive to individual business needs
 - Support to identify and access business finance
 - Land and property searches
 - Help in accessing tailored business advice
 - Support with business to business opportunities
 - Help with recruitment and training
 - Information about supply chain opportunities
 - Assistance with developing international trade
 - Help with raising business profiles
 - Business and networking events
 - Coordination of visits for potential investors
 - Economic intelligence and research
- In addition, an investment brochure has been produced containing information about working and living in Dudley and profiling some of the borough's businesses, schools, colleges and partner agencies.
- The Dudley Business First website - www.dudleybusinessfirst.org - has also been developed to promote the Dudley Business First offer and provides on-line access to business support information and increased inter-trading opportunities.



INWARD INVESTMENT

- Production of an inward investment brochure featuring local business case studies and highlighting the unique selling points of the Borough.

- Proactive promotion of a diverse portfolio of employment sites to maximise the Borough's inward investment potential over the next five years.
- Working closely with Marketing Birmingham, Sandwell, Walsall, Wolverhampton and Solihull as part of the European Regional Development Fund (ERDF) 'Investing in the City Region' project to increase investment, business events and visitor expenditure.
- Dudley is now featured on the Locations4Business (L4B) website - an inward investment portal for business location, expansion and relocation information. Between June and November 2011, there were almost 700 visits to the Dudley listing on the L4Bsite - <http://www.locations4business.com/europe/uk/west-midlands/west-midlands/dudley-metropolitan-borough-council/>



BUSINESS SECTOR PROFILES

- The Dudley Borough Economic Assessment (March 2011) identifies key sectors for Dudley - manufacturing including advanced manufacturing; business services; construction/building technologies; environmental technologies; night time visitor economy; and retail, based on the contribution of these sectors to the local economy and the potential for future development in these sectors.
- Sector profiles have been prepared in the second half of 2011 for manufacturing and construction/building technologies to provide a better understanding of these sectors and the local businesses operating in each sector, to inform the Economic Development Team's company engagement programme.
- The Economic Development Team is also involved in the Black Country Local Enterprise Partnership sector work for which £30k was approved from the LEP Capacity Fund for 2011/12. Draft sector action plans have now been developed for the five BC transformational sectors - Advanced Manufacturing; Building Technologies; Transport Technologies including Aerospace; Business Services and Environmental Technologies.

COMPANY ENGAGEMENT

- The Economic Development Team's company engagement programme is being informed by the sector profile work and businesses are being targeted initially in the advanced manufacturing, construction/building technologies and business services sectors.
- A number of local businesses contributed to the development of the Dudley investment brochure with case studies of their companies, which are also available on the Dudley Business First website.
- A number of Mayoral visits have been undertaken to local businesses to raise the profile of local businesses and strengthen the link between the Council and the private sector. Recent visits include Quantum Mouldings, Mechatherm, London & Cambridge Properties and Higgs & Sons.



BUSINESS SUPPORT

- **Medium Sized Businesses** - The Black Country Local Enterprise Partnership has been chosen to be part of a government pathfinder project to look at ways to help medium sized companies grow. The project aims to strengthen business networks and leadership and management capability amongst medium sized businesses. In addition, the Department for Business Innovation and Skills will launch a national campaign to raise the profile of mid-sized businesses. This will include a medium sized business website which will feature an outline of the pathfinder project, with a list of all the LEPs involved and contact details in order for mid-size firms to contact LEPs.
- **International Trade** - Dudley Business First has continued to develop its relationship with UK Trade and Investment (UKTI) to promote international trade opportunities to local businesses. Dudley has also continued to develop its civic links with China, focusing on the market for premium products, predominantly in the glass industry.

ACCESS TO FINANCE

- **Access to Finance** - Dudley Council is the Black Country LEP lead for the Access to Finance theme. A free 'Open Access to Finance Event' was held in Brierley Hill in September 2011 to provide advice and guidance to local businesses on potential financing. 12 exhibitors from the banking and finance sector participated and 44 businesses attended the event.
- Dudley Business Loan Fund - discussions are underway with Black Country Re-Investment Society regarding the establishment of a loan fund to support businesses located across the Borough.

PARTNER ACTIVITY

- In designing the Dudley Business First service, the Council has worked collaboratively with Dudley Chamber, UKTI, Federation of Small Businesses, Manufacturing Advisory Service (MAS) and the National Apprenticeship Service (NAS).
- Dudley Council has signed the Small Business Engagement Accord, which is a protocol with the Federation of Small Businesses (FSB) to encourage contact and dialogue between the Council and local businesses in the borough. In line with this protocol, the Council has worked with the FSB to develop the Dudley Borough Business Survey which consulted 500 businesses to help to understand the needs, issues and challenges facing local businesses. The FSB has also supported the development and launch of the Dudley Business First service and website.

BLACK COUNTRY ENTERPRISE ZONE

- The Department for Communities and Local Government (CLG) approved the location of the Black Country Enterprise Zone in August 2011. It comprises a portfolio of sites situated in Darlaston and i54 - Wolverhampton North, spread over 120 hectares.
- The zone will benefit from discounts on business rates, new superfast broadband and increased planning certainty.
- The Zone expects to create almost 4,000 net new jobs by 2015 in advanced manufacturing and environmental technologies including aerospace, automotive and engineering.

Strategic Aim 3: People & Communities

To optimise the opportunities for local people to develop and improve their skills and obtain jobs

- The last 12 months has seen quite dramatic change in terms of the range of Government-designed programmes for unemployed people in Dudley, and in the shape of local arrangements. The focus has been on accommodating the new programmes and managing the closure of Dudley-managed initiatives.

FLEXIBLE NEW DEAL AND FUTURE JOBS FUND

- The former Government's Flexible New Deal (FND) Programme - in which Dudley Council, through 'Future Skills Dudley', was a contractor - came to an end in June 2011. As a direct result, an orderly closure of the Future Skills Dudley operation took place during this period. The other FND provider in the area, 'A4e', also closed its main Dudley operation.
- On a similar timescale, Dudley Council's Future Jobs Fund (FJF) contract, which provided six-months paid work experience for unemployed young people aged 18-24 years, also came to a managed closure. Around 50% of participants achieved full-time work either with Dudley Council or its partners as a result of their FJF experience.

THE WORK PROGRAMME AND OTHER EMPLOYMENT-RELATED ACTIVITY

- In accordance with its 'Get Britain Working' policy, the coalition Government launched a national, 'flagship' programme, the Work Programme, to replace Flexible New Deal; this commenced operations in July 2011. In Dudley borough, this programme for long-term unemployed residents is contracted to three 'Prime' contractors - EOS Ltd, Intraining and Pertemps People Development Group (PPDG). The Economic Development Team has developed a strong partnership with these new providers, which have (minimum) 5 year contracts with the Department for Work and Pensions for delivery throughout the West Midlands. The three 'Primes' have operational centres in Dudley borough, and are members of Dudley's Employment & Skills Management Group, (see below) which helps co-ordinate employment and skills activity in the borough.
- A further significant contract for employment-related services in the borough is delivered through JHP Limited, funded by the Skills Funding Agency. Whilst the Work Programme is aimed at longer-term unemployed residents, JHP's delivery focuses on the newly unemployed, ensuring that the main programmes are complementary in nature.
- Dudley Council, through the Adult & Community Learning Team, and its network of Neighbourhood Learning Centres and Work Clubs, continues to deliver services directly to unemployed residents, particularly those living in disadvantaged wards. In 2011, the service supported 655 residents, 165 of whom found employment as a result of the advice and support received.

APPRENTICESHIP PROGRAMME

- Dudley Council's award winning Apprenticeship Programme has been running for over 25 years and over the years has seen considerable changes. For the last 10 years, working in partnership with JHP Training, the programme has grown from recruiting 25 Apprentices a year to recruiting over 50, clearly demonstrating the Council's commitment to Apprenticeships and staff development.
- The Apprenticeship Programme has concentrated on Apprenticeships in Administration, Customer Service and IT, in levels 2 and 3. In line with a recently announced Government initiative, the Council is looking to explore other Apprenticeships to give as many young people as possible the opportunity to gain real work experience and qualifications to help them secure a career in their chosen area.
- Dudley Council is committed to giving young people the chance to experience working for local government and to gain qualifications that will help them in the future to gain employment either with the authority or in the Private Sector. In 2011, 30 Apprentices gained employment either with the Council or other local employers.
- Proactive discussions with the National Apprenticeship Service (NAS) continue regarding an event in Dudley Borough to promote apprenticeships to employers.



NEW ENTERPRISE ALLOWANCE SCHEME

- The New Enterprise Allowance Scheme (NEA), designed to support new business start-ups, was rolled out in the UK over the course of the year; in the Black Country, the NEA programme commenced in April 2011. New businesses in Dudley therefore now have access to 26 weeks advice and financial support from the local contractor, Black Country Enterprise, which is attached to Black Country Chamber of Industry & Commerce.

UNIVERSITY TECHNICAL COLLEGE DUDLEY

- Plans are being drawn up for a new £10 million university technical college in Dudley. Catering for up to 600 students, it would be built in Priory Road and specialise in engineering and product design. Dudley College is working with Aston University on the plans and a bid for Government funding for the project has been submitted to the Department for Education. If the bid is successful, the Aston University Technical College Dudley would form part of the planned Dudley Learning Quarter.

COMMUNITY FIRST/COMMUNITY ENTERPRISE FUND

- These are two new initiatives. *Community First*, introduced by the Cabinet Office, is designed to establish 'Panels' in disadvantaged wards. These Panels will agree local priorities, and draw down funding from the Community Development Foundation in order to fund projects to address these. In Dudley Borough, nine wards will benefit, including Brierley Hill, Castle & Priory, and St Thomas's. The funding allocations (over a four year period) range from £34k to £118k per ward. Dudley Council and Dudley Council for Voluntary Service are helping to facilitate this initiative and the Panels are currently being established.
- The *Community Enterprise Fund* is a Dudley Council initiative, to support local regeneration through the provision of grants to community organisations and social enterprises. The intention is that the grants will be used to support a range of activities that may be, for example, social or environmental in nature, benefiting local communities and building community capacity. The size of the Community Enterprise Fund will be circa £250k in the first year (2012/13).

EMPLOYMENT & SKILLS MANAGEMENT GROUP

- The Employment & Skills Management Group attempts to bring all these players/partners and elements together, in order to ensure services are co-ordinated and accessible. In addition to the above providers, Jobcentre Plus, the voluntary sector and Dudley Council teams - for example from Adult & Community Learning, and Connexions - are represented. In addition, the Management Group has recently integrated new initiatives aimed at supporting 'troubled families' and bringing them closer to the labour market. These Employment & Skills meetings are chaired by an officer from the Economic Development Team.

EXTERNAL FUNDING - REGENERATION PROJECTS

- Over £5.5m of external funding was successfully secured in 2011/12 for regeneration projects.

Project	Funding Source	Funding Amount
Castle Hill	ERDF	£4,512,299
Dudley THI	ERDF	£500,000
	English Heritage	£50,000
Mary Stevens Park	HLF	£116,100
Brierley Hill Active Travel Partnership	Local Sustainable Transport Fund	£362,000
Total		£5,540,399

- In addition, funding applications totalling over £3m have been submitted and decisions are expected in 2012/13.
- From 2003/04 to 2011/12, over £65m of external funding has been secured to support the delivery of economic regeneration projects in the Borough.

HCA Investment

- The Homes and Communities Agency (HCA) have invested approximately £42m in housing projects in Dudley between 2008-2011. This figure does not include the internal investment provided by the Registered Providers in these schemes.

Other Funding

- Regional Growth Fund (RGF) - Thomas Dudley Ltd (Birmingham New Road, Dudley) was successful in securing funding from RGF2 in November 2011. RGF 3 is to be announced by the Department for Business, Innovation and Skills at the end of February 2012.
- The Black Country Local Enterprise Partnership (LEP) has successfully secured £9.6m of the government's £500m Growing Places Fund. The LEP is considering how it will allocate funding, in the context of establishing a sustainable revolving fund for the Black Country.
- £30k secured by the Black Country LEP from the LEP Capacity Fund to assist with identifying sector focused business challenges for the Black Country priority transformational sectors.