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**Select Committee on Regeneration, Culture and Adult Education - 10<sup>th</sup> March 2011**

**Report of the Director of the Urban Environment**

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

**Purpose of Report**

1. To consult with the Select Committee on Regeneration, Culture & Adult Education on the draft statutory Dudley Borough Economic Assessment and the Dudley Borough Economic Development Strategy (2011/12 - 2013/14).

**Background**

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

**Dudley Borough Economic Assessment (March 2011)**

3. The purpose of the Assessment is to provide a common economic evidence base for use by the Council and partners to determine key issues and better inform decisions in respect of local priorities and the targeting of resources for sustainable economic development.
4. At the Select Committee meeting on 28<sup>th</sup> January 2010, a presentation was given on the Economic Assessment to provide an early update on the new statutory duty and to seek the Select Committee's views on the proposed format and content of the assessment. It was noted at the meeting that, regarding the business and enterprise theme, the consultation with representatives of the business community would be extended and an undertaking was given that the Council would consult on an ongoing basis.
5. The Dudley Borough Business Survey was undertaken in August 2010 to consult with local businesses to inform the assessment and to better understand the latest issues affecting local businesses and identify the best ways to engage and support local businesses in Dudley Borough. A total of 500 telephone interviews were undertaken with a representative sample of businesses across Dudley Borough and 78 business representatives also completed the survey online. The key findings from the survey are incorporated into the assessment.

6. The Economic Assessment has been developed around three key themes, which are:
  - Place and Physical Environment;
  - Business & Enterprise; and
  - People & Communities.
7. The Assessment has resulted in the identification of a number of key economic challenges that have the greatest impact on the overall economic competitiveness and productivity of Dudley Borough. These broad challenges are detailed in Appendix 1 to the report, coupled with the strategic aims of the 2011/12 - 2013/14 Dudley Borough Economic Development Strategy.
8. The Economic Assessment will be revised every three years. It is also proposed that the Economic Development Strategy is updated every 3 years in line with the Economic Assessment to provide a longer term view of economic development activities.

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

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

#### **Finance**

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

business, public bodies and the voluntary sector, as well as to families and individuals within the Borough.

### **Law**

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

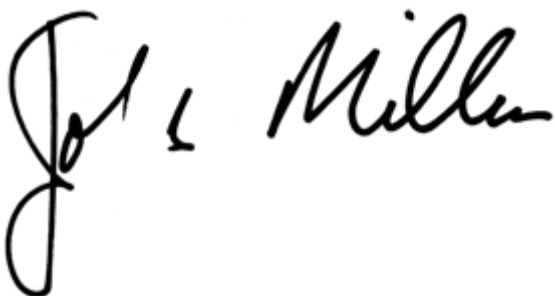
### **Equality Impact**

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

### **Recommendation**

16. It is recommended that:-

- the Select Committee on Regeneration, Culture and Adult Education notes the contents of the report and the draft documents, as part of the consultation process, and provides further comments on any particular areas that it considers need to be taken into account in the final Dudley Borough Economic Assessment and the Dudley Borough Economic Development Strategy (2011/12 to 2013/14) to the Cabinet Member for Economic Regeneration.

A handwritten signature in black ink, appearing to read 'Joe Miller'. The signature is written in a cursive style with a large, stylized initial 'J'.

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**John Millar**

**Director of the Urban Environment**

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### **List of Background Papers**

Draft Dudley Borough Economic Assessment (February 2011)

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

Dudley Borough Business Survey Executive Summary (August 2010) -

<http://www.dudley.gov.uk/business/regeneration/economic-information--research/dudley-borough-business-survey>

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

Economic Development Strategy Draft Strategic Aims	Evidenced in Economic Assessment through these broad challenges
<p>1. Place: To improve and champion the economic infrastructure and assets of Dudley Borough and secure additional resources to improve its competitiveness.</p>	<ul style="list-style-type: none"> <li>▪ An ageing population</li> <li>▪ Economy has a large degree of self-containment</li> <li>▪ Limited number of high quality employment sites</li> </ul>
<p>2. Business &amp; 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</p>	<ul style="list-style-type: none"> <li>▪ Low growth economy (poor productivity levels, low average earnings)</li> <li>▪ Low levels of new business start-ups</li> <li>▪ Over-reliance on public sector employment</li> </ul>
<p>3. People &amp; 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</p>	<ul style="list-style-type: none"> <li>▪ High levels of long term unemployment</li> <li>▪ Low skills levels</li> <li>▪ Sharp increase in youth unemployment</li> <li>▪ High levels of child poverty</li> </ul>