

**Select Committee on Regeneration, Culture
and Adult Education – 8th September 2008**

Report of the Director of the Urban Environment

South Black Country Enterprise and Innovation Centre

Purpose of Report

1. In 2005 the then Select Committee for Economic Regeneration scrutinised the desirability and need for the Local Authority to be involved in the creation of an Enterprise and Innovation Centre in Dudley. Following extensive research on similar facilities elsewhere, the Select Committee recommended the development of proposals for a South Black Country Enterprise and Innovation Centre to the Cabinet Member for Regeneration.
2. This report sets out the progress made on the South Black Country Enterprise and Innovation Centre since the last report to the Select Committee in September 2007.

Background

3. Since September 2007 significant progress has been made in developing the South Black Country Enterprise and Innovation Centre proposal. In conjunction with regeneration and property advisors Ancer Spa, work has been undertaken to prepare a full business case in readiness for an informal market test with leading private sector developers. This market test resulted in 8 direct expressions of interest from the private sector indicating their keenness to be involved in the initiative.
4. For the first time, representation was made, at the UK Business Incubation conference in Brighton in November 2007, where the profile of the South Black Country Innovation Centre concept was raised regionally, nationally and internationally with delegates from Dudley MBC, Sandwell MBC Black Country Consortium and Black Country Chamber of Commerce.
5. South Black Country Enterprise and Innovation Centre steering group continues to meet and representation is growing. Current membership includes :
 - Dudley MBC - Cabinet member for Economic Regeneration and officers
 - Sandwell MBC - Cabinet Member for Employment, Skills and Partnerships and officers
 - Black Country Learning and Skills Council
 - Business Link West Midlands

- Black Country Consortium
 - Local Colleges from both Dudley and Sandwell Boroughs.
6. The cross border working has considerably strengthened the South Black Country Enterprise and Innovation Centre proposal and demonstrates the sub-regional importance of this initiative.
 7. Business Link West Midlands representation demonstrates commitment from all parties to bring more and better access to publicly funded enterprise and business support to individuals and businesses within the Black Country.
 8. The South Black Country Enterprise and Innovation Centre will offer a unique environment, innovative in its own right, to support existing local businesses, to accommodate new ones and to create new and higher paid, higher skilled jobs in the Black Country. In turn this will also help to retain local graduates and further education college leavers through the creation of higher value added employment opportunities and opportunity to create and grow knowledge based start up companies.
 9. Discussions are ongoing with Advantage West Midlands regarding the submission of a funding application for capital and revenue support. Officers are now working with AWM staff to complete the outline application for public funds.
 10. Dudley MBC has a crucial role to play in shaping the South Black Country Enterprise and Innovation Centre. Working alongside Dudley, Stourbridge, Halesowen, Sandwell and King Edward 6th form colleges, the Centre will drive forward the enterprise and innovation agenda with support and involvement from the Open University and other Universities.

This proposal could result in a Higher Education presence and delivery returning to the Borough to support the development of enterprising and innovative individuals. In addition, the Centre will provide existing Black Country businesses with much better access to research and development opportunities in order to improve their competitiveness.

Finance

12. The indicative funding model developed for the South Black Country Enterprise and Innovation Centre proposes significant private sector investment. The Centre scheme comprising of an Innovation Centre, Innovation Academy and associated grow on space will require total investment, for capital build and operation, in the region of £20m. This assumes a contribution from the private sector of and gap funding from the public sector . It is proposed that this be the subject of applications to both Advantage West Midlands and the European Regional Development Fund (ERDF).

13. There will also be a requirement for additional revenue support from the public sector to support Innovation and Enterprise activity within the centre. It is proposed that this will be the subject of bids made by the consortium of universities and colleges to Advantage West Midlands and through the new European Regional Development Fund (ERDF).
14. Following the work of the Select Committee in promoting this project a report will be considered by Cabinet later this week seeking approval to move the project forward in line with the Select Committee's work to date.

Law

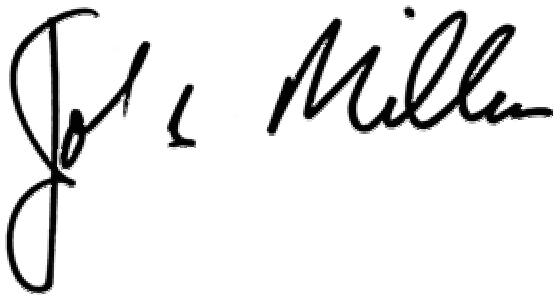
15. The Council may do anything which is likely to achieve the promotion or Improvement of the economic, social or environmental wellbeing of its area under section 2 of the Local Government Act 2000.

Equality Impact

16. The report takes into account the Council's policy on equality and diversity. One of the principal outcomes of this scheme will be to increase access to education, training and jobs for all young people. As the scheme develops we will ensure that the views and requirements of young people are taken into consideration.

Recommendations

17. It is recommended that the Select Committee note:
 - the progress made to further the development of the South Black Country Enterprise and Innovation Centre



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List of Background Papers

None