

# Annual Review

January to December 2011

**West Midlands European Regional Development Fund Programme 2007 - 2013**



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# Setting the Scene

## Overview of the Programme

The European Regional Development Fund Programme, which runs from 2007 to 2013, is one of the funds established by the European Commission to help local areas stimulate economic development. The Department for Communities and Local Government is responsible for the management of the Programme.

The West Midlands Programme has been allocated 400 million euros to invest in projects which will support local businesses, local people, create jobs and more specifically:

- Achieve a significant increase in the productivity of the business base
- Reduce unemployment and inequalities
- Ensure that the region's economic growth is achieved in a sustainable manner

To achieve these objectives, the Programme is focussed on supporting activities within five priority areas:

- **Priority 1: Promoting Innovation, Research and Development**  
Increasing investment in research and development through helping businesses take forward new innovation, sharing of knowledge and developing and demonstrating new technology.
- **Priority 2: Stimulating Enterprise Development**  
Increasing business performance through supporting high growth businesses, improving resource efficiency, providing access to finance and developing a strong entrepreneurial culture.
- **Priority 3: Sustainable Urban Development**  
Improving the performance of key urban areas through regenerating local areas, encouraging investment and new businesses, creating job opportunities and helping communities most in need.
- **Priority 4: Developing Inter-Regional Activity**  
Working with European partners to learn and improve, share and apply best practice and solve problems.
- **Priority 5: Technical Assistance**  
Helping to manage, promote and evaluate the delivery of the Programme.

# Review of the Year

## Achievements and Challenges

**Looking towards 2012, supporting projects that create jobs, help local businesses and improve the local economy remain the priorities of the West Midlands European Regional Development Fund Programme.**



2011 has been a year of many achievements, changes and challenges for the West Midlands European Regional Development Fund Programme.

In July we witnessed the first major change with the responsibility of the Programme transferred from Advantage West Midlands to the Department for Communities and Local Government. This naturally led to a number of other developments.

The former Programme Monitoring Committee was replaced with the Local Management Committee (LMC) and I was delighted to be appointed as Chair alongside Norman Price from the Innovation Alliance as my Deputy. In addition a Local Management Sub-Committee has been established. Over the next year I, along with the members of both groups will work in partnership to oversee the delivery of the Programme and agree the activity required to ensure that the different priority areas may be fulfilled and activity delivered.

Projects will have also experienced a number of small changes and we thank you for your patience whilst this has taken place.

To date we have awarded around £191 million of funding to over 115 projects in the West Midlands and I am delighted to announce that we have met the 2011 annual spend target set by the European Commission. This was only possible by working together and as Chair of the LMC I would like to thank you personally for your involvement and support.

The latest performance figures really do speak for themselves. Through funding awarded so far, 19,224 jobs will be created or safeguarded, 9,234 people will be helped to start a business, 11,622 businesses will be helped to improve their performance, and levered over £124 million of additional public and private sector investment.

Supporting projects that create jobs, help local businesses and improve the local economy remain the priorities of the Programme and received a significant boost this year with a bidding round under Priority 1 and 2. There was huge interest in the funding available demonstrating its continued importance to organisations and businesses in the West Midlands.

## Achievements and Challenges

From the 76 applications received which exceeded £100 million in value, 53 projects were selected by the Priority Working Groups to be developed further. The partnership approach to reviewing and selecting projects also marked a new change demonstrating our commitment to ensure that the Programme is delivered through true partnership working and empowering stakeholders to take a more active role in investment decisions. This is set to continue through the work of the LMC and its Sub-Committee.

Our firm commitment to partner involvement, consultation and improvements was also echoed through the mid term evaluation which took place over the summer. Through a mixture of events, interviews and research, the evaluation looked at the first three years of performance to ensure the Programme has delivered what is set out to deliver, test the ongoing relevance of the strategy and identify any action necessary to improve quality and performance. It provided recommendations on how the remaining uncommitted funding may be used in the future.

Results highlighted that the Programme is delivering well and no major changes are required. However a number of recommendations, most significantly being to explore the opportunity to open up Priority 3 resources to targeted areas outside existing Package areas, were put forward. These have been discussed and agreed with partners and the revised Operational Programme has been submitted to the European Commission and is

expected to be adopted during the early part of next year.

This year we also concentrated our efforts on supporting projects around key delivery problem areas identified through monitoring and partner feedback. Through a series of training events we have been able to offer dedicated advice and guidance. This will continue over the coming months. We have also promoted the excellent work being delivered through European funding and were pleased to host a visit by Minister Baroness Hanham CBE to Coventry in May. The Minister was able to experience first hand through a number of project visits including Electric Wharf, HOPE Centre and the University of Warwick, just how vital the funding is to the communities, businesses and overall regeneration of the area.

Looking forward to 2012, I am sure we will continue to see many more changes and challenges, and as a partnership I know we will continue to work together to tackle these for the benefit of the region.

I am thrilled to be part of the European Regional Development Fund Programme in the West Midlands and look forward to be able to share and celebrate with you our many achievements set to come during 2012.

**Terrie Alafat, Director**  
**Department for Communities and Local Government**  
**Chair of the West Midlands Local Management Committee**

# Project Case Studies:

## Priority One

### Promoting Innovation, Research and Development

#### **Promoting Biomarker Development in West Midlands SMEs:**

Over £262,500 has been awarded to the Promoting Biomarker Development in West Midlands SMEs project which will see leading edge research from Aston University in Birmingham impacting the companies who are detecting early stages of illness and quality of consumer products. Over the next 3 years 20 businesses from the West Midlands will receive support, helping to bring into the real world the tools and techniques to quickly and accurately detect organisms such as bacteria, viruses and small molecules. Biotechnology, food manufacturing and environmental technology businesses will be able to access tailored support packages. The support will help tackle challenges and improve their processes to secure future business opportunities and to lead the region's work in this growing market.

#### **AIM High:**

Local building businesses are being helped to aim high and get innovative through a new £4.3 million low carbon project set to help over 120 local building businesses learn about and take forward business opportunities using innovative technologies. Through AIM High, over 345 of Birmingham's pre-war and Victorian houses will be refurbished to demonstrate the benefits of installing environmental technologies. The results will be put to the test by local residents who will live and benefit from the energy efficient housing.

The aim is to drive up demand and create further opportunities for local businesses. Businesses will also be able to access support and guidance from project partners Buy for Good consortium, and Staffordshire University's RESCO Team on how to enter the market and form contract consortiums with like-minded businesses. AIM High builds upon Birmingham City Council's investment and commitment to the £100 million Birmingham Energy Savers Programme, and will also help businesses get involved in the Government's 'Green Deal' scheme.

#### **Graduate Placements Service:**

Building on the successes of the pilot West Midlands Graduate Internships Programme which was launched during the recession, European funding of around £1.6 million has been awarded to the Graduate Placements Service which will see nine West Midlands universities working together to promote the benefits of graduate placements to business and graduates alike. Set to create 100 jobs and help over 200 businesses through 1,200 internship opportunities, Graduate Advantage, which is managed by Aston University, will deliver the 3-year service looking to keep graduates in the region, with a long term goal of boosting business performance to help the economy.



## Promoting Innovation, Research and Development

**Innovation First:** Based at Wolverhampton Science Park and the Telford Campus of the University of Wolverhampton, 450 businesses are getting the chance to take part in the £1.7 million European Regional Development Fund Innovation First project by visiting two refurbished centres to see, feel and explore new technological ideas that will help improve their business performance. Steve Smith, Lead Innovation Technology Advisor and Denise Creed, Project Monitoring Officer from the University of Wolverhampton (pictured) try out the Telford Visualisation centre.





# Project Case Studies: Priority Two

## Stimulating Enterprise Development



**Let's Do Boosting Business Performance:** Over the next 2 years 210 businesses in North Staffordshire will be able to access help through Let's Do Boosting Business Performance. With £212,000 from the European Regional Development Fund Programme, tailored business support including mentoring, workshops and an annual showpiece inter-trading fair is available to small and medium sized businesses. One business to have benefited is Staffordshire Precision Engineering. Managing Directors Phil and Gary Smith (pictured) gained valuable advice on investment, expansion, training and personnel.



## Stimulating Enterprise Development

### **RE:Think Energy 2:**

Over 220 businesses based in the shires of the West Midlands are being given the chance to go green and improve profits through a new energy efficiency project that will explain the potential and advantages of adopting more energy efficient processes and the use of renewables. Covering the areas of Shropshire, Herefordshire, Staffordshire, Telford and Wrekin, through RE:Think Energy 2 interested businesses can attend local events to hear more and gain the opportunity to have an energy audit assessment completed for their business. The audit will provide guidance and suggestions for changes and possible energy solutions that could result in reductions in energy bills, and improvements to carbon footprint and overall competitiveness. Results from the changes are then reviewed after 12 months.

### **Shropshire and Herefordshire Business Enterprise Fund:**

Businesses in Shropshire and Herefordshire are being offered a vital lifeline to boost profits and bring to life budding ventures through the £1.1 million supported Shropshire and Herefordshire Business Enterprise Fund. Over the next 3 years two types of grants worth between £1,500 and £5,000 will be on offer to businesses in the two areas that are looking to either get a new business off the ground or improve and boost an existing business. Over the lifetime of the project 140 existing businesses and a further 160 new ventures will

be helped.

### **Enterprise Catalyst:**

Over the next three years, £2.1 million of European funding will help 2,500 businesses and entrepreneurs from Birmingham bring their potential business ideas to life through the Enterprise Catalyst project. Offering essential support to grow, the project is part of the Enterprising Communities Action Plan – an overarching regeneration strategy for Southeast Birmingham. It will seek to raise entrepreneurial levels to help new businesses get started with customised enterprise coaching and financial investment on offer. A mentoring and support service is also available to existing businesses ensuring sustainable growth. The project builds upon the successful Enterprise Catalyst Pilot project which was supported through the previous European Regional Development Fund Programme.

# Project Case Studies:

## Priority Three

### Achieving Sustainable Urban Development

#### **Coventry City Centre Public Realm**

##### **Programme:**

As part of wider plans being led by Coventry City Council to develop the whole area, the Coventry City Centre Public Realm Programme will help to improve the image and appeal of the city to visitors and businesses. Supported with £3.5 million of European funding, a key part will be attracting fresh inward investment and job opportunities by bringing back to life vacant business offices. The transformation is part of a package of improvements to develop and improve the city centre – creating a legacy for local people, boosting the area in preparation for its Olympic activities and making it more attractive to potential new investors.

##### **Investing in the City Region:**

A major £17 million campaign to attract visitors and businesses has been launched in Birmingham, the Black Country and Solihull. With over £8.8 million from the European Regional Development Fund, the Investing in the City Region project is delivering a three year inward investment and visitor marketing campaign that will raise the profile of the area as a place to do business, invest, visit and host major events. Initially 500 new jobs will be created in the European funding area and the funding will also help to attract an anticipated 50 new businesses to the region and help 500 local businesses improve their performance. The campaign brings together the efforts of a number of regional partners to promote the

area as a visitor and business destination, stimulating economic growth and job creation.

##### **Castle Hill Vision:**

Over £4.5 million from the European Regional Development Fund has helped fund a transformational regeneration scheme which will almost double visitor numbers to Dudley's major tourist attractions to over one million people, create jobs and improve the local economy. The Castle Hill Vision scheme involves major infrastructure improvements at the 200 hectare site which is currently home to Dudley Zoological Gardens, the Black Country Living Museum and Dudley Canal Trust. The project revolves around creating new access and infrastructure to create one shared arrival point for visitors to the three attractions together with the new archive building. The scheme will provide the basis for significant new private sector investment and jobs as a result of new commercial and leisure activities locating nearby. This latest phase forms part of a bigger £46 million redevelopment programme set for the Castle Hill site in Dudley town centre.

## Achieving Sustainable Urban Development



**Centre of Refurbishment Excellence:** Based in Stoke on Trent, £4.5 million of European funding has helped with the creation of a nationally recognised Centre of Refurbishment Excellence (CORE). The centre was developed following the reclamation, refurbishment and transformation of a disused Victorian Grade II listed pottery building in Longton and is being turned into a purpose built complex and a national training facility. The centre will provide the opportunity to demonstrate new sustainable technologies, techniques, materials and skills used in the construction refurbishment industry.





For further information on the West Midlands European Regional Development Fund Programme email the Programme Delivery Team: West Midlands at:  
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