



Department for
Communities and
Local Government



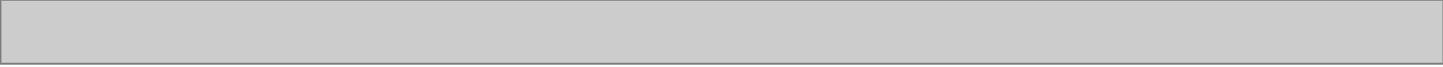
Annual Review

January to December 2013

West Midlands European Regional Development Fund Programme 2007 - 2013



EUROPEAN UNION
Investing in Your Future
European Regional
Development Fund 2007-13



Any enquiries regarding this publication and the West Midlands European Regional Development Fund Programme should be sent to:

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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
- **Priority 2:** Stimulating Enterprise Development
- **Priority 3:** Sustainable Urban Development
- **Priority 4:** Developing Inter-Regional Activity
- **Priority 5:** Technical Assistance

To date the ERDF funding awarded to projects in the West Midlands will deliver the following results by the end of the Programme:

- 16,500 jobs will have been created
- 9,930 jobs will have been safeguarded
- 13,900 new businesses will have been created or attracted to the West Midlands
- 20,600 existing businesses will have been helped to improve
- 19,700 people helped to get a job

Review of the Year

Achievements and Challenges

When I first became involved in the West Midlands ERDF Programme as LMC Chair, I was warned that it was an 'interesting, challenging and dynamic' area of work. That description was not wrong!

Our focus over the past 12 months has been to fully allocate the Programme budget of some £330m and meet a rather challenging annual spend target. I am pleased to announce that we have met our spend target and allocated the programme fully. This is a huge achievement and I would like to personally thank everybody who has played a part in this.

The impact of this investment on the businesses and communities that we serve is considerable. To date projects supported by ERDF have helped nearly 11,000 existing businesses to improve their performance, and a further 5,420 people get a new business venture off the ground. On top of this 9,830 people have been helped to get a job, and over 16,580 new jobs have been created or saved.

The Entrepreneurs for the Future project marked a key milestone this year with the enrolment of its' 85th innovative technology start-up business. We also saw the opening of cutting edge innovative and research facilities at Aston University in Birmingham with the European Bioenergy Research Institute. This latter investment has already generated a lot of interest from SMEs in that particular growth sector.



Last year I commented on the can-do attitude and determination of our partners and this has been demonstrated once again.

Other large scale regeneration projects approved this year include the International Transport Museum in Coventry, the latest phase of the Glasshouse Development Scheme in Stourbridge, and the exciting plans taking shape at Ditherington Flaxmill in Shrewsbury. These schemes will provide future benefits within their local communities.

Towards the end of the year we welcomed a new Communities Minister to the ERDF Programmes - Baroness Stowell of Beeston MBE. Earlier this month we got the opportunity to take the Minister to Stoke-on-Trent to witness the impact and benefits that ERDF funding is delivering.

The Minister visited the former Grade II* listed Middleport Pottery site to see its' transformation into workspace units for local creative industry businesses, and the creation of a new visitor attraction.

Achievements and Challenges



The Minister turned her hand to decorating some pottery at Middleport

The second stop was to the Centre of Refurbishment Excellence (CoRE). Supported with £4.5 million of ERDF funding, the disused Victorian Grade II listed pottery building was reclaimed, refurbished and transformed into a nationally recognised centre and training facility.

The Minister toured the centre, meeting local users who were there to learn about new sustainable technologies, techniques, materials and skills used in the construction refurbishment industry.

The final big area of activity during the year has been the development of the 2014-2020 European Structural Investment Funds (ESIF) Growth programme. In June the allocations of funding to each Local Enterprise Partnership (LEP) was announced and work is well underway on the development of the individual LEP Investment Strategies which set out investment priorities at a local level. Final decisions on the strategies will be taken early 2014.

In parallel, work have also been taking place across Government departments involved in the Programme. New systems, processes, forms and management arrangements are being developed and will continue to be finalised through next year.

Looking forward to 2014 there will be many challenges ahead of us for the current West Midlands ERDF Programme and also the new 2014 – 2020 Growth Programme as it starts to take firm shape. I hope you agree that this is an exciting time for ERDF funding and I look forward to working with you during 2014.

**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

Birmingham Biomedical Hub:

Plans are getting off the ground to develop a new £6.8 million landmark Biomedical Innovation Hub at the University of Birmingham that will offer essential laboratory and office space for new and growing local biomedical businesses. Sustainably developed and energy efficient, the hub will provide access to laboratories housing the latest equipment in this field and the opportunity to gain help from experts at the University. Due to open in summer 2014, the hub will confirm Birmingham's 'Biomedical Quarter' as one of the prime locations in Europe for medical research, translation onto patient trials and the creation of new medical business opportunities and employment .

International Institute for Product and Service Innovation - IIPSI:

Over £6 million of funding has helped create the International Institute for Product and Service Innovation - a dedicated facility set up to support local businesses access world-leading technology to develop leading innovative products and services. Based at the University of Warwick, IIPSI brings together the worlds of cutting-edge academic research and industry providing businesses access to the very latest in product and service design technology and expert advice. Through the

support businesses are helped to explore the benefits and the practical implementation of the new capabilities into their businesses, leading to the creation and testing of market leading products and services. Barkley Plastics, based in Birmingham, worked with the team to help explore new product ideas and diversify into new markets leading to the creation of prototypes for a revolutionary finger held razor and new medical devices.

Innovation Engine:

Innovation Engine is a ground-breaking two-year initiative that will identify health and low carbon challenges of larger organisations located within the West Midlands, and build local SME and university consortia to develop and deliver solutions. Supported with £786,00 ERDF and led by Innovation Birmingham, the project will involve a whole host of partners including local councils, the NHS and Universities. Using the wealth of skills and knowledge in the field of innovation, over 80 businesses will be helped through the winning formula of matching business needs with local expertise to effectively encourage local growth.

Promoting Innovation, Research and Development

Paul O'Brien, Michael Walker Ben O'Brien and Radu Judele - the latest entrepreneurs to at the centre



Entrepreneurs for the Future:

The highly successful Entrepreneurs for the Future programme is a unique programme offering office space, funding, expert advice and mentoring to the next generation of technology entrepreneurs looking to get a successful business idea off the ground. Based at Birmingham Science Park Aston, in 2010 £450,000 of ERDF funding was awarded to provide vital business support. In October the project celebrated its 85th innovative tech start-up to enrol at the centre - Chartego; a social platform, allowing users to build online recognition and influence by posting interesting content, such as photos, videos and updates. DigiVooDoo and Scoperks are also two new businesses to have got off the ground thanks to help from the project.

Project Case Studies: Priority Two

Stimulating Enterprise Development



PRIME West Midlands: The £820,000 initiative aims to provide support, guidance and hands on help to budding entrepreneurs over the age of 50 to get a new business idea up and running. Through the Prince's Initiative for Mature Enterprise (PRIME) around 240 individual will be helped over the next 2 years. This initiative builds on the excellent work carried out through PRIME which to date has supported 2,500 people including Sue Shackleton (pictured) from Malvern, Worcestershire who was made redundant in her 50s before setting up a company - EasyRead Time Teacher Ltd with her brother to sell clocks that helped children tell the time.

Stimulating Enterprise Development

GamesLab:

Building on the West Midlands strong skills base in games development and as host to a number of leading development studios, backed up by some of the UK's leading computer science courses being taught in West Midlands Universities, GamesLab aims to bring these strengths together to create jobs and boost the local business economy. Through the project existing businesses can access funding and expertise to aid growth and new businesses are encouraged to get started. With just under £345,000 of ERDF funding, over the next two years 70 businesses will be helped to grow or get established, and over 65 jobs will be created or saved.

Advantage Early Growth Fund:

For a number of years the Advantage Early Growth Fund has received ERDF funding to provide investment support to small and medium sized local businesses to help them grow and thrive. In 2012 the latest ERDF support was provided totalling just over £1 million which to date has attracted co – investment match fund of £4 million. Many businesses are seeing the benefits of getting involved in the Fund including a Malvern based Medical Technology business who have used the funds to develop and expand key management infrastructure, develop new market leading products and expand into international markets. Another investee

company with its proven Patented technology for power harvesting in Automotive applications, has used new investment to develop new prototypes and physically test its technology in other applications – with great success. Unlike most funds, this is an evergreen fund where investment returns are re-cycled into new investments allowing other ideas to take shape and benefit from the fund's continued investment activity.

Growing Cyber:

Within Worcestershire a strong network of cyber security professionals exists, holding years of extensive knowledge, experience and skills. Through the £353,000 ERDF support Growing Cyber project this valuable asset, a rare resource for a growing international issue, has the potential to help other local businesses in need of this specialised support to take forward their growth plans, reduce cyber risk and become more competitive. By the end of the project 120 businesses will have gained access to this unique and vital support.

Project Case Studies: Priority Three

Achieving Sustainable Urban Development

Glasshouse Development Project Phase 3:

Now in its third phase of development, the Glasshouse Development Project, located in Stourbridge, has seen much improvement and regeneration to turn it into a successful visitor attraction and mark its place in Industrial Scale Glass Making in the UK. Through this latest phase more work will be carried out at the site with the refurbishment of former industrial buildings into business units and increased promotion of the site's glass-making heritage. Work on re-modelling access and signage to improve the site's visibility and accessibility will also take place, helping to create a sustainable and successful attraction.

Western Gateway Enterprise Hub:

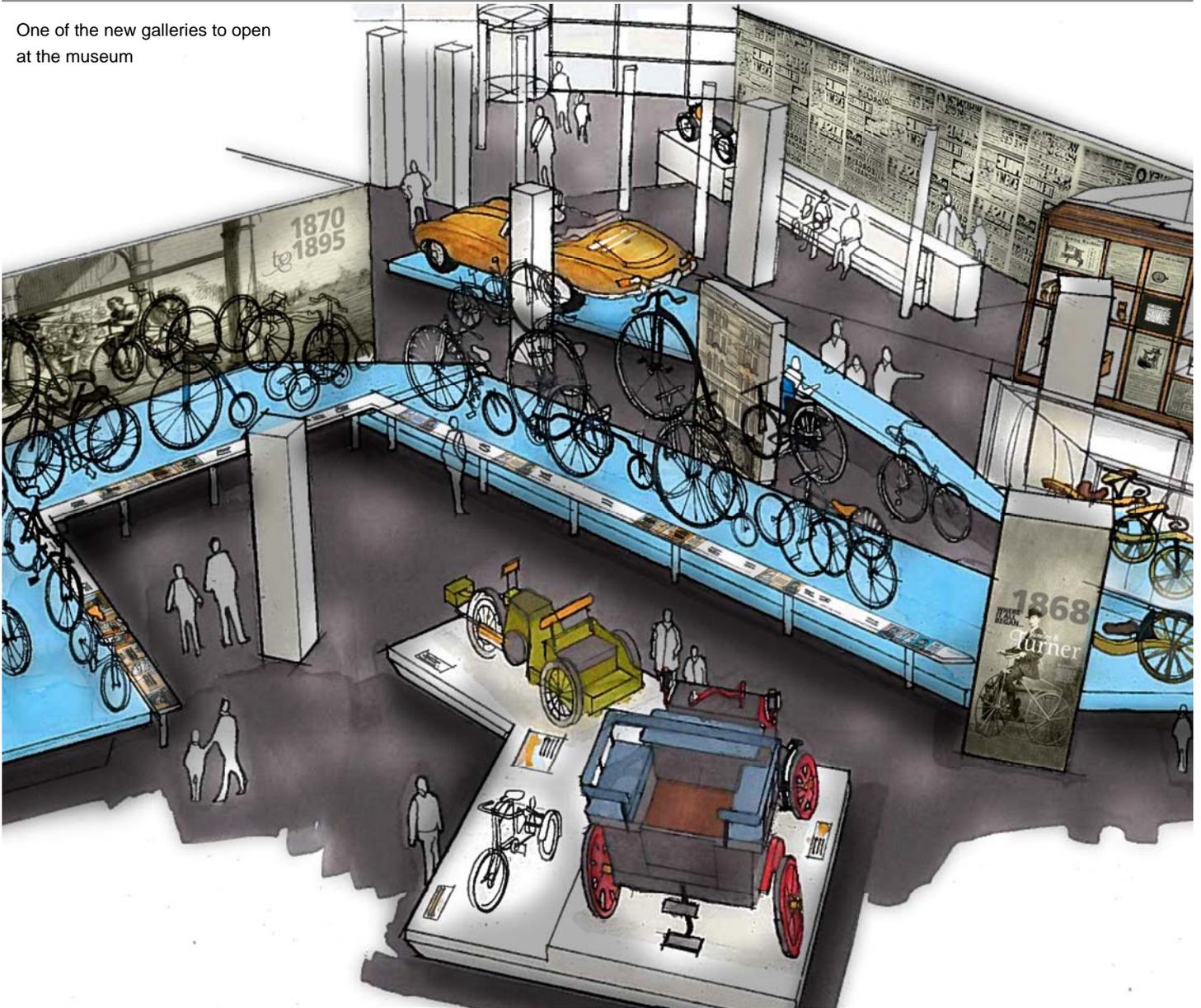
Supported by just over £305,000 of ERDF funding, a new enterprise hub will be built and refurbished in West Bromwich, providing office space and facilities essential to the early needs of a new business venture. Specialised advice and guidance will also be on hand focussed on all those areas sometimes difficult to tackle for new or nearly new businesses. Managed by YMCA England, this development will help encourage and create new job opportunities for local people within an area of the Back Country in need.

Ditherington Flaxmill:

Located in Shrewsbury, £6.6 million of ERDF funding has been awarded to help take forward part of the plans of phase one of the development of the Ditherington Flax Mill site. Currently a derelict site and with some buildings in a very poor state of repair, the project will help restore the Grade 1 listed building of important historical significance, as the first iron framed building in the world. Work through phase one will retain, restore and bring back into use a number of areas of the site including the main mill, kiln, Dye House, Stove House, office and stables, resulting in the creation of cultural and public space, and essential work areas for local businesses. Due to be completed by December 2015, this initial phase of development will help spur on future investment plans at the Flaxmill.

Achieving Sustainable Urban Development

One of the new galleries to open at the museum



International Coventry Transport Museum: Work is set to start at Coventry Transport Museum that will bring a new lease of life to the popular tourist attraction. The transformation will see the sensitive restoration of the Old Grammar School, located next to the Museum and one of Coventry's most important historic buildings, back into use to help tell the wider story of Coventry's part in transportation manufacturing with a new exhibition, education and multi purpose event space. Supported by £3.1 million of ERDF, the transformation will also significantly upgrade the majority of the exhibition galleries within the Museum, relocate the shop, and create a new entrance and community engagement spaces.



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