

3.2.3 *Economic Strategy*

The Black Country

The Spatial Framework being developed for the Black Country seeks to reverse out-migration, raise income levels and change the socio-economic mix of the conurbation. A key element of the Spatial Framework will be an optimal economic strategy for the Black Country and its spatial implications. The Long-Term Economic Strategy developed for the Black Country to 2033¹ aims to raise incomes in the Black Country to the national average outside London by achieving:

- sectoral change towards higher value added activities and with more employment in the finance/business services, arts and leisure and logistics sectors;
- a revision of the occupational structures - with higher proportions of managers and professionals; and
- workforce development - through a non-conventional strategy focused on major upskilling

This will be in addition to activity to reverse population decline - with a target of 200,000 additional people by 2030 half of whom are of working age - and activity to encourage innovation and productivity.

A major challenge for the Black Country - identified through the Black Country Study² -is to deliver sites of sufficient quality and accessibility required for industrial restructuring - given the complex urban form that has developed around the traditional industrial base offering “widespread but piecemeal development opportunities, hampered by the continuing legacy of soil pollution and land ownership patterns”.

The strategy therefore identifies an action plan focused on five areas - including (in addition to business engagement, development of knowledge economy infrastructure, and development of leisure and arts facilities and events):

- land assembly to deliver sites of high environmental quality with central sites for office development and off-centre sites for manufacturing and logistics;
- complete renewal of the environment with 3,000 hectares and 12m sq.m. of modern floorspace developed every 15 years, development of an urban park, delivery of quality urban design (spaces and buildings), management of environmental impacts and development of environmental goods and services; and
- Accessibility of sites - with reasonable access to major roads and motorways identified as a priority.

¹GHK (2004) *The Black Country in 2003: A Long Term Economic Strategy*

²GHK (July 2004) *‘Spatial Implications of the Proposed Economic Strategy – Version 3*

The Black Country Study provides an indication of the scale of development implied by the Economic Strategy (Table 3.2). Research has recently been commissioned to identify the capacity for delivery of employment land.

The Black Country's urban centres are accorded a central role in the delivery of the Black Country Vision, the regeneration of the conurbation and the diversification and modernisation of its economy towards knowledge economy and service sectors. For example, the Black Country Study identifies that whilst some office provision will be accommodated in off-centre business parks along public transport corridors, the majority of jobs are expected to be located in urban centres. The Vision envisages a polycentric City made up of four strategic thriving and distinctive retail and commercial city centres each playing a unique role:

- West Bromwich home to THE PUBLIC
- Walsall known for its culture
- Wolverhampton known for its universities and R&D base
- Brierley Hill known for its shopping
- (plus Dudley transformed into a national icon for urban living)

This would represent a concentration of future development and employment in and around these strategic centres (whereas current employment is more dispersed amongst the larger number of district centres in the Black Country).

Telford

Telford is identified in the Regional Spatial Strategy as a sub-regional focus for development (including housing) on the basis of its potential to attract new investment. RPG identifies Telford as a strategic focus for major retail, leisure and office developments. Although there is a recognized need to define and clarify Telford's role in the wider regional and sub-regional context ('Telford First' Business Plan). Designation of the Wolverhampton-Telford High Technology Corridor recognises Telford's potential to develop high-technology and high value added activities - particularly building on the Borough's existing polymer engineering and ICT sector base.

Telford and Wrekin's vision is for Telford to be re-established as a major sustained growth point in the region (in terms of population and economic activity) - with a vision of a diversified economy by 2020 with strength in certain knowledge sector industries (value added manufacturing), certain services and an expanded workforce of 110,000 individuals.

Attraction of highly skilled workers (as residents or commuters - the Borough has a high rate of net in-commuting) is identified as key to the development of the Borough's high tech industrial base. SQW note that the Borough already has high quality executive housing stock and that the housing land supply provides opportunities to create high quality residential environments - although there is a potential gap in housing supply for young professionals which the Borough will seek to address.

Establishment of the Telford First Regeneration Company and restructuring of the Telford Development Agency as an independent economic development company aims to co-ordinate investment priorities towards delivery of the Borough's economic strategy - amongst participating (English Partnerships, the Borough and AWM) partners and non-participating partners (e.g. the

Housing Corporation). A main priority will be the re-planning and re-development of Telford Town Centre - as a critical project for driving economic growth.

3.3 Social Function

The following sections describe the social function of the area in terms of

3.3.1 Household Incomes and Housing Choice

Figure 3.13 shows income levels across Black Country and Telford and the adjoining districts. Wolverhampton has the lowest median income level in the West Midlands region (£13,200). Sandwell also has a low median income level (£13,800). In both cases the mean values are higher, suggesting a range of income levels, but low-income levels are likely to characterise the specific intervention areas within a housing market renewal area. Dudley and Walsall perform better, and Telford better still but all fall some way short of the more affluent areas (e.g. Warwick and Solihull). Income levels are closely related to skills and occupational levels.

Income differentiates the central zone of the Black Country from the rest and south Telford from the rest of urban Telford (see IMD income domain, Figures 3.10 and 3.11). Within the area there are in fact wide variations mainly shaped by the concentrations of terraced housing and social housing which act as natural watersheds. Owner occupation is lower, due to the locations of large council estates and in the terraced areas, a growing private rented sector. The social sector houses generally poor households³. The private rented sector represents transitional use⁴ by students, some BME groups and young, single person households.

3.3.2 Deprivation and Social Structure

Figure 3.13 maps the Black Country against the overall deprivation index, the IMD 2004. It shows a huge central zone with localities in the worst 10% or 20% nationally, which intertwine an area with around 566,000 people living in it. The spatial extent and fragmented nature of this central zone is of huge strategic significance. Not surprisingly, the central area features strongly in the various IMD health, employment, income domains as well as the education domain as mentioned above.

This concentration of deprived communities in the Black Country is partly due to the concentrations of BME communities, which are particularly (but not uniformly) disadvantaged (see section 5.4.2). It also reflects concentrations of single person households characteristic of the inner city, lower proportions of families with children (Figures 3.16 and 3.17) and also an almost precise match of lone parents with social rented areas within the central zone. Its population is generally younger, although there are also pockets with high elderly populations.

³ In the 1970s the proportion of non-earning households was 11%; in 2002 it was 67% and over half its working age households were workless (Prime Minister's Strategy Office and ODPM (2005), *Improving the Prospects of People Living in Areas of Multiple Deprivation in England*, page 50).

⁴ A survey of privately renting tenants in Sandwell in 1999 found high levels of churning: 39% in their current property less than 12 months, with 28% living in more than 3 properties in the last five years; 41% planning to move in the next 12 months (CSR 2000). Overall, 55% had moved into Sandwell from outside the Borough. Private renting is not confined to low-income areas as can be seen from Figure xx with concentrations in Stourbridge and Halesowen, and Bearwood stretching southwards in affluent Harborne and Edgbaston.

The south Telford estates reflect the core Black Country skew towards single person and lone parent households, and couples with children. (Figures 3.18 and 3.19) In Madeley North there are pockets of elderly residents. The estates are similarly characterised by high unemployment and low skills levels and have been previously targeted for regeneration through SRB funding. Commercial and community facilities are in very poor condition and are failing badly. Social (and anti-social) issues have become significant. Woodside, Brookside and Sutton Hill in particular have localities within the most 10% of deprived areas nationally according to the IMD 2004. (Figure 3.15). They feature strongly within the employment, income, education and to some extent crime domains of the IMD.

Taken together, the social profile of the south Telford estates, their ex-new town footprint with low values and limited sales is similar to many of the Black Country's major social estates which are affected by stigma and limited inflow. The SRB evaluations found negative perceptions around Woodside and Sutton Hill.

Figure 3.13: Household Income 2003, by 2001 Output Area

