

# Economic Development in Barking and Dagenham

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# 1. Introduction

1.1 Barking and Dagenham is about to undergo its biggest transformation since the borough was first industrialised and urbanised. The Thames Gateway, of which it forms the heart, is the largest regeneration area in Europe. It is crucial to the Government's plans to develop

sustainable communities in the southeast and to the London Mayor's ambition to ensure prosperity is more evenly shared between east and west in London.

1.2 Over the next decade and a half, East London will benefit from

150,000 new homes and around a quarter of a million new jobs. New transport connections will make travel in the region and to the rest of London easier than ever. Barking and Dagenham's population will rise dramatically and new housing will substantially change the



character of the borough.

- 1.3 Our 2020 Vision is for a vibrant local economy, with a wide variety of local retail, leisure and cultural facilities, and a well-educated, highly skilled population able to compete for new jobs in the borough, the Thames Gateway and London as a whole. This strategy for economic development is intended to help achieve the 2020 Vision and to ensure that all the residents of Barking and Dagenham share the benefits of growth, regardless of gender, ethnicity, disability or the neighbourhood in which they live. The strategy is closely linked with our Community Strategy, Neighbourhood Renewal Strategy and Regeneration Strategy, An Urban Renaissance in East London.



Architect's design for the Broadway Theatre, Barking

**Within the framework created by this strategy the Council will work with partners to:**

- plan its economic development work;
- set priorities for action to achieve the objectives and allocate resources accordingly;
- design new projects and initiatives and make the case for external funding to help implement them;
- use resources in ways which will complement and build on the work of partners;
- provide a clear basis for the formation of partnerships to achieve economic growth in Barking and Dagenham;
- monitor progress and evaluate results, adjusting actions accordingly.

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## 2. Strategic objectives

- 2.1 The Council has a key role to play in promoting economic growth in Barking and Dagenham, but it is not the only player. We have consulted with a range of public and private sector partners on this strategy and will work with them to implement it. We will use the Council's resources where there is a clear role which the council is best fitted to play, where there is an identified need which has not been filled, or where the council can leverage other resources and maximise impact.
- 2.2 Section 3 of this document examines the economic and policy context in which the borough will grow and Section 4 describes the current state of our local economy. Sections 5 and 6 set out our overall aims to diversify into new areas of growth, intervening where necessary to kick-start the development of new sectors or technologies, and secure a long term future for manufacturing in the borough. The rest of the document looks at the role the Council will play in implementing the strategy.

**To achieve the 2020 Vision's objective of a vibrant local economy and a well-educated, highly skilled population, we will:**

- provide leadership and coordination to economic development activity in Barking and Dagenham;
- help build the enabling environment for business growth – transport, the built environment and information and communication technologies (ICTs);
- make Barking and Dagenham a business-friendly council, so that our policies take into account the needs of businesses;
- support business growth, retention and competitiveness, working with our partners to ensure that businesses are able to find the sites, training and advice that they need to thrive within our borough;
- promote social inclusion, encouraging the growth of social enterprise, intermediate labour markets and local entrepreneurship, so that all communities and neighbourhoods benefit;
- help local people into employment and into more rewarding, better paid jobs, by increasing their access to employment opportunities and improving their skills, mobility and employability;
- use the Council's power as a major local employer and purchaser of goods and services to foster economic

### 3. The economic and policy context

3.1 The fundamental driver of employment change in London over the past thirty years has been the shift from manufacturing to a service based economy. Manufacturing employment has shrunk by two thirds, to be replaced by new jobs in business, financial, leisure and other services. These trends will continue.<sup>1</sup>

3.2 Alongside financial, business and people services, the Mayor's Draft London Plan identifies creative and cultural industries and Information and Communication Technologies (ICTs) as new drivers of growth. The Mayor has also identified an "environmental imperative", created by international environmental agreements and EU and UK directives, standards and targets, which will force London to consume fewer resources, recycle more and promote alternative energy sources. This will lead to major changes in operation and behaviour for businesses and move green technologies from the fringe of London's economy to nearer its centre.<sup>2</sup>

3.3 Employment in construction and related industries will also grow in the Thames Gateway as the Sustainable Communities Plan

unfolds.<sup>3</sup> Major development projects in London Riverside and Barking Town Centre will generate much of this growth. Other major schemes in Thames Gateway (including the Olympic bid if successful) will also create opportunities for growth in the construction sector.

3.4 Responding to these past and predicted changes, the Economic Development Strategy (EDS) of the London Development Agency (LDA) seeks to balance further

development of London as a world and European financial centre, with greater social cohesion and a broader range of economic activity. In addition to creative and cultural industries, environmental technologies and ICTs, the LDA will also prioritise help to tourism and leisure industries, the production sector (manufacturing), life sciences and pharmaceuticals, and the public sector. The LDA's choice of these sectors is based on the number and quality of jobs, past



Centre for Engineering and Manufacturing Excellence, Dagenham

6 <sup>1</sup> The Draft London Plan predicts that manufacturing could shed a further 40% of jobs by 2016, with financial and business services adding as many as 440,00 new jobs and leisure and other people services (hotels, restaurants, tourism and retail) 178,000.

<sup>2</sup> Green employment is growing rapidly; waste processing alone provides 28,000 jobs in London.

<sup>3</sup>The Construction Industries Training Board estimates that 380,000 new jobs will be needed to build the 500,000 new homes nationwide that the Sustainable Communities Plan anticipates.

and future employment growth, national and international competitiveness and potential to help social inclusion.

3.5 The LDA recognises the importance of maintaining a "high value-added, design-led" manufacturing sector in the region. It has designated East London a "key strategic development focus for London" and set objectives of modernising its infrastructure (particularly its transport, telecommunications and housing) and creating new investment and land use opportunities for economic growth.

3.6 Barking and Dagenham was a founder member of the Thames Gateway London Partnership (TGLP), which brings together twelve local authorities in the region, its universities, the Learning and Skills Council and the LDA. The Partnership's priorities for growth in the region are diversification of the economy (including into high-value manufacturing and environmental industries), the sustainable regeneration of key brownfield sites, an improved transport infrastructure and a

step-change in the level of education and skills in the region's workforce.

3.7 This analysis provides the context, but not a blueprint for economic growth in Barking and Dagenham. Our strategy takes account of local realities and the part we play currently in the wider Thames Gateway and London economies – but it also looks ahead to the role we want

to play in 10 or 15 years time. We do not have the prospects for tourism that Greenwich has, or for growth in financial services that Canary Wharf gives Tower Hamlets. But we do have strength in the manufacturing sector, a growing presence of green industries, an important public sector and the chance to develop new jobs in construction. We also intend to nurture growth in leisure, retail,

creative and cultural industries around the major regeneration projects in Barking and London Riverside.



Antalis Building, Dagenham Dock

## 4. The local economy in Barking and Dagenham

4.1 Long synonymous with manufacturing and specifically with Ford Motor Company, the borough suffered an overall loss of jobs in the 1990s. The closure of Ford's vehicle manufacture operations and replacement with a new diesel engine plant, which reduced employment at the plant to 5,000, was a particularly heavy blow. However, manufacturing still employs a far larger proportion of the workforce in Barking and Dagenham than in London or the UK as a whole.<sup>4</sup>

4.2 As heavy industry shrank, a range of lower density manufacturing and transport, storage and communication operations moved into the borough, attracted by the excellent transport links into London and out into the country. Construction employment also grew in the 1990s, albeit from a small base. Vehicle repair businesses continued to cluster in the riverside areas. The table below shows the current structure of

the borough economy.

4.3 Notwithstanding the presence of large, nationally recognised employers like Ford and Aventis Pharma, the majority of jobs in Barking and Dagenham is now provided by small and medium sized enterprises (SMEs), with an average workforce of 17 employees per company. The borough's stock of businesses is growing, although still low compared to other London boroughs.<sup>5</sup> We will give priority

Sector	No VAT registered businesses	% businesses	No of jobs	% workforce
All manufacturing, of which	290	10.9	10,291	21.4
Manufacturing of transport equipment			5,638	11.7
Other manufacturing			4,653	9.7
Wholesale/retail distribution	795	29.8	9,061	18.8
Public services			7,727	16.1
Financial and business services	560	21.0	6,344	13.2
Transport, storage, communications	275	10.3	5,040	10.5
Health and social work			3,075	6.4
Construction	410	15.4	2,354	4.9
Other services			2,109	4.4
Hotels and catering	180	6.75	2,051	4.3
Total	2,665		48,109	100.0

Information from VAT registrations and Annual Business Inquiry 2001

<sup>4</sup> Manufacturing accounted for only 6% of London's jobs in 2001; nationally the proportion was 13%

<sup>5</sup> VAT registrations grew by almost 20% between 1994 and 2001, reaching 2,665 in 2001



to supporting Barking and Dagenham's SMEs and growing our stock of businesses still further. SMEs stimulate competition and productivity in the economy as a whole, are more likely to employ local people than large companies, build local supply networks and to reinvest their profits within the local community. A diverse and thriving SME sector will enable the borough to weather economic downturn better than over-reliance on a few sectors and large employers.

4.4 Unemployment in the borough is around the London average, although there are hotspots in some wards and among some ethnic groups. But the 2001 Census shows that the proportion of adults in the workforce is lower at 56% than the London average (60%) and neighbouring boroughs. The borough has higher proportions of non-working women and of residents suffering long-term illness than surrounding boroughs and London as a whole, but it may also be the case that local labour is not being fully used because of low levels of education and skills in the local workforce.

4.5 Barking and Dagenham's education service is one of the fastest improving in the country, winning national recognition through a host of awards, including Beacon status for secondary education. But lack of aspiration and achievement in the past has left a significant legacy of low education and skills. One in three residents have low literacy and numeracy skills, less than one in four are qualified to NVQ+3 level and 40% have no qualifications of any kind. Local people are disproportionately likely to be employed in unskilled jobs, with only 13% of the borough's population in managerial or professional jobs (compared to 25% in the wider Thames Gateway and 33% in London as a whole). As a result, wages are low, with the median average earning 28% below the London average – the lowest of any London borough. The Council has made raising residents' levels of education and skills a top priority.

4.6 The most recent study of the borough's employers has shown that most value their existing workforce and that the desire to retain them is a factor in their locational decisions. Many businesses have relied in the

past on on-the-job experience to ensure that their employees gain the skills they need. But this preference is likely to become increasingly untenable as a modern economy demands

new and transferable skill sets and Section 12 of this strategy sets out our response to this situation.



Vicarage Fields Shopping Centre, Barking Town Centre

## Barking and Dagenham's Economic Development: Strengths, Weaknesses, Opportunities and Threats

Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> <li>• Strategic position in Thames Gateway sub-region</li> <li>• Excellent east-west public transport links (road, rail, tube), including to Docklands and the City</li> <li>• Barking Town Centre easily accessible</li> <li>• Major sites available for housing and business development</li> <li>• Manufacturing base with strength-in-depth in key sectors</li> <li>• Major private sector companies (eg Ford, Aventis Pharma, Hapag Lloyd, Dairy Crest, Thames Power)</li> <li>• Improving local authority with rapidly improving education services (Beacon Council status)</li> <li>• Cultural attractions, including Barking Abbey, Eastbury Manor House, Valence House and Eastbrookend Country Park</li> <li>• University of East London and Barking College.</li> </ul>	<ul style="list-style-type: none"> <li>• A low wage, low employment economy with high deprivation in some social groups and neighbourhoods</li> <li>• Low levels of basic skills, including literacy and numeracy</li> <li>• Smaller than average representation of professional groups in the local economy</li> <li>• Poor public transport links between the north and south of the borough</li> <li>• Poor commercial perception of town centre and industrial areas</li> <li>• Shortage of start-up industrial units and move-on sites for business</li> <li>• Lack of diversity in current housing stock (particularly aspirational housing)</li> <li>• Low levels of business start ups and self employment</li> </ul>	<ul style="list-style-type: none"> <li>• Government and Mayor's support for Thames Gateway as a critical region in London and the UK's economic development</li> <li>• Strategic plan to transform Barking Town Centre</li> <li>• Development of major regeneration sites at Barking Reach, South Dagenham and Dagenham Dock</li> <li>• New transport schemes – DLR extension, Crossrail, ELT, C2C extension and Thames Gateway Bridge.</li> <li>• Creation of 250,000 new jobs in Thames Gateway area</li> <li>• Development of the Centre for Manufacturing and Engineering Excellence (CEME) and Business Innovation Centre (BIC)</li> <li>• Establishment of an Urban Development Corporation</li> <li>• Availability of government and EU funding for regeneration initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Risk of a national/global recession causing unemployment and cutting investment</li> <li>• Some communities or groups become further marginalised</li> <li>• Lack of funding prevents or delays new transport schemes going ahead</li> <li>• Other regional centres in East London attract the capital created by new housing and business developments</li> <li>• Local people unable to capitalise on new employment opportunities created by new regeneration initiatives</li> <li>• A successful Olympics bid diverts political impetus and investment away from LBBDD towards other sites in east London.</li> <li>• New regional bodies and regeneration initiatives fail to work effectively together.</li> </ul>

## Responding to the challenge:

### 5. Diversifying the economy

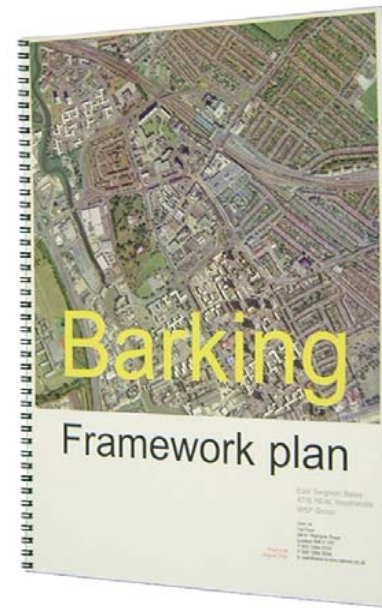
5.1 The services that will continue to drive growth in the London economy as a whole are less important as a source of employment in Barking and Dagenham. If new jobs were to replicate existing patterns without any sustained policy interventions, the borough's residents could face an uncertain future of low growth in low skill and low paid jobs.<sup>6</sup> We need a coherent, long-term strategy to diversify our local economy, if local people are to benefit fully from economic growth.

5.2 Just as the building of the Becontree Estate in the 1920s brought Ford into the borough, the major developments now planned for South Dagenham, Barking Reach and Barking Town Centre present a major opportunity to revitalise the local economy. These can create a magnet for growth in the entertainment, leisure, retail, ICT, creative and cultural industries.<sup>7</sup>

#### **Growth in retail, business and "people" services**

5.3 We have started to implement an ambitious plan to transform Barking and to make it the town centre of choice for the new communities of London Riverside. London has been

"moving east" for a number of years. The creation of a high-quality, design led, environmentally sustainable urban environment in Barking Town Centre will help attract a population with the entrepreneurial skills and disposable income that can help kick-start growth in key sectors.<sup>8</sup> One of our most exciting projects is the creation with the help of the LDA of a cultural industries' quarter in the



Barking Town Centre Framework Plan

town centre based around the Malthouse and Broadway Theatre developments.

5.4 As part of the next stage of our plans for Barking, we will formulate a retail strategy for the town centre, identifying a viable role for Barking in the face of competition from existing retail centres in Stratford, Romford and Bluewater. We will also discuss with companies in the town centre the feasibility of a Business Improvement District. Barking can also attract business services from companies currently located nearer to the centre of London and provide back-office functions for Canary Wharf. Barking's land values are more competitive and its excellent transport links into the centre of London and its periphery will be further improved by the C2C upgrade and the East London Transit, linking Barking, Ilford and Barking Reach.

5.5 Barking can also provide retail and leisure services for the more than ten thousand homes that will be built at Barking Reach. This will not be a soulless housing estate, but a new sustainable community with its own schools, health facilities and green spaces. Although it is not

<sup>6</sup> This is confirmed by the structural employment projections carried out for the Draft London Plan, which forecast only a small increase in employment of 1.8% for Barking and Dagenham.

<sup>7</sup> KPMG's work for TGLP predicted that borough employment will grow over the next ten years (albeit from a low base) in ICTs, creative and cultural industries and professional services.

<sup>8</sup> Research by both the LDA and ODPM confirms the importance of London's town centres to economic growth in the outer London boroughs. Distribution and leisure employment in East London picked up sharply in the second half of the 1990s, as the area improved its housing and other infrastructure and became more attractive as a residential area for people working in the capital.

intended to provide significant amounts of employment on site, Barking Reach will provide new jobs in the public sector and small-scale retail outlets. We will also investigate the possibility of providing a small number of live-work units in Barking Reach and start-up business units in south Dagenham.

#### **Growth in construction**

- 5.6 The borough is also well placed to benefit from the growth in construction that the redevelopment of Thames Gateway will bring. Construction jobs are often thought of as low-wage, low-skilled and short-term. But the size of the Thames Gateway programme over the next 10-15 years creates a major opportunity for Barking and Dagenham to secure much longer term benefits and better paid jobs in skilled occupations.
- 5.7 The borough already has a large number of generally small building companies and an LDA pilot programme for innovation found that they are well placed to meet demand from a Thames Gateway construction boom.<sup>9</sup> We are working with the University of East London to

### **To help build growth in retail, people and business services, we will:**

- **develop a viable retail strategy for Barking Town Centre;**
- **discuss with businesses the feasibility of Business Improvement District in Barking;**
- **create a cultural industries quarter in Barking Town Centre;**
- **consider how to provide high quality live-work accommodation at Barking Reach and start-up business units at South Dagenham;**

### **To help build growth in construction, we will**

- **explore new ways of meeting demand for building work;**
- **make training in construction skills a priority for workforce development and use Section 106 agreements to encourage the training and use of local labour;**
- **consider with other education providers how to provide construction-related skills, such as for architects and landscape designers;**
- **encourage manufacturers of off-site construction materials to locate in the borough;**

### **To support careers in the public sector we will establish a Public Sector College in Barking Town Centre.**

### **To help build growth in environmental industries, we will establish a home for green businesses at Dagenham Dock.**

produce new building materials from recycled materials and are investigating ways to encourage off-site pre-fabrication of building units. As part of the strategy for manufacturing set out in the next section of this strategy, we will seek to encourage manufacturers specialising in off-site construction to locate in the borough.

- 5.8 Our strategy for Workforce Development makes training in construction skills a borough priority. This will mean more than simply training labourers. We will also consider ways to ensure that our schools and other education providers in the Thames Gateway provide the full range of skilled trades, specialist and professional skills (eg architecture and landscape design) that will be in demand.

#### **Growth in the public sector**

- 5.9 Jobs in the public sector – planners, teachers, nurses etc – will grow as the regeneration of the Thames Gateway unfolds. To prepare for this we will establish a Public Service College as part of the Town Square scheme in Barking, a major mixed-use development. The College will

build on initiatives to provide health and social care qualifications through the Gateway to Health initiative and the Care Homes Collaborative. We will also provide new social housing in the borough for key workers. The redevelopment of Barking Reach will provide a large proportion of affordable homes for both rent and purchase.

**Growth in environmental industries**

5.10 The Council's plans to make Dagenham Dock into London's home for green industries are discussed in the next section of this document.



Barking Market. Set up by the Council only recently, it is now a thriving part of the Town Centre

## 6. A long-term future for manufacturing in the borough

6.1 Most analysis predicts that the long term decline in manufacturing employment will continue, as lower-value businesses continue to relocate outside the UK to take advantage of lower wages. We do not propose to compete for low skilled, low wage jobs. But using the skills and knowledge of our existing manufacturing base we believe that we can carve out an important niche in high value production industries, in line with the Government's Manufacturing Strategy. Although this may not provide the levels of employment of the past, the new jobs will be better

skilled and better paid. The challenge is to develop and implement policies that can support our current manufacturing base while it continues to be viable, but to manage an effective transition into new forms of higher-value manufacturing.

6.2 The borough continues to enjoy advantages that make it a competitive location for manufacturing businesses.<sup>10</sup> It is strategically placed in the region with excellent road links west to the City and east to the London Docks. These will be enhanced still further by improvements to

the A13 and the proposed Thames Gateway Bridge. Sites in the borough are competitively priced to attract higher-value industry displaced from locations closer to central London such as the Lower Lea or Royal Docks.

6.3 We can also build on the long-standing presence in the borough of nationally important companies like Ford, Aventis Pharma, Hi-Grade, Dairy Crest and Welbeck to help build local supply chains and networks. Ford's future in Dagenham now looks relatively secure, with a sustainable base of employment and ambitious plans for new

### To help build a viable high-technology manufacturing sector, we will:

- promote the borough's locational advantage for manufacturing businesses;
- build on the resources of high-profile companies like Ford and Aventis Pharma;
- help smaller manufacturing companies showcase innovative products and processes;
- help build synergies for innovation and business support between the borough's new high-tech centres (CEME, ETRCL and BIC);
- preserve employment sites for manufacturing through the new Local Development Framework;
- use planning guidance to encourage manufacturing development in key sites such as Dagenham Dock;
- work with Gateway to Industry to improve manufacturing competitiveness;
- provide support to the Thames Gateway Manufacturing Group and its "sector clubs" in lobbying for policy support to manufacturing;
- continue to provide support to the LSC-funded Executive Excellence in Industry programme.

investment. Beneath this layer of large companies, there is a wealth of smaller, less well-known engineering companies that can compete effectively for prototype and short run work. We will explore ways of assisting them to showcase their skills, for example through Business to Business events and rolling exhibitions.

6.4 A number of centres for technological innovation and business support have grown up recently or are planned. The Centre for Engineering and Manufacturing Excellence (CEME) will provide test bed facilities for new manufacturing alongside education and training in manufacturing and engineering skills, from NVQ to PhD level. The adjoining Business Innovation Centre will provide other business support services. In the next section we look at the role of the Environmental Technology Resource Centre (ETRCL) planned for Dagenham Dock. Together with Barking College and the University of East London, these developments will provide a firm basis for technical and business innovation and help attract high value manufacturing and engineering companies to the borough.

6.5 With our partners in the Benefits for Business forum, we have helped develop a Production Industries Framework for strengthening manufacturing in the Thames Gateway. It envisages a range of activities to encourage innovation, promote workforce development, to secure the availability of adequate land and accommodation for manufacturing businesses and to increase investment. The programme will be delivered through policy interventions, business support and by lobbying national and regional government for targeted action.

6.6 The Council has an important part to play as a planning authority in delivering this strategy. In order to protect manufacturing, we will seek to change current patterns of use in the Riverside industrial estates. Cheap land and labour and good transport links have made these areas attractive to logistics operations, but we do not want these uses to dominate Barking and Dagenham's riverside to the



Dagenham Dock as it is now

detriment of other industries. We will therefore use the planning system to discourage low-employment operations.

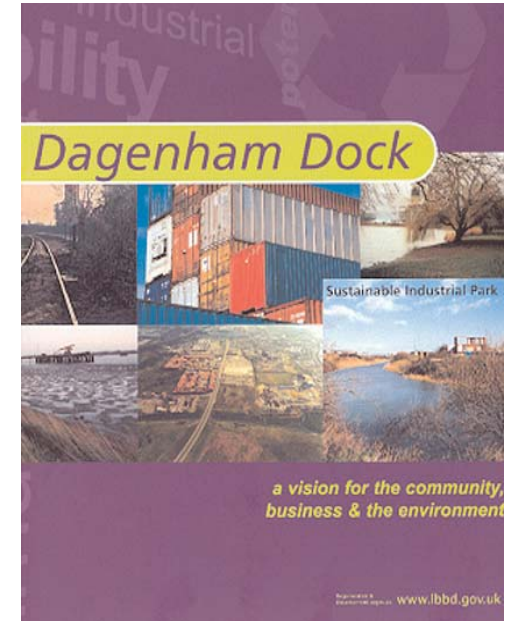
### **A home for green industries in Dagenham Dock**

- 6.7 The redevelopment of Dagenham Dock, now taking shape, shows how these policies can be successful in practice. The site houses a range of open storage, warehousing and distribution uses, with scrap metals, aggregates, bulk liquids and waste materials stored openly. Both the infrastructure and environmental conditions on the site have deteriorated substantially over the years.
- 6.8 But the site retains important advantages. It has a river frontage with potential access to wharves; it is superbly located for access to arterial roads (A13 and the A406) and is only ten minutes drive from the M25 and the rest of the national motorway network. There are plans for the DLR to be extended to Dagenham Dock by 2012 and for the East London Transit to provide 15 buses each hour to Barking Town Centre by 2006.
- 6.9 Our vision is to build on these natural advantages and planned

transport improvements to transform the area into a flagship development for the new industries responding to the "environmental imperative" and to capture part of the huge European market for green business.<sup>11</sup> At the centre of the site will be an Environmental Technology Resource Centre for London (ETRCL), which will provide demonstration units and incubator space, as well as shared research and exhibition facilities. A Sustainable Industrial Park (SIP) around the ETRCL will provide premises for green industries and a future home for the University of East London's Manufactured Aggregates Research Centre.

- 6.10 The ETRCL and other new buildings in the SIP will be constructed to the highest environmental standards and

existing buildings assisted to improve to their capacity. The LDA has provided funding to improve roads within the site. "Green collar" zones will contain the SIP, with existing aggregates businesses and recycling activities also zoned. Interim planning guidance limits the level of logistics operations within this strategic site. The guidance has been supported by the Mayor of London and we expect that the incoming Urban Development Corporation will continue the policy.



Our vision is to make Dagenham Dock into a home for London's Green Industries

### **To transform Dagenham Dock into London's home for green industries, we will:**

- **market the site to green businesses;**
- **develop an Environmental Technology Resource Centre at the heart of the Sustainable Industrial Park;**
- **promote green business chains;**
- **use the planning system to limit logistics operations on the site;**
- **work with the LDA to improve the site's infrastructure and environment;**
- **work within Benefits for Business to ensure that new businesses receive a comprehensive business support service on the site.**



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## The Council's role in promoting economic development

### 7. Leadership, coordination and promoting the borough

- 7.1 The Council and its officers have an unrivalled knowledge of the area and its people and have built up successful networks and partnerships over many years. We will ensure that this expertise informs the work programmes of sub-regional agencies and the regional policies of the Government and London Mayor, in line with the objectives of this strategy.
- 7.2 On our side, we will work constructively to avoid any duplication or overlap in activities and to ensure that work is fully complementary. We have built good working relationships with our partners in the LDA, Business Link and other economic development organisations. We have driven forward the development of major projects in Barking and London Riverside in accordance with our overall strategy and now welcome the creation of an Urban Development Corporation which can champion our vision more effectively and leverage greater resources to achieve it.
- 7.3 The Council has a key role to play in attracting investment into the borough by accessing and channelling government and EU funding and by promoting the

borough as a business friendly location. Despite the fact that most employers here feel that Barking and Dagenham is already a good place to do business,<sup>12</sup> the external perception of the borough has often been negative. It must be challenged if it is not to discourage businesses from investing, visitors from enjoying the borough's existing and future attractions, and new residents

from choosing to live in the borough.

- 7.4 Over the next few years, the old stereotypes will become completely obsolete. The transformation of Barking Town Centre and South Dagenham and the development of a new community at Barking Reach will be carried out to high design and environmental standards. Our Industrial Estates Improvement



Eastbury Manor House, Barking, part of the Borough's rich cultural heritage

Programme will improve the appearance of some of our older estates. The lottery-funded A13 Artscape Project – the biggest public art programme in the country – will change the appearance of an arterial road that offers business excellent access to markets, but suffers from a bad image problem.

7.5 As Barking and Dagenham changes, the Council will make sure that the perceptions of people and businesses outside the borough change with it. We have already produced a brochure for business, setting out the borough's investment offer, including its range of parks and green spaces, cultural attractions such as Barking Abbey and Eastbury Manor House, and the fastest improving education service in the country. We will take further steps to publicise and disseminate our investment offer. A central London event in July, setting out the Barking Town Centre opportunities to prospective partners, was the first step in a publicity and marketing strategy to attract private sector investment into the new town centre.

7.6 The Framework Plan for Barking Town Centre envisages a range of measures to improve perceptions of entering Barking. The Rail Station and its surroundings will be improved and new signage will be created for the main road routes into the centre. We will look at all the major gateways into the borough with a view to improving the impression they create and promoting more positive perceptions of the borough. Fanshawe Avenue, which brings traffic into Barking from Ilford will be the focus of social, economic and environmental improvements through a Home Zone Improvement.



New housing in Barking will be built to high standards of design

### To provide leadership to economic development in Barking and Dagenham and promote the borough as a good place to live and work, we will:

- coordinate activity with our partners to achieve the aims of this strategy;
- represent the interests of the borough to government, the London Mayor, the LDA and sub-regional organisations;
- channel government and EU funding in line with this strategy;
- continue to improve the appearance of the borough through projects such as the A13 Artscape Project;
- publicise more widely the borough's investment brochure and take further steps to publicise Barking and Dagenham's investment "offer";
- market the new investment opportunities in Barking Town Centre;
- work with Gateway to London to promote the borough as a location of choice for high-value businesses;
- improve the appearance of the gateways into the borough, including those into Barking Town Centre.

## 8. Building an enabling environment

### Transport

8.1 With our regional partners, we are actively lobbying for the transport improvements that will strengthen already excellent road and rail links. An extension to the Docklands Light Railway extension, more frequent C2C services and the East London Transit will provide improved transport links. Further developments, such as the proposals for Crossrail and a new river crossing between Woolwich and the Royal Docks, will enhance the borough's appeal to business investors, as well as creating and sustaining new job opportunities themselves. We will also design and implement a North-South Bus Strategy to improve the poorer links between the north and south of the borough, link the new Riverside communities to the existing ones north of the A13 and ensure that new jobs are accessible to local people.

8.2 In support of businesses and to further our green agenda, we will encourage where possible greater use of the river for the transport of bulk goods. We will aim to facilitate agreements between wharf owners and potential users for maximum use of the wharve. Where this is not

practical, we will investigate ways in which companies can work together in trucking goods in and out of the borough.

### Information and Communication Technologies

8.3 Businesses in East London – particularly SMEs – are less likely to use IT systems, the Internet and broadband than businesses elsewhere in London.<sup>13</sup> This weakness will increasingly damage their ability to compete. We recently signed a groundbreaking agreement with BT to promote the use of broadband. A high-profile event in November 2003 will kick off a series of events and initiatives designed to increase awareness and use by SMEs in the borough.

8.4 We are also working to address this issue with the University of East London (UEL). UEL provides training for small and medium sized enterprises in areas such as web site design, computer programming, networking and marketing. It is now developing with its partners a London Thames Gateway New Technology Institute project which will establish a comprehensive support structure to help SMEs use ICTs to enhance productivity and

competitiveness,. Through its Knowledge Dock initiative, UEL manages a series of expert centres in sectors such as product design, fabric and print design and multi-media production, which are open to direct use by small and medium sized businesses. UEL's Enterprise Bureau offers a wide range of options for one or two year student and graduate expert placements into SMEs, as well as funding to support business innovation projects.

### Keeping the borough's industrial areas clean and green

8.5 Parts of Barking and Dagenham's industrial areas offer a poor quality environment for business and suffer from problems of traffic congestion, poor road links, dumping of rubbish and abandoned vehicles. "Bad neighbour" industries have affected the image of the borough and the business environment for other industries. We will assist these industries to clean up their act. But we will not hesitate to use our statutory powers to discourage further growth, where this conflicts with our strategic objective of attracting higher value businesses into the borough. We will also investigate the

<sup>13</sup>The 2000 Employers' Survey found that only 14% of small and medium enterprises in East London had ICT infrastructure, against a London average of 32%.

possibility of creating an Enviro-Crime Unit, as pioneered by boroughs such as Lewisham and Merton.

8.6 We have been working through London Riverside and Made in London (a manufacturers' common interest group) to make improvements to industrial estates whose environment has deteriorated. We will seek to widen this programme's coverage to the whole borough. We are also tackling these problems through the Industrial Estates Improvement Programme and the Alleygater project, which gates off service roads and alleyways that have become sites for fly-tipping, anti-social behaviour and graffiti. An LDA-funded programme has led to significant improvements to the roads in Dagenham Dock and will shortly tackle Chequers Corner, as part of the regeneration of South Dagenham. We will also ensure that the Thames East Strategy for use of the river and adjoining areas reflects our ambitions and complements them through, for example, imaginative landscaping policies.

8.7 Outside the main regeneration areas, housing is typically interspersed with "high street" style shopping parades. As part

of a comprehensive Housing Renewal Strategy, the Council is developing a project to revitalise these shopping parades, working with landlords, businesses and residents to improve the appearance of the buildings, enhance the viability of the

businesses and increase the employability of residents. The Council's programme of Home Improvement Zones will also help facilitate employment initiatives such as handy person schemes.

### **To help build the enabling environment for business investment and growth in Barking and Dagenham, we will:**

- lobby and prepare for the speedy completion of transport improvements such as the DLR extension, C2C upgrade, the East London Transit, Crossrail and a new Thames Bridge;
- implement a North-South Bus Strategy to link residents in the north of the borough with jobs south of the A13;
- work with UEL, the East London Small Business Centre and BT to increase awareness and use of Information Technologies by businesses;
- continue to improve the appearance and facilities of industrial estates;
- investigate the possibility of creating an Enviro-Crime Unit;
- work with police and businesses to tackle crime against businesses;
- extend work to improve the appearance and security of the borough's shopping areas;
- ensure the Thames East Strategy complements our efforts to improve the Riverside through effective landscaping policies;
- develop policies to make best use of the borough's river wharves and rail-heads.

### **Tackling crime against business**

8.8 Barking and Dagenham enjoys lower levels of crime than the London average and this has helped attract businesses to the borough.<sup>14</sup> We want to maintain this good record and also tackle the problems experienced by a small number of businesses, mainly located south of the A13. We have secured funding under the Small Retailers in Deprived Areas (SMRDA) scheme to provide security improvements such as CCTV and additional lighting to shopping parades in Gale Street and Broad Street in Dagenham. We will extend this scheme to more shopping areas in the borough. We will also introduce in Dagenham Heathway, a system to link radio communication and CCTV which has been successful in Barking Town Centre. We will continue to work closely with local police and businesses themselves, including through the Community Safety Strategic Partnership, to reduce crime and vandalism against businesses in the borough.

## 9. A business-friendly council

- 9.1 Business is the key driver of economic growth, creating wealth and providing jobs. A key element of this strategy is to develop within the Council a culture in which contact with business and understanding of its needs is ongoing and accepted. This means first of all informing and consulting enterprises on developments that directly affect their business. For example, major infrastructure and regeneration projects like the improvements to the A13 and Chequers Corner, Barking Reach and Barking Town Centre will cause – or are already causing – short-term disruption to businesses, even as they prepare the way for long term benefits. The Council can help local businesses prepare for these projects by providing timely information and keep them informed of progress. Estate associations are already being developed as part of the Industrial Estate Revitalisation Programme and will form a valuable part of the information flow between businesses and Council.
- 9.2 But we will also ensure that the local business community is fully involved at the strategic level in

setting community plans, local strategic partnerships and other partnerships and that business contributes to the development of more specific policy initiatives. We have already established forums for contact with businesses on specific issues. The Education Business Partnership deals with the links between the education curriculum and the skills needs of local businesses. We will consider the possibility of a new forum for high-level policy

dialogue between the council and the business community, attended by relevant officers, members of the Council's Executive and by local MPs. We will aim to facilitate the creation of business-to-business networks where there is demand from businesses themselves

- 9.3 Businesses often identify inflexible or inappropriate regulation as a constraint on growth. We will seek to respond as quickly and flexibly as we can



Council Officers and local businessmen work together to regenerate the local economy

to problems brought to us by businesses, consistent with legislation and our duty to balance the public interest. We will evaluate our provision of services to businesses, with a view to introducing a "One-Stop Service", so that one named officer deals with the full range of contacts with any given business.

9.4 We have adopted the Enforcement Concordat and will work with businesses to help them apply and enforce regulations and to create and maintain a level playing field for all businesses in the borough. We aim to establish a Local Business Partnership for this purpose, which will bring together businesses, business support agencies, the Council's regulatory services, such as environmental health and trading standards teams and national agencies such as the Inland Revenue and Customs and Excise. We also run sector-specific seminars and training courses on health and safety issues. Our food and hygiene courses are run in different languages, to cater for the borough's range of ethnic minority small businesses.

9.5 We will work through the planning process to ensure the correct allocation of future employment sites to sustain development of the business community and enable new businesses to grow and move on. We will deal speedily with planning applications for business development. Our aim is a transparent and efficient planning process in which the needs of the local economy and business are given fair consideration.

### **To ensure that the council understands and responds to business concerns, we will:**

- keep enterprises informed and consulted about major projects that will affect their business;
- fully involve the business community in policy development;
- help set up business-to-business networks, where there is demand for them;
- establish a forum for regular dialogue at a senior level between the council and the business community;
- improve our service to estate associations through the Estates Improvement Programme;
- seek to establish a "one-stop" approach for businesses using the Council's services;
- implement the Enforcement Concordat;
- work with businesses, particularly small businesses, to help them understand and comply with regulations;
- run sector-specific seminars and training on health and safety issues;
- ensure the correct allocation of employment sites to sustain business development;
- deal speedily with planning applications affecting businesses.



The Council works with many organisations to support local business

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## 10. Supporting business growth

10.1 For many companies in the borough, the Council is the first point of contact for inquiries about investment, premises, or help with training. We will continue to play this brokerage role, pointing companies in the right direction to get the support they need. To improve our service, we are developing a comprehensive Business Directory, with details of all businesses in the borough alongside information from council departments, external business support agencies and with the potential for businesses to advertise their services.

10.2 But we will also work with partners to ensure that there is a sensible division of labour between the local authority and business support organisations. To achieve this aim, we helped establish Benefits for Business (B4B), a network of local authorities, sub-regional agencies and providers of business support, which offer a comprehensive referral and support services for manufacturing businesses in the Thames Gateway boroughs. We will continue to play an active part within B4B and seek to extend its coverage to all businesses in the area.

### Attracting new investment

10.3 With Gateway to London (GTL), the investment agency for Thames Gateway, we will ensure that companies looking to locate in Barking and Dagenham get the information and assistance, from a single point of contact that will facilitate development and investment. This includes a property location service offered by GTL and ourselves. We will ensure a wide distribution for the Benefits for Business directory of support initiatives for manufacturing and ensure that generic on-line business support is available through the Council's web site.

### Business retention

10.4 There is strong demand – by manufacturers in particular – for sites and premises in Barking and Dagenham, but a growing lack of availability of cost-effective options, as prices rise.<sup>15</sup> We will therefore make it a high priority to ensure the adequate provision of employment land and move-on premises for businesses seeking to expand their operations within Barking and Dagenham. We will work closely with developers to encourage the provision of

particular types of property where there is market failure in meeting local demand, such as small factory units and managed workspace – a demand clearly identified by the recent URS study. We have helped transform the previously run-down Fresh Wharf estate, with modern units providing flexible accommodation for businesses.

### Start-ups

10.5 An important aim of this strategy is to encourage more business start ups and to ensure with partners that they have the necessary support to survive and grow. The Council provides additional funding to the East London Small Business Centre (ELSBC), which holds the Small Business Service contract for providing initial training and mentoring support for new businesses. Our funding tops up that contract and helps pay for additional advice to borough residents wishing to start up a business. We will investigate the possibility of providing Council start-up grants to small businesses where there is a strategic benefit to the borough – for example by stimulating the growth of a key sector.

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<sup>15</sup>URS found that a tenth of respondents in London Riverside wished to relocate within the borough and that help with relocation and expansion was the most popular requirement for business support.

10.6 We will also continue to provide support to the Business Innovation Centre (BIC), which is co-located with the CEME. The BIC's aim is to provide a one-stop shop for young businesses and people with business ideas, providing venture capital funding, business space and extensive business support services, including sales, marketing, prototype development, business planning, finance and project management. We believe that the BIC can become an important seed-bed for new businesses that are more likely to stay within the borough and employ local people.<sup>16</sup> We will examine whether there is unmet need for a resource centre to provide manufacturing businesses in particular with advice, conference rooms and other support, while carrying out their core activities.



The Council is working with developers to provide modern units for business

### To attract, retain and strengthen business in Barking and Dagenham, we will:

- provide a first point of contact and referral service for business enquiries;
- establish and maintain a comprehensive Business Directory for the borough;
- continue to provide a property location service;
- with our partners extend Benefits for Business' coverage from manufacturing to other sectors;
- help distribute the Benefits for Business directory of support services;
- provide on-line information and support through the Council's web site;
- ensure an adequate provision of employment land;
- work with developers to provide small factory units and managed workspace;
- continue to provide funding to the East London Small Business Centre to help new businesses start up;
- continue to support business innovation, including through appropriate support to the Business Innovation Centre;
- investigate the possibility of providing start-up grants to strategic businesses.



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## 11. Ensuring that all the borough's residents benefit from economic growth

11.1 Some communities and groups within the borough already face greater obstacles in getting well paid and satisfying work, or in setting up their own businesses. There is a risk that the huge investment that will go into areas south of the A13 and into Barking will polarise the borough between a more prosperous west and a comparatively neglected east. We will link the aims of this Economic Development Strategy with our Community Strategy and Neighbourhood Renewal activities to ensure that this polarisation does not take place. We will also take action to ensure that hard-to-reach groups do not miss out on the benefits of economic growth.

### **Social enterprises**

11.2 We will support forms of company organisation in the borough that will be more responsive to the needs of local people. Social enterprise is already an important part of the London economy<sup>17</sup> and we aim to establish a vibrant sector in Barking and Dagenham. Social enterprises are usually small and often have strong links to the local communities in which they are based. They are therefore an excellent way of providing employment to groups that

might otherwise be excluded from employment in the conventional business sector. We believe that in Barking and Dagenham they can tap into growth in personal services such as domiciliary care and childcare and also help growth in recycling industries where low profit margins can discourage larger conventional businesses.

11.3 We have helped to establish a social enterprise network and secured LDA funds for the employment of social enterprise champions to develop the network. We played a major part in setting up a white goods recycling scheme in Dagenham called Renew Friends. This combines its recycling activity with training long term unemployed residents in new skills. We aim to help establish at least another six enterprises by 2005.

### **Intermediate labour markets and hard to reach groups**

11.4 Renew Friends' recycling scheme for white goods is a first step in our ambitions to create an intermediate labour market to bring into employment the long-term unemployed and other people who have never worked, but who wish to. We will

establish more such schemes to ensure that all who want to find work can find ways back to employment. Through the Welfare to Work for Disabled People initiative we have provided support for a development worker in the voluntary sector to provide disabled people with access to training and increase their job opportunities. We will explore possibilities for further support with the Osborn Partnership, a local organisation, which provides job placements for disabled people.

### **Black and ethnic minority businesses**

11.5 We will pay particular attention to ensuring that the needs of black and minority ethnic (BME) businesses in the borough are properly addressed. Like social enterprises, BME businesses are likely to have strong links to local communities and to provide employment to groups that might otherwise be disadvantaged in the job market. But numerous studies have found that BME businesses, particularly Afro-Caribbean ones, have greater problems accessing external finance. We will seek funding for a survey to establish the number of BME businesses in

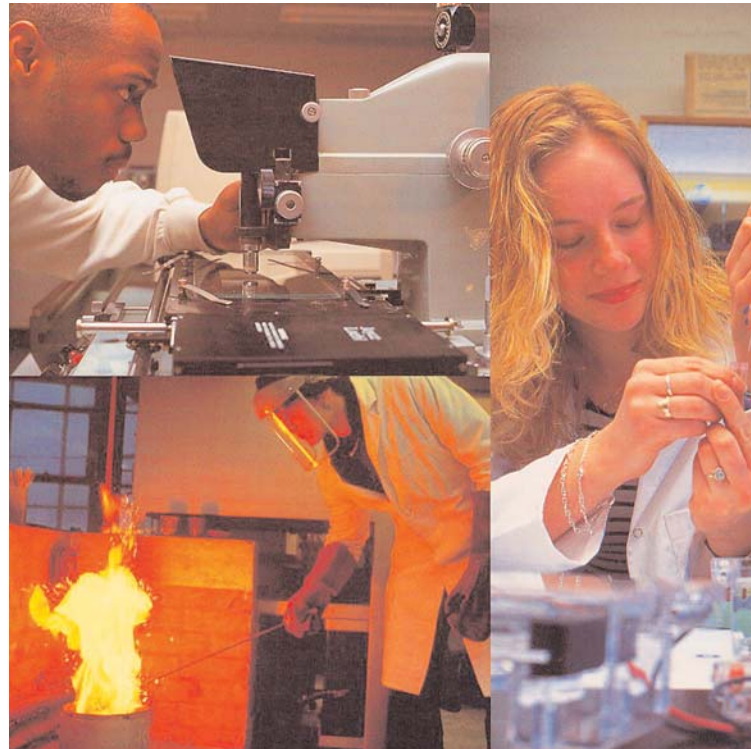
the borough and to identify their business support needs.

### Helping more women into work

11.6 Fewer women in Barking and Dagenham work than the London average, partly because of the borough's tradition of manufacturing employment. Redressing the balance will require practical policy interventions including the provision of appropriate childcare arrangements. Through the Neighbourhood Renewal Fund we have supported Nursery Developments and Sure Starts, which provide some child care services for women employees. We are now beginning work to introduce Children's Centres to the borough, building on the Sure Start programme. As well as enabling parents to access day care, Children's Centres will offer training and other services that will help build women's skills and confidence to enter into the job market.

### Helping young entrepreneurs

11.7 Limited social and business networks, low incomes and savings, lack of skills and education, social and cultural



The Council will act to make sure that all the Borough's communities benefit from economic growth

norms and the absence of role models, all act as barriers to entrepreneurship in disadvantaged areas. Through the local education authority and the Education Business Partnership we will strengthen the culture of entrepreneurship in the borough by building stronger links between schools and local businesses and by publicising good examples of local entrepreneurial activity. We will continue to support the Young Enterprise programme and competition, which enables school-based teams to set up and run mini-businesses for up to one year. Local and national businesses provide financial help and mentors to the teams. We will examine the scope for providing further help with the Prince's Trust.

### Helping young people who have opted out of education

11.8 The borough has a significant number of young people who have wholly or partially opted out of secondary education. We have a range of bespoke learning programmes and initiatives to make sure that these young people do not reach the school leaving age without the prospect of a skilled job or training place.

- The Flexi Learning Programme is intended to provide alternative vocational education programmes and long-term work experience to disengaged students, so that they are in a position later on to benefit from post-16 learning and meaningful employment. Local businesses are major partners in the project, providing work experience placements and on-the-job training.
- We have created a Reception and Reintegration Unit for young people aged between 11 and 16 who have rejected the traditional school environment entirely. The Unit will seek to encourage these young people back into mainstream schooling, or to move from the programme into work or further training.

**To ensure that disadvantaged, or hard-to-reach groups benefit from economic growth in Barking and Dagenham, we will:**

- **develop our social enterprise network through LDA-funded champions;**
- **help set up at least another six social enterprises by 2005;**
- **support Renew Dagenham's white goods recycling scheme;**
- **establish more intermediate labour market schemes;**
- **support the Prince's Trust's programme;**
- **work with Business Link and business associations to ensure the needs of Black and Minority Ethnic companies are properly addressed;**
- **continue to support the Young Enterprise programme in our schools;**
- **promote the value of appropriate childcare to enable more women to work;**
- **offer alternative learning programmes for young people of secondary school age who have disengaged from traditional schooling.**



Helping local people into fulfilling, well paid jobs is the key to ending social exclusion

## 12. Helping local people into work

12.1 Low historic levels of skills and education in the borough and the long-term decline in the number of unskilled and semi-skilled manual jobs<sup>18</sup> renders the borough vulnerable to a worst case scenario: that new jobs are created, but local people lack the skills and qualifications to take them.

The Council is determined to ensure that this does not happen and that residents are equipped with the full range of skills needed to compete for rewarding and better paid jobs. We have therefore developed separate strategies for Workforce Development and Helping People into Work.

12.2 We are building a national reputation for prevocational GCSE courses in business and industry to ensure that education in the borough equips local residents for local employment, if that is what they choose. The Engineering Innovation Programme, run jointly with Havering schools,



Valence Learning Village

provides the first steps of progression to CEME or other advanced courses in engineering. Excellence in Industry, funded by the Council and DTI, identifies and supports young people aged between 10 and 13 who intend to pursue careers in industry. Business Studies is the largest single subject area in GCSE and post-16 courses in the borough's secondary schools and is supported by work experience through the Education Business Partnership.

12.3 To meet the identified demand in the local community for careers in health and social care, we are seeking to establish a Gateway to Health programme on the same lines as Gateway to Industry and have secured LDA funding. Our schools are developing qualifications in these areas and one is hosting an LSC pilot of a Student Apprenticeship for Care. Building on the success of Excellence in Industry, we intend to introduce a similar scheme for Excellence in Health and Care.

12.4 We are also making provision to address low levels of adult literacy and numeracy through the Council's Adult Basic Skills Initiative. To ensure that adults

are able to learn through life and to re-equip themselves with the skills sought by employers, we have secured funding from the Sustainable Communities Fund to establish a Lifelong Learning Centre in Barking. This will provide a comprehensive service to adults wishing to continue their education and will link in with the Council's sector priorities. Health and care will be a particular focus.

12.5 We have good links with local businesses, but will seek to improve these still further. We have embryonic work underway with CEME to establish a borough-wide qualification framework for all areas of manufacturing and engineering. We are also starting work with GTI to build on their links with SMEs to establish mentoring programmes. We will also consider how to strengthen links with major employers in the

borough and extend the work of the Education Business Partnership.

12.6 We will continue to work with Job Net, a training scheme that helps people become "work-ready" and with the East London Learning and Skills Council, the employment service and other agencies to deliver a coordinated and seamless service for local people seeking to improve their skills and find employment. We

### **To ensure that local people have the skills and training they need to compete for higher skilled and better paid jobs, we will:**

- support CEME through our Engineering Innovation Programme and a new borough-wide qualification for manufacturing and engineering;
- continue with our Excellence in Industry initiative to support young people who want careers in industry; and
- establish a similar scheme for Excellence in Health and Care;
- improve literacy and numeracy through the Basic Skills Initiative; and
- establish the Barking Lifelong Learning Centre;
- continue to improve our links with local businesses, including through the Education Business Partnership;
- evaluate and improve our schools' careers education services;
- continue work with Job Net to help make job seekers "work-ready";
- provide high-quality work-based learning programmes for young people aged 16-24 years;
- consider with our partners how we can encourage more small and medium enterprises to make provision for training and workforce development

**The Council has supporting strategies for Workforce Development and Helping People Into Work.**

are evaluating our careers education services with a view to improving their effectiveness.

12.7 The Council will continue to provide local young people with work-based learning programmes at Barking and Dagenham Training Services. By offering Modern Apprenticeships and pre-vocational Entry to Employment programmes, we will contribute to government targets that 80% of 16–18 year olds should be in structured learning and 28% undertaking Modern Apprenticeships by 2004. About 8% of the borough's young people are currently in work-based learning programmes.

12.8 The Council's work needs to be complemented by better training provision by employers themselves. Fords and other larger employers are already closely engaged with this issue, for example through the CEME development, but few small and medium enterprises provide much training.<sup>19</sup> We already co-sponsor Gateway to Industry, a body dedicated to helping manufacturing employers train their workforce in changing skills. We will consider with GTI, Business Link, the Barking and Dagenham Chamber of Commerce and businesses

themselves how we might encourage businesses to provide better training and workforce development.



There are opportunities for skills development available to all members of the community

<sup>19</sup>According to the London Skills Forecasting Unit, only 24% of employers in the London East LSC area had a training budget in 2001, the lowest proportion in London.

## 13. Using the council's economic power

13.1 The public sector as a whole – health services, police and fire services, as well as the Council – employs between a fifth and a quarter of the borough's workforce. The Council itself employs 8,500 staff and buys goods and services worth many millions every year. We will therefore use the Council's influence to strengthen the local economy through its own procurement practices. Our overriding aim – and legislative duty – is to get best value for local people, irrespective of where goods and services are sourced. But wherever consistent with best value, we will procure locally where

possible, so as to re-invest in the local economy and develop supply chains in the borough. And where possible we will also encourage our partners in the health service and other public sector employers to do the same.

13.2 We will carry out research to establish what proportion of its goods and services the Council sources within the borough, what the limiting factors are to increasing this proportion and how we might address them.<sup>20</sup> Our findings will help us build local capacity to compete for council contracts. For some time we have organised (with the Chamber of Commerce) seminars

for local businesses and voluntary organisations to explain the legislative framework, the Council's requirements and the practicalities of tendering. We will assist social enterprises, once established, to bid for Council contracts.

13.3 We will also take steps to improve our contracting systems to help local businesses compete successfully. We will establish a comprehensive Directory of local businesses on the Council's Intranet, so that all staff involved in procuring goods and services for the Council will have easy access to up-to-date

### To use the Council's economic muscle to strengthen economic development in Barking and Dagenham, we will:

- procure locally, where consistent with best value;
- encourage our partners in the rest of the public sector, through the Barking and Dagenham Partnership, to do the same;
- identify the constraints to increasing the proportion of Council goods and services sourced within the borough and develop ways to address them;
- continue to organise workshops for local businesses on tendering;
- assist social enterprises, once established, to bid for council contracts;
- investigate the possibility of a joint construction tendering scheme of East London boroughs;
- use service contracts to meet regeneration objectives, including skills and training provision;
- consider whether to make IIP accreditation a condition in our service contracts;
- extend the work of the learning champions.

<sup>20</sup>Research by Newham Council showed that one in three of its suppliers were located in the borough. But many were small businesses, operating close to the margins, vulnerable to economic shocks and potentially to the new requirements of e-government.

information. The Council's construction contracts are currently tendered through the government-supported Construction Line. We will consider whether to establish a joint scheme for East London boroughs, which would be more comprehensive and could maximise the opportunities for businesses employing local labour. There may be greater scope for awarding the smallest contracts (under £3,000 in value) to local firms. For larger contracts (up to £30,000) we will consider a stipulation that at least one local firm should be among the three formal quotes required, providing there is local capacity.

13.4 We will also examine how the Council's regeneration objectives can be addressed within the terms of contracts for goods and services. We are starting to do more to ensure that service contracts help local people compete for the jobs required, for example by making training provision a performance target within the contract. We will make sure that the needs of black and ethnic minority people and other hard-to-reach groups are not overlooked.

13.5 The Council is committed to the development and well being of its staff and is undertaking the process for Investors in People accreditation. We will consider whether to make IIP accreditation a condition in our service contracts. It may be possible to help other local employers develop their staff by sharing information and our practice, where it has been judged to be good. With our trades unions we will continue to promote the work of "learning champions" and seek ways to share their skills with other employers in the borough.



The Council spends millions of pounds every year on everything from improving housing to fueling its transport fleet. We will try to make sure that these contracts benefit local people and the local economy.



## 14. Implementing this strategy

14.1 This document is accompanied by an action plan that sets out in more detail how we intend to achieve the objectives of the strategy. Implementation will be coordinated and monitored by a crosscutting "Business and Growth" group within the Council, reporting to the Council's strategic Regeneration Board.

14.2 Our plans are ambitious and will need a substantial injection of resources. We will develop a funding plan to secure this. We already benefit from European Regional Development Fund (ERDF) funding, but this will come to an end in the next few years and we will explore other possible EU funding sources to replace it. We will also bid for LDA funding and seek to take advantage of the additional

resources provided through the Sustainable Communities Plan. In all cases, we will bid for resources which enable us to make progress towards our overall vision and will not chase funds for their own sake.

14.3 We welcome proposals by the Treasury and ODPM to allow local authorities to retain more of the income from business rates. We will respond to the consultation and are actively considering a bid to make Barking and Dagenham one of the pilot local authorities for the new scheme. If we are successful, we will plough back all additional income from this source into the implementation of this strategy.

14.4 The major housing developments in Barking and London Riverside, the extension

of the region's transport infrastructure and the regeneration of Dagenham Dock, will create major opportunities for planning gain agreements to fund economic development of the borough. We have already used these to great effect in beginning the improvements to Dagenham Dock. We will explore ways to use Section 106 agreements more creatively in funding the implementation of this strategy.

14.5 We will report each year on progress in the achievement of this strategy and its action plan, using the Audit Commission's comprehensive set of performance indicators for economic development. This will be designed to be a resource-light, internal process. There will be a more in-depth review, involving external partners, after three years, when a decision to develop a new strategy may be taken.

### **In implementing this strategy, we will:**

- create a cross-cutting business and jobs group within the Council;
- develop a funding strategy to secure EU, LDA and Government funding;
- bid only for resources that fit with our vision and strategy for the borough;
- make full use of Section 106 planning agreements to support economic development and business growth;
- evaluate progress each year against the Audit Commission performance indicators;
- undertake an in-depth review with our partners after three years.

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## Appendix

### Business Support in Barking and Dagenham: current provision

- The Council provides financial or personnel support to a number of business support programmes working in Barking and Dagenham.
1. Gateway to Industry: a workforce development programme aimed at manufacturing, offering bespoke training to companies and an introduction to manufacturing for schools. (Contact Debbie Wren 0208 526 1492)
  2. Gateway to London: a sub-regional inward investment agency serving Thames Gateway (London). GTL works with the boroughs to help companies locate within the Gateway area and has a dedicated officer for Barking and Dagenham. (Contact Judy Chapman 0207 540 5571)
  3. Industrial Estates Programme: currently has two programmes offering grants (which need to be matched by companies) to improve the quality of industrial estates in the borough. (Contact Jo Sinclair 0108 227 2280.) The Alleygater scheme seeks to prevent fly-tipping and vandalism in selected parts of the borough. (Contact Clive Vallis on 0208 227 5437)
  4. Introduction to Business: the East London Small Business Centre provides training for start-up businesses in the borough. This is accompanied by business advice. ELSBC also operates low-cost loans of up to £10,000. (Contact Pauline Barnett on 0207 377 8821)
  5. Gateway to Health: a training programme for people who want to work in the health service. (Contact Terry Regan on 0208 227 2239)
  6. Social Enterprise Network: a support network of voluntary sector groups wishing to become social enterprises. The network is assisted by a Social Enterprise Champion who works with the groups to help their development. (Contact Jo Sinclair on 0108 227 2280)
  7. Environmental advice: advice and assistance on energy management, waste reduction and other environmental techniques is available from the Environmental Business Association and the 1-2-3 project. (Contact Matt Robinson or Simon Goldsmith on 0207 2296). SMEs with utility bills of between £5,000 and £50,000 can gain energy advice and help with equipment from SMEAC on 0208 521 6417).
  8. Advice on regulations: help with food hygiene and other regulatory matters is available from the Borough's Environmental Health Department. (Contact Clive Vallis on 0208 227 5437).