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**Economic Development & Regeneration Service Delivery**

Relevant Portfolio Holder	Councillor Matthew Dormer Leader and Portfolio Holder for Economic Development
Portfolio Holder Consulted	Yes
Relevant Assistant Director	Rachel Egan Assistant Director Regeneration & Property Services
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Wards Affected	All
Ward Councillor(s) consulted	No
Relevant Council Priority	Economic Development
Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

**1. RECOMMENDATIONS**

**The Executive Committee RESOLVE that:-**

- 1) Earmarked reserves be released to fund economic development and regeneration activities as follows:
  - a. Worcestershire Growth Hub - £140,000**
  - b. Redditch Youth Hub - £120,000****
  
- 2) Up to £70,000 of earmarked reserves be released to fund the Betaden programme with authority to agree the final contribution and associated outputs delegated to the Assistant Director for Regeneration and Property Services following consultation with the Leader of the Council.**

**2. BACKGROUND**

- 2.1 The Worcestershire Local Enterprise Partnership (WLEP), now operating through Worcestershire County Council as the accountable body, provides the strategic framework for delivering business support and skills initiatives across Worcestershire. It operates through a blended funding model, combining core Government grant funding with a range of programme-specific resources, including UK Shared Prosperity Fund (UKSPF), legacy Growth Deal funding and

contributions from local partners. Between April 2022 and March 2026, Redditch Borough Council, alongside the other district councils, has contributed to the delivery of these activities through its UKSPF allocation, enabling the continuation and enhancement of local business and employability support. With UKSPF funding due to cease, there is currently no confirmed replacement funding stream, creating a significant risk to the continuity of these services.

- 2.2 The Worcestershire Growth Hub is a core component of this delivery model, providing a single access point for businesses to obtain advice, skills support and information on grant and investment opportunities. As part of a national network supported by Government, Growth Hubs are recognised as an effective mechanism for improving business productivity, resilience and growth by simplifying access to a complex support landscape. In Worcestershire, the Growth Hub has been enhanced through UKSPF investment, enabling more targeted local support. The loss of this funding would significantly reduce the level of tailored support available to Redditch businesses, limiting their ability to access specialist advice, workforce development opportunities and growth funding.
- 2.3 Similarly, the Redditch Youth Hub provides an integrated, partnership-based delivery model supporting young people aged 16–24 into employment, education and training. The Hub brings together Jobcentre Plus, local authority provision and partner organisations, including WLEP, to deliver coordinated employability support aligned to local labour market needs. Youth Hubs form part of a national programme led by the Department for Work and Pensions and funded through Government employment support initiatives, with local delivery dependent upon partnership contributions and coordination. The continuation of the Redditch Youth Hub is therefore reliant on sustained local investment to complement national funding and maintain a physical, place-based offer. Without this, there is a clear risk of reduced engagement with young people who are not in education, employment or training, and a corresponding increase in economic inactivity.
- 2.4 In the absence of UKSPF, the continuation of both the Growth Hub and Youth Hub within Redditch will require local financial support. Failure to provide this funding would result in a reduction or cessation of locally accessible business support and employability provision, with direct implications for economic growth, workforce development and inclusive opportunity within the borough.

**3. OPERATIONAL ISSUES**

- 3.1 Worcestershire LEP and Worcestershire County Council have developed a set of proposals to enable the continuation of key programmes previously supported through UKSPF, including the Worcestershire Growth Hub, the Redditch Youth Hub and a business support programme delivered through BetaDen. These proposals set out delivery models, outputs and funding requirements for the continuation of services between April 2026 and March 2028. Redditch Borough Council officers have engaged with both organisations to review and refine the proposals, ensuring that they are aligned with the Council's economic development and regeneration priorities and that they demonstrate appropriate value for money. This has included consideration of local delivery impacts, targeted support for Redditch residents and businesses, and the extent to which the proposed programmes complement existing provision and maximise outcomes from the Council's investment.
- 3.2 The Worcestershire Growth Hub provides the principal local gateway to business support, offering coordinated access to local, regional and national advice, funding and specialist services through a single, easily accessible service. Between 1 April 2022 and 31 March 2026, the Growth Hub supported 398 businesses within Redditch. A proposed Council contribution of £140,000 would enable the delivery of a minimum of 170 additional business assists over two years, ensuring the continuation of targeted support for local businesses.
- 3.3 The Redditch Youth Hub provides one-to-one, personalised support to help young people prepare for and access education, employment and training opportunities. Since opening in April 2024, the Youth Hub has supported 493 young people from Redditch in its first two years of operation. The proposed Council contribution of £120,000 would enable the continuation of this provision along with a new outreach programme, targeting support in areas of highest need and improving access for young people who may not otherwise engage with existing services.
- 3.4 BetaDen provides a county-wide business innovation support programme delivered across a number of Worcestershire districts. A proposed Council contribution of £70,000 would secure access for Redditch businesses to a range of targeted support over the next two years, including six places on the Incubate programme supporting early-stage technology businesses, five places on the BetaDen Digital programme focused on digital adoption and artificial intelligence, and up to 65 places on a programme of workshops covering topics relevant to businesses investing in new product development and process innovation. Access to this provision is dependent on district-level

financial contributions; without such funding, businesses in non-contributing areas would not be eligible to participate in the programme free of charge.

**4. FINANCIAL IMPLICATIONS**

- 4.1 The Council has an ear marked reserve for Economic Growth with a balance of £841,000 as of 31<sup>st</sup> March 2026. £300,000 has already been allocated in the budget to continue the delivery of the Innovation Lighthouse business support programme delivered by Warwick Manufacturing Group. This leaves a balance of £541,000 that could be used to support the continuation of business support and youth hub activity in Redditch.
- 4.2 It is proposed that three projects are funded for the period from 1 April 2026 to 31 March 2028, to a value of £330,000 from the remaining £541,000 as shown in the table below:

<b>Project</b>	<b>Budget</b>	<b>Commitments</b>	<b>Further details</b>
Economic Growth Reserve as at 01.04.2026	£841,000		
<b>Existing Projects:</b>			
Innovation Lighthouse business support programme		£300,000	Delivered by Warwick Manufacturing Group. Delivery to 31 March 2028
<b>Proposed Projects:</b>			
Betaden		£70,000	Proposed in this report. Delivery to 31 March 2028
Worcestershire Growth Hub		£140,000	Proposed in this report. Delivery to 31 March 2028
Redditch Youth Hub		£120,000	Proposed in this report. Delivery to 31 March 2028
<b>Unallocated:</b>			
Remaining Balance		£241,000	Plans to be confirmed

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<b>Total</b>	<b>£841,000</b>	<b>£841,000</b>
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- 4.3 Subject to approval of the recommendations in this report, budget will be vired to the projects identified above, leaving a balance of £241,000 yet to be allocated in the Economic Growth Reserve.

**5. LEGAL IMPLICATIONS**

- 5.1 In order to deliver the proposed activities it will be necessary to enter into contracts with Worcestershire County Council.

**6. OTHER - IMPLICATIONS**

**Local Government Reorganisation**

- 6.1 All activities proposed in this report will be completed prior to local government reorganisation.
- 6.2 Funding for economic development activity post March 2028 is not yet confirmed. It is expected that responsibility for delivery of economic development and the funding that supports this activity will fall within the remit of a new Strategic Authority.

**Relevant Council Priority**

- 6.2 The proposed use of the earmarked reserves will contribute to delivering the Council's priority of Economic Development.

**Climate Change Implications**

- 6.3 There are no climate change implications directly relating to this report.

**Community Impact**

- 6.4 The proposed activities will support both new and established businesses, helping them to grow, create jobs and drive economic growth. Funding for the Redditch Youth Hub will provide targeted support to help young people progress into education, employment or training enabling them to benefit from future job creation and economic opportunities.

**Equalities and Diversity Implications**

- 6.5 Equality and diversity implications will be considered in the delivery of the funded services.

**7. RISK MANAGEMENT**

- 7.1 Failure to secure funding for business support activities will lead to a reduction in services available to businesses across the borough. Without additional investment, the Growth Hub will be limited to delivering a core, reactive service focused solely on responding to enquiries. The proposed funding contribution would enable the Growth Hub to provide a higher level of business support and take a more proactive approach in targeting and supporting priority sectors.
- 7.2 The Betaden programme delivers innovation support to both new and established businesses, helping them explore how innovation can drive improvements in productivity and sustainability. It plays a key role within the local innovation ecosystem and will contribute to achieving the ambitions set out for the Innovation Centre. By providing a financial contribution to the programme, the Council will ensure that local businesses can access a broad range of expertise to support the development of new products and processes, including digital adoption and the use of Artificial Intelligence.
- 7.3 The Redditch Youth Hub has been in operation for two years and has supported a substantial number of young people during this time. However, youth unemployment remains a significant challenge, and further action is needed. The proposed contribution to the Youth Hub will fund targeted outreach activities aimed at engaging the hardest-to-reach young people, enabling them to access a service that has already demonstrated its effectiveness.

**8. APPENDICES and BACKGROUND PAPERS**

None

**9. REPORT SIGN OFF**

<b>Department</b>	<b>Name and Job Title</b>	<b>Date</b>
Portfolio Holder	Cllr Matt Dormer	28/5/26
Lead Director / Assistant Director	Guy Revans Executive Director Environment & Communities	12/5/26
Financial Services	Debra Goodall Assistant Director Finance & Customer Services	12/5/26
Legal Services	Claire Felton Assistant Director Legal, Democratic & Procurement Services	12/5/26
Policy Team (if equalities implications apply)	Hannah Corredor Assistant Director – Corporate Services & Transformation	12/5/26