

# The Regional Economic Strategy 2006-2016 Implementation Plan

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# Foreword

**The South East is a world class region: one of the world's most prosperous and advanced economies. The key challenge for the region's economic future is to achieve a continued prosperity which is sustainable in the face of intense global competition; shared by all; and achieved without damaging further the quality of our environment.**

The Regional Economic Strategy 2006-2016 (RES) for the South East broke new ground in finding practical policies for future sustainable prosperity, engaging more than 2,000 stakeholders from across the region. Published in October 2006, it provides a clear direction for the journey rather than a precise map of the route. For the challenge is constantly shifting and requires flexibility and adaptability from businesses, individuals and communities alike.

The prosperity of the South East – and the UK – depends on the success of our businesses. The RES sets a framework to support that success. The imperatives are clear: we will invest in excellence for global success; invest in lifting under-performance to improve productivity for all; and invest in quality of life as a competitive advantage which we damage at our peril.

Since the RES was published the policy context has changed radically in support of our ideas. The Stern Review has set out the business case for action now to deliver environmental sustainability. The Barker Review and Planning White Paper offer the prospect of more timely and certain processes for major infrastructure schemes that could bring relief to congested routes around national gateways and deliver the infrastructure of water, energy and connectivity necessary for sustainable growth. The Energy White Paper sets out the Government's plans for a low carbon future of secure, affordable and sustainable energy. The Leitch and Sainsbury

Reviews focus our efforts to find a strong skills base to match the best in the world.

Much is being achieved across the region too. A strengthened Science and Industry Council is supporting new collaborations to drive the commercialisation of cutting-edge research and development. Key partners working together in the Regional and Local Skills for Productivity Alliances have put employability and workforce development at the centre of their agendas. A Regional Infrastructure Fund is underway to forward fund key transport and enabling infrastructure for new developments. Environmental and design standards are being raised in new building across the region.

We will also be working with the South East England Regional Assembly on a Single Delivery Framework for the RES and the Regional Spatial Strategy (RSS) – the South East Plan – following the completion of the Examination in Public into the RSS.

This is a beginning, but the test of the RES will be its traction with the business plans of partners across the three objectives: GVA growth, increased productivity per head and reductions in our ecological footprint.

I look forward to working with all our partners over the next few years to achieve these high ambitions.



**Pam Alexander**  
Chief Executive  
SEEDA

The vision for the Regional Economic Strategy 2006-2016 (RES) is that **by 2016 the South East will be a world class region achieving sustainable prosperity**. This is a huge challenge for all living and working in the region and means that all economic activity must achieve more with less. It means that the region will have to achieve the **double dividend** of economic growth and reduced ecological footprint whilst ensuring that it maintains and increases the **economic well-being** of all. The South East is already a world leading region; it must maintain and improve this position by benchmarking itself against the best in the world as it demonstrates how sustainable development can be the pro-growth strategy for the future.

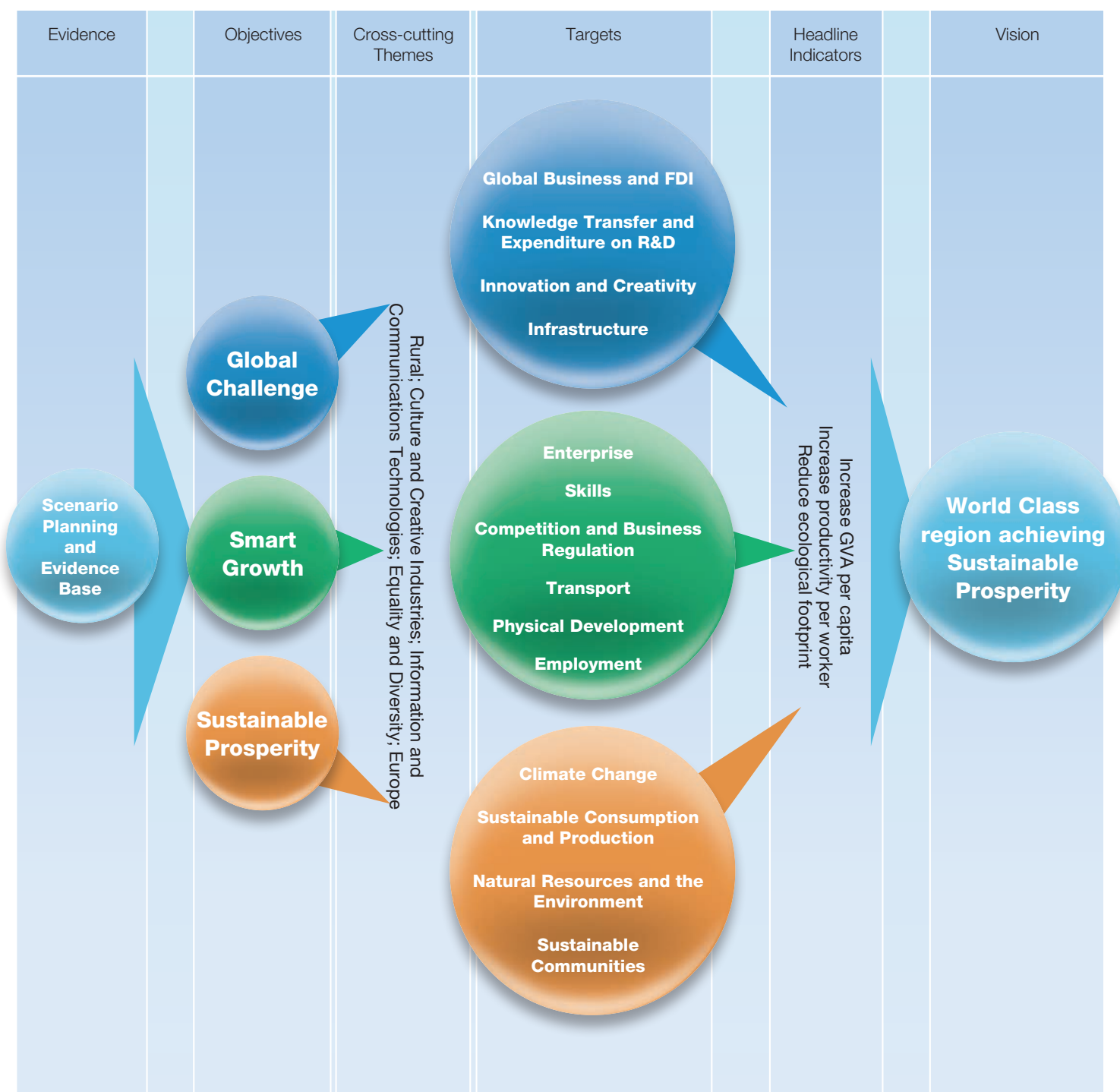
SEEDA will bring together an assessment of whether the region is on track to realise the vision annually using the three headline indicators of the RES:

- Achieving an average annual increase in GVA per capita of at least 3%;
- Increasing productivity per worker by an average 2.4% annually, from £39,000 in 2005 to at least £50,000 by 2016 (in constant prices);
- Reducing the rate of increase in the region's ecological footprint (from 6.3 global hectares per capita in 2003, currently increasing at 1.1% per annum), stabilising it and reducing it by 2016.

Evidence shows that the region must face three challenges if it is to put the right framework conditions in place to allow its economy to deliver the vision: Global Competitiveness (achieving it); Smart Growth (spreading the benefits of competitiveness) and Sustainable Prosperity (ensuring the competitiveness is consistent with the principles of sustainable development). The RES sets out 14 Targets by which the health of these framework conditions, or drivers of economic prosperity, can be measured and it is these to which the RES Actions will make a direct contribution. RES Actions will generally relate mainly to one objective and target but may contribute to a range of others. Delivering on the totality of these objectives will be needed to achieve an overarching vision of sustainable economic well-being.



# The Regional Economic Strategy 2006 – 2016



Both Transformational Actions and Cross-cutting Themes contribute to delivery against the RES Targets. The eight Transformational Actions will impact on particular aspects of delivery of the Strategy, whereas the five Cross-cutting Themes are relevant to delivery across its full breadth.

## Transformational Actions

**100% Next Generation Broadband Coverage** – to improve business efficiency and transform the way people work and learn

**Science and Innovation Campuses** – to establish new, world class research facilities in the South East

**Skills Escalator** – to ensure that people at all skill levels are continually equipped to progress in the labour market

**Raising Economic Activity Rates to 85% by 2016** – by addressing barriers to employment and increasing incentives to work

**Regional Infrastructure Fund** – to harness new sources of funding for infrastructure development to facilitate Growth Areas and Growth Points including the Diamonds for Investment and Growth

**Global Leadership in Environmental Technologies** – to exploit the business opportunities created by reducing carbon emissions and waste generation

**Education-led Regeneration** – to harness the catalytic effect of new Further and Higher Education facilities on releasing untapped potential

**Making the Most of 2012** – to ensure that the 2012 Olympic Games and Paralympic Games leave a positive and lasting legacy for the South East

## Cross-cutting Themes and Their Goals

**Rural** - rural areas with more vibrant and successful communities and businesses, with the highest quality countryside and built heritage, giving the region a competitive edge

**Culture and Creative Industries** – provide an economic catalyst in developing underperforming areas and growth poles in all economic areas of the South East, but particularly Growth Areas, the Coastal Towns and the Diamonds for Investment and Growth

**Information and Communications Technologies (ICT)** – ensure that the potential of ICT to contribute to the three headline indicators of increased GVA and productivity and decreased ecological footprint is fully realised

**Equality and Diversity** – achieve the full economic potential of the region – Global Competitiveness and Smart Growth – by providing individuals and communities with parity of opportunity and by removing barriers, to enable them to achieve their own potential

**Europe** – become a leader in delivering the Lisbon Strategy. The South East will work with comparable regions elsewhere in Europe to understand best practice, exchange experience and collaborate to influence EU policies

# Implementation

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The RES is a strategy for the region and its vision for sustainable prosperity will only be achieved by all relevant partners working together with the full support of Central Government.

The Implementation Plan is an integral part of the RES, acting as a high level plan for the region and providing an overview of the strategic actions which will deliver the outcomes required to achieve progress against each target. **The Implementation Plan is not a detailed Business or Corporate Plan setting out an investment programme for the region; that is rightly the responsibility of the relevant partners including SEEDA.** The many detailed action plans being developed by regional partners were set out in the Annex to the Consultation Draft of the Implementation Plan and will now be revised, alongside Corporate Plans and in the light of both consultation responses and the Comprehensive Spending Review 2007, by April 2008.



## Principles and priorities

The Consultation Draft of the Implementation Plan set out a number of principles which had been used to guide the development of the actions required to achieve each of the three RES objectives: Global Competitiveness, Smart Growth and Sustainable Prosperity. Response to these was mixed, some welcoming the stronger focus they gave, but others finding that they added a new layer of structure to an already complex plan. SEEDA has responded to these comments by retaining the concept but simplifying it, with just one principle and a small number of priorities for each of the three objectives, as set out below.

### Global Competitiveness

#### The Principle

Being able to compete effectively in the world marketplace is the cornerstone of a sustainable, modern and growing economy. The South East seeks to increase world trade and foreign investment by strengthening the key components of our future global competitiveness – research, development and innovation.

#### Four Priorities:

- Targeting inward investment and supporting strategically important companies
- Developing and internationalising innovative companies
- Strengthening the region's global gateways and innovation infrastructure
- Achieving a double dividend of growth and sustainability through innovation and creativity

## Smart Growth

### The Principle

The South East will achieve higher prosperity without increasing its ecological footprint by strengthening the interplay between productivity drivers (enterprise, skills, innovation, competition and investment, employment and quality of life).

### Five Priorities:

- Raising productivity through smart use of technology, knowledge and skills
- Supporting enterprise with increased effectiveness through simplified business support mechanisms
- Increasing economic inclusion and making the most of the skills of South East residents
- Connecting all parts of the region whilst managing transport demand
- Encouraging sustainable business practices



## Sustainable Prosperity

### The Principle

The South East will achieve sustainable prosperity through preserving quality of life as a competitive advantage, enhancing the environmental, social and lifestyle offer to keep the region attractive as a place to live, work, and do business.

### Five Priorities

- Increasing the profitability of businesses and the cost effectiveness of the public sector through resource efficiency and carbon action plans.
- Creating market opportunities for environmental technology and sustainable construction
- Stimulating behaviour change to reduce the carbon footprint of individuals as employees and householders
- Making the economic case for green spaces and green infrastructure
- Developing vibrant, thriving communities – urban and rural – with high levels of economic inclusion and quality of life

## Targets and Actions

Summaries of each of the 14 Targets and eight Transformational Actions are included at Section 6. They show the priority actions, main delivery mechanisms, how progress will be measured, who is responsible for delivery, how it relates to other targets, how it relates to place and how cross-cutting themes are addressed.

The summaries do not contain any estimate of the funding required to achieve the Target, since this will require input from all partners following their own business planning. The focus is on measuring progress on **outcomes** rather than **inputs**. The specific issue of funding key infrastructure projects will be covered through the Single Delivery Framework joining the RES and the Regional Spatial Strategy, the South East Plan.

Each summary has a traffic light showing how far the region has got with developing its strategies and plans for delivering the target. A **green** traffic light indicates that plans are in place and delivery mechanisms identified which should allow the region to achieve the target. An **amber** traffic light indicates that plans and delivery mechanism are being developed but need further work before the region can be assured that the target will be met. A **red** traffic light indicates that this is a new area of work for the region and so substantial further work needs to be done before a full understanding can be gained of what will be necessary to achieve the Targets.

The summaries also identify a 'Target Sponsor' who can take a leadership role in the region in maintaining an overview of progress against their Target and co-ordinating regional activities in pursuit of it. SEEDA is identified as the 'Target Sponsor' for eight of the 14 Targets currently. This is not surprising, given SEEDA's co-ordination role for the whole RES, and that many targets cover new areas of work, particularly those under the Sustainable Prosperity target. It is SEEDA's aspiration, however, that as the RES implementation process develops over time it can hand over this role in most cases such that independently chaired partnerships undertake most of this 'sponsorship' activity.

The detailed action plans developed for the consultation draft remain on the website at [www.seeda.co.uk/RES/RES\\_Implementation\\_Plan](http://www.seeda.co.uk/RES/RES_Implementation_Plan). These have not yet been updated because the consultation responses made many detailed comments on them which are being considered by a range of partners. The greater focus on priorities and move to measuring outcomes will be inputs into this work as part of the first year of the 'Living RES' process (see Section 5). SEEDA would expect a new set of action plans to be uploaded on to its website by April 2008, following partners' business planning discussions.

### Priorities

The summaries for each Target have been developed using the Principles and Priorities set out above. They are intended to give a strategic understanding of the Priority Actions for each Target and will be reviewed annually as part of the 'Living RES' process. Each summary also sets out what the spatial priorities are for each Target.

Priorities for the **five Cross-cutting Themes** have also been developed during the consultation and are given on each template; the full set of these is shown in the following boxes.

## Rural

- More economically dynamic and socially inclusive villages and market towns
- Increased business competitiveness in rural areas through entrepreneurship and enterprise
- Dynamic food, farming, and forestry sectors, enhancing and exploiting the countryside's assets and with increased adaptability and resilience
- Increased value of premium local products from South East land-based industries, with effective supply chains
- The quality and bio-diversity of the landscape preserved and enhanced, providing a high quality life-style offer to those who work, live in and visit it

## Culture and Creative Industries

- Greater enterprise with increased take-up of market opportunities locally, regionally, nationally and internationally
- Improved leadership and management skills across the sector, including hard-to-reach groups
- Culture and Creative Industries as an economic and social catalyst in place making, in both areas of growth and under-performing places
- Increased opportunities arising from 2012 exploited to ensure a legacy for Culture and Creative Industries
- A stronger evidence base supporting investment decisions as part of a strategic framework for cultural opportunity in the region



## Information and Communications Technologies (ICT)

- Helping business, particularly SMEs, to make use of ICT in driving process changes which will contribute to GVA and productivity increases
- Contributing to Smart Growth and Sustainable Prosperity by making significant increases in the numbers of people able to telework
- Focusing on those people facing multiple barriers to digital inclusion as a way of tackling concentrations of economic exclusion (it is estimated that 90% of new jobs require ICT skills and digital inclusion projects have been shown to lead to economic inclusion, because they address confidence and interpersonal issues as well as ICT skills)
- Addressing the ICT skills base through mainstream skills programmes focusing on strategic, managerial understanding of business benefit as much as technical skills

## Equality and Diversity

- Increased economic participation rate amongst all equality groups, including an increase in participation by disabled people in the region from 60% in 2006 to 75% by 2016
- A comprehensive equality and diversity baseline dataset to support effective targeting of Public Sector intervention with traditionally excluded groups, particularly in the areas of employment, skills, health and financial inclusion
- Cultural assets of the region's diverse communities developed to achieve innovation in emerging growth markets, global business opportunities, and inward investment
- Tackling the physical access barriers which prevent economic participation and business development by all equality groups; especially focusing on public transport access, flexible working practices and ICT solutions
- Raising the income levels of communities of geography and of interest in the region through an integrated approach to financial inclusion which covers personal debt, access to finance, debt services and increasing real income levels of the lowest paid

## Europe

- Work with European Member States and similar regions to draw on the benefits for our own global competitiveness through trade, joint ventures and research projects
- Access European funding and programmes available to member states to meet our own economic, social and environmental objectives, and to ensure that localities in need of targeted support can continue to benefit from Assisted Area status
- Influence the climate of regulation and legislation which has a direct impact on South East business and other key economic factors

## Headline Indicators

It is important that the actions under all 14 of the Targets should contribute to achieving all three Headline Targets – otherwise the RES Vision that by 2016 the South East will be a world class region achieving sustainable prosperity will not be met. The summaries for each Target therefore include a section which outlines the way in which the Target will address each of the Headline Indicators: GVA growth; productivity per worker; and ecological footprint reduction.

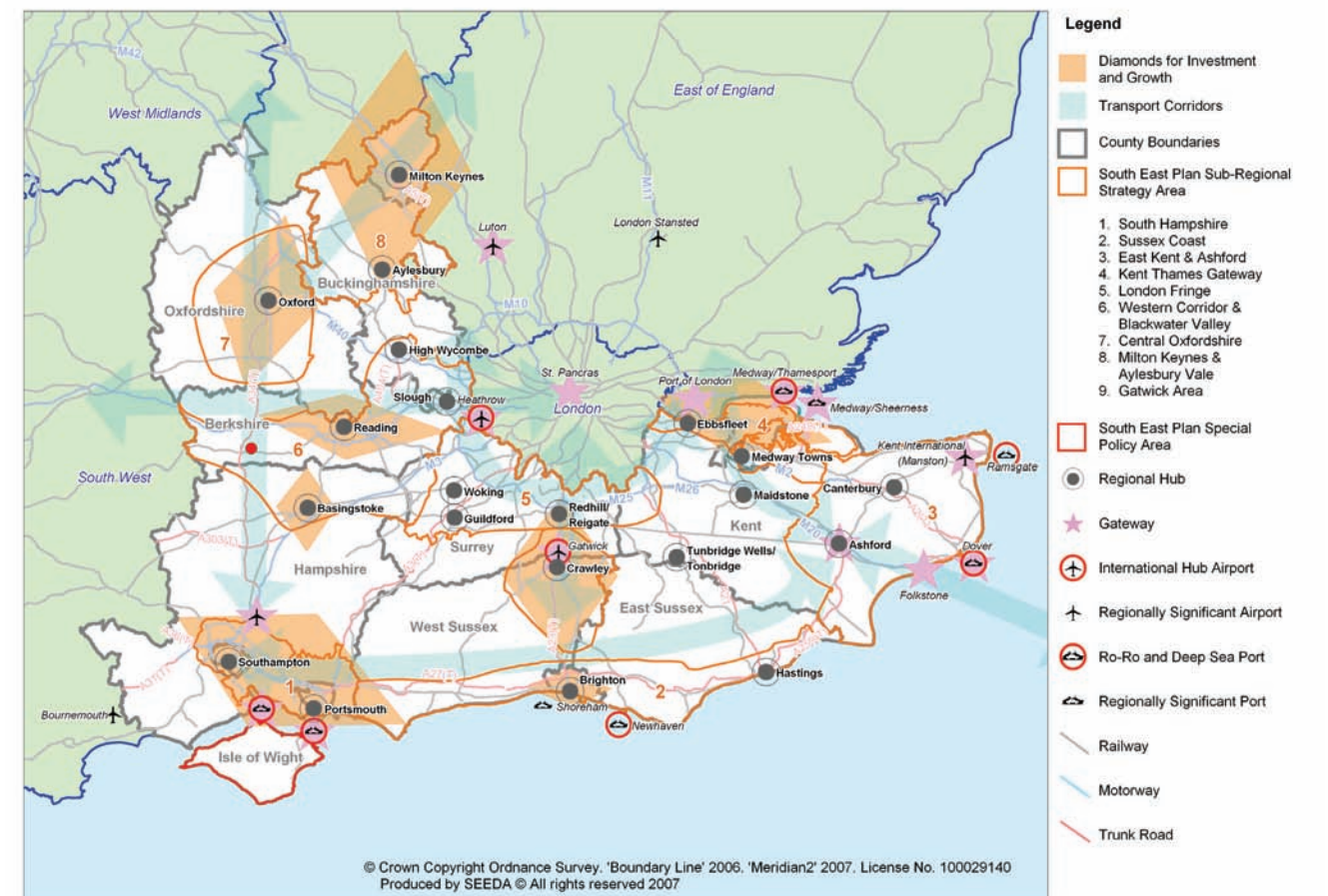


# Place

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The RES mapped the South East economy into a set of economic zones and sub-regions which provide a broad framework for implementation of the RES at inter-regional, regional, sub-regional and local scales. This framework links to the sub-regions identified in the South East Plan and is shown in the map below.

The South East economy cannot be viewed in isolation and is part of an advanced industrial super-region, the **Greater South East**, comprising the South East, East of England and London. This super-region represents an area where the challenge will be to invest in further success to maintain global competitiveness, ensuring that this super-region stays ahead in meeting the challenges that others will meet tomorrow. A particular focus is on the **Thames Gateway**, a major area of opportunity shared across the three regions that make up the Greater South East.



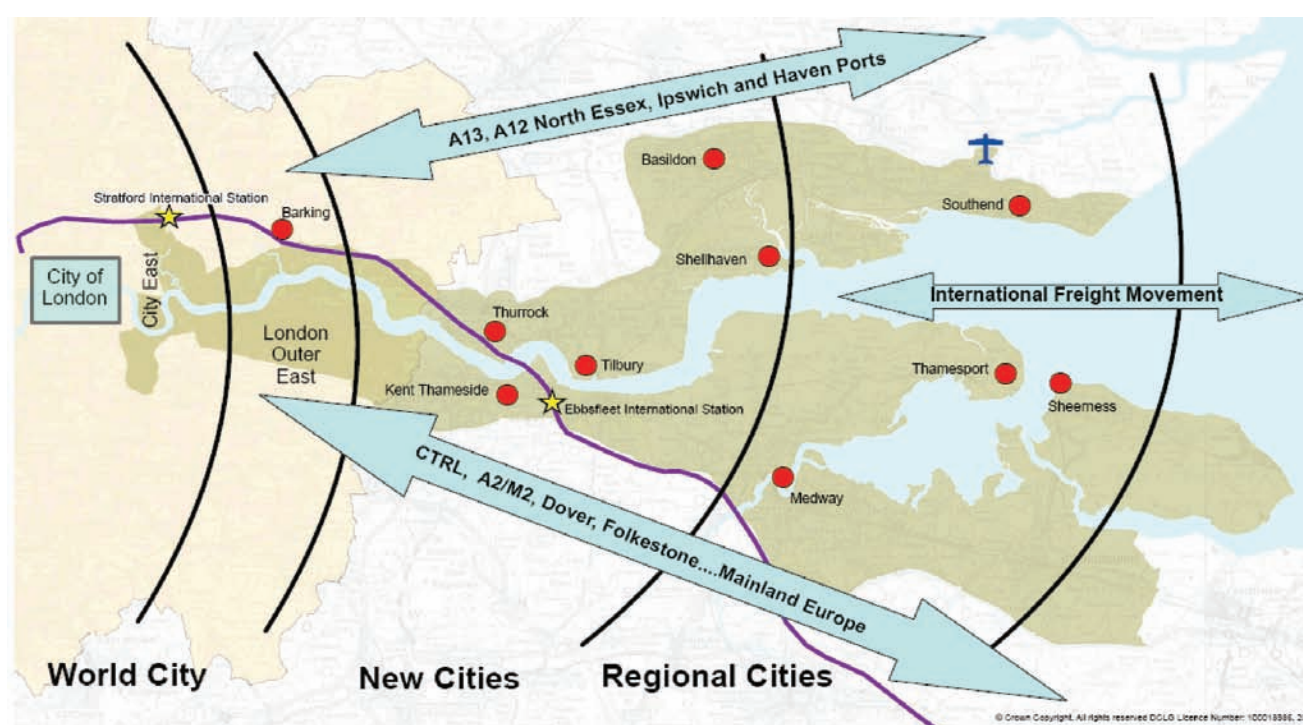
The three Greater South East (GSE) RDAs, (the East of England Development Agency (EEDA), the London Development Agency (LDA) and SEEDA) are working together with local partners on a Joint RDA Economic Investment Plan for the Thames Gateway, identifying investments to unlock its economic potential. This specifies economic and regeneration activity by both place and by theme. There are four Spatial Transformers identified in the Plan, one of which, Ebbsfleet Valley, is in the South East. The document will sit alongside the Thames Gateway Delivery Plan being produced by Government for the Thames Gateway Forum in November 2007.

Within the region, the economic geography comprises **three broad economic contours (Inner, Rural and Coastal)**. Partners have contributed to the development of strategic frameworks for them and the main priorities for the Inner South East and Coastal contours are set out below. Rural priorities and actions are set out in Section 2 and are included, as Cross-cutting Themes, in each of the target summaries in Section 6.

### Thames Gateway Economic Development Investment Plan

The Thames Gateway is essential to the future growth and competitiveness of the Greater South East. The focus of this document will be to create the conditions for an innovation and enterprise culture, to attract investment into the area and to assist local people to participate in the economic opportunities being created. The new Economic Development Investment Plan currently being finalised will focus on:

- The creation of a Gateway to international trade and investment between the UK, Europe and the world;
- Development of the Thames Gateway economy to realise £12 billion GVA and close the gaps between the growth rates of different communities in the super-region;
- Enabling communities in the Thames Gateway to benefit from, and contribute to, economic success with the resident workforce having the skills and adaptability to ensure economic success;
- A transformed, sustainable environment, which will make the Thames Gateway a great place to visit, invest and work.



### Inner South East

**Innovation, research and development and technology platforms for key industrial sectors** – working with the Oxford to Cambridge Arc (and the Golden Triangle including London) and along the Gatwick-Guildford-Thames Valley-Oxford axis

- An account management approach to deliver comprehensive support to growing and innovative businesses
- Developing and enhancing local and global networks for technology transfer and commercialisation
- Developing technology platforms to work across sectors such as ICT, biotechnology, pharmaceuticals, environmental technologies and life sciences
- Delivering innovation campuses tailored for the area's needs and capabilities

**Maximising the potential of key areas** – through development of a well-defined and clearly articulated global 'offer'

- Sustaining and maximising the global potential of the area around Heathrow
- Delivering the strategy to develop the Gatwick Diamond as a world class business location
- Establishing the global profile of the Golden Triangle of Oxford, Cambridge and London universities
- Enhancing the innovative potential of university towns and cities
- Generating high levels of business creation and productivity growth combined with lower rates of small business failure

**Skills development** – investing in the skills required by global businesses

- Growing the pool of skills needed by the most strategically important firms
- Attracting skills from international sources for key high value added functions through a global recruitment service for small businesses
- Leadership and management skills for entrepreneurs to increase the probability of success in start-ups

**Infrastructure for competitiveness** – investing in transport infrastructure, improving housing affordability and investing in ICT infrastructure

- Creating a world beating international gateway at Heathrow
- Improving intra-regional transport connectivity
- Expediting delivery of 100% Next Generation Broadband
- Setting up a Real Estate Investment Trust to provide affordable accommodation to middle income earners in the business sector



## Coastal South East

**A creative coast** – through identifying major coastal sites where redevelopment could enable the creation of new mixed-use communities with outstanding quality of design and communications links

- Promoting growth through high quality, high density urban development
- Encouraging the growth of home-working
- Supporting the enhanced provision of higher and further education in coastal towns
- Supporting the continued development and success of the creative industries, including links to the visitor economy
- Producing a prospectus for investment that promotes future opportunities in the Coastal South East

**A sustainable coast** – by building civic leadership and alignment across the Coastal South East so that economic transformation is embraced and delivered and supports the development of strong and inclusive communities whose members have the aptitudes and skills needed in the new economy

- Redefining the economic role of the coast and re-branding it as part of 21st Century living
- Supporting the development of green tourism
- Encouraging re-investment in the natural environment

**An inclusive and connected coast** with confident and ambitious communities and businesses – by bringing forward long-term investment to improve coastal connectivity between the main urban areas

- Securing coastal connectivity, recognising the distinctive contributions of different transport modes
- Ensuring that all coastal towns are early priorities in the roll-out of Next Generation Broadband and equipping businesses and communities to use it to full effect
- Reaching out to younger people within coastal communities to secure greater participation in higher and further education and to build greater ambition

**A competitive coast** including a strong maritime economy – through working with businesses that rely on the coast as a primary resource, ensuring their development while taking into account the provisions of the new Marine Bill

- Developing a waterfront strategy that recognises the needs of businesses that are genuinely dependent on a waterfront location
- Working with port operators and related service providers to ensure that the full economic impacts arising from port activity are captured, and that best use is made of the land-based assets tied up in port complexes
- Developing a business-led strategy for the sea, including marine technologies, offshore renewable energy and associated supply chains, sailing and port-related logistics

Straddling these three broad contours are the Thames Gateway, Ashford and Milton Keynes South Midlands Growth Areas. Each of the Growth Areas, launched in the Sustainable Communities Plan 2003, is different in challenge, scale and vision, but with a shared need to stimulate enhanced productivity and sustainable growth, secured through appropriate investment in infrastructure to unlock their potential. These Growth Areas have been designated to provide for substantial expansion and new development and are therefore key areas for investment to deliver challenging targets in housing and jobs.

The RES and South East Plan have both identified that the prime focus for sustainable growth should be in centres of economic activity supported by appropriate and timely investment in infrastructure, including green infrastructure. The South East Plan has identified 21 Regional Hubs as centres of economic activity and transport services. Within this set of Regional Hubs, are eight areas identified as major concentrations of economic growth potential.

### These are:

- Basingstoke
- Gatwick Diamond
- Milton Keynes and Aylesbury Vale
- Oxford/Central Oxfordshire
- Reading
- Sussex Coast, centred on Brighton and Hove
- Thames Gateway (including Ebbsfleet and Medway)
- Urban South Hampshire (including Southampton and Portsmouth)



These Diamonds for Investment and Growth, extend beyond the boundary of an individual local authority, are centred on an urban core or comprise a network of urban areas and play a leading role in the economic vitality of their broader sub-regions. They will form the focus for investment and reflect the aspiration to invest both in areas of success and areas of potential in order to ensure effective delivery of the RES targets; addressing the ecological footprint as part of growth in the Diamonds is particularly important to the RES target of reducing the region's footprint overall. Four Diamonds for Investment and Growth have been identified for substantial early support, investment and activity reflecting the fact that these partnerships are more advanced and each of these Diamonds have clear and prioritised plans of action.

### The four identified are:

- Gatwick Diamond
- Milton Keynes and Aylesbury (Milton Keynes South Midlands is a designated Growth Area)
- Thames Gateway (also a designated Growth Area)
- Urban South Hampshire

There are several other areas where large scale regeneration programmes are underway and where together their success will make a significant impact on regional priorities and performance. Most of these areas lie along the coastal area between the Thames Gateway and Urban South Hampshire. Investment in these areas will be needed to continue to build on the substantial investments made to date and to deliver the significant outcomes planned. These areas are Ashford (designated a Growth Area), Margate, Dover and Hastings and Bexhill.

The RES will form the backbone to strategies supporting sustainable economic growth in each of these economic areas and priorities will be aligned through the tri-RDA partnership for the Greater South East; Economic Contour frameworks and local economic strategies, including Local Development Frameworks and principally the Local Area Agreements (LAAs). The Diamonds for Investment and Growth will be further enhanced by cross working across the eight Diamonds that will help develop common policies and delivery mechanisms, and may be developed into Multi-Area Agreements (MAAs).

## Spatial Focus Summary

### This approach:

- Re-affirms the importance of pan-regional working across the Greater South East
- Uses the Contours to identify how RES actions connect with the particular needs of individual sub-regions
- Promotes eight Diamonds for Investment and Growth as clear priorities for focusing the RES, recognising that some, Thames Gateway, Milton Keynes Aylesbury Vale, Urban South Hampshire and Gatwick Diamond, are currently more advanced than others
- Identifies Local Area Agreements and where appropriate Multi-Area Agreements as the key mechanism for aligning RES actions with local priorities
- Recognises the significant impact on regional performance from other regeneration programmes in Dover, Margate, Ashford, Hastings and Bexhill
- Does not make a simple choice between investing in success or under-performance but judges each intervention against the impact that it can have in addressing the three headline indicators of the RES.



# Main Partners and Their Roles

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Implementing the RES is not the sole responsibility of any one organisation, but requires a sustained and co-ordinated approach by all. The Target Summaries identify the main partners who will lead and work with the Regional Development Agency to deliver key actions and these fall into the four major categories set out below:

Central/Local Government	Business
Central Government	Economic Partnerships
Local Authorities	Business Representative Organisations
South East England Regional Assembly	Business Support Organisations
National Health Service	
Learning and Skills Council	
Social and Cultural	Environmental
The Voluntary and Community Sector	Quasi-governmental, e.g. the Environment Agency and Natural England
Cultural and Creative Industries	Non-governmental, e.g. the National Trust
Social Enterprises	Other environmental bodies, eg think tanks
Trades Unions	

## Government

The role of Central Government is to provide a clear and stable policy and regulatory framework which will allow the actions and activities in the Implementation Plan to be delivered. Key areas of policy support are:

- Supporting innovation, knowledge creation/transfer and creativity as set out in the 10 year Framework for Science and Innovation
- Developing national infrastructure policies and funding frameworks which support strategic economic corridors and hubs of national and international significance
- Following the Leitch Review, developing a national policy context for a world class skills base by 2020
- Supporting enterprise through appropriate policies for taxation, regulation and financing of businesses, applying best practice from other parts of the world
- Ensuring a regulatory framework that provides the conditions for job creation, flexibility, long term financial security and a healthy workforce
- Creating a policy climate to deliver the UK Sustainable Development Strategy and therefore the conditions to allow a 'one planet economy' to be delivered

Following the Sub-National Review, **Local Authorities** will have an even more central role to play in delivering the RES. They will provide strategic leadership in and across local areas to tackle key areas of economic development and social inclusion as part of their place shaping role. This will include:

- Producing Local Development Frameworks that address local employment, economic development, regeneration and housing needed to deliver the RES
- Leading the process of preparing Local Area Agreements to connect local, regional and national priorities
- With regional agencies, leading in the development of innovative funding mechanisms to deliver solutions for local and regional transport initiatives
- Addressing the environmental and resource implications of policies agreed in the region and at sub-regional levels to achieve sustainable economic development
- Developing innovative approaches to housing delivery and housing renewal
- Leading in sharing best practice and promoting public sector procurement opportunities for small and medium enterprises to other public agencies

- Ensuring school leavers possess adequate literacy, numeracy, ICT and employment skills

Pending implementation of the Sub-National Review, the **South East England Regional Assembly** remains a key part of RES delivery. With SEEDA, the Regional Assembly continues to make the case to the Government for sustained investment in the South East to deliver the economic, physical and social infrastructure required by the region. It will also work with SEEDA to develop the case for the additional investment in infrastructure that is essential if the region is to realise its economic potential in a way that is consistent with the principles of sustainable development. An important element of this will be to work with SEEDA to align the Implementation Plans for the Regional Spatial Strategy and Regional Economic Strategy as the region moves towards an integrated regional strategy.

As the **Regional Development Agency**, SEEDA has the two-fold job of co-ordinating the overall delivery of the RES and contributing directly to individual targets and actions. SEEDA will set out in its Corporate Plan how it will use its resources to fulfil both of these roles over the next three years; a consultation on this is planned for the early part of 2008, following the Comprehensive Spending Review 2007.

## Business

It is business which produces economic success and so it is of vital importance that business is properly engaged both in delivering the RES and influencing the development of it through the 'Living RES' process. Some businesses will be directly involved in work on particular targets and actions, or will be represented on strategic partnerships (see below) which oversee delivery of particular aspects. Mostly, however, businesses will be engaged through representative organisations or will be the recipients of business support through business support organisations. Business Link will be the primary access channel for a simplified offer of publicly funded business support.

As Local Area Agreements develop a stronger economic focus to be consistent with the RES, it will be increasingly important that business is fully engaged and effectively linked to place. Partnership arrangements will be developed to help ensure that local economic priorities take account of business needs and businesses contribute locally.

## Social and Cultural Partners

Social and cultural partners, including the Voluntary and Community Sector, Social Enterprise, the Cultural and Creative Industries and Trades Unions have a key role to play in the delivery of the RES, and in particular ensuring that prosperity is inclusive. This includes:

- Promoting the need for a cross sector approach to the creation of vibrant places and communities, as well as having a key role in building a sense of community
- Contributing to social cohesion and local social capital
- Helping people to move into employment and improve their skills, particularly the most vulnerable and hard to reach
- Working with public sector procurers to provide a level playing field for the Voluntary and Community Sector to be able to compete effectively for public sector contracts
- Supporting the 700,000 volunteers in the region

## Environment Partners

The main environment partners are the Environment Agency, Natural England, the Forestry Commission, English Heritage and Environmental NGOs such as the National Trust. The Environment Agency and Natural England, in particular, have strategies and business plans already well-aligned with the RES, focused on delivering aspects of the Smart Growth and Sustainable Prosperity objectives.

English Partnerships, the Housing Corporation and in time the Housing and Communities Agency will be increasingly involved in facilitating the delivery of the priorities of the RES and the South East Plan.

## Strategic Partnerships

As well as contributing to delivery of the RES directly, partners also work through a series of strategic partnerships where a range of perspectives is needed to tackle an issue. These partnerships may be part of regional governance, key groups of providers or partnerships bringing together key partners across a range of interests. Partnerships of particular importance, providing leadership on key aspects of the RES are:

- SESETAC, the Science and Industry Council advising SEEDA
- Regional Skills for Productivity Alliance
- Regional Transport Board
- Regional Housing Board
- South East Forum for Sustainability
- South East Climate Change Partnership
- South East Partnership for the 2012 Games

## Towards a Single Delivery Plan

The publication of the Sub-National Review of Economic Development and Regeneration (SNR) has increased the spotlight on the Single Delivery Plan, joining the RES and the Regional Spatial Strategy, as a stepping stone to the production of a single Integrated Regional Strategy for the region after 2010. A consultation document on the SNR is expected towards the end of this calendar year. This suggests a spring publication for the Single Delivery Plan given that it will need to take full account of directions of travel on the SNR following the consultation.

Initial work with the South East England Regional Assembly has suggested that work on a joint Delivery Plan should focus on three central themes:

- A shared commitment to reducing resource use and securing investment for infrastructure provision
- Developing a single regional voice on sustainable development that recognises economic, environmental and social objectives
- Aligning the spatial objectives of the South East Plan with the economic objectives of the Regional Economic Strategy

# Creating a Living RES

SEEDA proposes to maintain this as a 'Living RES' through an active annual monitoring and reporting cycle which does not just measure progress but which develops thinking and prioritises activities, working to an annual cycle with a Monitoring Report for publication at SEEDA's Annual Open Public Meeting in late October each year.

SEEDA's own. In addition to the Annual Open Public Meeting, a Partners' Conference will be held in December or early January to discuss priorities in more detail and how to align them with the business plans of partner organisations. This process will be underpinned by a regular programme of Steering Group meetings, by bi-lateral engagement between SEEDA and main partners and by a web-based forum through which detailed comments on the action plans can be captured.

This will include priorities for the following three years on a rolling basis, which can then inform all partners' business planning cycles, not least

A Steering Group is proposed, to involve a full range of government, business, social and environmental partners, building on the RES Leadership Group which has advised on the development of both the RES and its Implementation Plan.



## Monitoring the RES

The RES will be monitored using the indicators and metrics set out in the table which gives full coverage of the three Headline Indicators and 14 Targets. The data sets and methodologies for producing them are more developed for some indicators than others, and in one or two cases proxies have been used where data sets have not yet been developed. An example of this is the Enterprise Target on women's enterprise where we have used data on women in self-employment as a proxy for businesses owned by women. The first RES Annual Monitoring Report, published alongside this Implementation Plan, shows the approach in practice.



Headline Indicators	Target	Proposed Measure
GVA growth	Achieve an average annual increase in Gross Added Value per capita of at least 3% (at constant prices)	Average annual growth rate in GVA per head
Productivity	Increase productivity per worker by an average 2.4% annually, from £39,000 in 2005 to at least 3%	Absolute increase in productivity in constant prices
Ecological footprint	Reduce the rate of increase in the regions ecological footprint (from 6.3 global hectares per capita in 2003, currently increasing at 1.1% per capita per annum), stabilise it and seek to reduce it by 2016	The rate of increase in the ecological footprint

## Global Competitiveness

Global Business and Foreign Direct Investment	Increase the percentage of businesses located in the South East operating internationally from an estimated 10% in 2003 to 15% by 2016, maximising the South East's share of global Foreign Direct Investment	South East share of global FDI Percentage of exporting companies
Knowledge Transfer and Expenditure on Research and Development	Increase the proportion of businesses in the South East reporting R&D links with universities from 11% in 2005 to 15% by 2016, and increase expenditure on research and development in the South East from 3.2% of Gross Value Added in 2003 to 4% by 2016	Proportion of businesses in the South East reporting links with universities Expenditure on R&D as a proportion of GVA Business co-operation agreement on innovation
Innovation and Creativity	Increase the percentage of total South East business turnover attributable to new products from 12% in 2004 to 20% by 2016, and the percentage attributable to significantly improved products from 18% in 2004 to 25% by 2016	Percentage of total South East business turnover attributable to new products (new to market) Percentage of total South East business turnover attributable to significantly improved products
Infrastructure	Secure investment in infrastructure priorities to maintain international economic competitiveness	Progress on major infrastructure projects identified in the new strategy Total identifiable expenditure on transport, expenditure per head

## Smart Growth

Enterprise	Increase the business stock by 35% from 35 businesses per 1,000 inhabitants in 2005 to 44 per 1,000 inhabitants by 2016, including 10,000 new businesses run by women by 2010	Business stock per 1,000 inhabitants Increase in the number of businesses run by women (proxy-change in self employment for females)
Skills	Maximise the number of people ready for employment at all skill levels, and ensure they are continually equipped to progress in the labour market	Proportion of working age population at NVQ Levels 2 and above Proportion of working age population with NVQ 3 Proportion of working age population with NVQ 4+ Proportion of working age population with no qualifications Proportion of employers reporting skills gaps and skills shortages Proportion of the labour force receiving training
Competition and Business Regulation	Increase the level of participation of South East businesses (especially small businesses and social enterprises) in tendering for public sector contracts	Measure still to be developed
Transport	Reduce road congestion and pollution levels by improving travel choice, promoting public transport, managing demand and facilitating modal shifts	Average daily motor vehicle flows (vehicles per day) per road class Method of travel to work Carbon dioxide emissions from road transport
Physical Development	Ensure sufficient and affordable housing and employment space of the right quality, type and size to meet the needs of the region and support its competitiveness, and create the climate for long-term investment through the efficient use of land resources, including mixed use developments	Decrease in the ratio of median house price to median income New dwellings built on previously developed land or through conversion Previously developed land by planned use (for employment land, include employment, mixed-use, retail) Resident overall satisfaction with the characteristics of the area in which they live
Employment	Improve the productivity of the workforce and increase economic activity from 82% to 85% by bringing 110,000 net additional South East residents of working age into the labour market by 2016 (as a step towards bringing up to 250,000 residents into the labour market by 2026)	Change in the economic activity rate Change in the number of economically inactive people in the region Employment rate Top three occupations: managers/senior officials, professionals and associate professionals

# Summaries of Targets and Transformational Actions

6

## Sustainable Prosperity

Climate Change and Energy	Reduce CO <sub>2</sub> emissions attributable to the South East by 20% from the 2003 baseline by 2016 as a step towards the national target of achieving a 60% reduction on 1990 levels by 2050, and increase the contribution of renewable energy to at least 10% of energy supply in the South East by 2010 as a step towards achieving 20% by 2020	CO <sub>2</sub> emissions attributable to the South East  Generation of electricity from renewable resources
Sustainable Consumption and Production	Reduce per capita water consumption in the South East by 20% from 169 litres per day in 2003-2004 to 135 litres per day by 2016, and achieve a 30% increase over the 2003 baseline in GVA generated per tonne of materials entering the waste stream by 2016	Per capita water consumption in the South East  Increase in GVA generated per tonne of material entering the waste stream  Total household waste (kilo/person/year)  Percentage of household waste recycled or composted (kilo/person/year)
Natural Resources and the Environment	Achieve measurable improvements in the quality, bio-diversity and accessibility of green and open space	Assessment of local environmental quality  Biological and chemical river quality  Greenspace availability
Sustainable Communities	Enable more people to benefit from sustainable prosperity across the region and reduce polarisation between communities	Residents overall satisfaction with the characteristics of the area in which they live  Active community participation "informal and formal volunteering at least once a month in the last 12 months"  Children and old people in low-income households  Young people not in education or training

This section builds on the principles and priorities set out in Section 2 above. It gives a fuller explanation of them, followed by summary templates for each target 'owned' by that objective. A final section shows how the Transformational Actions contribute to targets across all three objectives and describes the approach being taken to address them.

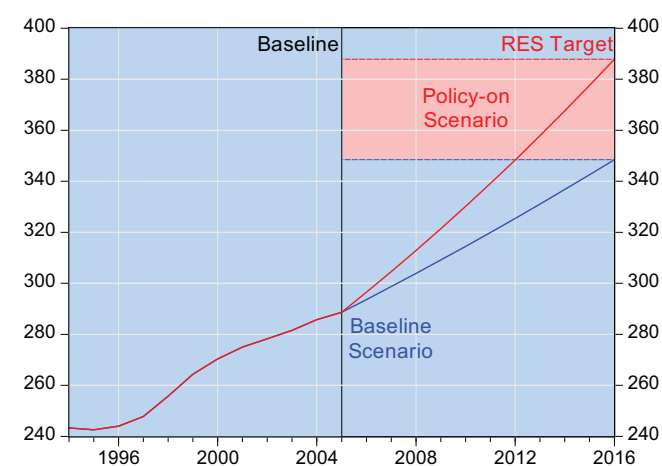
### GLOBAL COMPETITIVENESS:

Being able to compete effectively in the world marketplace is the cornerstone of a sustainable, modern and growing economy. We seek to increase world trade and foreign investment by strengthening the key components of our future global competitiveness – research, development and innovation. Therefore the four priority objectives are:

- 1. Targeting inward investment and supporting strategically important companies** – Attracting high value foreign investment while retaining and growing existing world class companies in the region.
- 2. Developing and internationalising innovative companies** – Simplifying and integrating the innovation support offer for the region's most promising companies: focusing trade and investment activity on supporting companies to identify and develop international market opportunities; facilitating investment into early stage ideas; developing, in partnership with the Technology Strategy Board, a robust three year programme of national and regional investment in innovation and science; and creating new knowledge diffusion and transfer.
- 3. Strengthening our global gateways and innovation infrastructure** – Creating science and innovation campuses aimed at developing R&D in key markets, the improvement of strategic global access ports and airports and the further development of higher level science, engineering and technology skills.
- 4. Achieving a double dividend of growth and sustainability through innovation and creativity** – Prioritising support for those businesses and sectors which offer products or processes designed to increase growth and, at the same time, decrease the carbon footprint or provide solutions to societal challenges.

SEEDA is developing an approach to showing progress, and quantifying more precisely the RES' impact on achieving the targets, through a 'baseline/policy on' approach. A baseline trend is set (i.e. what the region's economy would deliver without intervention or major global shocks) and then the gap is quantified between the trend and the RES Target. The graph below shows how this might look in practice and the approach is explained more fully in the RES Annual Monitoring Report for 2006-2007 published alongside this Implementation Plan. We have so far developed this approach for about half of the Targets and will continue developing it for the second Annual Monitoring Report in October 2008. The priorities and actions can then be more directly linked to the

specific outcomes sought to deliver these 'policy on' targets.



## 1 Global Business and Foreign Direct Investment

**Achievability:**  **Target Sponsor:** **SEEDA**

### Summary

Increase the percentage of businesses located in the South East operating internationally from an estimated 8% in 2003 to 12% by 2016, and maximise the South East's share of global Foreign Direct Investment.

**Expected Outcome:** 1. 12,000 new businesses operating internationally  
2. 1,600 new investors

**Main Partners:** UK Trade & Investment; SEEDA; Sector Consortia; Enterprise Hubs; Sub-regional Economic Partnerships; Business Link

### Contribution to Headline Indicators

#### GVA Growth

Attracting Foreign Direct Investment and encouraging indigenous businesses to internationalise will directly increase the GVA generated within the region

#### Increased Productivity

Companies operating internationally, and foreign investors traditionally have higher than average levels of productivity

#### Reduced Footprint

Focus on attracting and developing hi-tech, low emission businesses, including leaders in environmental technologies, can assist with reducing the region's footprint

### Priority Actions

**Regional Trade & Investment Service** – deliver a joint trade and investment service throughout the region and overseas

**Retaining major global businesses** – work with the region's major global businesses by developing closer links with parent companies to influence their investment plans

**Working with strategically important sectors** – work with priority sectors and their key companies to assist them with developing international markets

**Pan-regional collaboration** - working with the East of England Development Agency and London Development Agency on joint promotional activities, focusing particularly on the Thames Gateway

### What Needs to Happen in the Long-term

Further integration of regional trade, investment and innovation activities to provide a co-ordinated offer to ensure that the region develops, retains and attracts technologically and environmentally advanced companies at the forefront of the global economy.

### Spatial Priorities

Companies will always locate in the areas that offer the best opportunities for their business; however, inward investment is critical in the Growth Areas and these areas will be prioritised for promotion. Support for trade will be available equally across the whole of the region.

#### ICT

Delivering Next Generation Broadband is essential to maintaining the region's global competitiveness

#### Europe

Collaborate with EU partners to meet the challenge of emerging economies, e.g. China, India

#### Rural

Assist land-based industries with internationalising their businesses

#### Equality & Diversity

Work with international communities within the region to attract new investment

#### Culture & Creative Industries

Prioritise the creative industries sector for assistance with building global markets

## 2 Knowledge Transfer and Expenditure on Research & Development

**Achievability:**  **Target Sponsor:** **SESETAC**  
Expenditure on Research & Development

### Summary

Increase the proportion of businesses in the South East reporting R&D links with universities from 11% in 2005 to 15% by 2016, and increase expenditure on research and development in the South East from 3.2% of Gross Value Added in 2003 to 4% by 2016.

**Expected Outcome:** 1. Increase in number of businesses reporting strong partnerships and collaborations with Higher Education Institutions  
2. Increased investment by business in Research & Development

**Main Partners:** South East England Science, Engineering and Technology Advisory Council (SESETAC); Higher Education Institutions; Businesses, Research Organisations

### Contribution to Headline Indicators

#### GVA Growth

Greater collaboration and knowledge transfer will lead to new products and processes which are essential to sustained economic growth

#### Increased Productivity

The exchange of knowledge can lead to adoption of improved working practices which will drive improvements in productivity

#### Reduced Footprint

Research collaboration focused on developing new environmental technologies and services can contribute to reducing the region's ecological footprint

### Priority Actions

**Identifying priority markets and technologies** – research and identify priority market-led technologies, sectors and companies, through the development of the South East Innovation Action Plan and by engaging closely with the National Technology Strategy Board

**Business to business collaboration** – work with the top 500 companies in the region to identify innovation opportunities in their supply chains; promoting Open Innovation; and establishing sub-regional Innovation Networks

**Higher Education accessibility** – involve Higher Education Institutions in Innovation Networks and Open Innovation to build links with the region's businesses

### What Needs to Happen in the Long-term

More needs to be done to encourage business to business collaboration and make the knowledge contained within the region's Higher Education Institutions more accessible to businesses, either through Open Innovation or a common approach to valuation of Intellectual Property.

### Spatial Priorities

This activity will be centred on the concentrations of knowledge bases in the region, particularly in the Inner South East and in the eight Diamonds for Investment and Growth. These will act as focal points for innovation networks to create a clear, simple and effective offer to business.

#### ICT

Deliver the Higher Apprenticeship Scheme for IT professionals to deliver STEM graduates in areas where there are significant skills gaps

#### Europe

Support bids for Framework Programme 7 funding for R&D

#### Rural

Increase collaboration between rural businesses and research bodies to innovate and develop new products and processes

#### Equality & Diversity

Use the region's international communities to stimulate knowledge transfer with international universities and research bodies

#### Culture & Creative Industries

Promote knowledge transfer between small cultural and creative enterprises and large companies

### 3 Innovation and Creativity

**Achievability:**  **Target Sponsor:** **SEEDA**

#### Summary

Increase the percentage of total South East business turnover attributable to new products from 12% in 2004 to 20% by 2016, and the percentage attributable to significantly improved products from 18% in 2004 to 25% by 2016.

**Expected Outcome:** An increase in turnover attributable to new and improved products and services of £147 billion (period 2004-2016)

**Main Partners:** SEEDA; Sector Consortia; Business Link; Design Council; Cultural Agencies; Higher Education Institutions

#### Contribution to Headline Indicators

##### GVA Growth

The creation of new products, services and processes as well as the ability to absorb new innovative ways of working is essential to economic growth

##### Increased Productivity

Innovation is a widely recognised driver of regional and national productivity

##### Reduced Footprint

Reducing the region's ecological footprint will depend on the development and use of innovative technologies to reduce energy and water consumption and waste generation

#### Priority Actions

**Quality market intelligence** – develop the region's market intelligence activity to ensure a strong connection between global market opportunities and innovation support

**Develop and internationalise innovative companies** – simplify and integrate the innovation and global readiness support offer for the region's most promising companies, delivered through Business Link. Broaden the role of Enterprise Hubs to include internationalising companies and concentrate on fewer, larger sub-regional hubs

**Facilitate investment into early stage ideas** – the South East Funding Escalator will provide a complete portfolio of early stage funds and investment readiness support for early stage companies, designed to lever in maximum private equity, debt investment, inward investment or R&D Grants in order to commercialise the region's most promising, scaleable new ideas

**Develop leadership and management skills** – integrated with the regional innovation service and scaled up in order to increase growth opportunities, particularly for medium sized companies

**Achieve a double dividend of growth and sustainability** – prioritise support for those businesses and sectors which offer products or processes designed to increase growth and, at the same time, to decrease the ecological footprint

#### What Needs to Happen in the Long-term

Innovation potential is more wide spread than the traditional Higher Education model would suggest and a broader view of innovation and where it comes from, needs to translate into a broader approach to innovation support.

#### Spatial Priorities

Activity will be focused on Diamonds for Investment and Growth, particularly on stimulating innovation and creativity in key coastal towns. There is also a strong synergy with the Science and Innovation Campuses Transformational Action.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
Incorporate specialist expertise in ICT into publicly funded innovation support	Increased participation in EU innovation support programmes	Support innovative land-based and horticultural sectors	Make innovation support accessible to under-represented groups	Use creative and cultural industries to stimulate innovation in other sectors

### 4 Infrastructure - Connecting the Region to Global Markets

**Achievability:**  **Target Sponsor:** **South East England Regional Assembly**

#### Summary

Secure investment in infrastructure priorities to maintain international economic competitiveness.

**Expected Outcome:** 1. Delivery of higher capacity of rail based surface access to airports and ports  
2. Increase the capacity of the existing highways links to global gateways

**Main Partners:** South East England Regional Assembly; Department for Transport; Highways Agency; Network Rail; BAA plc; Port Operators; Local Authorities; European Commission

#### Contribution to Headline Indicators

##### GVA Growth

Higher capacity to move goods and people within and through the region's international gateways is critical to maintaining the economic growth of the region

##### Increased Productivity

The efficient and more reliable movement of goods and people is important to increasing the productivity of companies operating globally

##### Reduced Footprint

Higher capacity of strategic multi-modal corridors and gateways and enabling a modal shift to rail transport, will help reduce the footprint of the region and the reliance on cars

#### Priority Actions

**Funding** – innovative approaches to attracting funding to the key regional projects. This will be achieved through the development of a Regional Infrastructure Fund (Transformational Action) and by influencing UK Government, European Commission and private sector operators to unlock major funding programmes

**Delivery of key gateway infrastructure** – work with Network Rail, the Highways Agency and the Department for Transport to prioritise funding and speed up delivery of essential schemes

**Adapting to climate change** – engaging Infrastructure Delivery Agencies and the Logistics and Freight Sector to improve the ability of the regional infrastructure and the industry to adapt to climate change and to develop greater security resilience

#### What Needs to Happen in the Long-term

Ensure full political commitment and funding allocation for the prioritised schemes and focus stakeholders and delivery agencies on these targets. Enable a culture shift towards carbon reduction in the transport sector by developing productive relationships with private sector operators.

#### Spatial Priorities

The strategic access corridors of the Thames Valley, Thames Gateway, Solent to Midlands, South Coast and London-Dover Straits with a specific gateway hub focus on Heathrow, Gatwick and Ebbsfleet, reflecting the Regional Transport Strategy's hubs and spokes concept.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
Advanced ICT applied appropriately to demand management of transport modes and freight movement	EU funding programs to secure maximum ERDF leverage	Relevant links into rural areas of the region to improve accessibility	Effective engagement and consultation, so that infrastructure developments consider the needs of all members of the community	Improve the design and accessibility of infrastructure projects by engaging with the Cultural and Creative Sector

**SMART GROWTH** will achieve higher prosperity across the South East without increasing the region's ecological footprint, through developing the interplay between productivity drivers (enterprise, skills, innovation, competition, investment and employment) and quality of life, through five priority objectives:

- 1. Raising productivity through smart use of technology, knowledge and skills.** The most powerful of the region's natural resources is its people. To achieve the challenging RES targets to increase productivity per worker we need to invest in developing a world class skills base, including the STEM and technical skills to drive technological innovation. Developing leadership and management skills will particularly improve SME productivity through owners and leaders taking a longer term view of their enterprise and of the skills needs of their workforce. Mid-size companies are most likely to be planning to improve their products or services, and encouraging the skills needed to implement new ideas can lead to high value jobs and large productivity gains.
- 2. Supporting enterprise.** Increased effectiveness through simplified business support mechanisms. Small businesses make a major contribution to the health of the South East economy - 99% of firms in the South East are small. Encouraging new entrants and growth is core to spurring innovation, competitive advantage and providing diversity of opportunity in our society. Bringing new ideas to market, start-ups create more competition and therefore productivity, they drive competitors to innovate and push out inefficient businesses. Encouraging enterprise amongst under-represented groups including women and black and ethnic minorities. Encouraging entrepreneurship skills in schools, colleges and universities will raise the start-up and growth rates of companies, developing a culture where high growth enterprises can flourish.
- 3. Increasing economic inclusion and making the most of our skills** through engaging the population already of working age but not in work, or with under-used skills. The largest age group in the labour force will be aged 55 or over by 2020, while up to 25% of the (UK) workforce is in jobs below their skill level. We need to tackle discrimination to enable employers to develop and implement flexible working policies to realise the benefits of a diverse workforce, and to incentivise the talents and energy of our workforce, including immigrants who bring new ideas, new ways of thinking and new energy to a society. This will help us to reduce spatial disparities raising GVA and employment rates in Thanet and the Isle of Wight to the levels in West Oxfordshire and Berkshire.
- 4. Connecting all parts of the region but managing transport demand** through improved transport and communications, public spaces and living environments through a creative approach to land assembly and use, and through promoting the knowledge infrastructure which creates high value jobs at the heart of the knowledge economy. Ensure delivery of quality housing and employment space to support businesses in the region and increase competitiveness.
- 5. Sustainable business practices.** Encouraging more sustainable business with less waste and higher productivity, together with intelligent travel and working practices will reduce the region's carbon footprint. This can support economic inclusion, and create new business opportunities with potentially global market leads.

## 5 Enterprise

### Summary

Increase the business stock by 35% from 35 businesses per 1,000 inhabitants in 2005 to 44 per 1,000 inhabitants by 2016, including 10,000 new businesses run by women by 2010.

**Expected Outcome:**

1. 270,000 individuals assisted to start a business
2. 40,000 new businesses by 2016
3. 10,000 new businesses run by women by 2010

**Main Partners:** SEEDA; Business Link; Learning & Skills Councils; Regional Women's Enterprise Steering Group

### Contribution to Headline Indicators

#### GVA Growth

A strong entrepreneurial base, which sustains and develops new enterprises, is an essential driver of growth and prosperity in a modern economy

#### Increased Productivity

An environment that encourages enterprise and supports people to take opportunities and risks is a critical ingredient of productivity improvement

#### Reduced Footprint

Encouraging local employment and home working will reduce needs to travel long distances and be a contributor to an improved ecological footprint

### Priority Actions

**Simplified business support** – simplify the regional service to make it easier for business to access publicly funded support, with Business Link as the primary access point

**Promote enterprise to under-represented groups** – implement improved and better targeted support to under-represented groups, including educational under-achievers; unemployed; ex-offenders; those in care; black and minority ethnic communities; disabled; and women. This will be supported by an integrated approach to tackling financial exclusion

**Enterprise education** – enhance the teaching of, and the support for, enterprise in schools, colleges and higher education

**Social enterprise** – promote the start-up and growth of social enterprises particularly those that address and support disadvantaged groups

### What Needs to Happen in the Long-term

Activity in this target must ensure that it is focusing on encouraging enterprise in under-represented groups and that enterprises within the region are supporting the region's ecological footprint targets.

### Spatial Priorities

Support for enterprise is regional in nature and will be available across the region. Business Link will focus on areas where there is under representation by some groups in enterprise. Support will reflect local needs as set out in local strategies including the LAA. A new Enterprise Gateway programme will support hard to reach groups through a network of outreach workers and regional nodes.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
ICT support and brokerage arrangements will be part of the integrated approach to business support	Enhance delivery through European programmes (ESF/ERDF) and look to leverage the Framework Programme 7	Enterprise support in rural areas will be an integral part of publicly funded business support	Identify and address any gaps in methods of provision that result in particular groups being excluded	Publicly funded business support is critical to this sector to develop a sustainable business model

**Achievability:**  **Target Sponsor:** **Regional Skills for Productivity Alliance (RSPA)**

**Summary**

Maximise the number of people ready for employment at all skill levels, and ensure they are continually equipped to progress in the labour market.

**Expected Outcome:** 1. 82% of the population at NVQ Level 2 or above by 2016.  
2. 41% of the population at NVQ Level 4+ by 2016

**Main Partners:** Regional Skills for Productivity Alliance (RSPA); Local Skills for Productivity Alliances; Learning & Skills Councils; SEEDA; Sector Skills Councils; Local Authorities; Further Education and Higher Education; employers

**Contribution to Headline Indicators**

**GVA Growth**

The quality and quantity of skilled labour is an important determinant of economic growth

**Increased Productivity**

Skills are a recognised driver of productivity allowing businesses to develop new products and processes and respond better to changing demand, making the economy more flexible and productive

**Reduced Footprint**

Ensuring the skills base can support the development of new technologies (e.g. within the environmental technologies sector) will contribute to the reduction of the region's ecological footprint

**Priority Actions**

**Integrating skills with business support** – integrate Train to Gain into the simplified business support offer, to encourage employer-based learning by providing funding and improving the delivery of skills development and training

**Meet the skills needs of businesses** – the Action for Business College Programme will ensure that training providers and education institutions are capable of delivering skills and training solutions to meet the needs of businesses. Training Pools will fund employer-led partnerships to address higher level skills needs within their sector and/or supply chain

**Access to vocational and work-based learning** – effective Information, Advice and Guidance to assist young people and adults in attaining the skills needed by employers through a coordinated brokerage service across the range of skills providers

**What Needs to Happen in the Long-term**

By 2010 a further national review of skills, as part of the follow up to the Leitch Review, will identify further priorities for skills to 2020. The South East Skills and Employment for London 2012 Action Plan will ensure a positive skills legacy amongst young people and within communities and businesses after the 2012 Games.

**Spatial Priorities**

Priorities for skills will be based on the analysis of local demands for skills identified in Local Area Agreements with the Local Skills for Productivity Alliances / Employment and Skills Boards feeding in evidence of need. These local plans will identify and shape local provision and meet regional outputs as identified by the RSPA, and also the higher level skills priorities as identified by the Higher Education Task Group.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
Work-based Higher Apprenticeships will help address the shortage of ICT skills	ESF will add value to Train to Gain and Training Pools, to address skills gaps of disadvantaged learners	Fresh Start academies will begin to address the skills needs of the land-based sector	Provision will be targeted at disadvantaged groups following the Leitch Review and the Freud Review of Welfare Reform	Cultural and sports venues and activities to engage hard-to-reach learners

**Achievability:**  **Target Sponsor:** **SEEDA**

**Summary**

Increase the level of participation of South East businesses (especially small businesses and social enterprises) in tendering for Public Sector contracts.

**Expected Outcome:** Increase Public Sector contracts awarded to South East SMEs and/or the third sector (baseline still to be established)

**Main Partners:** SEEDA; Local Authorities; NHS; Business Link Providers; Department of Business, Enterprise and Regulatory Reform

**Contribution to Headline Indicators**

**GVA Growth**

Increased tendering for Public Sector contracts by SMEs and social enterprises should lead to increased output and business growth

**Increased Productivity**

The efficiency of the public sector is as critical to improving regional productivity and better Public Sector procurement will play an important part in this

**Reduced Footprint**

Public Sector procurement from local sources will reduce ecological footprint through reduced transport and better, more efficient use of local resources

**Priority Actions**

**South East Public Procurement Forum** – establish a forum to co-ordinate and champion best practice across the Public Sector: to improve opportunities for SME bidding for public contracts (including those available through London 2012); to develop shared opportunities and resources, encouraging alliance and collaboration (such as the 2012 Electronic Brokerage System); and to provide support and guidance to SMEs and Public Sector buyers respectively

**Local sustainable procurement** – Local Area Agreements to define opportunities for local sustainable procurement through Local Sustainable Procurement partners and Local Authorities

**Influencing legislation** – work with partners in the UK and Brussels to identify influencing opportunities at national and European levels

**Increasing social impact** – define a regional standard for implementing social impact measures in public procurement contracts in partnership with Beacon Councils for procurement

**What needs to happen in the Long-term**

All Public Sector agencies, national, regional and local, to adopt a co-ordinated approach to local procurement with standards set and achieved.

**Spatial Priorities**

The spatial priorities in respect of Public Sector procurement will be determined locally through Local Area Agreements taking account of individual public sector structures, for instance the development of local commissioning strategies within the NHS.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
Encourage the better use of on-line tendering for Public Sector contracts building on the new mechanisms for 2012	Develop and implement the EU proposals for green public procurement	Increase Public Sector procurement from the region's food, fishery and woodland businesses	Establish baseline and targets for Public Sector procurement from the Third Sector and businesses led by disadvantaged groups	Actively promote public procurement and ensure protection of the IPR rights of the cultural and creative industries

## 8 Transport

**Achievability:**  **Target Sponsor:** **South East England Regional Assembly**

### Summary

Reduce road congestion and pollution levels by improving travel choice, promoting public transport, managing demand and facilitating modal shifts.

**Expected Outcome:**

1. Reduced road congestion and pollution levels
2. Improved travel choice
3. Increased demand management
4. Modal Shift facilitated (Baselines to be developed)

**Main Partners:** South East England Regional Assembly; Regional Transport Board; Department for Transport; Highways Agency; Network Rail; Local Authorities; Transport Industry Sector; Finance Sector

### Contribution to Headline Indicators

#### GVA Growth

Efficient and effective communications networks, both physical and electronic, are essential to keeping the region connected to the global economy

#### Increased Productivity

The efficient movement of people, resources and knowledge are essential to raising productivity and allowing everyone to participate in the success of the region

#### Reduced Footprint

More sustainable methods of transport and better utilisation of ICT networks are essential to reducing the region's ecological footprint

### Priority Actions

**Funding and prioritisation** – the Regional Infrastructure Fund (Transformational Action) will unlock and speed up delivery of key regional infrastructure projects with a component for transport built on the Regional Transport Board's prioritisation mechanism

**Modal shift** – increase the modal share of rail for freight by: investing in rail freight facilities and strategic freight interchanges; improving access to the region's essential ports; exploring short sea shipping options; and encouraging major retailers to make greater use of rail freight

**Demand management** - use management techniques, such as access control and toll models for specific highways sections, and congestion charging in conurbations, and develop new technology to manage rail capacity and road space more efficiently

**Improve travel choice** – build the capacity of public and other non car based transport modes, such as delivering bus and coach based networks beyond local authority boundaries, and develop a sub-regional passenger transport executive. Invest in the improvement of walking and cycling facilities where these are a feasible alternative to using cars to access major transport hubs or employment centres

**Smarter ways of working** – promote smarter ways of working to employers and employees to increase the take-up of more flexible ways of working and green travel planning, with public sector agencies leading the way. To enable this deliver Next Generation Broadband across the region by 2016

### What Needs to Happen in the Long-term

A significant behavioural shift in the use of cars for non-essential, short trips (under four miles) with a focus on demand-responsive public transport systems accessing all essential services, combined with greater employers' flexibility for home working or co-locational arrangements.

### Spatial Priorities

Priority strategic corridors, hubs and spokes are set out in the Regional Transport Strategy, linking areas of economic success to each other and to areas of opportunity within and beyond the region. There will be particular focus on global gateways, major corridors and Diamonds for Investment and Growth.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
Delivery of 100% Next Generation Broadband to enable smarter ways of working; managing road capacity	ERDF programs to disseminate leading edge EU research and demonstration projects to the region	Transport projects which improve accessibility of services between small towns and rural areas	Transport planning and operation to consider the needs of excluded groups, especially those isolated by lack of private transport, and disabled people	Promote the health and environmental benefits of non-motorised modes of transport

## 9 Physical Development - Sustainable Built Environment

**Achievability:**  **Target Sponsor:** **South East England Regional Assembly**

### Summary

Ensure sufficient and affordable housing and employment space of the right quality, type and size to meet the needs of the region and support its competitiveness, and create the climate for long-term investment through the efficient use of land resources, including mixed-use developments.

**Expected Outcome:**

1. 32,000 new homes per annum of which 35% will be affordable
2. A review of South East Plan employment land targets (as recommended by EIP Panel)

**Main Partners:** South East England Regional Assembly; Regional Housing Board; Local Authorities; SEEDA; English Partnerships; Environment Agency; Housing Corporation; Housing and Communities Agency

### Contribution to Headline Indicators

#### GVA Growth

The delivery of quality business space and housing will create the environment for businesses to flourish and to attract and retain staff and help achieve growth aspirations

#### Increased Productivity

Addressing the barriers to delivery, including improving skills and capacity, and the use of more efficient construction processes will contribute to increased productivity

#### Reduced Footprint

Compact development with good connectivity and higher environmental standards, sustainably constructed, will help reduce the region's ecological footprint

### Priority Actions

**Removing barriers to development** – targeted action to address issues which prevent development coming forward such as funding social and environmental infrastructure through the Regional Infrastructure Fund Transformational Action

**Encourage skills development** - increase the number of organisations and individuals with the skills and capacity to deliver quality regeneration and development projects to meet housing and business needs, in particular by supporting local authorities. Focus education and training providers on delivering skills provision and services to meet the business requirements of the development sector

**Minimise the environmental impact of the Construction Sector** - accelerate sustainable practices and processes, and the use of new technologies within the Construction Sector through identifying options and pathways for developers to integrate environmental technologies, minimise waste and encourage re-use of materials/products in new construction projects

**Improve the quality of the housing stock** - a wider understanding and adoption of quality and sustainability standards; improve design standards; promote green infrastructure and accessibility of green and open space. Deliver improved energy and water efficiency of existing housing stock

### What Needs to Happen in the Long-term

Develop effective mechanisms to ensure the timely delivery of infrastructure and developments that support sustainable communities, ensuring a balance between economic, social and environmental needs. Press for higher mandatory environmental standards for all new buildings and encourage deployment of new environmental technologies.

### Spatial Priorities

The primary focus will be on those areas where the greatest growth is planned and where there are projects of major regional significance, as set out in the South East Plan.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
New developments will incorporate Next Generation Broadband to avoid costly retrofitting	Apply European best practice in sustainable construction and design	Deliver a mix of housing and employment space to support sustainable rural communities	Quality, affordable and physically accessible housing for all across all forms of tenure	Use toolkits to ensure the provision of appropriate cultural facilities for community cohesion and inclusion

## 10 Employment

### Summary

Improve the productivity of the workforce and increase economic activity from 82% to 85% by bringing 110,000 net additional South East residents of working age into the labour market by 2016 (as a step towards bringing up to 250,000 residents into the labour market by 2026).

**Expected Outcome:** 110,000 South East residents brought back into the labour market by 2016

**Main Partners:** Regional Skills for Productivity Alliance (RSPA); Department for Works and Pensions; Jobcentre Plus; Local Authorities; Learning and Skills Councils; SEEDA; Local Skills for Productivity Alliance; Social Dialogue Forum

### Contribution to Headline Indicators

#### GVA Growth

More people in employment will increase the economic output of the region and increase GVA growth

#### Increased Productivity

Bringing more residents into the workforce will increase the region's productivity

#### Reduced Footprint

Adopting new ways of working will encourage more residents into the workforce and contribute to reducing the region's ecological footprint

### Priority Actions

**Promoting diversity** – work with employers to remove the barriers to developing a diverse workforce, such as workplace cultures and practices; recruitment and retention strategies; and workforce development, learning and training

**Pathways to employment** – deliver innovative models that move adults back into sustainable employment, such as the Grow our Own model, which delivers a community based inclusive package of learning, training skills, information, advice, guidance and support to the economically inactive to return to employment

**Financial assistance** – provide financial assistance to encourage the economically inactive back into employment, such as Adult Learner Grants/Learner Accounts which will provide financial assistance to adults on low incomes studying for qualifications to facilitate entry into the labour market

**Lobby for benefit & tax reform** – a regional approach to lobbying to support the most excluded back into work and reviewing transitions from benefit to employment and living wage standards in the region's Public Sector employers

### What Needs to Happen in the Long-term

Remove financial barriers and provide incentives for many more to become economically active, combined with local solutions which enable the economically inactive to better access skills and job opportunities, and more flexible working practices to better accommodate individual circumstances.

### Spatial Priorities

Priority will be given to the greatest concentrations of need determined from the evidence base and through economic impact assessment work and set out in the Local Area Agreements. Delivery will focus on local solutions for local people and so communities and local leaders from a wide range of agencies and organisations will play a vital part.

#### ICT

Training to the economically excluded includes key ICT skills essential in the workplace

#### Europe

ESF funding to support employability and lifelong learning projects

#### Rural

Targeted interventions and solutions to address rural issues

#### Equality & Diversity

Promote the benefits of a diverse workforce to employers and ensure that new ways of working address the needs of the most excluded

#### Culture & Creative Industries

Work with employers to recognise the transferable skills developed through cultural activities, sporting and volunteering

**SUSTAINABLE PROSPERITY** will, through preserving quality of life, enhance the competitiveness of the South East. An enhanced environmental and social lifestyle offer will keep the region attractive as a place to live, work and do business, through six priority objectives:

- 1. A double dividend of increasing the profitability of businesses and the cost effectiveness of the Public Sector as well as reducing the region's ecological footprint, through resource efficiency and carbon action plans.** For business, this will be through a business support and advice offer to increase energy and water efficiency; reduce waste throughout the production and supply chain; and maximise re-use and recycling as a economically profitable venture. For the Public Sector, this will be through commitment to carbon and energy efficiency actions plans as part of mainstream business planning.
- 2. Creating market opportunities for environmental technology and sustainable construction.** This will involve stimulating a leading edge global and local renewables energy sector, building on analysis of the strengths of the region such as off-shore wind industry and local biomass, and stimulating markets through exemplar projects, especially in the Diamonds for Investment and Growth. Sustainable construction to increase 'waste profit' and reduce the resource consumption attributable to growth will be stimulated through a whole-life approach in major developments, building in both low-carbon technology and green infrastructure (thereby reducing the lifetime costs of the development); and maximising waste recovery and re-use.
- 3. Stimulating behaviour change to reduce the carbon footprint of individuals as employees and householders** – removing the link between GVA growth and car use by increasing home and local working; creating sustainable travel towns; and stimulating occupier demand for retrofitting of low energy, water and waste products.
- 4. Making the economic case for green spaces and green infrastructure** – a land-use project to demonstrate cutting-edge ways of land use and land management to deliver multiple benefits across the region, including cost avoidance from climate change and increasing public health and well-being; and a focus on the Diamonds to ensure green infrastructure is an integral part of growth.
- 5. Developing vibrant, thriving communities – urban and rural - with high levels of economic inclusion and quality of life** by tackling the root causes of economic exclusion outside the workplace; using culture and the creative industries to engage individuals and communities; enabling the voluntary and community sector to reach out to the disadvantaged; and increasing demand for goods and services that stimulate new cultural, health and social markets.
- 6. Rural areas with more vibrant and successful communities and businesses, with the highest quality countryside and built heritage, giving the region a competitive edge,** by increasing opportunities for rural communities; enhancing the skills base of rural business and hence their entrepreneurship and resilience; stimulating innovation through new products and processes; supporting local product supply chains through stimulating local demand; and supporting more effective management of the landscape and historic environment to provide a highly attractive natural countryside as a competitive advantage for the region.

## 11 Climate Change and Energy

**Achievability:**  **Target Sponsor:** **SEEDA**

### Summary

Reduce CO<sub>2</sub> emissions attributable to the South East by 20% from the 2003 baseline by 2016 as a step towards the national target of achieving a 60% reduction on 1990 levels by 2050, and increase the contribution of renewable energy to at least 10% of electricity supply in the South East by 2010 as a step towards achieving 20% by 2020.

**Expected Outcome:** 1. 20% reduction in CO<sub>2</sub> emissions equalling 3.9 million tonnes reduction per annum  
2. 10% increase in renewable electricity supply

**Main Partners:** South East Climate Change Partnership; South East Sustainable Energy Partnership; Business Link Providers; Sector Skills Councils

### Contribution to Headline Indicators

#### GVA Growth

Reduction of CO<sub>2</sub> and an increase in the generation of renewable energy will create new markets and increase demand for new technologies and supporting services

#### Increased Productivity

Achieving greater energy efficiency is a key way of increasing productivity within the region's businesses

#### Reduced Footprint

Reducing CO<sub>2</sub> emissions and increasing the contribution of renewable energy supplies will have a net positive contribution to reducing the region's ecological footprint

### Priority Actions

**Reduce public sector carbon and energy use** – commitment by regional/sub-regional public bodies to carbon and energy reduction/efficiency action plans as part of business plans. Commitment of all local Public Sector bodies through LAAs/MAAs to carbon and energy reduction/efficiency action plans. Supported by the development of a common calculation and assessment methodology developed as part of a Regional Carbon Action Plan and capacity-building support

**A leading-edge renewable energy sector** – prioritise the capacities and strengths of the region's renewable energy sectors (wave, tidal, wind, biomass) and develop an energy sector and supply chain development strategy, including skills and capacity-building. Further develop the offshore wind industry. Utilise Public Sector specification and procurement to support projects and developments that scale up production of renewable energy

**Break the link between GVA growth and car use through a modal shift** – support home-based businesses and promote home working to employers and employees, supported by delivery of Next Generation Broadband by 2016. Create exemplar sustainable travel towns in new developments such as Ebbsfleet

### What Needs to Happen in the Long-term

There needs to have been a shift in the attitudes and behaviours of businesses and residents in the South East to live, work and travel in more sustainable ways.

### Spatial Priorities

Reducing CO<sub>2</sub> emissions and increasing the contribution of renewable energy supplies will need to be delivered across the whole of the region, but areas with a high concentration of businesses and population and/or with significant growth ambition will have further to go and will therefore be a priority.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
100% Next Generation Broadband is critical to the take up of new smarter ways of working	Deploy best practice on renewables from other EU regions	Local land-based industries providing a significant proportion of renewable energy	Disadvantaged groups helped out of energy poverty through cheaper local fuel sources	Cultural and large membership organisations (e.g. the National Trust) leveraging green behaviour change

## 12 Sustainable Consumption and Production

**Achievability:**  **Target Sponsor:** **SEEDA**

### Summary

Reduce per capita water consumption in the South East by 20% from 169 litres per day in 2003/2004 to 135 litres per day by 2016, and achieve a 30% increase over the 2003 baseline in GVA generated per tonne of materials entering the waste stream by 2016.

**Expected Outcome:** 1. Reduction in water consumption to 135 litres per person per day  
2. 79% of all wastes to be diverted from landfill by 2015

**Main Partners:** South East Forum for Sustainability; South East Water Resources Forum; South East Consortium for the Built Environment; South East Centre of Excellence

### Contribution to Headline Indicators

#### GVA Growth

Waste and water efficiency will deliver cost savings, improved productivity, increased output and through supply chains enable businesses to reach new markets and develop competitive advantage

#### Increased Productivity

Reducing water consumption and waste generation is a key way of increasing resource and overall efficiency within the region's businesses

#### Reduced Footprint

Reducing virgin materials usage using sustainable practices and generating less waste will directly reduce the impact of social and economic activities on the ecological footprint

### Priority Actions

**Increase energy, water and materials efficiency in business** – deliver resource efficiency programmes through Business Link to maximise efficiency in all business operations. Develop the secondary materials supply chain in the South East to turn economic cost (waste) into economic opportunities (resource recovery), such as biomass and anaerobic digestion. Develop land-based businesses role in increased water storage capacity and reduced 'flash run off' rates through improved land management practices

**Smart ('zero carbon/zero waste') construction** – stimulate a "construction waste commodities market" through a whole-life resource efficiency approach in major developments (such as Ebbsfleet): reducing waste at source, construction consolidation, and re-use, re-cycling and recovery (e.g. through resource parks). Build climate change adaptation into housing and commercial property infrastructure and move upward from Level 3 Sustainable Homes in all Public Sector sponsored construction, especially through Local Area Agreements

**Stabilise and reduce resource consumption in existing developments** – demonstrate water efficiency technologies and low carbon/energy retrofitting through Public Sector development to stimulate interest and demand from Private Sector occupiers and owners. Stimulate behaviour change and demand reduction through education, flexible water tariffs and improved technology, leveraging a reduction in the unit cost of low-energy/water products

### What Needs to Happen in the Long-term

Extensive behavioural and systems changes will need to have been achieved by all sectors in the region – Public, Private, Third Sector and individuals.

### Spatial Priorities

Lower water and energy consumption and reduced waste generation is needed across the whole of the region, though sub-regions with a high concentration of businesses and population – or which are going for sustainable growth - will have further to go to achieving these targets and will be a priority for action.

ICT	Europe	Rural	Equality & Diversity	Culture & Creative Industries
Include ICT in SEEDA's Sustainability Checklist and seek adoption by Local Authorities	Draw on the EU Sustainable Production and Consumption Action Plan's guidance	Farming practices with the objective of self-sufficiency in water and energy use	Social enterprise able to grasp the business opportunities from energy and water efficiency	Creative Industries exploiting the marketing advantages of a green region

## 13 Natural Resources and the Environment

**Achievability:**  **Target Sponsor:** **Natural England**

### Summary

Achieve measurable improvements in the quality, bio-diversity and accessibility of green and open space.

**Expected Outcome:** Improved ecosystems services, resulting in better public health/well-being and net environmental benefit, including reduced costs of environmental crises e.g. flooding (Baseline still to be established)

**Main Partners:** Natural England; South East Forum for Sustainability; SEEDA; Environment Agency; Forestry Commission; Local Authorities

### Contribution to Headline Indicators

#### GVA Growth

Green open space is important to maintaining the region's quality of life, an important factor in attracting inward investment to the region, which in turn drives growth

#### Increased Productivity

Green open spaces contribute to the health of the population by providing a high quality environment and opportunities for leisure/recreation, which in turn impacts on absenteeism and productivity

#### Reduced Footprint

Green open spaces provide valuable ecosystem services and functions improving water, soil and air quality as well as providing space for flood alleviation.

### Priority Actions

#### Quality natural environment, including inter-connected green spaces and space for water

– a strong evidence base identifying pinch points and potential inconsistencies between policies and practice, identifying and spreading good practice through communities of practice/ centres of excellence; developing a 'land use' project to demonstrate cutting-edge land use and land management to deliver multiple benefits, including across administrative boundaries

**Green infrastructure built into new development** – green spaces for recreation, health and bio-diversity as part of spatial and public health planning, supported by incentives for investment decisions to address the through-life 'cost avoidance' benefits of green infrastructure as part of sustainable construction

### What Needs to Happen in the Long-term

The attitude of planners, developers, land managers and land owners needs have changed to understand the economic value of healthy ecosystems and environmental services, and build the values as well as costs into decision-making.

### Spatial Priorities

Whilst access to a healthy natural environment and green spaces in urban areas is needed across the region, the Diamonds for Investment and Growth will be a priority for green infrastructure due to the increased needs from population and business growth, and the consequential pressures on ecological systems and land.

#### ICT

Provision of wireless Broadband in public spaces to enhance the attractiveness of locations and increase usage

#### Europe

Implement EU Directives such as the Water Framework Directive and the Habitats Directive

#### Rural

A double dividend from rural areas: environmental goods and services, such as bio-diversity, as an economic and social asset.

#### Equality & Diversity

Green and open spaces in urban and rural areas accessible to the economically excluded to improve their well-being and health

#### Culture & Creative Industries

Art and artists prominent in public spaces as a way of contributing to community cohesion, quality of life and public enjoyment

## 14 Sustainable Communities

**Achievability:**  **Target Sponsor:** **SEEDA**

### Summary

Enable more people to benefit from sustainable prosperity across the region and reduce polarisation between communities.

**Expected Outcome:** Enable more people to benefit from sustainable prosperity across the region and reduce polarisation between communities (Baseline still to be established)

**Main Partners:** South East Excellence; Culture South East; South East Health Partnerships; Local Authority Partnerships; Regional Strategic Partnership for the Third Sector

### Contribution to Headline Indicators

#### GVA Growth

Encouraging more people to become economically active will increase the economic output of the region and increase GVA output

#### Increased Productivity

Addressing the barriers to employment will allow more people to enter the workforce, increasing productivity

#### Reduced Footprint

Ensuring communities meet local needs will reduce unnecessary waste of natural resources in the design and management of the built environment

### Priority Actions

**Tackle the causes of economic exclusion outside of the workplace** - Developing a robust evidence base to inform decision making in joint public agency planning and Local Area Agreements, with a strong focus on "those not in education, employment and training". This needs to be supported by strong regional lobbying for major tax and benefit to achieve a living wage for the South East

**Vibrant places and communities** – improving local knowledge, skills and participation in local place making, in particular using the educational curriculum and community based activities, to engage children and young people in local place-making, citizenship and volunteering. Critically, increasing the supply of affordable housing in both rural and urban areas, and using local buildings for work, learning, social and cultural activity

**Using the Voluntary & Community Sector to address disadvantage** – set a regional standard for social impact measures in public procurement contracts in partnership with Beacon Councils for procurement. Attract resources for the Voluntary and Community Sector through a South East Corporate Cabinet and a Regional Funders Forum. Stimulate collaborative working across VCS infrastructure organisations

**Stimulating cultural, health and social markets** - researching the impacts of demographic change and opportunities for new services and technology (e.g. assisted living) and identifying further opportunities to exploit. In particular capitalising on the opportunities that will be created by the South East offer for the 2012 Games

### What Needs to Happen in the Long-term

A stronger evidence base which identifies the factors prohibiting the excluded from entering the workforce is required for realistic targets to be set and actions defined and developed.

### Spatial Priorities

Action should be focused on the major areas of deprivation and exclusion, noting that for example areas of worklessness and health inequality may not map onto each other, so targeted efforts need to be evidence-based.

#### ICT

Projects to address digital exclusion for those "not in education, employment or training"

#### Europe

Implement any refocusing of priorities coming from the mid-term review of the Social Agenda

#### Rural

Polarisation reduced through affordable housing and business opportunities in rural areas

#### Equality & Diversity

Create a regional mechanism for disseminating examples of best practice in community engagement

#### Culture & Creative Industries

Exploit culture as an economic catalyst especially in new and expanding communities

## Transformational Actions

The eight Transformational Actions contribute to Targets across the three RES objectives as shown in the chart below.

		Targets													
		Foreign Direct Investment & Global Business	Knowledge Transfer & Expenditure on Research & Development	Innovation & Creativity	Infrastructure	Enterprise	Skills	Competition & Business Regulation	Transport	Physical Development	Employment	Climate Change & Energy	Sustainable Consumption & Production	Natural Resources & the Environment	Sustainable Communities
Transformational Actions	100% Next Generation Broadband	•	•	•	•	•	•		•		•	•			•
	Science & Innovation Campuses	•	•	•		•									
	Regional Infrastructure Fund				•				•	•				•	•
	Raising Economic Activity Rates					•	•	•			•				•
	Skills Escalator			•		•	•				•				•
	Global Leadership in Environmental Technologies	•		•		•						•	•		
	Education-led Regeneration				•	•	•			•	•				•
	Making the Most of 2012				•	•	•	•	•		•				•

The short descriptions included in the following pages show how each Transformational Action is developing. Further work will be undertaken as the RES implementation processes develop, so that more targeted actions plans can be developed which demonstrate how each Transformational Action will contribute to delivery of the 14 Targets.

### 100% Next Generation Broadband

#### Purpose

To be competitive in the global economy the South East will need to make the most of wireless and satellite technologies, and will require a completely new access network with fibre replacing copper as the connection into each and every home and business. Currently, however, the UK lags behind other competing nations and is still in the early stages of the political, regulatory and commercial debates which will ultimately shape deployment. Regional activity must therefore focus initially on influencing these debates and preparing the region to move swiftly once the uncertainties clear.

#### Outcome

The impact of this new infrastructure is wide. It will enable new and innovative services in our homes, work and leisure; transform the way people work and learn; improve business efficiency and public services; contribute to a reduction in miles travelled, congestion and CO<sub>2</sub> emissions; and enable new applications in e-health and assistive technologies for the elderly and disabled.

#### Objectives

- To establish the commercial, regulatory and technical frameworks to provide equality of access to all communication providers.

#### Progress

- SEEDA represents RDAs on the Broadband Stakeholders Group (the Government's chief advisory body on Broadband), which is tasked with identifying best practice in Public Sector intervention around the world.
- Local authorities and other sub-regional organisations will develop innovative sub-regional concepts and plans.
- Greenfield developments offer the best opportunity for early deployment of fibre. For example, Ebbsfleet has already been announced as the first major UK deployment of fibre to the premises in a greenfield site.
- SEEDA is investigating the longer term potential for creating a regional Special Purpose Vehicle to manage Public Sector-owned telecommunications assets resulting from Public Sector interventions. The Regional Infrastructure Fund may be a source of catalytic funding for Broadband infrastructure.

## Science & Innovation Campuses

### Purpose

The South East Science & Technology Advisory Council (SESETAC) has identified the need for four major Science and Innovation Campuses to be developed over the next five years. Whilst the campuses will have a physical site, it is intended that their impact should be felt across the region, engaging business and top-rated academia regardless of location.

### Outcome

Significant new businesses based in the South East, addressing global market opportunities by exploiting the new knowledge and new ideas produced in the world class universities of the South East.

### Objectives

- To develop and catalyse business opportunities with a global market by bringing academics and businesses together to collaborate on the acceleration of innovation - both in terms of products and processes.
- To promote three priority sectors/emerging technologies: sustainable systems; healthcare technologies; and communications.
- To leverage Private and Public Sector investment in science and innovation which will have significant impact on relevant RES targets, such as Knowledge Networks and Expenditure on Research and Development, and Innovation and Creativity.

### Progress

- Negotiations on the first campus at Harwell Chilton in Oxfordshire are currently under way, building on existing world class facilities:
  - ISIS, the world's leading pulsed neutron and muon source
  - Central Laser Facility, the world's highest intensity focused laser and Europe's largest space science and technology department
  - The Diamond Light Source, the largest science facility to be built for more than 30 years
  - Home to the Medical Research Council and the Health Protection Agency
- Ideas for a second campus in the Thames Gateway are under development. Located in the Ebbsfleet Valley, the Campus will bring together the best public and private research and development in sustainable technologies, construction, utilities, transport and communications in order to support the sustainable development of the Gateway itself.

## Regional Infrastructure Fund (RIF)

### Purpose

The Regional Infrastructure Fund will be a revolving infrastructure fund whose purpose is to catalyse and fund, at least in part, the timely provision of regionally or sub-regionally significant infrastructure that supports the delivery of planned growth as set out in the Regional Spatial, Housing, Transport and/or Regional Economic Strategy. This fund could be used for a wide range of infrastructure including: Transport; Housing; Education; Health, Social Infrastructure; Green Infrastructure; Public Services; Utilities and Waste; and Flood Defences.

### Outcome

Significant infrastructure delivered in a more timely way. Initial estimates are that the Fund could build to £50 million per annum, providing a borrowing capacity in excess of £350 million at any one time.

### Objectives

- To create a certainty of revenue flows enabling forward funding and accelerated delivery of prioritised projects through leveraging in funding from both the Public and Private Sectors.
- To adopt a 'business planning' approach to infrastructure planning by local planning authorities and their partners. This approach will include a thorough assessment of costs, timing, funding streams and responsibilities for delivery of major schemes, and robust and transparent governance arrangements.

### Progress

- SEEDA, the South East England Regional Assembly and the Government Office for the South East are working together to develop the structures necessary to support the Fund.
- The identification of initial revenue streams has focused on possible Regional Funding Allocations to provide capital, with a wide range of options being considered for identifying revenue streams by which up front capital investment would be recouped. This could be a combination of strategic planning contributions (Section 106, roof taxes, tariff or Planning Gain Supplement) or user charges. In due course other private investment will also be sought, for example the sale of concessions or longer term public funding commitments.
- Work has started on identifying exemplar projects and building business cases in order to have the first projects agreed and commenced during 2008-2009.

## Raising Economic Activity Rates

### Purpose

With almost 900,000 South East residents of working age classified as economically inactive the region can no longer afford to ignore the population not in work. At present, the range of services supplied across agencies and organisations are fragmented. The Leitch Review (Workforce Development) and the Freud Review (Welfare Reform) indicated that these two areas must be aligned and solutions provided that can meet an individual's needs as well as an employer's needs at any level if we are to tackle issues of economic exclusion.

### Outcomes

1. A co-ordinated and joined up client focused approach.
2. Economic activity rates increased from 82% in 2005 to 85% by 2016 by bringing 110,000 net additional South East residents of working age into the labour market.

### Objectives

- **Employment:** to identify and work with the economically inactive to provide them with techniques and confidence to enter the workforce.
- **Skills:** to assess the skills needs and provide appropriate training and development to the economically inactive.
- **Employers:** to work with employers to: improve their recruitment practices; tackle discrimination; develop and implement flexible working policies; and to explain the business benefits of addressing these issues.

### Progress

- **Employment:** This is being led by Jobcentre Plus and the Department of Works and Pension through the formation of Local Employment Partnerships (as announced in the 2007 Budget Speech).
- **Skills:** This is being led by the Regional Skills for Productivity Alliance and its six local delivery vehicles, which will become Employment and Skills Boards.
- **Employers:** this is being led by the newly formed UK Skills Commission together with Sector Skills Councils, in partnership with CBI, IoD, TUC and others.

## Skills Escalator

### Purpose

Skills remain a critical part of the economy and as the Leitch Review argues, the UK must raise its ambitions if it is to have a world class skills base by 2020. But skills problems exist now, with 22% of employers reporting internal skills gaps and over 500,000 adults of working age without qualifications. The Skills Escalator, which is supported by the Regional Skills for Productivity Alliance, is a framework for future workforce development to support the skills needs of employers and to ensure that people at all skills levels are ready to enter the labour market and are continually equipped to progress within it.

### Outcome

The Skills Escalator will provide the focus and framework for delivering these initiatives and the impetus to support the delivery of the targets set out in the Leitch Review. Through the Skills Escalator the region aims to achieve:

- 82% of the workforce skilled to Level 2 by 2016.
- More than 40% of adults skilled to graduate level and above by 2020.
- Continuous skills development embedded through apprenticeships, degrees, foundation degrees and management and leadership training.

### Objectives

The Skills Escalator identifies objectives for each of four key phases of skills development:

- **Exciting futures:** to enthuse children aged 9-13 with the possibilities for their future.
- **Inspiring learning:** to provide children aged 14-19 with the opportunities they need through 14-19 diplomas, Schools for the Future etc.
- **Developing progression routes:** to ensure that progression routes to Higher and Further Education, including Foundation Degrees, are available and accessible to all.
- **Changing workplace culture:** to support workforce skills development through the delivery of effective Information, Advice and Guidance about pathways for progression to businesses and their employees of all ages.

### Progress

A number of initiatives are already underway to support the delivery of the Skills Escalator including:

- At 9-13, **Up for Enterprise** supports teachers across the South East to develop the materials and knowledge to provide enterprise education.
- At 14-19, **specialised diplomas** give young people a fully rounded qualification combining theoretical and practical learning, while Skills Festivals inspire young people to consider their future career paths.
- In the workplace, **Train to Gain** provides free, independent and impartial advice on skills, and helps employers to access quality, flexible training that meets their needs. From April 2009, Train to Gain skills brokerage services will be integrated with Business Link, providing a single integrated service for businesses.

## Global Leadership in Environmental Technologies

### Purpose

Environmental Technologies and Services is one of the fastest growing global markets, estimated to be worth £2,600 billion per annum. Within the South East there are currently 2,630 environmental businesses, and the region is home to some of the leading UK businesses within the sector as well as top class research and academic institutions which are generating new ideas for environmental enterprise.

### Outcome

This Transformational Action aims to exploit the opportunities this sector offers by securing for the region a lead share of the global market for environmental technologies and to attract higher levels of investment in the sector. To achieve this, the region aims to become a hot bed of innovation that will create world class environmental enterprises of the future and will utilise the London 2012 Games as a global showcase for the South East's environmental enterprises.

### Objectives

- To maintain and update intelligence on global markets for this sector.
- To provide strategic sales support.
- To provide an intensive innovation programme.
- The facilitation of collaboration to allow South East companies to pool their know-how to meet new international market opportunities.

### Progress

- Initial research has highlighted specific opportunities in China, India, the Arabian Gulf and Europe as well as in the UK itself.
- Next steps involve producing a business plan which will detail the activity to be undertaken to achieve this Transformational Action, drawing on the support of a range of partners and looking to lever in significant private sector investment.

## Education-led Regeneration

### Purpose

Under-performing areas are characterised by isolation from markets and services and this includes those for skills, knowledge and innovation. These problems of isolation can be solved to a certain extent by providing transport and communications infrastructure, but sustainable economic development of an area also depends on growing skills, knowledge and businesses 'in situ'. Building on the successful experience of the Hastings and Bexhill Taskforce and the Multiversity at Medway, this Transformational Action aims to lead regeneration and growth through comprehensive planning for new schools, further education colleges, centres of higher education and business incubation facilities in under-performing places.

### Outcome

The impact of Public Sector investment is maximised by bringing it together in a comprehensive, long-term plan for economic development of an area. Funding streams include: Learning and Skills Council funding for Further Education; Higher Education Funding Council for England funding for Higher Education, Government Office for the South East funding for Schools for the Future; funding from regional or local sources to help catalyse a co-ordinated approach.

### Objectives

- To deliver education-led approaches to regeneration, tailored to meet local priorities, needs and opportunities.
- To develop a joint strategy involving £2 billion of LSC and HEFCE funding, identifying major projects for the refurbishment of Higher and Further Education facilities, where funds could be levered in from a broader range of stakeholders to deliver.

### Progress

- Station Plaza will provide education at the heart of Hastings, offering first class Further Education for young people and adults and providing local employers with a highly skills workforce. The development will include a new Further Education College Campus for Hastings, co-located with new health facilities and housing. Meanwhile, the University Centre at Hastings is already ahead of target towards 3,300 full-time students on campus by 2012.

## Compete, Create, Collaborate for a World Class Performance South East England's Offer for the 2012 Games

### Purpose

To ensure that the 2012 Games leave a positive and lasting legacy on the region key regional partners established the South East Partnership for 2012 to drive the collective regional offer; monitoring progress and reporting to the Nations and Regions Group at national level (part of the London Organising Committee for the 2012 Olympic Games and Paralympic Games).

### Outcome

The region's **vision** for the 2012 Games is that the South East delivers 'World Class Performance' so that every young person, business and community has the opportunity to participate in, and gain a positive legacy, whether economic, social or environmental.

### Objectives

1. To use the region's **strengths** to help deliver the 2012 Games; including building on the South East's environmental technologies sector to contribute to the 'One Planet Olympics'; using the Paralympics to affect a step change in provision for people with disabilities; and supporting South East businesses to take full advantage of commercial opportunities from the Games through skills and brokerage.
2. To **showcase** the South East by building on our world class offer of festivals and events through a four year Cultural Olympiad from 2008; promoting the South East as a region of ideas through our innovative ability; and improving and offering a world class welcome to visitors.
3. To create a sustainable **legacy** by using the Games to help create healthy, active and diverse communities; inspiring young people through Olympic values by offering every young person the chance to create, compete or collaborate with another young person from a competitor country; and supporting the development of a strong volunteering legacy.

### Progress

In May 2007, the Partnership launched "Compete, Create, Collaborate: The South East's Offer for the 2012 Games" a framework which sets out the vision, objectives and key actions required within the region. Six working groups are engaging a wide range of partners in specific action plans to deliver this framework, with an annual event involving key stakeholders to review and monitor progress.

# Next Steps

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This Implementation Plan sets out how we will move forward together as a region to deliver the challenging targets we agreed for the Regional Economic Strategy. We have already started the journey, as reported in the Annual Monitoring Report which accompanies this Plan, but we will need to continue working closely together if we are to deliver our aspirations for the region whilst responding to changing circumstances.

It is SEEDA's job to co-ordinate and manage delivery of the RES Targets and Section 5, 'Creating a Living RES', sets out the annual cycle by which partners will be engaged in monitoring and developing the RES. So, the next steps you can expect to see happening shortly are:

#### ● Consultation Responses

Letters have been sent to all those who responded to the consultation on the draft Implementation Plan setting out SEEDA's plans for taking forward the Living RES cycle.

#### ● RES Steering Group

This will build on the membership of the RES Leadership Group which has guided both the development of the RES and its Implementation Plan. The Steering Group will have its first meeting in December this year.

#### ● First RES Partners' Conference

This will be arranged as soon as possible in the New Year.

#### ● Action Plan Revisions

SEEDA will be working with target sponsors and main partners for each target to revise the Action Plans included in the Annex to the Consultation Draft by April 2008. The Action Plans (as yet unrevised) are available for reference at [www.seeda.co.uk/RES/RES\\_Implementation\\_Plan](http://www.seeda.co.uk/RES/RES_Implementation_Plan)

#### ● Web-based Forum

SEEDA will investigate tools for supporting an interactive, web-based forum by which Action Plans can be updated and will present its proposals at the first Partners' Conference in the New Year.



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