



# South East View

Going for Economic Growth  
Winter 2010



Rob Douglas CBE, SEEDA Chair

# Building on the region's strong foundations

**When the recession hit, SEEDA's immediate priority was to see how it could help businesses across the region. Firstly, we increased our business support package, including Business Link healthchecks and providing loans through Finance South East. We are now focusing on supporting key growth sectors in the South East to help drive the recovery – in the region and across the UK.**

The South East is a globally competitive region. At SEEDA, we have identified the sectors with the greatest potential to innovate and grow, which will help increase productivity and create new high value jobs. Evidence shows that 50 percent of new jobs come from a small number of growth sectors, such as digital media and space (see page 9). We are working with partners

and stakeholders in the region and nationally to develop the Regional Strategy – one framework to deliver economic prosperity and sustainable planning across the South East. I have joined SEEDA at a challenging but ultimately exciting time. The South East has strong economic foundations on which we can build. I am confident that together we will succeed.

This issue of South East View has news about SEEDA's recent activities: we are making changes to our organisation to better serve the region; and we are implementing strategies to deliver the economic regeneration that will transform where we live and work. I hope you find it interesting and will want to find out more.

**Rob Douglas CBE took up his role as SEEDA's new Chair on 2 November 2009 taking over from Jim Brathwaite CBE, our Chair of seven years.**

Rob is a business consultant with broad experience in both the public and private sectors. Prior to setting up in consultancy, Rob was a senior executive with Royal Dutch Shell working in senior general management positions. He joined Shell from the Inland Revenue, where he held senior tax posts, including Shell UK Tax Manager and Head of International Taxation, based in the Hague.

Rob has combined his consultancy activities with a number of non-executive roles in both the public and private sectors. He is currently a Board Member of the Higher Education Funding Council for England and a Governor of CILT, the National Centre for Languages. He was Chair of the Surrey Learning and Skills Council from 2000 to 2007 and remains a member of the LSC South East Regional Council. He was non-executive Director of SEEDA from 2001 to 2007, becoming a Deputy Chair in 2003. Since 2004 he has been on various advisory boards at the Department for Business, Innovation and Skills and its predecessor bodies, DTI and BERR.

## SEEDA welcomes offshore wind farm expansion

**SEEDA is working to exploit business opportunities for South East companies stemming from the Government's recent announcement on new offshore wind farms. Two of the farms will be off the South Coast.**

Oona Muirhead, Group Executive Director of Strategy and Resources, says: "This is a great opportunity for businesses in the South East and ports such as Newhaven, where the infrastructure exists to provide a potential base for wind farm construction and future growth.

"We hope this decision provides an incentive for wind turbine manufacturers to establish themselves within the South East and to utilise components from the region's first class suppliers."

A joint Crown Estate / SEEDA event is being held on 23rd February at Gatwick to tease out the supply chain opportunities with businesses.

## SEEDA invests £80m to support South East businesses

**Serco was recently appointed to deliver Business Link services across the South East. The £80m three-year contract begins in April 2010 and will deliver a comprehensive support service to help businesses become more productive and profitable.**

Benefits for individual businesses will include increased investment in frontline advice to reach a greater proportion of the region's businesses than previously and more intensive one-to-one support.

Pam Alexander, SEEDA Chief Executive, said: "The new Business Link contract comes at a pivotal time for the economy in the South East. The enhanced services will provide a great boost to South East businesses and aspiring entrepreneurs, delivering solid foundations for growth and preparing businesses for the upturn. Our aim is for a more efficient Business Link that supports local businesses, develops the region's economy and helps create prosperity for all"

Business Link supported 155,000 businesses and aspiring entrepreneurs across the region in 2009.

# On the road to reducing carbon emissions

**SEEDA is working as part of a consortium to test 40 electric, ultra low carbon MINI Es. Over the coming year, 80 drivers are testing the car from both a business and private perspective.**

SEEDA works with many high tech, innovative companies across the South East to help drive economic growth and create high value jobs. The MINI E project is developing a cutting edge, clean technology with a real chance of being successful commercially - these cars produce no emissions and have the same acceleration as a MINI Cooper.

The cars, built by BMW in Oxford, are being road tested by SEEDA employees in the South East to see how they perform. They will constantly stream data which is analysed to help improve performance and the overall driver experience. SEEDA has provided £825,000 funding towards the project through the Government's Technology Strategy Board and is part of our commitment to green technology and developing sustainable transport.

The other consortium partners are Scottish and Southern Energy, Oxford Brookes University, Oxford City Council and Oxfordshire County Council.



**SEEDA's Chief Executive, Pam Alexander, test drives a MINI E**

# SEEDA's chairman goes 'back to the floor' to support national apprenticeship week

**Rob Douglas, SEEDA's Chairman, became an apprentice for the day on Monday 1 February in support of National Apprenticeship Week (1 – 5 February). The day showcased the talent found within the region and demonstrated the value for business in employing and supporting apprentices in the workplace.**

Attending lessons at the Southampton City College Maritime Technology Centre, Rob learned about boatbuilding and composites. This was followed by a visit to Solent Refit, where he changed into overalls and helped Tom Noble, 24 – an existing apprentice with Yacht Project Associates – rebuild two main engines for a large vessel.

Rob commented: *"Equipping young people with the skills necessary to support growth industries will ensure the future success of the region. The marine sector currently accounts for a quarter of the Solent economy. Continued investment in this sector will build on the area's strengths, provide a platform for future growth and ensure that the South East remains a leading centre for the marine sector."*



Tom Noble and Rob Douglas

## Skills for growth

With the recent launch of the National Skills Strategy, "Skills for Growth", SEEDA is focusing on how best to help tackle skills gaps and shortages.

The Strategy aims to develop skills in key sectors to drive the economy forward. SEEDA's knowledge of what businesses need will help direct the skills delivery for the region.

The Strategy was announced by Lord Mandelson, Secretary of State for Business, Innovation and Skills, in November last year.

Of the role of RDAs play, Lord Mandelson said: *"We will strengthen the role of employer-led Sector Skills Council and business-led Regional Development Agencies in shaping an excellent supply of sources and training, designed in direct response to local and national employer needs."*

Providing evidence to the Business, Innovation and Skills Committee on 2 February, SEEDA explained how the recent changes are leading to economic growth as skills provision and funding is being linked to business demand.

Oona Muirhead, Director of Strategy at SEEDA said, *"SEEDA is working with local government leaders and sub-regional bodies in defining the skills requirements of people and businesses in the region to fulfil the needs of the New Industry, New Jobs agenda. We're working with the new Skills Funding Agency to ensure the deliverability of regional priorities."*

*A regional skills priorities statement for 2010/11 is being discussed and will be used to shape skills provision by the Skills Funding Agency."*

### New board aligns business and training needs

**At its first meeting, the South East's Economic Development and Skills Board agreed to use its new remit to bring the training needs of employers and employees closer together.**

The Board is one of three that advises the South East England Partnership Board (see page 8) on investment priorities in the South East. Its members are from the business and skills communities, the Board of SEEDA and councillors from local authorities.

Alex Pratt, Board Chairman and SEEDA Board Member, said: *"This new Board will oversee the delivery of the new Regional Skills Strategy, aligning it closely to what employers are looking for in the workforce to further economic development."*

For a report on this, and subsequent board meetings, see [www.se-partnershipboard.org.uk](http://www.se-partnershipboard.org.uk)

## Solent waterfront strategy wins top award

The Solent Waterfront Strategy, led by SEEDA, has won the Award for Spatial Strategy at the Royal Town Planning Institute (RTPI) Awards.

The strategy, which was prepared by Adams Hendry Consulting Ltd in collaboration with WS Atkins and Marina Projects Ltd, and commissioned by SEEDA, will support marine industry growth and safeguard sites that are essential in developing the marine sector.

Robert Crawford, SEEDA's Group Executive Director for Operations, said: *"The Solent Waterfront Strategy will contribute towards delivering job creation and further establish the region as a global competitor within the marine sector. The sector is entering an exciting phase and this strategy has already informed the regional policy and decision making process. We fully support this groundbreaking piece of work, which will see one of the Solent and South East's key industries continue to flourish."*

The marine industry is critical to the economy of the Solent area, employing around 38,000 people. The number of jobs is expected to rise to 58,600 by 2026.



Image courtesy of Green Marine

## Increase in new contracts fuels the regional economy

**Business activity in the region is growing according to the results from the latest Purchasing Managers' Index® (PMI) survey, sponsored by SEEDA.**

Latest evidence from the PMI survey shows that the number of new business contracts in the South East in December continued to grow, at levels last seen in the second half of 2007.

Commenting on the South East PMI survey, Paul Lovejoy, Executive Director of Strategy at SEEDA, said: "The South East economy is continuing towards economic recovery as private sector output continues to expand. This is an encouraging sign that business confidence is improving."

SEEDA's PMI survey is a monthly report compiled from data from a representative panel of companies based in the South East and is produced for SEEDA by Markit Economics.

## Helping businesses profit by going green

SEEDA has allocated £3.8m to green businesses throughout the region and established a £4m sustainability loan fund.

The £3.8m will fund 2,500 businesses to develop initiatives focused on waste reduction, sustainable procurement and the development of sustainable technologies. Qualifying businesses will undergo training and environmental audits in order to establish methods that boost profits through energy reduction.

The £4m South East Sustainability Loan Fund will provide additional support for businesses that contribute to reducing the region's ecological footprint. The fund will make between £20,000 and £200,000 available to businesses that wish to improve their green credentials.

The move is expected to increase the competitiveness of micro, small and medium sized businesses in the South East.

## South East enterprise - the next generation



Recent NEA graduates

**Young people in the South East will now be able to study for brand-new qualifications in enterprise and entrepreneurship at the National Enterprise Academy (NEA), backed and funded by SEEDA, the LSC and the Government.**

The brainchild of Dragons' Den entrepreneur Peter Jones, the NEA officially opened in September. It is the first UK educational organisation dedicated to giving young people and older learners the skills and confidence to become enterprising employees or entrepreneurs in their own right.

Working with the Department for Business, Innovation and Skills, SEEDA and the LSC have allocated over £11m funding to the NEA.

The NEA's curriculum pioneers a new and innovative way of teaching. Employers are helping lead and shape the skills being taught to the next generation of business leaders. Students experience business issues in real-life business environments, with a high level of input from a range of entrepreneurs and local businesses acting as mentors and tutors. The qualifications are delivered in partnership with Amersham and Wycombe, and Aylesbury colleges. The national headquarters of the NEA will be based in Buckinghamshire.



## Celebrating 1,000 days to go to the London Olympic and Paralympic Games

Saturday 31 October and 3 December marked 1,000 days to go to the Opening Ceremonies of the London 2012 Olympic Games and Paralympic Games respectively.

SEEDA is leading the South East Partnership for the 2012 Olympic and Paralympic Games to deliver a lasting social and economic legacy for the South East.

The South East is likely to achieve a market share of up to 10 percent of 2012 Games-related tourism and 400 contracts, worth £21m, are likely to be won by South East business. More than 1,000 South East businesses are already shortlisted as suppliers to the Games.

Events across the region celebrated the contribution that people in the region are already making to maximise the economic opportunities created by the Games.

# Innovation, investment and growth

**Eight Innovation and Growth Teams (IGTs) have been established across the South East with £20m funding from SEEDA, which will leverage further private sector finance. These teams will provide tailored coaching, mentoring and networking opportunities to businesses of all sizes with a potential for high growth. Experienced business professionals will tailor advice to the needs of each business to help maximise positive outcomes.**

The IGTs will further support economic growth in the eight South East Diamonds for Investment and Growth - Basingstoke, Brighton & Hove, Central Oxfordshire, Gatwick, Thames Gateway Kent, Milton Keynes / Aylesbury Vale, Reading and Urban South Hampshire - which are areas that have been identified as key economic catalysts for the region.

An example of the work of the Diamonds is the recently published No-Nonsense Guide to help reduce the Ecological Footprint of the South East. SEEDA is working with local authorities to tackle the South East's ecological footprint to help save money for individuals, communities and

businesses, while opening up opportunities for new jobs locally.

The guide shows practical ways of improving efficiency and reducing costs for householders and businesses. It will help the Diamond areas profit from the new low carbon markets which globally are expected to increase by 30 percent by 2015 (from £3,000b in 2007/08).

Cllr Andrew Finney, Chair, South East Diamonds and Leader, Basingstoke & Deane Borough Council said, "The South East Diamonds are committed to tackling their ecological footprint and making the most of new economic opportunities in these emerging markets. We have been delighted to work with SEEDA on developing this innovative guide which will help us to meet our commitments in reducing carbon and energy usage across our communities"

For more information visit: [www.southeastdiamonds.org.uk](http://www.southeastdiamonds.org.uk)

## Canterbury innovation centre

**The Canterbury Innovation Centre has recently opened on the University of Kent campus. The £7.3m Centre is funded by SEEDA to provide much needed high-tech space for budding entrepreneurs. The Centre connects business with nearby university expertise and will help drive innovation and entrepreneurship in the South East.**

Professor Julia Goodfellow, Vice-Chancellor of the University of Kent, said: "The Centre will enable more local and international businesses to access and benefit from research at the University of Kent. It will facilitate innovation and enterprise through the exchange of ideas, knowledge and skills with our staff and students, while helping to rejuvenate the local economy and create new jobs."



Canterbury Innovation Centre has been developed to the highest environmental standards, achieving an Excellent BREEAM rating. Sustainable design elements include solar panels, rainwater harvesting and biomass boiler within a sensitive design tailored to the site.

SEEDA has reviewed its Corporate Plan and is restructuring to deliver a leaner, more agile and responsive organisation. Our focus is on contributing to the Regional Economic Strategy with programmes delivering a direct and measurable impact on business investment, productivity and innovation. Our overriding aim is to help the South East maximise opportunities from the economic upturn.

# Prosperous, competitive, sustainable

**SEEDA's original Corporate Plan (2008-11) was agreed by Ministers in June 2008. Since then we have experienced the steepest global recession for many decades. The downturn in the property market and Government reductions to all RDA budgets mean that SEEDA's budget has been cut. However, we will still invest around £250million in the success of the South East economy over the two years 2009-11.**

To address the new challenges SEEDA undertook a review of the Corporate Plan and produced a refreshed document.

We aim to help create the best possible environment for business in a healthy and prosperous economy. Our prime focus is now on three areas critical to future success:

- International trade and inward investment, nurturing global companies
- Innovation, through collaborations to commercialise new ideas
- Business growth, through excellent infrastructure and expert support for increased productivity

We will integrate investment in business support, innovation, skills and physical development to support our key sectors and provide a clear, accessible support offer for businesses by:

- Supporting the success of businesses operating internationally
- Providing collaborative new opportunities for high-growth companies
- Investing in business-critical infrastructure such as specialist R&D laboratory space
- Driving mainstream investment in education-led regeneration
- Directing funding to employer-led training
- Encouraging businesses to contribute to a low carbon economy

A number of policy changes have also influenced our refreshed Corporate Plan – the new joint approach to regional strategy shared by SEEDA and South East local authorities, alongside new Government initiatives on greening the economy and regeneration. Our support for specific sectors likely to drive our economy out of recession also reflects the Government's approach to active industrial strategy in their policy paper New Industry New Jobs.

To view a full copy of SEEDA's refreshed Corporate Plan and Summary visit: [www.seeda.co.uk](http://www.seeda.co.uk)

## Implementing the strategy

Our focus for the future will be on programmes to support business that are based on innovation, high growth and productivity improvements; economic policies and intelligence to underpin our strategic influence; and a single Area Team supporting our five Area Directors and their Deputies who will be the link to local economies. We will aim for impact on key South East economic sectors in order to maximise inward investment, international trade, innovation and growth in our high value sectors where public intervention can make a real difference:

- Environmental technologies
- Advanced engineering and marine
- Aerospace and defence
- Life sciences and health technology
- ICT and digital media
- Financial services.

We will continue to prioritise areas of the South East where we can deliver the most impact, including the eight Diamonds for Investment and Growth, the Ashford Growth Area and three ongoing regeneration programmes in Hastings and Bexhill, Dover and Margate. We will continue to work towards the region's transition to a low carbon economy so that South East businesses derive the economic benefits.

*Image courtesy of Surrey Satellite Technology*



# New chair hosts annual open public meeting

**Rob Douglas CBE was introduced as the new Chair at SEEDA's Annual Open Public Meeting on 5 November. The meeting was attended by representatives of local businesses and stakeholder groups and members of the public who had the opportunity to question the SEEDA Board.**

Rob Douglas spoke about the Agency's priorities for the coming year (see page 2)

Pam Alexander, SEEDA's Chief Executive, welcomed Rob and said: *"As we move forward with Rob at the helm, we will build on our successes over the past year and work with businesses to grasp the world class opportunities around us to produce the results that will keep the South East a top global region. Last year alone we helped over 17,000 individuals to secure employment. Our work resulted in over 90 new inward investments and we*

*secured over £155 million for regeneration infrastructure schemes across the South East."*

Guest speakers were Chris McLaughlin, Inmarsat Vice President of External Affairs, and Councillor Paul Carter, Leader of Kent County Council and first Chairman of South East England Councils.

Chris McLaughlin commented: "So often in the business world you look at RDAs and you think 'What do they do?' And the answer is 'Provide the building blocks where the market would not be in place'. Without SEEDA there would be no Alphasat in Britain; we were saved both as a country and as a business by timely intervention from Regional Development Agencies and indeed by SEEDA's leadership, which helped us to win the Alphasat programme."

**For more information visit: [www.seeda.co.uk](http://www.seeda.co.uk)**

## A new partnership for the South East

**The South East England Partnership Board was established in 2009 to create a new Regional Strategy for the South East.**

The 20-year strategy will combine the Regional Economic Strategy with the South East Plan and take account of new requirements, such as updated climate change targets. As well as producing the strategy, the Partnership Board will also be responsible for delivering and monitoring it.

Four members of the Partnership Board are from SEEDA's Board and eight are from the Leaders' Board of South East England Councils – supported by some SEEDA staff and staff from the former Regional Assembly.

The Partnership is the result of the Government's sub-national review, which led to the recent passing of the Local Democracy, Economic Development and Construction Act (2009).

Work on the new strategy will begin in earnest in 2010, but six key topics have already been the subject of two workshops in February 2010.

- Economic growth and technological innovation
- Climate change and a low carbon society
- Funding for infrastructure and investment
- Tackling housing affordability
- Demographic change and an ageing population
- Dealing with economic disadvantage.

A project plan, which will include a consultation strategy, was agreed by the Partnership Board in February 2010.

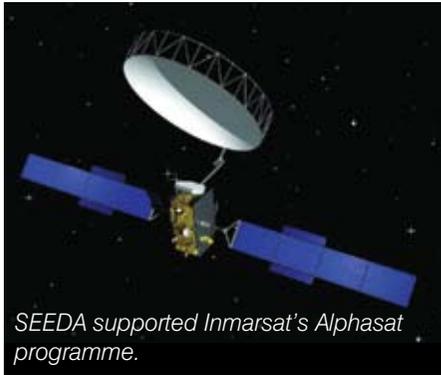
**For more information visit:**  
[www.se-partnershipboard.org.uk](http://www.se-partnershipboard.org.uk)

SEEDA's annual open public meeting 2009



Councillor Paul Carter said: *"There is an enormous need for significant regional components in the plan of things for the future, even under a Conservative Government."*

# Space in the South East



SEEDA supported Inmarsat's Alphasat programme.

**The South East economy is set to benefit from SEEDA's collaboration with other Government bodies to create a hub for the space sector at the Harwell Science and Innovation Campus.**

At the Harwell Science and Innovation Campus, the UK's first European Space Agency research centre was opened in July. SEEDA is now working with the Technology Strategy Board, ScienceTechnology Facilities Council and others to develop an International Space Innovation Centre on the campus to make the most of this research facility for the region and the UK. This will create a UK space hub at the Harwell campus with research and business links across the regions and internationally.

This opportunity builds on SEEDA's support for Alphasat. In 2007, SEEDA collaborated with East of England Development Agency and London Development Agency to invest £36m to enable Inmarsat to win a €500m contract with the European Space Agency to build the most advanced civilian satellite. This is now a successful project creating and retaining over 500 high technology jobs and already nearly £15m of contracts have been let to over 70 small businesses across the UK.

Early in 2009, SEEDA initiated a taskforce on the economic impact of the space sector, which found that the space industry's value to the UK economy is set to double over the next decade from £6.5bn to £14.2bn a year.

## No mean task as SEEDA continues to support south east businesses

Over 16,000 individuals facing redundancy have received assistance and advice directly from Continuing Employment Support Services – a redundancy support service initiative between SEEDA and Jobcentre Plus or through Taskforces since 2007.

Although each Taskforce is a bespoke package tailored to the organisation and the individuals affected, key elements of the service include:

- Workshops for all employees looking at CV writing and interview skills
- Skills checks and job search advice
- Self employment advice from Business Link
- Recruitment days with potential employers
- Job matching with existing companies

A Taskforce prepared for Vestas Blades held two recruitment days with potential employers and helped 115 people find new employment building on their existing skills. Sessions with Business Link and four open days with Taskforce advisors also provided additional support for the workforce.

Taskforce support has been delivered enterprises throughout the region including Ford, Lloyds Banking Group and Linde Material Handling.



Image courtesy of Vestas

## Supporting the region through to recovery

**Published in July 2009, SEEDA's Annual report set out how radical changes in the economy over the previous year led to a review of SEEDA's priorities. While maintaining our overall strategic direction, we have placed greater priority on activities to support the region through recession and prepare it to take advantage of the recovery.**

Immediate steps included £15m in business support including advice, grants, loans and enhancements to Business Link. We introduced monthly economic intelligence reports to help Government, local authorities and other partners better understand the impact of the recession across the region and develop effective actions.

Last year SEEDA:

- Progressed key Regional Economic Strategy objectives on global competitiveness, smart growth and sustainable prosperity
- Enabled infrastructure enhancements alongside partners
- Strengthened strategic influencing through the new Regional Partnership Board with local authority leaders
- Restructured to support the new focus and respond to a greatly reduced budget.

An independent review of our performance published last year shows SEEDA contributed £2.64bn to the region's economy in 2002-07, generating on average £5.60 for each £1 spent.

To view SEEDA's Annual Report and Accounts 2008-09 visit: [www.seeda.co.uk](http://www.seeda.co.uk)

**In 2008-9 alone, our core outputs included 8,000 jobs created or saved in the region, helping 17,000 people find work and helping 22,000 people improve their skills.**

# Backing business

**SEEDA and UK Trade and Investment (UKTI) results during 2008-09 have not only remained strong despite the economic downturn but are the best ever achieved in the region.**

Working closely with UKTI and a network of partners across the region, SEEDA's help secured 90 investment projects that are forecast to create and safeguard over 3,800 jobs over the next three years.

The South East continues to be the largest exporting region in the UK with a total value of exports at just over £40bn in 2008-09.

To view SEEDA and UKTI's Annual Review, visit: [www.seeda.co.uk](http://www.seeda.co.uk)



If you require any further information about the activities of SEEDA, please contact us

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## Winning International Investment

A SEEDA-led awareness raising tour resulted in Pinewood Studios winning the contract for the post-production of the Disney film 'Prince of Persia', which contributed £70m investment and 300 jobs to the region.



**To find out more about the information in this issue of SE View please click on the links below or visit [www.seeda.co.uk](http://www.seeda.co.uk):**

[SEEDA Corporate Plan and Summary](#)

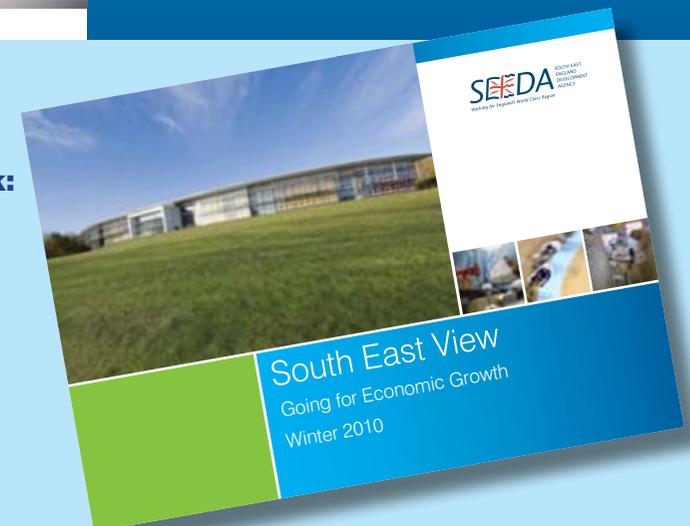
[SEEDA Annual Report and Accounts 2008 - 09](#)

[SEEDA and UKTI Annual Review 2008 - 09](#)

[SEEDA Annual Open Public Meeting 2009](#)

[South East Diamonds for Investment and Growth](#)

[South East England Partnership Board](#)



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