



Evaluation of the Projects and
Partnerships Supported by
SEEDA to Achieve Sustainable
Use of Natural Resources
Final Report

28 August 2008



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to Achieve Sustainable Use of Natural Resources

Final Report

SEEDA

A report submitted by GHK

Date: 28/08/2008

526 Fulham Road, London SW6 5NR
Tel: 020 7471 8000; Fax: 020 7736 0784

www.ghkint.com

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Document Control

<i>Document</i>	<i>Evaluation of the Projects and Partnerships supported By SEEDA to Achieve Sustainable Use of Natural Resources – Final Report</i>
<i>Job No.</i>	<i>30254939</i>
<i>Prepared by</i>	<i>Henry Leveson – Gower</i>
<i>Checked by</i>	<i>James Medhurst</i>
<i>Date</i>	<i>28th August 2008</i>

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EXECUTIVE SUMMARY

Introduction

The objective of this work is to provide an assessment of the impact and effectiveness of SEEDA's projects and partnerships to promote the sustainable use of natural resources. We have broken down this assessment into four main areas:

- What is the design of the projects and partnerships, their rationale and fit with SEEDA's and others' objectives?
- What have been their impacts?
- What is the strategic added value of SEEDA's involvement?
- What are the lessons to be learnt?

The aim is to provide an assessment of the past performance of projects and partnerships, while also providing forward looking recommendations.

SEEDA's sustainability work was addressed at tackling deep-rooted and complex market and socio-economic failures, through indirect levers to promote changes in behaviour. This resulted in a wide range of projects and partnerships. Our approach to this evaluation has, in consequence, been to focus analysis on:

- four projects (29% of total expenditure) where it is possible to produce robust quantitative estimates of net direct economic impacts; and
- a number of project and partnership case studies in order to identify more qualitative impacts and lessons for the future, in tackling complex sustainability problems where the impacts of action are indirect.

In order to do this, we have interviewed a range of stakeholders, reviewed documents and carried out a survey.

Overview of the Projects and Partnerships

The South East Regional Economic Strategy (RES) 2002-12 set the sustainable use of natural resources as one of its five strategic objectives. The overarching objective was that 'by 2012 the South East would be one of the world's leading environmental economies, with businesses in the region having made significant reductions in water and energy consumption and waste production, relative to the level of their output. This strategic objective was supported by three priorities:

- Invest in the environment – to maximise its contribution to a sustainable economy
- Secure sustainable land management – to provide the basis for a more prosperous future for the land-based sector
- Achieve sustainable management of water, waste and energy – to break the link between economic growth and environmental degradation

These were further developed and specified in SEEDA's Corporate Plan 2005-08.

Expenditure on projects and partnerships is broken up between these three priorities in Table 1:

Table 1: Analysis of expenditure by sub-priority area for 2004-07

Sub-priority	£'000	%
(A) Invest in the environment	364	6
(B) Secure sustainable land management	3,416	59
(C) Achieve sustainable management of water, waste and energy	2,036	35
Total Programme	5,816	

As can be seen the priority for the expenditure during that period was focussed on supporting the economic sustainability of the land management sector, especially agriculture.

The major common areas of activity across these sub-priority areas have been:

- Awareness raising, particularly of the value of the environment in economic terms and of sustainable development principles;
- Supporting and disseminating research and feasibility studies
- Initiating and supporting exemplar and demonstration projects which incorporate new and best practice methods in order to trigger market responses
- Sharing and celebrating best practice across the regions

Overall this period has been one of exploration and development. Much of the activity was around influence and indirect impact, with only four projects as noted above with direct economic impacts.

The new RES 2006-16 has signalled a change in emphasis through 'making a shift from small-scale flagship projects and demonstrators to a more mass-market approach that will both reduce ecological footprint and give SE companies a global market edge'. The new RES has also set more challenging measurable targets. SEEDA has now set out its actions to start delivery of the new RES in its Corporate Plan 2008-11 which has substantially focussed its activities to achieve the shift to a 'mass-market' approach.

Conclusions

SEEDA's activities in this area have been clearly consistent with and justified by the RES 2002-12 and their Corporate Plan 2005-08. Beyond these broad strategic documents, projects and partnerships have evolved, building on what existed and seizing opportunities. Also the RDA tasking framework outputs are not appropriate for these activities. While this has allowed for flexibility, it also means that they are diffuse and lack detailed rationales. This has meant that it has not been possible to assess the overall impact of projects and partnerships.

Much of the activity has been aimed at strategic influencing and awareness raising, particularly through research and demonstration projects, which is consistent with the RES 2002-12 and the Corporate Plan 2005-08. However, this means that the direct impacts of most projects and partnerships are very difficult to assess, especially as these projects often did not attempt to measure the impacts of their outputs.

Furthermore, expected outputs did not generally fit into the RDA tasking framework which does not include sustainability outputs.

There were only four projects with potentially measurable direct economic impacts. The estimated economic impacts from these projects are set out in Table 2.

Table 2: Sustainable Use of Natural Resource Projects: Estimate of Net Additional Regional Economic Impacts, 2004-07

Sub-priority	Projects - activities	Spend	Net Economic Impacts - GVA	
		£'000	£'000	%
Invest in the environment	None with assessable economic impacts			
Secure sustainable land management	Local Produce - training	786	na	na
	Biomass Exemplars - grants	592	2,200	38
Achieving sustainable management of water, waste and energy	New Recycling Infrastructure in SE – grants	234	3,570	62
	SuRCaSE – business supports	100	12	0
Regional Total		1,712	5,782	100

The net economic impacts have mainly arisen from:

- The sale of previously un-productive woodland for use in biomass boilers in public sector or third sector organisations, subsidised by SEEDA grants.
- The increase in sales of recycled materials resulting from investment in capital equipment for recycling subsidised by SEEDA grants.

We were not able to estimate economic impacts from the local produce training as we failed to get an adequate response to our survey to make an estimate. Economic impacts from SuRCaSE project business supports were particularly low for the period assessed, because most of the business supports occurred in a later period.

Other qualitative impacts from projects and partnerships were generally very difficult to ascertain given their broad nature and lack of a systematic measurement process. We were though able to draw some specific conclusions, mainly based on interviews (e.g. the South East England Biodiversity Forum had a significant on the SE Plan), which are detailed in the main body of the report.

Given the challenge of estimating impacts from the projects and partnerships, it is difficult to conclude on their relative value for money. On one level, it could be concluded that the benefits were likely to be greater than the costs, as net economic impacts without including any qualitative impacts are about equal to expenditure. However, there was no systematic process of prioritising projects and partnerships that were more cost effective to ensure that the greatest possible value for money was achieved. Hence, it is possible that SEEDA could have achieved greater value for money than it did.

Interviewees did provide evidence that SEEDA had contributed strategic added value to projects and partnerships. In particular, SEEDA's leadership role in promoting sustainable development in the region was widely acknowledged and praised, particularly through the partnerships it funded and contributed to. There was also widespread evidence that SEEDA's funding of projects had contributed credibility through its 'brand' that had promoted partnerships working. Beyond this, SEEDA had been widely seen as 'hands off' in its treatment of projects and so contributing limited immediate added value. This may have been down mainly to policy of giving independence to projects and partnerships.

Projects and partnerships have faced a range of challenges and drawn lessons and experiences. One major common theme to emerge was that most partnerships found it challenging to engage business and were still examining means to overcome this challenge. This may be a key area where SEEDA could add value in the future by assisting in developing partnership models which engage business more effectively.

More recently SEEDA has moved to establish a clearer focus for its activities around the current RES targets through business and action plans and larger more focussed projects. Partnerships in which they are involved are increasingly developing targets and monitoring their achievements. Major projects such as Pathway Towards Zero Waste (PTZW), which built on the approach tested in the exemplars work, are intending to develop metrics and baselines to clearly monitor their achievement toward RES targets. The Greening Campaign, part of stabilising the SE ecological footprint, has estimated clear outcome targets based on previous experience in the SE. This provides the potential for future activities with clearer, more evidence based rationales and intervention logics. These major programmes have at their heart building relationships and partnerships across the public/private sector from the start.

Recommendations

Currently the RES has ambitious targets and SEEDA, with other stakeholders, are developing a range of programmes and activities directed towards these targets. It is also worth noting that there has been a considerable increase in resources allocated to these programmes compared with the past three years. However, given the size and complexity of the challenge, it is as yet unclear how far these activities are adequate to achieve the targets or to ensure value for money. The very broad achievability traffic lights in the current RES Implementation Plan do not in themselves provide evidence of the feasibility of the activities achieving the targets set. However, it is important to note that work to help define the scale and nature of the problem has been undertaken, with the publication of the analysis of reducing the regional ecological footprint. This is being followed up with a number of stakeholder events to discuss the results and to define relevant actions.

Our overarching recommendation is that SEEDA continue to **develop a clear programme logic and well defined strategic and operational objectives** that links the range of SEEDA activities and their specific objectives to the achievement of the current RES objectives and targets, guided by the new Corporate Plan (2008-11), based on a clear statement of the problem and programme rationale and clear definition of the role and responsibilities of SEEDA and of other partners. Based on this logic SEEDA should **establish a programme of activities, set within a well defined monitoring and evaluation framework, defining specific inputs, outputs and outcomes and the role of SEEDA and partners in achieving these outcomes.**

Relevant government advice in support of this process is available from the OGC: http://www.ogc.gov.uk/ppm_documents_ogc_gateway.asp

We have broken this overarching recommendation for a clear programme logic and measurable outcomes into a number of steps:

- Establish the implementation gap between current business as usual trends and the RES targets building on the recent work on reducing the regional ecological footprint
- Identify the most effective organisations and mechanisms to address this implementation gap
- Identify the potential regional role in influencing or delivering action to address the implementation gap
- Analyse and prioritise SEEDA's role in addressing the implementation gap through projects, partnerships and influencing
- Develop a programme of activities with clearly defined strategic and operational objectives contributing to the RES objectives and measurable outcomes
- Collect relevant data, if necessary through delivery partners, to baseline and then monitor the success of delivery of outputs and outcomes

This should also ensure that this programme of activities can be evaluated more effectively in the future.

It is recognised that the design and delivery of a programme of this type represents a departure from the previous project based approach to promoting the sustainable use of natural resources and a low carbon economy. It is also concerned with the cross-cutting principle of sustainable development in the revised RDA Sponsorship Framework, rather than the specific economic outcome indicators. Finally, it is recognised that SEEDA can only play a part in delivery, other agencies and partnerships have also to contribute effectively. All of these factors make the preparation of the Programme relatively more difficult. We therefore also recommend that:

- Training and support is provided by SEEDA to programme managers in the design and testing of the programme approach and related monitoring and evaluation framework
- Project managers that are responsible for specific activities within the Programme receive training in programme management and monitoring so that they can contribute effectively both to delivery and monitoring processes
- Other Partners involved in the Programme receive clear advice on their roles and responsibilities both in terms of delivery and for the monitoring of activities.

INTRODUCTION

1.1 The Evaluation Objectives

The fundamental objective of this work is to 'provide an assessment of the impact and effectiveness of SEEDA's interventions' under its Sustainable Use of Natural Resources programme. The specification also requires that the evaluation should examine the progress SEEDA has made in addressing SEERA's Select Committee's recommendations made in June 2006¹:

- SEEDA could achieve greater impact through deeper involvement with fewer projects
- It should remain involved only in those areas where it can add most value and an evaluation of their current and previous projects would identify those industries, businesses and activities which it is most able to encourage behavioural change
- External partnerships that it is involved with need clear targets and a monitoring framework to establish how effective these initiatives have been in meeting their intended objectives

The specification then sets out 15 detailed questions for the evaluation to address. In order to assist in designing the methodology and to simplify the evaluation, we have organised these questions around the following broad issues:

- What is the programme design, rationale and fit with SEEDA's and others' objectives?
- What have been the impacts of the programme?
- What is the strategic added value (SAV) of SEEDA's involvement?
- What are the lessons to be learnt from the programme?

We have set out how the questions fit around these broad issues in Table 3.

On the basis of this evaluation, the brief requires forward looking recommendations on:

- The most favourable types of intervention that SEEDA should make in future
- Where it should target its resources to secure the greatest impact on the sustainable use of natural resources in the region
- Means by which SEEDA can add greater value to its interventions
- Where SEEDA should consider either establishing new partnership arrangements or terminating or restricting its current involvement

¹ SEERA's Findings of the Select Committee on SEEDA's Approach to the Sustainable Use of Natural Resources

In summary then the brief is looking for a robust and detailed evaluation of the past performance of projects and partnerships, while also providing forward looking and strategic recommendations.

Table 3: Organisation of Evaluation Questions

Issue areas	Detailed evaluation questions
Design, rationale & fit with objectives	1a) What was the rationale/evidence base for the projects and partnerships? 2a) what are the projects and partnerships trying to do 3) What is the pattern of RDA activities, spend and leverage (including identification of target beneficiaries)?
Impacts	1b) what contribution have the projects and partnerships made to delivering Agency objectives? 2) To what extent are the projects and partnerships meeting their original objectives, i.e. (a) what are the projects and partnerships trying to do and (b) what outcomes and impact have there been? 4) What are the gross and net outputs of the programme/theme (including review of the additionality logic chain) 5) What net economic impact has the programme/theme achieved as a result of delivering these outputs? 6) What contribution have the projects and partnerships made to RES and SEEDA Corporate Plan targets? 7) What has been achieved through the partnerships and projects in meeting the national & wider objectives (such as relevant PSA targets)? 8) Have there been any additional or unanticipated or anticipated outcomes? 11) Have there been any notable successes with partnerships and if so, in what way? 14) What have been the wider trends and policies that may have impacted on the achievements of the projects and partnerships? 15) Have the projects and partnerships represented value for money, taking into account direct cash contributions, leverage and SEEDA staff time?
Value added	9) What is the nature and scope of Strategic Added Value for the projects and partnerships, particularly in terms of influencing partners to direct their activities and resources behind programme goals, working as a catalyst, encouraging the desired economic activities? In responding to this specification, please use IEF (Impact Evaluation Framework) definitions and categories for SAV. 10) How effectively are the projects and partnerships delivering on partner and stakeholder expectations?
Lessons	12) What challenges or barriers have been faced and were overcome, and in what way? 13) Do the most appropriate partnerships exist to enable the region to deliver the RES Targets, or is there a need for new arrangements to be put in place?

1.2 Evaluation Approach

We used the following standard techniques in performing this evaluation:

- Analysis of project management information of projects and partnerships
- Review of key overview documents such as South East Regional Economic Strategies (RESSs) and SEEDA corporate plans
- Interviews of project managers and key stakeholders
- Case studies of selected projects and partnerships involving interviews of stakeholders and detailed analysis of key documentation
- A survey of project beneficiaries
- Economic analysis to assess net economic impacts

In completing this work we interviewed 55 stakeholders (see Annex 2 for a full list). These interviews were based semi-structured interviews (see Annex 3 for topic guides used). The project beneficiary survey was performed with an electronic survey form (see Annex 5).

In performing this work, we faced the following key challenges:

- Assessment of quantitative economic impact
- Identification of appropriate project and partnership sampling

These are discussed further in the next sections.

Assessment of Quantitative Economic Impact

A key issue for the evaluation was the extent of the programme that could be assessed quantitatively in terms of economic impact. In order to assess economic impact with confidence, projects need to have:

- A clear and direct economic rationale
- Gross economic outputs
- Clearly identified business beneficiaries able to assess economic impact

Furthermore in doing this assessment, we need to be able to make use of reliable data and apply sound analysis to produce robust findings.

We face particular challenges assessing quantitative economic impacts with this programme as most projects:

- are aimed not at achieving direct economic impacts but are immediately driven by environmental objectives which indirectly contribute to the economy (e.g. promoting biodiversity in new developments)
- are aimed at general business awareness raising rather than targeted at specific business beneficiaries (e.g. event sponsorship or research)
- do not have clear enough relationships between the activities and market impact to make assessment of economic impacts feasible (e.g. the Sector Champions projects).

In general these projects were addressing complex problems without direct straight forward causal relationships.

We have therefore categorised projects as follows to identify the proportion of projects amenable to quantitative assessment:

Table 4: Potential for Quantitative Assessment Categories

Probability of robust quantitative assessment	Economic rationale	Gross Direct Economic outputs	Business Beneficiaries
High	High	Direct eg jobs	Available & informed
Medium (with additional work)	Medium	Indirect eg training places	Available but diffuse
Low	Low	Minimal	Not direct
Not possible	Low	None	Not direct

Our quantitative assessment will be limited to those projects with a high or medium probability of giving robust results. Where there is a medium probability we will use a range of approaches beyond beneficiaries' surveys. For instance, SEEDA have funded product development and marketing training for farmers aimed at assisting them market value added local products. As well as surveying farmers attending the training, we will interview local purchasers of agricultural output to examine whether they have purchased new lines of local produce.

On the basis of our analysis against the above criteria, we only identified four projects for which quantitative net economic impacts could be assessed:

Table 5: Projects assessed for net economic impacts

Sub-priority	Projects/activities	£'000
Invest in the environment	None	
Secure sustainable land management	Training of local food producers	786
	Grants for Biomass Exemplars	592
Achieving sustainable management of water, waste and energy	Grants for support of New Recycling Infrastructure in SE	234
	Provision of advice to farmers in the SuRCaSE project	100
		1712

This amounts to about 29% of the total expenditure on the projects and partnerships, which amounts to about £5,816k. The remainder of the projects cannot be assessed for direct economic impacts.

Approach to project and partnership sampling

In general, the projects in the different areas exhibit a large level of variation in objectives and outputs. There are also a large number of different projects. The combination of these factors makes establishing a practical sampling approach

challenging. Given the priorities for the evaluation and the resources, we propose the following approach:

Firstly we will concentrate our resources where we believe we can assess quantitative economic impacts in line with the criteria discussed in the previous section. In general, where we consider projects do not have quantitative economic impacts, we will not assess their qualitative impact individually. The exception to this will be where we investigate particular projects and partnerships as case studies, which will be chosen mainly for their potential to provide learning outcomes as well as their potential for significant qualitative impacts.

It was agreed that the following projects and partnerships would be useful for providing learning outcomes and would represent the major projects and partnerships across the different sub-priorities:

Table 6 Project and Partnership case studies by Sub-priority

Sub-priority	Projects	Partnerships
(A) Invest in the environment	None	SE England Biodiversity Forum
(B) Secure sustainable land management	Sector Champions, Biomass Exemplars	SE Regional Food Group
(C) Achieve sustainable management of water, waste and energy	SuRCaSE, SE Recycling Infrastructure Project, Energy Flagships, Sustainability Checklist	SE Water Forum, SE Sustainable Energy Partnership, SE Climate Change Partnership.

2 THE SUSTAINABLE USE OF NATURAL RESOURCES PROJECTS AND PARTNERSHIPS

2.1 The Objectives

The Sustainable Use of Natural Resources projects and partnerships have been driven by the SE RES covering 2002-2012, in which the sustainable use of natural resources was one of five strategic objectives. The three priorities supporting this objective were:

- Invest in the environment – to maximise its contribution to a sustainable economy
- Secure sustainable land management – to provide the basis for a more prosperous future for the land-based sector
- Achieve sustainable management of water, waste and energy – to break the link between economic growth and environmental degradation

We review each of the three sub-priorities in the following chapters.

2.2 Summary of Expenditure by Sub-priority Area

Table 7: Analysis of expenditure by sub-priority area for 04-07

Sub-priority	£'000	%
(A) Invest in the environment	364	6
(B) Secure sustainable land management	3,416	59
(C) Achieve sustainable management of water, waste and energy	2,036	35
Total Programme	5,816	

From the above table it can be seen that the priority for expenditure has been on securing sustainable land management. Within the expenditure on securing sustainable land management, the priority is improving farmers' economic performance, which emphasises the conclusion drawn by SEEDA that environmental impacts and benefits need to be seen as integrated.

The major common areas of activity across these sub-priority areas have been:

- Awareness raising, particularly of value of the environment and sustainable development principles;
- Supporting and disseminating research and feasibility studies
- Initiating and supporting exemplar and demonstration projects which incorporate new and best practice methods
- Sharing and celebrating best practice across the regions

Overall this period has been one of exploration and development.

The new RES 2006-16 has signalled a change in emphasis through 'making a shift from small-scale flagship projects and demonstrators to a more mass-market approach

that will both reduce ecological footprint and give SE companies a global market edge'. This new RES has also set more challenging measurable targets.

3 SUB-PRIORITY A: INVEST IN THE ENVIRONMENT

3.1 RES 2002 Objectives, Actions and SEEDA Role

The 2002 RES sets out the task for the region as follows:

- Promote awareness and understanding of the environment as a key strength of the SE economy
- Maintain the value of the environment as an economic asset
- Secure investment in enhancing and restoring biodiversity
- Promote and support sustainable tourism

The RES 2002 Action Plan gives the following key areas of action to SEEDA:

- Awareness & understanding: support research & demonstration projects in environment led regeneration and disseminate examples of best practice.
- Maintain the value of the environment: support sectors dependant on the environment; promote better understanding of the high costs associated with managing and maintaining the countryside; make best use of countryside stewardship schemes
- Investment in biodiversity: promote biodiversity benefit associated with building development
- Sustainable tourism: develop and improve green tourism & expand farm accommodation for visitors in the countryside

There is a strong link between this sub-priority and sub-priority B in terms of maintaining the value of the environment through supporting sectors dependant on the environment so projects in this area have been included in the following sub-priority.

3.2 The Projects and Partnerships

Projects and partnerships can be broken up between the sub-priorities in the RES 2002. These are analysed in Table 8².

Table 8: Analysis of expenditure for sub-priorities 04-07 for 90% of expenditure

Sub-priority: Invest in Environment	Project No	£'000
Raising awareness & understanding	3	118
Maintaining the value of the environment – <i>see next section</i>		
Investing in biodiversity	3	93
Sustainable tourism	1	120
	7	331
Balance of projects and partnerships		33
		364

² This sub-priority does not include promotion of environmental technologies and services, which activity is managed within SEEDA outside the sustainable use of natural resources objectives.

The case study for this sub-priority is the funding of the South East England Biodiversity Forum (SEEBF), which received £15k over the 2004-07 period to fund the expenses of an independent chair and publication expenses. The aims of SEEBF can be summarised as developing, championing the delivery of and reporting on SE biodiversity objectives and targets for the SE. The main activities in this period have been influencing regional policy and the main outputs position papers. The full case study is documented in Annex 1.

3.3 Rationale and intervention logic

The broad rationales for intervention in this sub-priority are information failures (i.e. lack of understanding of the role of the environment in economic development) and externality and public good failures that lead to environmental degradation undermining the competitiveness of the SE economy. The main intervention logics have been research and demonstration of the benefits to the economy from the environment in order to promote improved environmental practice.

The key rationale for the SEEBF partnership is to address a potential coordination failure at the regional level of organisations promoting the conservation of and investment in biodiversity in the region. Its main intervention logic has been influencing regional policy to ensure regional biodiversity objectives and targets are reflected in key regional policy documents such as the SE Plan and the current RES.

The rationale for SEEDA's strategic engagement in this area and the intervention logics are reasonable and broadly consistent with the RES 2002-12, if not developed in detail. Stakeholders interviewed recognised and supported the key rationale that the economic competitiveness of the SE depended on a high quality environment and SEEDA's role was consistent with its sustainable development duty. This has been further reiterated in the current RES in target 13 to 'achieve measurable improvements in the quality, bio-diversity and accessibility of green and open space'.

3.4 Impacts

3.4.1 Economic

The projects, as they have mainly been concerned with research and demonstration, have not had direct economic beneficiaries although they have an ultimate economic rationale. Hence the net economic impacts of this sub-priority have been estimated as zero.

3.4.2 Qualitative and Strategic Added Value

At the strategic level, interviewees considered that SEEDA's promotion of the value of the environment for the economy had been important in influencing the regional policy agenda and that SEEDA funding had given legitimacy to linking environment to the economy. This was reflected in the ambitious environmental goals in the current RES, which had been supported by stakeholders. Opinions differed as to how far this had yet translated into SEEDA's overall activities and delivery on the ground. There was recognition though that SEEDA's development sites were demonstrating high environmental standards and hence leadership by example.

In terms of SEEBF, interviewees considered that its most significant impact was the influencing of the SE Plan given the key role of planning in delivering biodiversity conservation and improvement and that this would not have been achieved without the

partnership. It was suggested that if the partnership had not existed, there would not have been a single voice on biodiversity issues in the region which could have effectively influenced the SE Plan.

Opinions differed though on the significance of SEEDA's funding for this achievement. SEEDA had not set up this partnership but had provided funding for an independent chair and publications. Some felt that influencing the SE Plan would still have been achieved without the independent chair and the publication funding. Others recognised that SEEDA had brought an important economic understanding to inform promotion of biodiversity conservation which had the potential to increase SEEBF's influence and effectiveness, so SEEDA had demonstrated strategic added value through this influencing role.

3.5 Challenges and lessons

At the broad level some interviewees suggested that SEEDA had further to go to integrate the recognition of the value of the environment across SEEDA activities, while, at the same time, focussing its activities clearly where it had influence. They also suggested that there was a huge challenge for SEEDA in engaging with business so they recognised the relevance and value of the SE environment.

3.6 Future directions

The current RES sets out a target for natural resources and the environment, namely: achieve measurable improvements in the quality, biodiversity and accessibility of green and open space. The target sponsor is Natural England with SEEDA providing a supportive role. From the current Corporate Plan, the main SEEDA activities would be ensuring that its own developments would be exemplar projects, as well as, influencing the future provision of green infrastructure in the Diamonds for Investment and Growth.

In terms of SEEBF, it is currently developing a new strategy and considering how it can extend its influence over the delivery of biodiversity conservation, particularly through engaging more widely with land users such as developers, commercial property owners and port authorities. Opinions differ on the future direction of SEEBF and whether it should evolve or maintain its key focus on influencing planning. Arguably, SEEDA should be in a position to assist SEEBF engage more broadly with business, thereby providing significant SAV.

3.7 Overall assessment

This theme did not provide measurable direct economic impacts, but it was not intended to. Rather it was intended to ensure recognition of the strategic link between environment and economic success and in this it was successful. Overall interviewees confirmed that this area of work has been influential in ensuring that the value of environmental quality is recognised in contributing to the economic success of the region. SEEBF seems to have been effective in influencing regional policy, but opinions differ on SEEDA's contribution to this. SEEDA had given legitimacy through its funding of SEEBF to the importance of environmental quality as part of the region's economic competitiveness. This may have been important in helping get environmental targets embedded in regional strategies: both the new RES and the SE Plan. For the future, having achieved this milestone, it is now legitimate for SEEDA's focus to change and opinion was divided on what should be SEEDA's focus for the future.

4 SUB-PRIORITY B: SECURE SUSTAINABLE LAND MANAGEMENT

4.1 RES 2002-12 Objectives, Actions and SEEDA Role

The RES 2002-12 sets out the task for the region as follows:

- Support sustainable agriculture
- Support farmers to diversify and achieve higher added value
- Encourage the production of industrial and renewable energy crops
- Support woodland management and quality landscapes

The RES 2002-12 Action plan gives the following key areas of action to SEEDA:

- Sustainable agriculture: lobby for effective reforms to the Common Agriculture Policy; support the development of local produce
- Farmer diversification & added value: use redundant farm buildings across the region to provide employment and community uses; deliver the Livestock Revival Action Plan. Develop farmer cooperatives and local producer networks. Disseminate best practice
- Industrial & renewable energy crops: lead national RDA activity on renewable energy; promote & investigate potential industrial crops; Develop renewable energy supply chains and promote use of renewable energy sources.
- Woodland: develop regional forestry strategy; develop markets for region's woodland products.

4.2 Projects and Partnerships

In practice the activities under this sub-priority have been broken up under the following areas:

- Sustainable Agriculture: the key area of work is funding sector champions to address specific economic issues in their sector that have an impact on the sector as a whole
- Local produce: the key area of work is providing training to farmers to develop and market local produce so as to increase the product value.
- Woodland market development: the key area of work is funding demonstration projects, particularly of the use of biomass to produce energy, to create the conditions for widespread renewables introduction.

The first two areas of activity address the first action area in the RES 2002, while the last area also includes renewable energy in as much as it is not included in the next sub-priority on the sustainable management of energy. There is another key area, which we have not covered as it has been evaluated already: 'Use redundant farm buildings across the region to provide employment and community uses'.

See Table 9 for an analysis of expenditure against the included areas:

Table 9: Analysis of sustainable land management expenditure for 04-07

Sub-priority B: Sustainable Land Management	£'000	%
B.1: Sustainable Agriculture	784	23
B.2: Local produce	1,891	55
B.3: Woodland market development	741	22
	3,416	

Given the size of these three activities, they are further analysed individually in the following sections.

4.3 B.1: Sustainable Agriculture

4.3.1 *Projects and Partnerships*

Table 10 provides an analysis of expenditure under this area:

Table 10 Analysis of sustainable agriculture expenditure for 04-07

Areas	£'000	%
Sector Champions	321	41
New crops development	57	7
Education	24	3
Skills/training	38	5
Sponsorship of Agriculture Shows	145	19
Other Sponsorship	160	20
Protected Landscapes	39	5
	784	

Sector champions, as the major area of expenditure, have been chosen as a case study. The purpose of the sector champions projects is to fund (£20k each project) key leaders in sectors to pursue product development and take a greater leadership role to improve the economic performance of their sectors. Examples³ of projects are:

Sector	Project
Fruit growers	To assist apple and pear growers in the SE to understand the needs of and sell to English wholesalers and their customers.
All	To identify opportunities to sell local agricultural produce to public sector organisations.
Arable	To promote precision farming techniques to lower input costs to farmers and reduce environmental impact of farming.
Arable	To explore the economics and regulatory feasibility of setting up on-farm conversion of oilseed rape into fuel.
Dairy	To promote the importance of milk consumption to health, particularly in schools, and the value of the SE dairy industry.
Horticulture	To explore means of marketing home grown plants, particularly through British branding.
Dairy	To examine the potential to market Rose Veal produced through a welfare-friendly production system.

The case study, documented in Annex 1, examines two specific examples: champions in hardy ornamental stock and precision farming.

4.3.2 *Rationale and Intervention Logics*

The main rationale for intervention follows from two types of market failures:

- Information and cultural failure as farmers are unaware of technology and ways of working to improve their economic performance
- Failure to reward the full spill-over benefits of collective action and events such as Agricultural Shows.

³ taken from 'Farming for the Future in the South East of England' (GOSE 2006)

The first point draws strongly on evidence from the Curry Report⁴, which identified the need for added value and innovative actions to raise the profiles of some individuals in the industry in order to meet the apparent failure of the current market structure to deliver adequate leaders, innovation and value added. The RES 2002-12 implementation plan identifies the delivery of the Curry Report recommendations as a key action.

The key logic chains for this area are as follows:

- Fund sector champions to spend time working within their sector to improve the sector's economic performance.
- Sponsor Agriculture Shows and other activities to raise the profile of regional agriculture to improve its economic performance.

The main intervention in this area of sector champions draws on a strong evidence base and seems plausible, although it will depend on recruiting effective champions and given the size of the projects, may be difficult to assess in terms of success.

4.3.3 Impacts

Economic

It was not possible to assess quantitatively the economic impacts of these activities as they were more related to strategic added value and influencing the behaviour of the sector as a whole, rather than producing direct economic outputs such as a specific number of jobs.

Qualitative and Strategic Added Value

Evidence from the case study suggests that there have been significant intermediate outcomes from the sector champion projects through the development of leadership capabilities and progress in investigating and tackling significant issues for the agriculture sector. For instance, the sector champion promoting precision farming has been influential in the Home Grown Cereals Association proposing to establish a training programme in 2009. The key factor seems to be the engagement with the industry to identify suitable champions and the willingness of the selected champions to take the initiative.

Evidence also suggests that SEEDA's support has been important for providing credibility and respect for the champions, and hence had increased partnership working. However beyond this there is limited evidence of SEEDA contributing SAV as their involvement has been largely limited to providing funding.

4.3.4 Challenges and lessons

All the sector champion projects have effectively been exploratory in nature and delivered a range of lessons. A key challenge seems to have been the potential to identify and exploit synergies between the sector champion projects and SEEDA's wider rural agenda.

⁴ Farming and Food; a sustainable future, Report of the Policy Commission on the Future of Farming and Food, 2002

4.3.5 Future directions

The sector champions projects are planned to continue with new issues arising for different sectors which can be addressed through the same process. SEEDA is considering the need to further build the capacity of the Farming and Rural Issues Group (FRIG) to expand their ability to manage the sector champion projects and achieve maximum impact from them. SEEDA will conduct a detailed evaluation of the sector champion projects in 2008/09.

4.3.6 Overall assessment

It was not possible to assess quantitatively the economic impacts of these activities as they were more related to strategic added value and influencing the behaviour of the sector as a whole, rather than producing direct economic outputs such as a specific number of jobs.

The sector champion projects have received wide praise from interviewees as well as from Sir Don Curry, whose evidence inspired the initiative. They also seem to represent value for money as champions have often contributed significantly more than they were funded for. Evidence on intermediate outcomes suggest that they have potential to have impacts on agricultural economic performance, but given the size of the challenges and the relative size of the sector champion projects, it is not possible to establish what impact there has been.

SEEDA has rightly stayed at one remove from the sector champions, working through FRIG. SEEDA is now looking to develop the capacity of FRIG so that it is better able to learn lessons across the sectors.

4.4 B.2: Local Produce

4.4.1 *Projects and partnerships*

Table 11 provides an analysis of expenditure under this area:

Table 11 Analysis of local produce expenditure for 04-07

Areas	£'000	%
SE Regional Food Group Partnership	671	35
Livestock/Red meat work	118	6
Fisheries work	130	7
Local Food Groups	577	31
Food awards events	44	2
Other events etc (eg Trafalgar Day)	351	19
	1,891	

The case study for this area is the SE Regional Food Group Partnership (SEFGP), the most significant area of activity. The SEFGP mission is to build a flourishing local produce sector. It achieves this mainly by providing support to the county-based local food groups, trade development activities at the regional level and training.

4.4.2 *Rationale and intervention logic*

The broad rationales for these interventions are:

- Information failure as regional farmers and producers do not have the information relating to this significant change in activity in order to justify the full costs of relevant training.
- Failure of regional farmers and producers to capture the full benefits of regional events to promote local food.

This area of work follows from the RES 2002-12 implementation plan to develop the South East Partnership in order to develop local produce; although the focus has been on country level delivery as this was seen as more effective.

The key intervention logics for this area are as follows:

- Provide training for regional farmers and producers to produce and market local products so they are able to increase the margins on their sales and hence improve their economic performance substituting for sales of non-regional food.
- Fund the organisation of events promoting local food so regional farmers and producers are able to increase their market share and margins on their sales and hence improve their economic performance.

The broad rationale is consistent with the RES 2002-12 and tackled a market failure at a time when the economic benefits of local produce were not well known. Information failures may resolve over time, as the potential economic benefits of local products become better known and it is intended to take advantage of this and make the county groups self-financing over the medium term.

4.4.3 Impacts

Economic

These interventions have a strong economic rationale although most of the economic outputs are indirect (training places). There is a reasonably well defined set of beneficiaries of the majority of expenditure; regional farmers, producers and members of Local Food groups. We conducted a survey of the estimated 700 members of local food groups to seek to estimate the economic benefits from training. However, we only received 28 responses, of which only 8 had received training. 6 of these 8 respondents indicated they had received economic benefits, but this sample was not adequate to estimate overall economic impacts from training. We were therefore not able to assess quantitatively the economic impacts for the purposes of this evaluation. Full details of the survey results are in Annex 4.

Membership and income for many of the food groups has increased over the last few years. This indicates that they are providing services that are valued by their target group and that the promotion of local produce is seen as an economic opportunity by local farmers and producers. This is consistent with comments from the regional purchaser in one national supermarket chain that purchases of local food have increased in the SE and this could be partially attributed to the SEFGP, funded by SEEDA. However, interviewees identified clear trends in favour of local produce, so the extent of SEEDA's impact is difficult to establish for certain.

Strategic Added Value

Interviewees identified that SEEDA had provided leadership for work in this area, setting key directions through its involvement in SEFGP. Its support for SEFGP also raised the profile of the organisation and added to its credibility, which has helped it work with other public sector partners, hence promoting partnership working.

4.4.4 Challenges and lessons

The key challenges faced by the SEFGP have been largely technical and operational issues, which they have gradually addressed so that county food groups provide an increasingly consistent and high quality service.

4.4.5 Future directions

The main future direction for activities in this area is to build county food groups to be self-sufficient financially through income from members or other funding mechanisms. Funding for county groups will end in 2010. Another key aim is to ensure that counties provide a consistent level of support for local produce. SEEDA will evaluate activities in this area in 2009/10.

4.4.6 Overall assessment

We were unable to gain any statistically significant evidence on the economic impact of the local produce projects. However the increasing membership of many food groups and anecdotal evidence that the sales of local produce are increasing, would suggest that these projects are delivering economic benefits, although it was not quantifiable. It would be fair to assume that membership would not increase unless members saw the economic benefits.

4.5 B.3: Woodland Market Development

4.5.1 *Projects and Partnerships*

Table 12 provides an analysis of expenditure under this area:

Table 12 Analysis of woodland market development expenditure for 04-07

Areas	£'000	%
Forestry support	42	6
Wood enterprise	27	4
Wood for construction	56	8
Renewable exemplars: biomass boilers etc	592	80
Sponsorship of events	24	3
	741	

The case study for this area is the largest item, renewable exemplars. The Biomass Exemplar projects seek to investigate, test and demonstrate how lower grade wood can be used as a fuel, as part of stimulating supply chains for renewable energy. SEEDA has funded 3 intermediary companies to identify and provide funding to a range of projects from improving harvesting techniques to biomass boilers within the public and third sector.

4.5.2 *Rationale and intervention logic*

The rationale for intervention is based on co-ordination failure and complex network effects. Biomass use requires a developed market, but individual first movers, while bearing the costs of setting up the market, will not capture the full benefits of the established market. These activities are also in line with the RES 2002-12 action to exploit existing biomass resources.

The key intervention logic for this area is that funding renewable exemplars for public and community facilities will address the market failure outlined above and raise awareness of potential for biomass fuelled energy provision, thus promoting further sales of such technology and increasing involvement of landowners in the market.

The rationale and intervention logic seem to make economic sense, although developing such a market in the region would seem to be a major ambition compared to the level of funding available, and would require action above and beyond funding as SEEDA is planning for the future.

4.5.3 *Impacts*

Economic

The main direct economic impacts arise from increases in revenue from supplying biomass from regional woodland for the exemplars, from woodland that was previously unproductive due to the low quality of wood and lack of alternative markets. These have been calculated as £2.2m based on an estimate of the wood use by the funded exemplar projects. Full details of the calculation are in Annex 1.

Qualitative and Strategic Added Value

Beyond the economic impacts, there is some evidence of other intermediate outcomes:

- Projects appear to have been highly successful at raising awareness of alternative renewable power and fuel supplies, as they are generally highly visible in much visited locations.
- The capacity and the knowledge base of the sub-regional companies used for delivery of the projects have been significantly expanded and provide an important potential future resource.

However, it has not been possible to establish how significant these projects have been in building a market for low-grade wood. Limited available evidence suggests that the impact so far has not been significant in terms of 'kick starting' a market.

Evidence suggests that SEEDA's involvement has brought credibility and profile to the issue of biomass use, which in turn has promoted partnership working. Their innovative choice of funding mechanism has also allowed the flexibility to deliver and develop relevant on ground partnerships. SEEDA's involvement has also encouraged other key regional organisations (eg the Environment Agency and Forestry Commission) to become more involved in this area. Having said that, many of the projects were already underway when they received SEEDA's assistance, so any direct leadership role is less clear. Furthermore there is no evidence that SEEDA has sought to coordinate the projects to achieve further added value eg through coordinating technologies.

4.5.4 Challenges and lessons

A key initial challenge for SEEDA was the lack of in-house sector knowledge required to identify and select projects for funding. This was addressed through channelling funding through expert sub-regional companies.

4.5.5 Future directions

The overall promotion of woodland market development will be lead in the future by the Forestry Commission supported by SEEDA. Funding will be provided through the Rural Development Programme. Specific funding of biomass exemplars will not continue as standalone grant projects. In the future biomass exemplars will potentially be funded as part of SEEDA's strategy to promote renewable capacity using the Renewables Panel and Fund to be established under the current Corporate Plan.

4.5.6 Overall assessment

In general, the project seems to be addressing the rationale with a successful flexible funding mechanism, establishing high profile exemplar projects. There have also been substantial economic impacts compared to the funding at a ratio of about 4:1. However, there is no evidence of a significant impact on the operation of the woodland economy, which may reflect the overall limited level of funding available and the long-term nature of this challenge.

5 SUB-PRIORITY C: ACHIEVING SUSTAINABLE MANAGEMENT OF WATER, WASTE AND ENERGY

5.1 RES 2002 Objectives, Actions and SEEDA Role

The 2002 RES sets out the task for the region as follows:

- Addressing potential over-exploitation of water supplies
- Raising the awareness of the economic value of discarded materials to reduce waste
- Increasing demand for renewable energy and exploiting the business opportunities from this demand.

It sets out the following areas of action:

- Water: building understanding & awareness through the SE Water Resources Forum; research to build understanding of the economic benefits of water; action to encourage business and other employers to achieve best practice in water management.
- Waste: support practical initiatives to assist waste market development and re-use/recycling; encourage organisations to manage waste sustainably and gain economic advantage.
- Energy: promote energy efficiency and development of the renewable technology sector.

The 2002 RES action plan focus's SEEDA' lead role on promoting low carbon/renewable energy technologies and promoting & developing energy crops.

5.2 Overview of Projects and Partnerships

Projects and partnerships can be broken up between those that are aimed at the water, waste and energy sub-priorities and those that address resource efficiency more generally and hence all the sub-priorities.

Table 13 Analysis of expenditure for sub-priorities 04-07 for 90% of expenditure

Sub-priority C: Sustainable Management of Resources	Project No	£'000
C.1: Sustainable water management	2	152
C.2: Developing waste markets & recycling	3	277
C.3: Promoting energy efficiency and renewable energy	10	649
C.4: Promoting resource efficiency	8	773
	23	1,851
Balance of projects		185
		2,036

Each of these activities will be separately addressed in the following sections.

5.3 C.1: Sustainable water management

5.3.1 *Projects and partnerships*

There are only two substantial areas of expenditure in this area as set out in Table 14, although promotion of water efficiency is also included in the cross-cutting projects. Both these projects have been selected as case studies – see Annex 1 for their full documentation.

Table 14 Major Water Project and Partnership 2004-07

Project	Description	£'000
SuRCaSE EU LIFE Project	Demonstration of the Ecosystems Approach (EsA) to achieve integrated management of water resources. It involved the provision of advice to local authorities, businesses and farmers to promote sustainable management of 3 river catchments in SE. Total project £1.5m (05-08) lead by University of Liverpool with EU Life funding. SEEDA provided 7% of overall funding.	100
SE Water Resources Forum (SEWRF)	Forum, jointly run and funded with the Environment Agency, to build awareness and shared understanding amongst stakeholders of water management issues. Funding was mainly used to fund 3 one-day annual conferences for stakeholders.	52
		152

5.3.2 *Rationale and intervention logics*

The rationales for these interventions are mainly based on information failure: water users are unaware of sustainable water management practices that will provide them with economic savings. There was specific authority for the establishment of the SEWRF in the RES 2002-12. SuRCaSE also is broadly in line with the direction set by the RES 2002-12 as involving research to identify the economic benefits of improved management of water resources.

The key intervention logic is that the provision of advice on water management to water users and those that influence water use (eg Local Authorities through planning) leads to improved water management that in turn provides economic and environmental benefits. As actions that improve water management can also save money, there is an incentive to manage water use better. SuRCaSE is also specifically seeking to demonstrate the EsA approach in practice to its funders and other stakeholders in order for them to be more efficient and effective in their management of water resources.

These projects addressed the rationale through information provision, but there is a further market failure in that environmental externalities of water use are not included in the price of water so water is relatively cheap. This can mean that the incentives for improved water management can be relatively low, so that information alone does not necessarily lead to improved water management.

5.3.3 *Impacts*

Economic

The SuRCaSE project has clear business beneficiaries and potential net economic impacts as businesses and farmers potentially make savings from improved

management relating to water resources. In actual fact only farmers received advice and made savings in the 2004-07 period. The main source of savings was from improved soil management leading to reduced crop losses that were identified in 6 management plans. Based on information and estimates from the SuRCaSE project management, we have estimated £12k of net economic benefits to SEEDA's funding over the period covered by this report (details on the assumptions and calculation are included in Annex 1). The majority of the benefits will accrue after 31 March 2007 which we have estimated as totalling for the project £660k of which £44k would be attributable to SEEDA.

Overall net economic benefits from this project are less than half of the total costs. This does not though take into account the value of environmental benefits, which have not been monitored due to lack of resources. It also does not take into account the pilot nature of the project, which suffered delays due to challenges in coordination and engagement with water users. It does though suggest that a more detailed analysis of ongoing costs associated with advice provision should be considered against the net economic impacts.

Qualitative and Strategic Added Value

The main potential impacts from SuRCaSE have yet to be seen and are in terms of: learning for project partners and stakeholders as the lessons from the project have yet to be fully analysed and presented, although some have already emerged – see next section. SEEDA's main contribution of SAV, according to interviewees, was through its leadership role in terms of supporting this innovative project early on and providing authoritative backing to bring other partners on board and leveraging in extra funding. Interviewees also suggested that SEEDA's involvement added to the authority of the project and assisted it in working with other partners during implementation, hence promoting partnership working.

There was a lack of evidence on the impacts of SEWRF as there was no monitoring system in place. Generally though interviewees did not think that it had had significant impacts, given that outputs were limited due to funding. The main output of an annual 1 day conference open to all was not considered necessarily effective in leading to action on water management. It is also arguable that this might not have been the best use of the resources. However, SEEDA was credited by interviewees with providing the leadership to establish SEWRF initially, but some interviewees suggested that this leadership role had reduced over the recent period as SEWRF had lost direction.

5.3.4 Challenges and Lessons

SuRCaSE faced a particular challenge in engaging with business that showed limited interest in water efficiency, possibly due to its relative low cost, although it was suggested that water efficiency advice might be better delivered as part of overall resource efficiency advice. Conversely, it found that farmers were relatively well informed on efficient farming practices (e.g. nutrient budgeting) which made it more challenging to identify potential savings of this kind. In contrast, the project found openness among many farmers to water efficiency and other advice, indicating that it was meeting a need arising from information failure. Finally, it found the engagement with other related initiatives on the ground to avoid duplication resource intensive.

SEWRF's main challenge was engaging effectively with wider stakeholders, a challenge that interviewees considered it was yet to overcome with the limited

resources available. SEEDA has learnt from this and is insisting on clear deliverables from the SEWRF or any substitute partnership.

5.3.5 Future directions

The current RES sets ambitious targets for improving water efficiency in the region: reduction of water consumption in the South East by 20% from 169 litres per day in 2003/04 to 135 litres per day by 2016. Currently SEEDA is working with partners to identify the actions required to meet these targets and the appropriate partnership mechanisms, if required. A key area in the draft RES action plan is to create public/private partnership to lead to the development of spatially focused retrofitting programmes. Given the dominance of water use by existing households, this broad direction would seem appropriate. However, it does raise challenges as to SEEDA's role and the appropriate delivery mechanisms for this activity.

5.3.6 Overall Assessment

Although the lessons from SuRCaSE are yet to be finalised, emerging lessons do beg questions as to the effectiveness and efficiency of its delivery model. It may be that the EsA is relevant at a broad strategic level but delivery may need to be considered more fundamentally in terms of customer needs. These issues may be reflected in the relatively low net economic benefits of the project. It is also not clear how SEEDA will learn from this project although it may be catalytic in influencing other partners with more direct responsibilities in water management.

SEWRF was generally assessed as not being effective given its limited resources. Arguably, it was also not effective as its communication mechanisms were not clearly targeted and the effectiveness of annual conferences were not assessed or compared to other potentially more cost effective options (eg websites, workshops, newsletters etc).

In considering future activities in this area, the experience of this partnership and project would suggest the need for careful consideration of SEEDA's role given its limited influence on water management compared to other key organisations such as water companies, the Environment Agency and Ofwat. SEEDA is the sponsor of the target in the RES, so would reasonably be expected to lead in analysing the implementation gap in achieving this target, and establishing partnerships to take action to fill the gap. The analysis needs to take into account other national and regional initiatives, as well as its current initiatives on both water management in SEEDA lead developments and in providing resource efficiency advice to businesses.

SEEDA's role in a retrofitting programme for housing needs to be carefully managed to ensure it provides maximum strategic added value in an area with which it has no direct previous involvement. SEEDA views its future role as being on of building delivery partnerships across the public and private sectors, using its unique relationship with business to develop strategic interventions that engage business as well as local authorities and other partners (e.g. the Greening Campaign funded by SEEDA).

5.4 C.2: Developing waste market and recycling

5.4.1 *Projects and Partnerships*

Table 15 describes the major areas of expenditure on waste market development and recycling, although again the resource efficiency area covers waste too. As the major project in this area, the support for New Recycling Infrastructure in SE project was selected as a case study – see Annex 1 for the full documentation of the case study.

Table 15 Major Waste Projects and Partnerships 2004-07

Project	Description	£'000
Support for New Recycling Infrastructure in SE	1 year pilot study providing 5 Grants to businesses totally £191k in 2006-07 for recycling equipment to increase recyclate supply managed by Envirobusiness SE	234
Waste Market Development Research	Research on waste markets for the Waste Market Development group to inform a strategic visioning event	23
Community Waste Initiatives (Social Enterprises)	Support for Community Waste Initiatives (Social Enterprises)	20
		277

5.4.2 *Rationale and intervention logic*

The key rationale for this intervention is the inability of small businesses in this emergent industry to access other finance due to their size and the perceived risks of industry, hence creating a barrier to the development of recycling in the SE and of a recycling sector. This is in line with the RES 2002-12 action to support initiatives to assist waste market development and contribute to higher levels of re-use and recycling.

The key intervention logic for this area has been the provision of seed financing grants to emerging recycling businesses so they can develop sustainable businesses and increase the supply of recycled material in the SE with the resulting environmental and economic benefits.

The rationale would seem to be coherent and is supported by beneficiaries who claim that they would have not been able to access finance without the SEEDA grants. The intervention is appropriate to address this rationale.

5.4.3 *Impacts*

Economic

The only direct economic impacts from this sub-theme arise from the support for New Recycling Infrastructure in the SE. The main impact was to increase the GVA produced by grant recipients by increasing their processing capacity and the market value of their final products and hence their revenue. Based on data provided by Envirobusiness SE and interviews with all beneficiaries, we have calculated net present value of net economic impacts from this project as £3.57m. The full basis for the calculation is detailed in Annex 1.

There was also some evidence from beneficiaries that the grants had ensured their businesses were more financially sustainable. This may mean that in the future these businesses are able to access finance independently to further grow their businesses.

The project also diverted 61,300 tonnes of material from landfills in the South East Region, between 2006 and 2010. This diversion of materials from traditional waste disposal methods resulted in reduced CO2 emission of 4,800 tonnes.

Qualitative and Strategic Added Value

Wider stakeholders interviewed suggested that SEEDA had shown leadership in the region through promoting the management of waste as a resource. This was considered an important principal to promote in line with SEEDA's sustainable development duty. It was not so clear how this leadership had manifested itself beyond influencing the climate of opinion in the SE and allowing SEEDA to be ambitious on waste issues in the current RES.

SEEDA was also considered to have shown leadership through funding Envirobusiness SE to support recycling market development. Some grant beneficiaries indicated that they had received added value from Envirobusiness SE through networking opportunities. As SEEDA had set up Envirobusiness to lead this work, they did not directly engage with funded businesses to deliver direct strategic added value.

5.4.4 *Challenges and lessons*

One of the key challenges for this project was to ensure they received the highest quality possible applications for grants. A key lesson has been the need to involve key partner intermediaries such as Business Links, Sustainable Business Partnerships, WRAP etc in identifying and developing the most effective projects and applications. This lesson has been built into future activities, with those and other organisations fully involved in developing a strategy for the future.

5.4.5 *Future directions*

As a result of the success of the 1 year pilot study providing grants to recycling companies, it was extended a further 2 years. In its final year, this year, it will contribute to a substantial new programme, Pathway towards Zero Waste (PTZW) with targeted total funding of over £7m over 3 years. This is designed to make a significant contribution to delivering the ambitious targets in the current RES: to achieve a 30% increase over the 2003 baseline in GVA generated per tonne of materials entering the waste stream by 2016.

PTZW will focus on reducing waste in three sectors: construction, food and wood consistent with the priorities set in the Waste Strategy 2007 for England. This project will build on the experience of the supporting recycling under this theme as well as the Construction Resource Efficiency project that was part of the SE Brew programme. A key part of this project will be the development of baselines and metrics so that it is possible to measure the contribution of this project to meeting the RES target.

5.4.6 *Overall assessment*

This sub-theme with its emphasis on supporting recycling has followed from the RES 2002-12. Its rationale and intervention logic have been appropriate and it has

achieved significant net economic impacts of £1.58m. It did not have specific targets for achieving such impacts, so it is difficult to assess how successful this project was.

SEEDA is now building on this success with the PTZW. This should provide a platform to make a substantial impact on waste reduction in the SE. It will be important though in developing baselines and metrics to ensure that its contribution can be effectively measured and monitored. It will also be important to analyse the implementation gap that needs to be filled at the regional level to achieve the RES target.

5.5 C.3: Promoting energy efficiency and renewable energy

5.5.1 *Projects and partnerships*

Table 16 sets out the major areas of expenditure covering 90% of expenditure (2004-07). It was agreed that the largest expenditure partnership and project would form the case studies for this sub-theme: the SE Sustainable Energy Partnership and the Energy Flagship Project⁵. The detailed documentation of these case studies is in Annex 1.

Table 16 Major Energy Projects and Partnerships 2004-07

Project	Description	£'000
SE Sustainable Energy Partnership	SEEDA contribution to SESEP mainly supporting activity relevant to renewable energy promotion. SESEP is a partnership lead by the Government Office SE established in 2005.	149
Energy Flagship Project	Grant funding for 3 flagship community renewable energy projects mainly wind turbines	147
WindSupply	Research into opportunities in the wind energy supply chain, including a workshop	80
Bracknell Energy Supply Company (ESCO)	Research to development the concept of Bracknell ESCO & implications for South East	75
Bracknell Town Centre	Feasibility study to support the development of the Bracknell programme for renewable energy up to initiation	40
Renewable Energy Officer	Officer to supply specialist renewable energy advice to development projects and area teams	40
SE Renewable Energy Conference 2005	SEEDA contribution to the running of the Conference	37
Marine Energy Appraisal	Feasibility study for marine energy demonstration project in the Solent for the Isle of Wight	30
SEEDA Renewable Energy Feasibility Study	Feasibility study on implementing a renewable energy system in SEEDA headquarters.	28
Renewable Energy - RDA Lead Role Activities	Miscellaneous expenditure (mainly room hire for inter-RDA meetings) relating to SEEDA's role as Lead RDA on Renewable Energy	23
		649

5.5.2 *Rationale and intervention logic*

The key rationale for these projects and partnerships was broadly to address information failures due to the lack of knowledge of the technologies, feasibility and

⁵ The case study examines the experience of the two wind turbine funded only as the third grant funded a biomass demonstration which is addressed in a case study in the previous chapter.

benefits of renewable energy, where were particularly exhibited in the barriers to the development of renewable energy projects in the planning process. This is in line with the RES 2002-12 and the RES action plan giving SEEDA lead role in supporting initiatives ‘to develop the Renewable Energy Technology sector in the region, including support for renewable energy demonstration projects’.

The key intervention logics for this area are as follows:

- Providing grants to community groups to install demonstration uses of renewable energy to promote increased SE take-up of renewable energy and hence reduce SE regional carbon emissions.
- Providing grants to commission research or directly commissioning research into the feasibility of implementing renewable energy in order to promote the uptake of renewable energy and hence reduce SE regional carbon emissions.

The rationale and intervention logics are reasonably plausible, although there is the assumption that improved information on energy benefits will reduce resistance to renewable energy projects, this may not necessarily be the case. For instance, resistance may well result from views on the aesthetics of wind turbines that may only be stiffened by demonstrations.

5.5.3 *Impacts*

Economic

Projects in this sub-priority do not have a strong economic rationale except in terms of reduced carbon emissions and securing energy supplies providing public economic benefits. The only limited direct business beneficiaries are those supplying renewable energy technology, who are largely based outside the SE. Therefore, we have estimated this sub-priority as having zero net direct economic impacts.

Achievement of Renewable Energy Delivery

The main relevant outcome is that the SE is now very likely to achieve and exceed its 5.5% renewable energy target based on installed electrical capacity, potentially achieving 7% by 2010⁶, but fail to meet the more recent RES target of 10% based on primary energy supply. However, it is less clear as to what extent achievement of the former target has been contributed towards by SEEDA’s work funded through these projects and partnerships. TV Energy estimates that over 50% of installed capacity by 2010 will be provided by 2 major offshore wind farms (Kentish Flats and Thanet) over which the projects and partnerships in this theme would have had very limited influence, though SEEDA’s wider championship work may have influenced these outcomes. TV Energy forecasts that overall regional land based delivery of renewable energy (excluding landfill gas) will be about 50% of that envisaged by SEERA in its original development of the 5.5% target⁷.

However, arguably even less could have been achieved without SEEDA’s activities and certainly delivery of renewable energy initiatives can be a long-term venture. For instance, one demonstration wind turbine project, part funded by SEEDA, took 15

⁶ TV Energy, 2008 - Progressing Renewable Energy in the SE of England. Report to SEEDA

⁷ In SEERA ‘Proposed Alterations to Regional Planning Guidance, South East – Energy Efficiency and Renewable Energy’ (2003)

years from conception to implementation. Hence, SEEDA's activities and funding particularly of research in this period may delivery longer-term benefits as delivery of initiatives could occur after 2020, especially for larger, more complex ones.

There was evidence that SEEDA's funding of wind turbine demonstration projects had created interest and awareness. However, the effect on attitudes had not been assessed and no baseline study had been carried out against which a future study could be compared.

Strategic added value

Interviewees suggested that the Government Office SE, as chair of SESEP, had been given the responsibility for taking leadership in this area and SEEDA had had more of a supportive role, except in the area of biomass energy, which is addressed more widely in the previous chapter. Having said that, there was some recognition that SEEDA had provided some leadership through funding the SE Renewable Energy Conference in 2005, which had been influential. One interviewee looked for future leadership from SEEDA in promoting renewable energy. Another senior regional stakeholder identified this as the key area where SEEDA could deliver added value in the future.

5.5.4 *Challenges and Lessons*

Interviewees saw the complexity of the planning system as one of the key challenges for renewable energy initiatives. SESEP, part funded by SEEDA, had sought to address this through the provision of guidance and information, but interviewees considered that planning barriers remained substantial. This had been reflected in the substantial time taken to deliver the demonstration projects part funded by SEEDA.

5.5.5 *Future Directions*

The current RES has established new and more ambitious targets for delivering renewable energy capacity in the SE: '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. SEEDA, with partners, are current developing an action plan to deliver this target. A key element of this plan is developing an assessment of the capacities and strengths of the region's renewable energy sectors and developing a prioritised energy sector and supply chain development strategy, including skills and capacity building. Other elements include supporting the offshore wind industry, using public sector procurement and a Renewable Energy Challenge Fund.

This provides the potential to learn from the experience to date. This experience arguably suggests that SEEDA needs to substantially increase its focus and funding on a long-term strategy. This might suggest that 2010 target will have to be seen as aspiration as current action is unlikely to deliver by that date and as noted previously, current estimates suggest that only 7% will be achieved by 2010. Hence, SEEDA planning might more reasonably target achievement by 2020 and beyond.

5.5.6 *Overall Assessment*

It was not possible to assess economic impacts from this theme, as no projects or partnerships had direct business beneficiaries in this period, although current research may have future economic benefits.

There is limited evidence of impacts of the sub-priority theme to date in delivering renewable energy capacity. However, this is not altogether surprising given the long-term nature of delivery in this area. It does though suggest SEEDA needs to give the delivery of regional renewable energy greater priority and focus over the long-term, particularly with the ambitious RES targets. Stakeholders clearly see this as an area where SEEDA could add substantial strategic value.

5.6 C.4: Promoting resource efficiency

5.6.1 *Projects and partnerships*

Table 17 sets out the major cross-cutting projects promoting resource efficiency in the SE. The major project in this area was not included in this evaluation as it produced no outputs in this period and underpinned sustainable business advice provision in 2007/08, which has been separately evaluated. The case studies were the Sustainability Checklist, the next largest project, and the Climate South East partnership, which is not included below due to its relative low expenditure (£15k). Climate South East was set up to promote the SE region to be resilient to climate change and low carbon through promoting awareness, developing and championing solutions and influencing policy processes. Full documentation of the case studies is in Annex 1.

Table 17 Major Resource Efficiency Projects and Partnerships 04-07

Project	Description	£'000
Sustainable Business Advice	Research and development costs for a planned 2 year programme (07-09) to provide sustainable business advice	437
Sustainability Checklist	Guidance on new development sustainability for use by SEEDA, developers and LA planning. Website launched in 2007.	95
Sustainable Performance Assessment	Research to develop a self-diagnostic and reporting tool for businesses on their sustainability performance	89
Minor events, sponsorship, studies etc.	SEEDA contributions to events, research studies etc that support sustainable development	50
ISO14001/EMAS for SEEDA	Environmental Management System developed for SEEDA	33
Partners in Innovation Project	Development of training and guidance on sustainable construction. Total budget £127k.	24
Forum for the Future - Partnership Agreement	Provision of capacity building to SEEDA on promoting sustainable development	24
Sustainable Consumption and Production	Provision of capacity building to SEEDA on promoting sustainable consumption and production	21
		773

5.6.2 *Rationale and intervention logic*

The rationale for these interventions is largely to address information failure. This is broadly in line with the RES 2002-12, although this cross-cutting work is not directly envisaged. The issue of climate change impacts and adaptation is recognised in the RES 2002-12, although no specific actions are identified.

The intervention logic is broadly to address this information failure through research and developing information tools that allow businesses and others to understand more clearly the environmental issues and take action. In the case of the Sustainability

Checklist, a key role for the tool was to support local authorities in setting sustainability requirements for new developments, which would provide the incentive for developers to improve the environmental quality of their proposed developments. The tool was also to be used by SEEDA to demonstrate leadership within the region and show what was possible in delivering high environmental quality developments.

5.6.3 Impacts

Economic

Projects in this area did not have a direct economic rationale except the Sustainable Business Advice project, which did not deliver outputs in this period. We were therefore not able to assess quantifiable economic benefits.

Qualitative and Strategic Added Value

There was evidence of intermediate outcomes from the Sustainability Checklist as it has been used by SEEDA in the planning process for its own developments. This is consistent with interviewees recognising SEEDA's leadership role in the environmental standards of its own developments. The development of the checklist has also led one local authority to develop its own checklist to be used in its planning approval process. However there was no evidence of wider take-up of the Sustainability Checklist and evidence from interviews with developers suggested that they had no incentives to use it and were concerned at the emergence of a plethora of checklists nationally. Generally, though interviewees did see this Checklist as increasing awareness of sustainability issues regarding new developments. It was also adopted by other regions.

There was some evidence of intermediate outcomes from Climate South East partnership in terms of raising awareness of climate change adaptation issues given the increasing number of subscribing members. The Partnership had also had a strategic impact on the SE plan, which has included policies on adaptation to climate change. Interviewees acknowledged that SEEDA had provided a significant leadership role through the provision of the partnership chair throughout the partnership's existence.

5.6.4 Challenges and Lessons

The major challenge the Sustainability Checklist has faced is developing a tool that is useful for a range of audiences: SEEDA, local authorities and developers. Evidence to date suggests that it has not surmounted this challenge given the lack of use by developers and the fact that the only LA to build on it has developed its own version of the Checklist. SEEDA is now working with the new Homes and Communities Agency (HCA) to produce a jointly owned checklist, which will therefore have wider applicability.

Climate South East has faced particular challenges engaging business. This seems to be a common issue faced by partnerships supported by SEEDA, but Climate South East may be particularly challenged due to the lack of clarity in its mission combining climate change adaptation and mitigation.

5.6.5 Future Directions

Promoting sustainable consumption and production, and hence resource efficiency, is a key theme in the current RES, its implementation plan and action plans. Key areas

of future activities include provision of advice to businesses, 'smart' construction and retrofitting existing developments. Within the theme of smart construction, there is a reference to building 'climate change adaptation into housing and commercial property' in the Implementation Plan, but overall climate change adaptation is not a focus. SEEDA is intending though to contribute to the development of a regional economic 'climate change adaptation strategy'.

5.6.6 Overall Assessment

It was not possible to quantify economic impacts for this theme as no projects or partnerships had direct business beneficiaries in this period, although current research may have future economic benefits.

The Sustainability Checklist has developed into a useful tool for SEEDA to ensure its developments are exemplars of sustainability. However, its wider influence and effectiveness is not clear and raises questions about effectiveness of developing tools for a number of audiences. This may be overcome by developing a joint tool with the HCA that builds on the checklist.

The implications of the examination of Climate South East are less clear. SEEDA needs to be clearer on the extent of its role in promoting climate change adaptation. It seems reasonable that this should be addressed in its developments. It may also make sense to integrate adaptation issues into its future promotion of retrofitting of existing developments.

6 CONCLUSIONS AND RECOMMENDATIONS

6.1 Conclusions

6.1.1 *Rationale and Intervention Logic*

Programme activities during the period 2004-2007 were clearly driven and justified by the objectives set by the RES 2002-12 and SEEDA's Corporate Plan 05-08. However, the direction and objectives set by these documents were fairly broad. As a consequence, activities and partnerships appear to have been based on an approach of building on what existed and seizing opportunities, rather than a detailed action plan. Although this has allowed SEEDA to be flexible and responsive to project proposals it has also meant that activities are often diffuse, their rationale lacking detail, and objectives and expected outcomes unspecified quantitatively. This situation has also previously been identified and reported⁸.

Much of the activity funded in 2004-07 was aimed broadly at strategic influencing, awareness raising and exploration of issues. This was consistent with SEEDA's aims of developing this area of policy and activity in order to build support for clearer and more ambitious aims and objectives. The emphasis on influencing rather than delivery has also meant that activities have generally not had clear measurable output and outcome targets to direct them, and against which to evaluate their success. Furthermore, generally expected outputs did not fit in to the RDA tasking framework, which does not include sustainability related outputs.

Overall, this has meant that it has not been possible to systematically address the summative evaluation questions as set out in the introduction. We have rather identified a limited number of projects where it was possible to evaluate quantitative economic impacts and examined a number of case studies to identify more qualitative conclusions and lessons.

6.1.2 *Quantifiable Economic Impacts*

The majority of programme expenditure has not had quantifiable economic impacts. This is because most projects and partnerships fit into one or more of the following categories:

- They are aimed not at achieving direct economic impacts but are immediately driven by environmental objectives which indirectly contribute to the economy (eg investing in biodiversity)
- They are about general business/industry awareness raising rather than targeted at specific business beneficiaries (e.g. event sponsorship or research)
- The relationship between the activities and economic impacts is too indirect to make assessment of economic impacts feasible (eg the Sector Champions projects)

In these cases it has not been possible to estimate their economic impacts.

⁸ SQW & Ursus Consulting, 2006, Context and Issues Paper: SEEDA and Sustainable Use of Natural Resources

The remaining projects that do not fall in to these categories have been examined, with specific empirical research undertaken to reveal the related economic impacts.

Table 18 sets out the estimates of net additional regional economic impacts of those projects that were assessed. The net additional regional economic impact is assessed to be at least £5.8m over the period. These projects account for approximately 29% (£1.7m) of the total programme expenditure (£5.8m) on the projects and partnerships over the period.

Table 18: SE Sustainable Use of Natural Resource Programme: Estimate of Net Additional Regional Economic Impacts, 2004-07

Sub-priority	Projects - activities	Spend	Net Economic Impacts - GVA	
		£'000	£'000	%
Invest in the environment	None with assessable economic impacts			
Secure sustainable land management	Local Produce - training	786	na	na
	Biomass Exemplars – grants (1)	592	2,200	38
Achieving sustainable management of water, waste and energy	New Recycling Infrastructure in SE – grants (1)	234	3,570	62
	SuRCaSE – business supports (2)	100	12	0
Regional Total		1,712	5,782	100

Notes: (1) The estimates for the biomass exemplars and recycling grants are based on a full survey of all and not a sample of participants. (2) The majority of the benefits were delivered after the end of the period under examination.

The net economic impacts have arisen from:

- The sale of previously un-productive woodland for use in biomass boilers in public sector or third sector organisations, subsidised by SEEDA grants. This fuel has replaced fuel or electricity from national grids and hence has increased GVA in the South East region. The primary objective of this activity was to demonstrate the use of low-grade wood as fuel in order to 'kick start' the market for such fuel. These impacts are fully attributable to SEEDA as grants funding for these projects from relevant public sector organisations was not significant and projects would not have proceeded without SEEDA funding.
- The increase in GVA from the increase in sales of recycled materials resulting from investment in capital equipment for recycling subsidised by SEEDA grants. The primary objective of this activity was to provide seed financing for emerging recycling businesses to make them self-financing to increase levels of material recycling in the South East region. These impacts are fully attributable to SEEDA as the balance of funding for these investments were from private sector sources and the investments would not have occurred without SEEDA funding.

We were not able to estimate economic impacts from the local produce training as we failed to get an adequate response to our survey to make an estimate. Economic impacts from the SuRCaSE business supports were only £12,000 in the period under review as the benefits occurred later and hence not significant.

These estimates are not subject to sampling error as they are based on data from the total population examined, although their accuracy is dependent on the accuracy of information supplied by interviewees.

6.1.3 Other Impacts

For those activities without quantifiable direct economic impacts, given the lack of explicit detailed rationales as discussed above, it has not been possible to conclude on their overall outcomes and impacts. Further factors have made the task even more challenging:

- Awareness raising projects and partnerships, such as the South East Water Resources Forum, have very broad, multi-sector target audiences.
- Demonstration projects, such as wind turbines or biomass boilers, have generally lacked baseline or follow-up studies of audience attitudes or knowledge, where such audiences can be identified.
- Many projects, such as Farming sector champions, have sought to address substantial issues with very limited resources so it has been impossible to separate out their directly attributable impact.

We have though been able to draw some specific conclusions in the different areas on intermediate outcomes:

- The South East England Biodiversity Forum had a significance impact on the SE Plan and on linking environmental benefit to economic value.
- Sector champions developed leadership qualities and were good value for money as they often contributed more resources than they were funded for.
- The Biomass Exemplar project had a flexible and efficient delivery mechanism delivering high profile exemplar projects.
- The South East Water Resources Forum did not have adequate resources or the targeted communications strategy to do more that help raise some awareness of water issues in the South East.
- SEEDA funding to promote renewable energy has been too limited to significantly impact on the delivery of the regional renewable targets to date, as delivery has been dominated by multi-million pound off-shore wind projects.

The evidence base for these conclusions has generally been limited involving the judgements of a small number of people.

6.1.4 Value for Money

Given the limited possibility to assess quantifiable economic impacts from these projects and partnerships, it is difficult to conclude on their overall value for money. Overall benefits from them are likely to have been greater than costs as we have estimated net economic impacts of £5.788m (see Table 18), not including qualitative impacts, against total expenditure of £5.8m. It is likely that the value for money would

have been greater if projects and partnerships had been selected in a more systematic manner to achieve SEEDA's goals.

6.1.5 Strategic Added Value

SEEDA's leadership role in promoting sustainable development in the region, particularly as reflected in the ambitious environmental targets in the current RES, is widely recognised and applauded by key stakeholders. Stakeholders also suggest that much of this has resulted from the climate of opinion created by the projects and partnerships funded by SEEDA. However, there is not always further evidence as to the extent this has been the case particularly due to the lack of a detailed rationale for these activities as identified above.

SEEDA has been involved in a range of regional partnerships, which have often focussed on strategic influencing and awareness raising. There is evidence from interviewees that these have affected regional policy (eg the SE Plan) and contributed to the development of the current RES. There is evidence that this may be partly due to SEEDA funding and strategic added value, although opinions often vary on the significance of SEEDA's contribution.

For projects funded by SEEDA, the main strategic added value referred to by interviewees has been that of the SEEDA 'brand'. SEEDA support for environmental projects has provided projects with 'economic' credibility and authority that has assisted them in partnership working. Beyond this, interviewees have generally been unable to identify further added value provided by SEEDA and SEEDA has often been seen as taking a 'hands off' approach to projects. This may reflect the wide range of projects funded, making it very difficult for SEEDA to provide strategic input and develop broader systemic value. It can also at times reflect SEEDA's desire to encourage independence and self-organisation of the groups, which SEEDA funds, and a desire to stay at the strategic level rather than delivery level

6.1.6 Challenges and Lessons

Projects and partnerships have faced a range of challenges and taken away various lessons. The one general theme that has emerged from the partnerships has been the challenge of engaging with business. Partnerships have recognised that they are generally dominated by the public sector and need business input. However, to date they are still exploring how to engage business and have yet to identify models to achieve this effectively.

6.1.7 Future Directions

More recently, SEEDA has moved to establish a clearer focus for its activities around the current RES targets through action plans and larger more focussed projects. Partnerships that they are involved in are increasingly developing targets and monitoring their achievements. Major projects such as Pathway Towards Zero Waste (PTZW) are intending to develop metrics and baselines to clearly monitor their achievement toward RES targets. The Greening Campaign, part of stabilising the SE ecological footprint, has estimated clear outcome targets based on previous experience in the SE. This provides the potential for future activities with clearer, more evidence based rationales and intervention logics.

6.2 Recommendations

Currently the RES has ambitious targets and SEEDA, with other stakeholders, are developing a range of programmes and activities directed towards these targets. It is also worth noting that there has been a considerable increase in resources allocated to these programmes compared with the past three years. However it is as yet unclear how far these activities are adequate to achieve the targets or to ensure value for money or whether the level of resources are adequate given the deep rooted nature of the market failures, putting a premium on SEEDA's strategic added value role. The very broad achievability traffic lights in the current RES Implementation Plan do not in themselves provide evidence of the feasibility of the activities achieving the targets set. However, it is important to note that work to help define the scale and nature of the problem has been undertaken, with the publication of work on reducing the regional ecological footprint. This is being followed up with a number of stakeholder events to discuss the results and to define relevant actions.

Our overarching recommendation is that SEEDA continue to **develop a clear programme logic and well defined strategic and operational objectives** that links the range of SEEDA activities and their specific objectives to the achievement of the current RES objectives and targets, guided by the new Corporate Plan (2008-11), based on a clear statement of the problem and programme rationale and clear definition of the role and responsibilities of SEEDA and of other partners. Based on this logic SEEDA should **establish a programme of activities, set within a well defined monitoring and evaluation framework, defining specific inputs, outputs and outcomes and the role of SEEDA and partners in achieving these outcomes**. Relevant government advice in support of this process is available from the OGC: http://www.ogc.gov.uk/ppm_documents_ogc_gateway.asp.

We have broken this overarching recommendation for a clear programme logic and measurable outcomes into a number of steps discussed below. It should be noted that implementing these recommendations will not mean that outcomes will be measurable solely through quantitative economic impacts. Other types of environmental outcome indicators will be necessary and also qualitative assessment will remain crucial in assessing SEEDA's role of providing strategic added value.

6.2.1 *Analyse the Implementation Gap*

A key first step is to analyse the gap between the current levels and trends and the RES targets. This requires an assessment of business as usual i.e. a projection of current trends taking into account economic growth forecasts, and current policies and programmes. Current policies and programmes include national mechanisms in place in terms of how they affect activities in the SE region (eg landfill diversion targets for municipal waste and landfill tax increases). This business as usual trend can then be compared to the target as the basis of programme design. This analysis should also identify which sectors are most significant in terms of contributing to the identified gap. This would build on the recently completed analysis on reducing the regional ecological footprint. This analysis would not be straightforward and involve judgements and assumptions, but should provide a reasonable idea in terms of broad orders of magnitude, of where the key implementation gaps are and the relevant sectors that need to be addressed.

6.2.2 Analyse Influences and Opportunities for Response

The next step is to analyse the most effective organisations and mechanisms to target specific issues and related implementation gaps, and to directly influence responses to identified gaps given the sectors that are responsible for them. For instance, addressing water consumption is likely to require measures to reduce water use in existing housing. This might be most directly influenced by water companies that are in the process of introducing metering. In the area of waste, given the strong impact of current policies on municipal waste, the key issues are likely to relate to business waste; waste companies introducing recycling services in response to landfill tax increases may be the most effective response.

6.2.3 Analyse the Regional Delivery Options

The next step is to analyse the potential regional policy role in influencing or delivering action to address the implementation gap. This could involve either directly influencing regional activities or influencing national policy where this is likely to be most effective. For instance, reducing SE per capita water consumption may be best achieved by influencing Ofwat's Water Pricing Review 2009 to ensure water companies have water efficiency targets and funding agreed for meter installation. On the other hand, waste has no such equivalent national economic regulation for business waste activities and waste services tend to be reasonably local given transport costs. Hence, direct regional actions and influence are potentially more effective.

6.2.4 Analyse and Prioritise SEEDA's Role

SEEDA then needs to consider how its activities best fit into the regional opportunities. Where does it have the ability to deliver activities and influence outcomes that will achieve the greatest impact on the implementation gaps? For instance in water, it has limited direct interaction with existing developments, which are the key determinants of overall water consumption. In addition, key regional partners, such as the Environment Agency and Water Companies, are likely to have much greater influence over Ofwat. Hence, SEEDA's role is currently to support and influence these key partners.

6.2.5 Develop a Programme of Activities

From the above logic, develop a programme of priority activities, with clear and explicit objectives, for each RES target. As far as possible, ensure that all prioritised delivery options have quantified estimates of the potential outcomes they can deliver, measurable against RES targets, and that this delivery can be monitored against clear base lines as with the Greening Campaign. This may not be immediately possible due to lack of evidence. If this is the case the development of the evidence base must be built into the delivery plan as with the Pathway Towards Zero Waste project.

All delivery options should have a clear rationale, particularly in terms of market failure, and intervention logic, based on the best available evidence. This should provide the basis of objectives and ensure the most effective implementation of delivery options against target. It should also drive the collection of output and outcome data to monitor the cost effectiveness of the intervention and facilitate evaluation of projects and partnerships in the future. This is likely to require delivery partners to collect relevant data; and reporting requirements need to be integrated into funding agreements. The collection of output information should not be limited to the new sponsorship framework. This is likely to be inappropriate or represent an incomplete basis for the monitoring framework in this particular context.

A key element of delivery is likely to be the use of partnerships especially those with representatives from businesses influential in delivery (eg Utilities). SEEDA needs to develop models that are more likely to engage relevant businesses. This may well involve moving or extending from broad based regional partnerships appropriate to regional influencing to more local problem focussed partnerships. A key element of SEEDA's SAV should be to provide expertise on mechanisms for engaging business given its links and relationships with business as a regional development agency, and ability to bridge the public/private sector divide.

6.2.6 *The Need for Training and Support*

It is recognised that the design and delivery of a programme of this type represents a departure from the previous project based approach to promoting the sustainable use of natural resources and a low carbon economy. It is also concerned with the cross-cutting principle of sustainable development in the revised RDA Sponsorship Framework, rather than the specific economic outcome indicators. Finally, it is recognised that SEEDA can only play a part in delivery, other agencies and partnerships have also to contribute effectively. All of these factors make the preparation of the Programme relatively more difficult. We therefore also recommend that:

- Training and support is provided by SEEDA to programme managers in the design and testing of the programme approach and related monitoring and evaluation framework
- Project managers that are responsible for specific activities within the Programme receive training in programme management and monitoring so that they can contribute effectively both to delivery and monitoring processes
- Other Partners involved in the Programme receive clear advice on their roles and responsibilities both in terms of delivery and for the monitoring of activities.

ANNEX 1 – CASE STUDIES

South East England Biodiversity Forum (SEEBF)

Objectives and Rationale

The aims of SEEBF are to:

- develop and review biodiversity objectives and targets for the region within all an England context
- champion the delivery of biodiversity objectives and targets within the region
- enable, coordinate and service regional biodiversity monitoring, interpretation and reporting to regional bodies.
- raise the profile of biodiversity amongst key stakeholders.

SEEBF is one of nine regional partnership bodies, established by DEFRA, to contribute to delivering national biodiversity commitments.

SEEBF has developed and established biodiversity objectives and targets for 2010 and 2015 linked to national objectives and targets. SEEBF will be establishing a simple monitoring process through which it will be reporting against these targets. This will enable it to measure its achievement against its second aim to 'champion the delivery' as 'delivery' is identified as an important priority.

The key rationale given by interviewees for the partnership was to address a coordination need at the regional level amongst the various statutory and non-statutory bodies with an interest in SE Biodiversity. There was no formal evidence base but there was informal well established evidence of a wide range of relevant bodies (e.g. English Nature now Natural England, Environment Agency, RSPB, and Wildlife Trusts) and a growing regional policy agenda. The partnership has addressed this rationale.

The main underlying theory of change would seem to be that the forum, through producing joint positions and evidence on biodiversity, would influence key regional policy, particularly the SE Plan, which will influence the achievement of biodiversity objectives in the SE contributing to the SE ability to attract and retain business. This was consistent with the SE RES 2002-12 Priority 16 of investing in environmental capital to maximise its contribution to a sustainable economy and specifically, action 3 within this priority of securing investment in enhancing and restoring biodiversity, to generate better economic, environmental and social returns in the future.

Activities and Outputs

The key activity of the partnership over the period evaluated has been the development of joint positions on biodiversity objectives and targets, which has produced outputs setting out these positions for key regional bodies such as SEERA. In particular, SEEBF published in 2004 documents and maps identifying setting our regional biodiversity targets and areas of strategic opportunity for biodiversity. These have been developed through quarterly meetings of the executive of the partnership involving key interested biodiversity bodies above, as well as SEEDA, GOSE, SEERA and the Forestry Commission. Funding of £12k from SEEDA (04-07) has been

matched by Natural England and the Environment Agency, and has funded the expenses of the independent chair and publication expenses for outputs.

Over this period the partnership produced biodiversity monitoring information, in partnership with the county based Local Record Centres in the region relying on work done previously. This is now being updated to feed into a revised SE Biodiversity Strategy, which will be a future output of the partnership.

Outcomes and Impacts

A key achievement of SEEBF, according to all interviewees, over the recent period was to draft the text on biodiversity objectives and targets in the SE Plan. This would be an intermediate outcome for the partnership as the final outcomes of biodiversity conservation and improvement would only potentially result through delivery on the ground through changes to land management and through the wider planning system. SEEBF do though currently consider that the majority of the 2010 targets for biodiversity will be achieved.

SEEBF was also highly influential in drafting target 13 in the RES 2006-16, which sets out the need to 'achieve measurable improvements in the quality, biodiversity and accessibility of green and open space' although understanding the means for implementing this pioneering target are still being developed led by Natural England, the target sponsor.

Generally it was agreed by interviewees that the existence of this type of partnership had been essential to achieve these outcomes. However, there was less agreement as to the importance of SEEDA's funding and the independent chair. It was suggested by one interviewee that the key drivers of this work has been the partnership members, which would have happened with or without the funding and the independent chair. There was also a view that the independent chair had been essential to ensure the SEEBF didn't 'wither on the vine'.

There have been a range of wider trends and policies that have impacted on the achievements of this partnership. Most importantly biodiversity is under substantial pressure in the SE (e.g. from development pressures and climate change) which makes promotion of biodiversity more challenging, but also raises the issue up the agenda. This raises the issue as to how far regionally agreed policy will be implemented in actual biodiversity outcomes in the face of these pressures.

Strategic Added Value

Opinions varied on the SAV provided by SEEDA's involvement in SEEBF depending on interviewees' affiliation.

On the one hand, it was suggested that SEEDA had influenced SEEBF to address economic interests in promoting biodiversity. It was also suggested that the independent chair, part funded by SEEDA, had contributed leadership and coordination to the partnership, which had been struggling to maintain momentum without such leadership. Furthermore, SEEDA was meeting and exceeding stakeholder expectations by its level of involvement in this group.

On the other hand, it was suggested that the key achievement of influencing the SE Plan was down to the coordination and work of the key members of the SEEBF, which

would have happened without SEEDA or the independent chair. Furthermore, SEEDA needed to focus more clearly on where it could add value, which should be on delivery measures other than those achieved through planning.

Lessons

SEEBF had faced challenges as a partnership with very limited resources and a wide range of members, so that timely decision making has been difficult. Through planning resources and decision-making points carefully, and building trust, SEEBF had managed successfully to make decisions and develop shared positions to influence effectively regional policy. It was also suggested that the Natural England provided coordinator had been key to the ongoing effectiveness and indeed survival of SEEBF.

Another challenge identified has been communicating outside the 'converted' i.e. those with a direct interest and knowledge in biodiversity. This would seem to be an ongoing challenge as SEEBF has still not attracted engagement from a wide range of those without a direct biodiversity interest. SEEBF has recognised this and is seeking to address it.

Differing opinions were voiced by interviewees on the future direction of SEEBF. On the one hand, it was suggested that the current make-up was right for the current role of influencing the planning systems, although there was a need for wider consultation with local authorities. On the other hand, it was suggested that SEEBF had to evolve to engage with economic bodies with a direct impact on biodiversity such as developers, utilities, property owners etc, in order to champion the delivery of biodiversity targets.

There seem to be 2 competing models for SEEBF: an expert focussed biodiversity advisory group or a wider problem based group(s) working with business interests to champion the delivery of biodiversity targets. The former model broadly fits the history of the group, while the latter could form its future. However this is clearly not the consensus yet and the details of how this model might work including how to engage business interests in it, is currently under consideration.

Overall assessment

This Partnership has clearly had major outcomes in the influence it has had on the SE Plan and the current RES, and SEEDA have contributed relatively limited resources to it, which were matched by Natural England and the Environment Agency. SEEDA's involvement clearly ensured that the economic rationale for environmental quality was recognised in regional policy.

With SEEDA's encouragement SEEBF is trying to evolve their role towards influencing the implementation of biodiversity protection, particularly through influencing developers and other land users. This may deliver future outcomes that can be more clearly traced to SEEDA's activities and demonstrate their SAV. SEEBF is now working to develop the links and mechanisms to engage with these land users. There is potential for SEEBF to build on its partners' engagement with business and it may need particular support from SEEDA through its links with and knowledge of business. It may be that new mechanisms need to be established that are more business friendly and focused on specific areas of strategic opportunity for biodiversity and/or the Diamonds for Investment and Growth as suggested in the current RES.

Key Sources

SEEBF Terms of Reference, 15 December 2005

SEEBF website: www.sebiodiversity.org.uk

Sector Champions Projects – Hardy Ornamental Stock and Precision Farming as Case Studies

Objectives and Rationale

The objective of these projects was to free up those who are in industry to pursue product development activities and to develop leadership qualities within South East agriculture. The rationale for investing in this area is based on the market under-providing in this area. The criticism levelled at the industry is that for too long those in farming have only been able to focus on the day to day tasks. Unable to take a wider view, farming had become heavily dependent and focused on subsidies.

The evidence base for this viewpoint draws heavily on the evidence base supporting the Curry report⁹. This identified a need for added value and innovative actions to raise the profiles of some individuals in the industry in order to meet an apparent failure of the current market structure to deliver adequate leaders, innovation and value added.

The theory of change follows a clear logic. By providing a grant of £20,000 to an individual he may be enabled to pursue the development of an idea or investigate an issue:

- Through the development of the projects, their investigation and highlighting of issues, perceived failures and barriers within the market can be addressed and removed – supporting the further development of the agricultural economy.
- Through the course of these projects, in addition to addressing the targeted issue, the sector champions will develop a wide range of contacts. These can provide a point of call for many within the industry on these particular issues, an asset for the champion to draw on in the future, and perhaps more importantly, may help to develop the network and potential leadership characteristics of the industry.
- Participation in the project will have an impact on the individuals involved, greatly developing their own leadership abilities.

This rationale and associated objectives do appear to address the concerns highlighted in the Curry report and appear to match closely to its core agenda of supporting the farming industry transform itself and break away from its subsidy focus.

Activities and Outputs

The project funded three new individuals each year to investigate a topic or issue in farming. Champions were able to use the grant to fund dedicating their own time to the project or to purchase goods and other services to pursue it. This broad remit has led to a very wide and diverse range of projects. Areas of work for sector champions have included:

- Supporting fruit growers in the South East better understand wholesale markets
- Encouraging the use of local food in public sector organisations
- Exploring how farmers could co-operate to produce biofuels
- Promoting milk consumption in schools

⁹ Farming and Food; a sustainable future, Report of the Policy Commission on the Future of Farming and Food, 2002

- Investigating welfare friendly veal production systems
- Championing biomass use
- Championing the use of timber in construction
- Developing and supporting young farmers' clubs
- Researching and promoting best practice in equine pasture management
- Investigating best operating practice in demonstration farms
- Developing a brand to support locally grown ornamental stock
- Investigating precision farming techniques.

These final two projects have been investigated as case studies and are presented below.

Bill Godfrey – Horticulture Sector Champion

The project investigated the potential to develop a brand to identify locally grown horticultural products. In addition to supporting the local economy such a scheme was seen as having the benefit of reducing plant miles, and the chances of importing pests and diseases – supporting the local horticultural industry.

The rationale for this project rested on an information failure surrounding the provenience of ornamental plants. If there is a preference amongst consumers for purchasing local plants this could help South East Producers in the face of increasing international competition in a market currently characterised by 80% imports nationally. The aim of this project was to investigate the arguments for removing this information failure through the development of a brand demonstrating provenance.

SEEDA funding was used to employ a research organisation to host focus groups to investigate potential consumer interest in a brand. Results from these confirmed suspicions that consumers felt that there was not enough information on the origins of plants at the point of sale. However there was limited enthusiasm for a British brand as this would not necessarily be associated with higher quality produce.

The remaining funds were used to recruit a marketing consultant through Business Link to produce a business plan to develop, test and deliver a brand to highlight that stock was locally sourced. This plan was then used to successfully draw funding from the Horticultural Development Corporation to further develop the project and pilot the brand in a range of garden stores.

This continuing agenda is the core outcome from the project. The pilot trials of the brand proved successful and showed that a brand concept has the potential to boost sales of South East producers. Implementation of the concept is still being addressed.

SEEDA's ownership of the project was of great strategic benefit. The sector champion was able to draw on SEEDA's credibility and use it as an asset to engage partners. For example securing the engagement of garden centres in his scheme was greatly aided. SEEDA backing of the project also enabled the scheme to draw in funds from the Horticultural Development Corporation (HDC) to continue and test the scheme. The HDC had previously refused the project funding as such activities are not a focus of its

research agenda. They were clear that SEEDA funding of the initial stages of the project was a critical element of their decision of support.

Overall, it was generally agreed that the project had represented good value for money. With seed monies of only £20,000 a concept which has the potential to have a very significant impact on this industry had been developed and tested. UK sales of these types of plants represent a £1bn industry. A modest increase in this share has the potential to represent a very large windfall for growers in the South East. In order for this project to represent an efficient allocation of resources it would have to enable the industry to capture an additional 0.002% of this market.

Jeremy McCabe – Precision Farming Sector Champion

The championship was originally conceived as a project to investigate ways to lower input costs, this project developed into a study of precision farming techniques – a key element in this drive to lower costs and reduce the impact of farming on the environment. The rationale supporting this project largely surrounded an information failure – that many farmers could benefit from using new technologies, but were either wary of the unknown, or did not have the time or capacity to investigate these new technologies.

The project investigated the use of precision farming tools aiming to identify and profile best practice as well as disseminating it through the following activities:

- A series of one-on-one meetings and conversations with farmers
- Holding larger meetings to discuss techniques
- Meetings with suppliers
- Production of a DVD for schools – a long term approach to excite a new generation of farmers.

The key obstacles faced by the champion were mistrusts with these technologies and a lack of understanding amongst many farmers. It is apparent that the sector champion was able to overcome these barriers and investigate this technology and has been able to reach a very wide audience with his message.

Following on from this project the champion convened a meeting of partners and interested stakeholders from the Home Grown Cereals Association (HGCA) to consider options for the provision of training in this area. The HGCA confirmed that they are now considering how to set up a national training programme from 2009. Additionally the champion has been working with them to develop and refine their course offer, and may be involved in its delivery.

Because there was in parallel an increase in the national profile of precision techniques, it is not a simple exercise to attribute these benefits solely to the activities of the project. The sector champion was working within a trend of increasing interest in these techniques. Increasing costs and other pressures on margins has aided this. At the same time, technology suppliers have succeeded in integrating their systems with familiar and simplified control systems, increasing the accessibility of this technology.

SEEDA funded the wider sector champion programme £321,000 in the period 2004-07. This funded the Farming and Rural Issues Group (FRIG) as project managers who

helped to recruit sector champions. The remainder of funding supported the individual champions. The table below shows how this was charged to SEEDA:

Table 19: Sector Champions Spending 2004-07 (£)

	Budget	Actual	% (Actual)
Sector Champions	391,225	321,114	
FRIG Project manager	39,975	44,250	13.8%
S2F2 Sector champions	180,000	119,998	37.4%
S2F2 Sectors	80,000	78,934	24.6%
Horticulture SE First Phase	10,000	20,442	6.4%
S2F2 Agricultural Sectors and Clusters	81,250	57,490	17.9%

Outcomes and Impacts

The projects undertaken by the sector champions have successfully investigated and worked to tackle a wide range of issues. They have played a key role in raising interest and awareness amongst farmers of often complex issues. Key benefits from the scheme appear to be strategic, developing networks and links that outlast the projects that can engender the co-ordination and support the leadership that was identified as lacking in the industry.

It is apparent that much of this success relates to the fact that the project, backed by SEEDA, succeeded in mobilising interested industry insiders to engage with other industry stakeholders. The management partnership between SEEDA and FRIG appears to have also worked particularly well to secure and support suitable sector champions who were dedicated to their projects, fostering a particularly enthused and hard working atmosphere.

The projects have also succeeded in their aims to develop individuals – improving their communication and leadership skills. One senior industry stakeholder commented that these projects had done so much to develop leadership within individuals that they were now coming to challenge people such as himself!

Strategic Added Value

As highlighted in the two case studies above, SEEDA's involvement in the scheme was significant as it enabled what were minor projects and initiatives to leverage SEEDA's brand, credibility and respect to help them to achieve more, particularly through promoting partnership working.

Lessons

There have been a vast range of lessons learnt on each individual project as each was designed as a learning experience. Even when projects failed, lessons were learned as was the case for the animal welfare orientated veal sector champion, which identified the high level of animal husbandry skills required for success in this area.

A key issue faced in many cases was the difficulty of aligning SEEDA's rural communication priorities to the activities of the champions. For instance opportunities for mutually beneficial publicity were claimed to be missed as a result of

communication failures. SEEDA is seeking to build the capacity of FRIG to address these issues.

Overall assessment

Projects met with a great deal of praise from a wide and diverse range of stakeholders – key to success seen as industry insiders talking to industry insiders. It does appear that the projects do represent very good value for money. In most cases the champions appointed were exceptionally experienced individuals who acted in an altruistic way, often going far beyond their allotted times. Some sector champions even provided their time free of charge, using the grant solely to purchase other services. If an alternative provider or research organisation had been commissioned to run these schemes the costs would have been significantly higher.

This programme of projects sought to address highly complex concepts such as leadership and the wider sustainability of farming across the South East. This makes an accurate assessment of their overall lasting impacts particularly difficult. Given the modest budget of the scheme, and the small number of champions, it would be unreasonable to expect that its impacts could have revolutionised farming. The scheme must instead be viewed as working with a wider range of initiates to support developments in farming. Sir Don Curry's comments on the scheme – that the "use of Sector Champions in the South East region is a unique and effective model" – add weight to this viewpoint.

Key Sources

Farming for the Future; in the South East of England, GOSE Publication 2006

Farming for the Future 2008; in the South East of England, GOSE Publication 2008

Farming and Food; a sustainable future, Report of the Policy Commission on the Future of Farming and Food, 2002

South East Food Group Partnership

Objectives and Rationale

The South East Food Group Partnership (SEFGP) was originally established in 2001 to deliver the Countryside Agency's 'Eat the View' programme. After the abolition of the Countryside Agency, SEEDA became the key funder of this group. The South East Food Group does have a very clear mission statement:

“To build a flourishing local produce sector where economic, environmental and social aspects are paramount”

The group's overarching objective is to support the county based food groups in order that they become viable, all-inclusive, support organised with skill, expertise and a high profile. The SEFGP works with its key partners – the county food groups (Hampshire, Isle of Wight, Kent, Surrey, Sussex and Thames Valley) as well as the Government Office for the South East.

The rationale for sustaining the group rests on a co-ordination failure between the county based food groups. Although these bodies neither report to nor are accountable to the regional group the aim is that SEFGP can add value by handling larger events, working with large buyers and suppliers who operate at a regional level and by sharing best practice across the region.

The need for this activity is evidenced in the Regional Economic Strategy (RES). Priority 17: Sustainable Land Management identifies supporting “the development of farmer co-operatives and local producer-networks” as a key action as part of the wider agenda of supporting farmers to diversify and achieve higher value added. The (RES) does not however identify SEFGP as a key partner in this area.

Activities and Outputs

The group's spending of £671,000 in the period 2004-07 was broken down as follows:

Table 20: SEFGP and County Group Funding (£)

	Budget	Actual	% (Actual)
Regional Food group work	705,000	670,825	
Development Food Programme	60,000	60,000	8.9%
Training Fund	210,000	209,964	31.3%
Regional Sector Group SEFGP	150,000	119,995	17.9%
SEFGP Marketing Budget	60,000	59,989	8.9%
Procurement Officer	100,000	99,996	14.9%
Procurement Research	50,000	50,000	7.5%
SEFGP Web Page Development	5,000	2,882	0.4%
SEFGP Regional Food Strategy	25,000	25,000	3.7%
Evaluation of food programme	20,000	20,000	3.0%
SEFGP Procurement Strategy	20,000	20,000	3.0%
SEFGP Web Page Development	5,000	2,999	0.4%
Local Food Clusters	558,300	576,934	
Berks; Bucks; Oxon Cluster	130,000	135,000	23.4%
Sussex Cluster	85,000	107,000	18.5%
Kent and Medway Cluster	105,000	99,000	17.2%
Hampshire Cluster	90,000	92,000	15.9%
Surrey Cluster	43,300	50,000	8.7%
IOW Cluster	25,000	15,000	2.6%
S2F2 Sectors	80,000	78,934	13.7%

Activities can be categorised into three broad areas:

- Coordinating county food groups
 - Co-ordinating funding from SEEDA - although county monies are not channelled through the regional tier, SEFGP plays an active role in helping these partner organisations to develop and renew their business plans and to apply for funding from SEEDA. SEFGP also plays a role working with SEEDA to consider county level funding. Without this support it was felt unlikely SEEDA would have been able to deal with the sub-regional bodies directly.
 - Ensuring a consistent level of support across the region including helping set up new food groups: Berkshire, Buckinghamshire and Oxford Food group as well as the Isle of Wight, and the Surrey and Sussex groups were set up with their support.
 - SEFGP also work to identify key issues, share best practice, and help the counties to learn from each other. The key facilitator of this is the quarterly meetings between the county bodies.
- Trade development activities at a regional level.
 - SEFGP aim to offer a route through which large purchasers can access regional produce. This appears to be the level at which the largest purchasers are interested in working. For example Marks & Spencer are keen to source regional lines for their stores rather than working on a county by county basis. SEFGP has been able to put together 'meet the buyer' events with up to 50 specific producers from across the region.

- SEFGP represents the area: at national trade shows such as Olympia fine foods fair; at the New Covent Garden Market with a permanent member of staff; and through regular meetings with London partners to offer advice, ideas, especially ideas for network development and new market development for what is a key market for South East produce.
- SEFGP develops new products: It have gone beyond the traditional industry body to use their contacts and expertise to develop new products. The key example of this is a fishcake, produced using mackerel and herring, for sale to local schools and hospitals, meeting new requirements for Omega 3 rich foods.
- SEFGP has also become a point of contact for trade development queries. They have access to market research information, and have been able to offer this as a service to both the county groups and members of the county groups.
 - Role as a training provider – between 2004-2007 1,400 attended training.

The majority of these activities are particularly hard to quantify in terms of key outputs. However, in light of the rationale and objectives of the group, these activities appear highly appropriate. Partner discussions have highlighted a high level of satisfaction with the activities of the group, indicating it has broadly met expectations.

Outcomes and Impacts

The very broad nature of the mission statement for the SEFGP makes it particularly challenging to pin down their precise final impacts on the extent to which a “flourishing local produce sector where economic, environmental and social aspects are paramount” exists in the South East. The group does not monitor sales of local produce and it would be challenging to achieve this without significant cost. One national supermarket chain did though indicate that its purchases of local produce had increased in the SE and attributed this partly to SEFGP. Intermediate outcomes from each of their broad areas of activities can also be identified.

Despite SEFGP’s funding position with respect to the county groups, and their very small executive staff it is clear that their co-ordination role operates well. The county groups reported that SEFGP had become a first point of contact for a wide range of issues, including alternative sources of funding and market trend information. County groups appear to have found the quarterly meetings particularly helpful for sharing best practice and discussing common issues and interests. Stakeholders reported that the presence of an effective regional tier has forced the development of the county groups, making them more professional and target orientated. However it is apparent that there are significant variations in the support available across the region.

It is because of this co-ordination and co-operation that SEFGP have been successful in taking on joint projects between the bodies listed above. The outcomes of these projects are identified bellow:

- Public sector procurement –Stakeholders considered that the partnership had succeeded in using their contacts to help local producers sell more to the public sector. A key example of this was the promotion of locally produced fishcakes.

- Regional purchaser support – It was particularly difficult to contact purchasers. However, the one major supermarket purchaser contacted did confirm the importance of the trade development role of the regional group, over and above the local groups. Advantages rest on their ability to identify a greater number of appropriate producers, which met technical standards as well as having the capacity and desire to work with a large supermarket. SEFGP greatly aided the work of the local purchaser, enabling them to source more products locally.
- Fisheries work – while the development of individual products is not a typical activity for this type of partnership, stakeholders contended that SEFGP had contributed significant strategic added value by having the right mix of contacts (fisheries, processors, public sector procurement) to develop the fishcake product. It was contended that this was not something that could have been replicated by the commercial organisations currently in the industry.

Because of these activities SEFGP was a suitable body for SEEDA to use to channel extra funding to help support farmers markets in the wake of the foot and mouth crisis – confirming its position as a well connected and respected body at the heart of the industry.

SEFGP has been working with clear wider trends which will have supported its achievements. The trend towards the use of local produce, in supermarket sourcing and local farmers' markets, appears to be a national phenomenon.

The key outcomes from the SEFGP are strategic. The analysis above presents it functioning well to provide leadership within the industry and is coordinating a range of bodies. These intermediate outcomes do appear to match particularly well with the objectives of the group, which appear in turn to be well targeted at the rationale for its existence.

Strategic Added Value

It is apparent above that the SEFGP has played a key strategic role within the local produce sector in the South East. Separating this from SEEDA's Strategic Added Value is a complex task. Certainly SEEDA did not set up the partnership, and can not take full credit for its operations.

There is also a perception that SEEDA has managed this partnership, and other projects within this programme, at 'arms length'. Had SEEDA stayed 'closer' to the partnership it is possible that it could perhaps have developed its strategic role. However SEEDA had a policy of promoting SEFGP and the county groups to be independent and self-organising as part of their strategy to reduce their dependence on SEEDA in the medium term.

SEEDA did provide a clear vision for the group to follow and set out key ways for it to achieve these through co-ordination with the county based food groups. In these ways SEEDA can be seen as delivering Strategic Added Value through leadership and by co-ordinating of other partners. Beyond this SEEDA links with SEFGP do raise profile of the organisation and add to its credibility. In particular this has helped them in the work with other public sector partners.

Lessons

The key challenges faced by the partnership have been largely technical and operational issues. Moving forwards they see their role evolving as trends change – they see the aim of their support to make sectors self sufficient and no longer in need of SEFGP support at the same time as identifying new areas in which they can add value.

Developing their role of co-ordinating the county groups, they may be able to help them to provide a more consistent offer across the region. Some counties offer much more support than others, with different levels of stability and different structures.

Overall assessment

Overall SEFGP does appear to have a clear focus and rationale, and has delivered a wide range of activities to this end. These activities have many readily identifiable intermediate outcomes and appear to have met stakeholders' expectations. Crucially the partnership appears to have used a relatively modest budget to build a functioning network onto which new elements of support can be added in the future. Final impacts of the partnership are however much more difficult to identify although there is some limited evidence of impact from a supermarket purchaser.

Key Sources

CSC Regeneration and Research Consultants, Evaluation of the South East Food Groups Report, January 2007

Biomass Exemplars

Objectives and Rationale

The Woodland Market Development programme sought to encourage the better economic use of the South East's woodland areas. The region contains 270,000 ha of woodland. However, since much of this was planted the demand for wood products in the UK has changed dramatically. Much of the woodlands are chestnut and hazel coppice, planted to be sold as pulp for paper – a market which has disappeared within the UK. This has left many of these woodlands as unproductive assets.

The Biomass Exemplar projects seek to demonstrate how this need not be the case by setting up a series projects to investigate, test and highlight ways in which traditionally lower grade wood can be used as fuel.

The rationale for intervention rests on a co-ordination failure, and complex network effects. Biomass use requires a developed market – with producers (woodland owners) matched (appropriate grades) and linked (brokers, transport etc.) to users (boilers). Early adopters will have to bear all of the costs of setting up this market – difficulties finding adequate markets for their inputs and products, investigating, developing and adapting technologies as well as all of the associated risks, but will be unable to capture the full extent of benefits. These will instead be felt across the region. This industry is also characterised by a perceived information failure surrounding the availability and demand for fuel, as well as the technologies used.

The need to address this issue is evidenced in the Regional Economic Strategy (RES) which lists encouraging the production of industrial and renewable energy crops, exploiting existing resources and researching new techniques, amongst its four key actions for achieving Sustainable Land Management. Beyond the direct economic benefits arising from this, the RES also acknowledges the importance of the maintenance of the countryside of the South East in sustaining the region's competitiveness – “attracting people, businesses and visitors and bringing significant income into the region”. This project can also be seen as a way to support that economic goal.

The theory of change rests on the aspiration that setting up a series of small projects across the region will:

- Lay the foundations of the market, addressing the market failure identified above to a sufficient extent that others are incentivised to enter.
- Raise the general level of awareness and understanding surrounding biomass production and use.

There is also a perception that if a market for low grade wood was developed some land owners, who currently manage their woodlands for recreation, might start producing fuel in order to capture the economic benefit.

This rationale and associated objectives do appear to make clear economic sense. Especially given the low levels of national funding, and the significant transport costs involved the regional scale does also appear to be a plausible level for this intervention. However it seems possible that a very high level of investment will be required to develop the market beyond the resources available, unless a different

approach were able to be taken to stimulating supply chains; SEEDA and the Forestry Commission are currently working on this through a jointly funded post.

Activities and Outputs

The programme has delivered a series of projects to test boiler equipment, installations and different harvesting technologies as well as raising the profile of their use. This pepper-pot approach to project selection was chosen to minimise transport costs, and better support local employment.

After the initial phase, projects were selected and supported through the use of three intermediary companies, South East Wood Fuels Ltd. Creative Environmental Networks and Thames Valley Energy. These were recruited to help identify projects where a relatively small SEEDA grant could be used to deliver a larger project. In some cases this was used to cover the incremental costs over using a gas fuelled boiler. In other instances already developed projects were identified for support as they were stumbling due to funding gaps. This funding mechanism ensured that, as far as was practical, SEEDA funded only projects which would not have gone ahead in their absence. For this reason SEEDA is able to claim the full benefits arising from their delivery.

In order to avoid issues surrounding rules on state aid to companies these grants were made to public sector, and third sector organisations. This was seen by one stakeholder as potentially limiting the impact of the programme, as they argued that private companies may have been better incentivised to market these new facilities and offerings.

In total funds of £592,000 were allocated through the project. As in most cases, organisations were funded to pass out grants to individual projects SEEDA records can not readily be broken down into spend by project:

Table 21: Spending (2004-07) (£)

	Budget	Actual	% (Actual)
Renewable exemplars / biomass boilers etc	586,500	591,946	
Renewables Exemplars CEN	100,000	50,000	8.4%
Exemplars TV energy	0	0	0.0%
Exemplar projects CEN	180,000	180,000	30.4%
West Sussex Country Park Biomass Boiler	20,000	20,001	3.4%
TV Energy projects woodfuel	20,000	20,000	3.4%
Facilitator Post for Woodfuel Sector	11,250	11,250	1.9%
Plumpton Biomass Plant & Training	6,000	9,924	1.7%
Exemplar projects CEN	8,000	8,000	1.4%
Biomass training course South east	6,000	6,000	1.0%
Plumpton Biomass Plant & Training	1,500	0	0.0%
Woodfuel Accreditation Scheme	7,500	0	0.0%
Facilitator Post for Woodfuel Phase 2	3,750	0	0.0%
Biomass heater Hants QE2 Centre	20,000	20,000	3.4%
Curzon school biomass heating	20,000	20,000	3.4%
Exemplars TV energy	100,000	140,000	23.7%
TV Energy projects woodfuel	0	0	0.0%
Renewables Exemplar(West hoathley)	20,000	20,000	3.4%
Facilitator Post for Woodfuel Phase 2	12,500	16,771	2.8%
Renewables exemplars TV Energy	50,000	50,000	8.4%
South East Woodfuels biomass pilot	0	20,000	3.4%

These activities appear to be well targeted to the overall rationale.

Stakeholder interviews suggested that they have broadly met the expectations of those involved, however further consultation would be required to confirm this.

Economic Impacts

The size of the boilers constructed through this scheme has been used with other constants, identified through the course of the consultation, to calculate the additional demand for biomass fuel. The calculations below show the boilers generating an additional £2.2m of economic activity. This section also details the tools used to calculate this figure.

The following projects were assisted through the scheme:

Table 22: Biomass Exemplar Projects

Location	Total Size (kWth)
Curzon C of E School	60
Shortenills Environmental Education Centre	80
Curridge School	50
The Living Rainforest	220
Norbury Park	70
The Sustainability Centre	240
Queen Elizabeth Country Park	350
Bedgebury Pinetum	40
Amery Court Farm – Blean	440
Torry Hill	150
Goddington Park	40
Shorne Wood Country Park	60
Betteshanger Colliery	1,000
West Dean Estate	1,135
Woodland Enterprise Centre	40
Buchan Country Park	90
Hoathly Hill	300
Netherfield Centre - Plumpton College	58
Cowdray Park	90
Beacon Community College	2,000
Wilton Park Conference Centre	500
Scotney Castle	250
Total	7,263

The following calculations were then made to identify a net economic impact from the scheme. Desk based research was used to produce conversion rates which were then validated with a selection of key industry figures in the South East.

- Based on a typical moisture content of the fuel of 30%, a calorific value of 3.5kWh per kg of fuel consumed can be expected. This figure was identified using forestry commission research and validated through industry consultation.
- Assuming an efficiency of 85%, a 1MW boiler will consume on average 330kg of fuel per hour. This efficiency rating was identified through stakeholder consultation and was reported to be an industry standard.
- Based on a 36 week heating period the boiler may be required for 1,250h each year. On this basis the 1MW boiler will require 420 tonnes of fuel per year.
- At a cost of £50 per tonne of fuel, agreed as a reasonable estimate with industry stakeholders, this equates to a spend of £21,000 per annum per MW of capacity.

Following this calculation the exemplar projects have sustained an additional expenditure of £150,000 per year. Again, the industry standard is to assume a 20 year operational life for boilers. Over this time they have the potential to represent a net present value of £2.2m.

This calculation rests on the following implicit assumptions:

- Fuel for these boilers is sourced from within the South East – zero leakage of economic impact. Consultation with stakeholders suggests this to be appropriate given the location of most of the boilers and the local nature of this type of fuel sourcing.
- Fuel used for these boilers was previously unproductive economically – zero displacement of economic activity. This is a reasonable assumption given the rationale for the scheme.
- Energy consumption displaced from mainstream sources has a negligible negative economic impact on the south east – zero displacement of economic activity.
- Projects funded would not otherwise have proceeded – Zero deadweight. While this assumption could not be fully validated, stakeholders were in agreement that the funding mechanism had operated effectively to minimise the risk of deadweight.

Other Outcomes and Impacts

Projects appear to have been highly successful at raising awareness and understanding. The exemplars have been demonstration projects and are highly visible. Unfortunately there is very limited evidence surrounding the demonstration outputs from the projects.

It has also proved particularly hard to gather consistent evidence surrounding the overall level of significance of these projects. It is clear that they have supported a large proportion of all biomass projects in the region – for example in Kent it was estimated that these SEEDA funded projects represented half of all chipping, vehicle and boiler projects during the study period. That accepted there is very little evidence confirming the impact of these projects on the programme aims and rationale. A key interviewee commented that the hoped woodland market developments were not yet apparent. This may reflect the long-term nature of developing such a market and the relatively high costs compared to what was then a low oil price.

The method of funding, specifically channelling through third party organisations appears to have sustained these organisations, supported their development and allowed them to greatly improve their knowledge base. These companies can be considered to be a valuable asset for SEEDA's ongoing agenda in this area as SEEDA projects are far from being their sole focus. For example, one of these organisations Thames Valley Energy, actively work with all 17 local authorities in their area and seek to educate them about biomass. They go as far as targeting individuals with local authorities and development companies who they feel they can 'train up' to become biomass champions.

There are two external trends that have contributed to the apparent success of this programme. There is a growing interest in and awareness of alternative fuel sources at

a national and an international level. The global trend towards rising fuel costs is also reflected in rising prices of alternative fuels.

Strategic Added Value

Most of the projects funded in this scheme were not new. Many had been in development for some time and only secured SEEDA involvement in the latter stages of their development. This makes it hard to identify a direct leadership role for SEEDA on individual projects. Similarly while the projects do appear to have successfully worked towards the construction of a market for the supply and demand of wood products, identifying further co-ordinated elements arising from the project is more difficult. The projects for example have not sought to co-ordinate technologies, techniques for chipping or pricing systems for wood fuel in the area (by weight or energy yield).

However stakeholders agreed that SEEDA can be seen as leading within a networking group and leading to greater co-ordination. SEEDA's leadership does appear to have worked to bring these issues to the forefront of policy makers' minds. Stakeholders felt that the project has influenced other parts of SEEDA to become more involved in this area; the scheme appears to have influenced defra and helped in the development of their biomass action plan. The Forestry Commission commented that this scheme has influenced the Government Biomass Strategy and the Wood Fuel Delivery Plan.

Lessons

Early on the project faced the challenge that the SEEDA did not have the knowledge or expertise to select and develop these projects. This issue was resolved by working with experienced sub-consultants. Their expertise was used to identify projects, and to consider what level of funding they require. Monies were then channelled through these organisations.

A key issue remaining for stakeholders is the need for SEEDA to communicate this agenda more effectively within itself in order to ensure that all of its teams are fully aware of the potential to use local wood as fuel. This is currently being done as part of the wider, more strategic programme on renewable energy, for example in discussions between SEEDA and the Diamond authorities.

Overall assessment

Benefits appear to have been derived from these projects. Overall these exemplar projects do appear to be addressing the programme's basic rationale and are working well to position the region to better exploit this source of fuel. They do appear to have led to a sizeable economic impact. Crucially there is no evidence that they have yet dramatically affected the operation of the woodland economy, but this may eventuate in the longer term.

Key Sources

Progressing Renewable Energy in the SE England, a TV Energy Report For SEEDA, 2008

A Review of the First Year of Operation of the Tower Block Biomass Heating System at Beacon Community College Main Site, Hoare Wootton, 2008

Rural Heating: The Facts, PERGE (a boiler manufacturer),
http://www.perge.co.uk/rural_heating.php

Net Calorific Value of Fuel vs. Moisture Content, Forestry Commission Data, sourced through South East Wood Fuels Ltd.

Biomass-related facts, figures and statistics, Forestry Commission Biomass Energy Centre,
http://www.biomassenergycentre.org.uk/portal/page?_pageid=75,15199&_dad=portal&_schema=PORTAL

Sustainable River Catchments for the South East (SuRCaSE)

Objectives and Rationale

The objective of this project is to demonstrate how the Ecosystems Approach (EsA) can be used to achieve integrated management of water resources across urban and rural areas. EsA is an established and authoritative methodology to aid decision making on sustainability, integrating the three goals: sustainable use of natural resources, equitable sharing of the benefits derived from their use and their conservation. The core of the approach involves integrating the various demands on water resources in such a way that benefits flow indefinitely without deterioration.

The rationale for this project is to address information and coordination failures, particularly in the urban-rural interface, that underlie the over use of water resources in the SE, which potentially undermines the sustainability of economic activity in the region. The underlying intervention logic is that the project will demonstrate the application of a decision making tool to key regional stakeholders and decision makers, which then can be applied more widely to address the overuse of water resources. This project was developed following a scoping study involving interviews with all key stakeholders to establish the need for and design of the project.

The rationale for SEEDA involvement was the identification of water resources as a major issue for the SE in the RES 2002-12, although this project was not specifically identified. It is also highly relevant to the implementation of the Water Framework Directive, which seeks to integrate the management and regulation of water bodies, for which the Environment Agency is the lead authority.

This is an ambitious project as the scope is very broad. It would be a substantial challenge to demonstrate that a management approach had actually achieved the sustainable use of water resources. Outcomes would take some time to eventuate and be difficult to attribute quantitatively back to the project. But it was noted that the budgeted project resources were not intended to monitor actual outcomes in terms of changes in the state of water resources as a result of the project. There is strong evidence from previous projects for the effectiveness of these types of actions in improving water quality, and as far as possible outcomes would be estimated in the final reporting stage from data provided by partners. It was agreed that a further important outcome of the project was the raising of awareness of water resource issues among advice recipients. This though makes it more challenging to establish the success or otherwise of the project. There is no benchmark to determine how successful the awareness raising from the project has been.

Activities and Outputs

The project involved demonstrating the application of EsA in three catchments: the Darent, the Kennet and the Kentish Stour. In each of these catchments four themes were tackled: diffuse pollution, sustainable drainage, sustainable use of water resources and improving the quality of life.

The main immediate outputs were advice and management plans for water users and those who influence water use including local authority planners, developers, farmers and industry. These management plans demonstrate the application of EsA and promote best practice in actions that impact on the four above themes. The actions will vary depending on the activities of the stakeholder, but overall the project tackled:

fertiliser application, pesticide use and handling, pollution control, erosion control, water efficiency, resource management, sustainable urban drainage systems and amenity and access improvement. The incentive for the stakeholders to implement the actions in the management plans is that they are typically a net cost saving to the stakeholder (e.g. reduced application of fertiliser, water savings). Other significant outputs included a guide for local authorities on sustainable urban drainage systems for small developments.

The majority of the advice and management plans have been delivered after 31 March 2007. The key final outputs of the project will be reports and presentations that analyse the learning from the project for partners and stakeholders. These are currently being produced and are to be completed by October 2008, when the project is finalised. The project will also recommend an exit strategy to maintain and build on the learning from the project.

The total funding for the project was £1.5m of which SEEDA provided £100k over the life of the project. 50% of this funding was provided through the EU LIFE-Environment programme (ie matched funding) with the balance provided by the other partners: the Institute for Sustainable Water, Integrated Management and Ecosystem Research (SWIMMER), Southern Water, Mid Kent Water, the Westcountry Rivers Trust, the Environment Agency and English Nature. This mainly funded salaries and other costs relating to the project advisers and manager.

Outcomes and Impacts

The main outcomes and impacts from the project have yet to be seen as it has yet to produce its final outputs and analyse the learning from this demonstration project. There will be seminars for practitioners and policy makers, including specific case studies. However the project has provided outputs in terms of advice and management plans that have demonstrated EsA to water users and stakeholders 'on the ground', although the majority of the outputs occurred after 31 March 2007. These have also identified opportunities for economic impacts in terms of cost savings mainly due to reducing crop losses resulting from soil losses, although they have not monitored the implementation of these plans.

By 31st March, 2007, the project had produced 6 management plans with farmers identifying £46k of potential savings. We have estimated net economic impacts from these plans of £177k of which we attribute £12k to SEEDA's 6.7% funding. This is based on the following assumptions from interviews with the project's managers based on their knowledge of this and other similar projects:

- 50% of opportunities are implemented with benefits being sustained for 10 years.
- There is no deadweight loss as opportunities would not have been identified without the advice from the project.
- There is no leakage as all beneficiaries are farmers based in the target catchments and hence in the SE and unlikely to move.
- 7% of the savings involve displacement as water savings to farmers reduce revenue to local water utilities.
- Substitution and multiplier effects are not significant given the nature of activities.

The majority of the outputs were produced in the last year or so of the project, ie after 31 March 2007, providing approximately £660k total net economic impacts on the same basis as above. These amount to less than half of the costs of the project, but don't value the environmental benefits from the project, which have not been monitored due to lack of resources. Furthermore they don't take into account the piloting nature of the project. This does, though, suggest that a more detailed assessment of costs and benefits of different elements of the project are required to inform the lessons from the project.

The main immediate impacts from this project came from providing advice to farmers, which is also provided by such initiatives as the Farming and Wildlife Advisory Group and Catchment Sensitive Farming Advisers. The project worked closely with these groups to avoid duplication and in effect, provided extra capacity to advise farmers. The project also had a wider remit than the other initiatives in terms of addressing urban as well as rural issues.

It was claimed that SEEDA's support was a key factor in gaining EU Life funding for the project so that it could go ahead.

The drought in 2005/06 and the flooding in 2007 had assisted in raising the profile of water as an issue, which had a positive influence on the success of the project.

Strategic Added Value

There was agreement that SEEDA had shown leadership in supporting this innovative project which cut across organisational boundaries, made the link between water management and the economy, and created new partnership working. SEEDA's funding had also significantly levered in extra funding, particularly from the EU. SEEDA's involvement had helped provide the project with credibility with other stakeholders through emphasising the economic implications of water management which assisted in partnership working. SEEDA had exceeded stakeholder expectations and developed a profile with stakeholders, which it may not have previously reached.

Lessons

A range of lessons have already emerged from this project:

- Businesses have a low awareness and interest in water efficiency, possibly due to the relative cheapness of water. It would probably be more effective to deliver advice on water efficiency as part of wider advice on resource efficiency. This is now the case via the Business Resource Efficiency Pilot led by SEEDA.
- Farmers in the SE, being relatively large and well resourced compared to other areas of the country such as the SW, are relatively well informed on resource management. This means that it is more challenging and resource intensive to identify saving opportunities.
- Working with other related initiatives on the ground to avoid duplication and ensure good relations is resource intensive, before actual delivery of advice can start.

Overall assessment

The full lessons from this project have yet to be evaluated so its success in terms of demonstrating the application of EsA cannot yet be fully determined. Results from the project so far do though raise a number of issues in terms of its design and rationale:

- An extra level of delivery seems to have created coordination challenges which beg the question as to whether it would not have been more effective over the long-term to influence current delivery mechanisms rather than develop temporary parallel mechanisms albeit with a wider focus.
- Although water management may benefit from an integrated EsA approach at the strategic level, delivery may be better organised from a customer perspective (eg providing resource efficiency advice to businesses rather than water management advice as done in the Business Resource Efficiency Pilot lead by SEEDA).

There is also the fundamental question as to the rationale for SEEDA's role in this project and what steps it might take, if any, as a result of the project. Although SEEDA identified water use as an issue for the SE economy in the RES 2002-12, it did not then analyse what the key impacts from water over-use were for the economy and why this project in particular might assist in addressing those impacts. It does not seem that this project will provide SEEDA with a better understanding of what the key economic issues are in water use. It would seem that other partners in the project such as water companies and the Environment Agency should have more direct benefits from the project than SEEDA given their direct water related responsibilities. SEEDA's role in leveraging other funding through its minor contribution should be acknowledged.

Key Sources

SuRCaSE website: www.liv.ac.uk/surcase/

South East Water Resources Forum

Objectives and Rationale

The aims of the Forum as stated in their terms of reference in 2006 are to:

- bring together key stakeholders to identify and raise awareness of the key water management issues in the region;
- share, develop and promote, with members and third parties best practice in water management.
- act as a focal point and knowledge centre for regional stakeholders, national and international institutions on water issues in the South East and thus contribute to sustainable development of the region;
- agree and deliver advice to legislators, policy makers and programmes developers who impact on: water resources supply and demand, flood risk management and environmental quality and conservation in the Region.

The partnership did not have clear targets or a monitoring framework as such although it had agreed a 3 year plan in 2007 identifying actions and priorities. However its implementation has not been monitored and many of the actions identified for 07-08 have yet to be completed.

The rationale for SEWRF was suggested as a response to a coordination and information failure in an area of policy important to the SE given the stresses on water resources in some areas of the region. There were a range of public and private sector organisations with an interest in water management, but no forum to bring them together to share information and good practice. There was no specific formal evidence base, but support for the SEWRF was consulted on and agreed through the RES 2002-12.

The main underlying theory of change was that coordinated and authoritative information on water issues and best practice water management provided to developers and others effecting water management would lead to them taking action to manage water more sustainably and to support actions by water companies and others to manage water more sustainably. This theory of change does beg the question as to how far information and demonstration alone can change behaviour, particularly given the lack of internalisation of externalities in the pricing of water and hence the low incentives for water efficiency.

Activities and Outputs

The main activities and outputs were:

- quarterly executive meetings to plan activities and develop positions
- 8 position papers in 2005-06 on a range of water management issues (eg water metering, consumer role in water efficiency and flood risk management)
- 5 annual 1 day conferences from 2002 to 2006, which were the main use of joint funding by SEEDA (£52k, 2004-07) and EA.

There was also on SEEDA's website information about SEWRF although this does not seem to have been updated since 2005.

There was no specific rationale for these outputs in terms of being the most effective for raising awareness and achieving action to implement best practice water management. In particular the 1 day annual conferences used the majority of the funding, yet interviewees questioned their effectiveness. Given the limited funds, a better investment might have been in such tools as an effective up to date website and smaller more targeted workshops.

The SEWRF is currently reviewing its future and SEEDA is working with stakeholders to consider what group or groups would be most effective in assisting to deliver the current ambitious RES targets on water efficiency. SEEDA has made it clear that future arrangements need to demonstrate the possibility for tangible benefits up front.

Outcomes and Impacts

It is difficult to establish what impact SEWRF has had on the understanding of and action on water management by target groups as it did not establish a performance monitoring system or follow-up attendees to conferences. There was good numerical attendance at annual conferences (approx 290 in 2006) but it was not clear if attendees were those targeted for engagement as conferences were open to all rather than by invitation. However the majority of interviewees did not consider that SEWRF had significantly raised awareness as they felt that the position papers and annual conferences by themselves were inadequate without a wider communication approach involving websites, newsletters etc. Furthermore even if target groups (eg developers) were better informed, it is not clear that they would necessarily implement best practice water management.

SEWRF did influence the regional policy agenda as it provided input for the SE Plan through a written submission and organising its annual conferences to raise awareness of the SE Plan and related water issues, although the actual impact on the SE Plan is less easy to determine. However, the water efficiency objectives in the RES had been set without consulting the SEWRF.

SEEDA's funding met the costs of the independent chair and the annual conference. SEEDA set up the SEWRF and without their funding, it would not have been able to deliver its main activity, the annual conference. Indeed there was no conference in 2007 as SEEDA decided not to fund it.

Strategic Added Value

SEEDA's initial leadership was recognised in establishing SEWRF in the first place and bringing stakeholders together over a number of years. However they had not leveraged in extra funding beyond the Environment Agency as founding partner with SEEDA and the funding was not considered adequate to provide the critical mass to influence the region. Furthermore some interviewees felt that the SEWRF had been left with little direction since 2007 when there was no annual conference as SEEDA did not provide funding. Hence it was claimed that SEEDA's leadership role had declined over the recent period.

Lessons

The main challenge that SEWRF has faced in achieving its primary aim is engaging a wider audience on water issues, beyond the 'normal suspects'. In general it was felt that it had not overcome this challenge.

SEWRF is faced with a fundamental question about its future. It was generally agreed that it couldn't continue in its present form with its level of resources, but there was limited agreement on what its future should be. If it was to continue to have a role in raising awareness amongst a diverse set of stakeholders, it was generally agreed it, or a successor body, needed to be adequately resourced to do this effectively. However given the new RES's ambitious target for increased water efficiency in the SE, there was a need to consider what sort of group(s) would be appropriate to be the key vehicle(s) for delivering it.

Overall assessment

There is no direct evidence of any effects on water management and regional policy from the SEWRF although this would be very difficult to establish given its limited funding and activities. However there is some evidence that it may not have been effective, even allowing for its limited funds, as it has lacked a targeted communications strategy while putting the majority of its resources into an annual conference without establishing its value for money. It also did not directly advise SEEDA on the current RES. So overall funding of SEWRF may not have delivered value for money for SEEDA.

The current RES has an ambitious target to reduce per capita water consumption in the South East by 20% by 2016, which is sponsored by SEEDA. This would seem to put the onus on SEEDA to develop a strategy to achieve this working with other key partners such as EA, Ofwat, water companies and EST. Such a strategy will need a clear evidence base including current water use performance in different sectors/areas and the reasons for it, the opportunities and barriers to improved performance, and the delivery mechanisms and actors. This strategy would then form the basis for considering the future need for delivery partnerships and communications to targeted groups. SEEDA is working with the Environment Agency on such an approach.

Key Sources

SEWRF Terms of Reference 5/10/06

SEWRF Position Statements numbers 1-8 published in 2005-06

SEWRF Business Plan Actions 2007-10

www.seeda.co.uk/Work_in_the_Region/Sustainable_Developments/Water/

Support for New Recycling Infrastructure in SE Project

Objectives and Rationale

This project was set up, initially as a 1 year pilot, with the aim of supporting the development of the recycling sector in the South East Region through financing infrastructure investments that would allow recycling and reprocessing companies to invest in systems to handle difficult, or previously un-recyclable materials in addition to more efficiently collecting and managing reclaimed materials they currently re-process.

The rationale for the project is that due to an inability of companies in emergent recycling markets to access private sector financing, there was an under supply of appropriate processing capacity in the materials recycling supply chains, that blocked recyclers from providing consistent materials into supply chains. SEEDA's "Scoping Review of Recycling and Reprocessing Infrastructure in the South East" recognises that these supply chain gaps needed to be addressed in order to link emergent recycling markets from collection to reprocessing/fabrication.¹⁰

The project has a strong monitoring system, with the grant recipients reporting to EnviroBusiness on a quarterly basis any investments in equipment or changes in feedstock products processing, markets, cost savings, and job creation resulting from the grant. However, the project did not set clear targets for waste diversion, processing capacity or revenue generation to be achieved through the project.

The underlying intervention logic is that the grants would provide the 'seed' financing that would allow recycling companies to secure additional financing in order to make the purchase of processing machinery economically viable. The new machinery would allow the businesses to expand processing of materials and increase the quality of the reprocessed products they produce, building their business and allowing them to more easily access financing in the future.

Activities and Outputs

The main activity of the project was the competitive selection process conducted by Enviro Business. In total 15 companies applied for the grant and 5 were selected.

As shown in the table below the output of the project was the awarding of £190,750 in grants to 5 beneficiary companies in the 06/07 financial year. The grant recipients were able to utilise the grants to leverage an additional £566,750 in matched funding. The grant recipients then were able to purchase a range of capital equipment to process: green waste, waste wood, plastic, cardboard, paper and composite material generated during the automotive production process.

¹⁰ http://www.seeda.co.uk/work_in_the_region/sustainable_developments/waste/docs/seeda-marketreviewsummarypresentation.pdf

Table 23: Outputs of funding program

	Value of SEEDA Grant	Total Investment	Capital Equipment	For Processing	Capital Equipment Operational
BCCC	£34,500	£69,000	Shredder, electromagnetic screen and tractor	Green waste and waste wood	3 rd quarter 2006
Woodhorn	£60,000	£419,000	Wood processing line dedicated shredder, screen, loading shovel and covered storage facilities	Pallets and waste wood	4 th quarter 2006
Impact	£19,250	38,500	Semi- Automatic Bailer	Agricultural LD shrink wrap (plastic) and cardboard	1 st quarter 2007
Magpie	£12,000	£58,000	Bailer	Cardboard and paper	1 st quarter 2007
PPR	£65,000	£143,000	Production machinery	Automotive composite	4 th quarter 2007
Total	£190,750	£727,500			

Economic Impacts

The economic impacts of the project were projected over a five year time period. This represents a conservative estimate of the period of time before maintenance costs will have a significant effect on the revenue stream attributable to the capital equipment purchased through this project.

By increasing their feedstock processing capacity and the market value of their final products, the grant recipients have experienced a significant improvement in their revenues as a result of the project. Five years after the installation of the Capital Equipment, their processing capacity is estimated to increase by 14,700 tonnes to 17,000 per annum, nearly 7.5 times their pre-grant levels. In addition, the average sale value of their final outputs is expected to increase to £103 per tonne over the same time period.

As a result of these gains, the gross GVA of the grant recipients is projected to increase by £3.85m to £4.54m. This represents an almost 6 fold increase over projections of non-grant gross GVA levels. Having considered the potential for deadweight loss, input displacement, output displacement, multiplier effects, and leakage effects, we consider that these are not significant. This then gives a net present value for net economic impacts of £3.57m. See below for the table setting out the calculation and the underlying rationale and assumptions.

Table 24: 5 year Gross and Net GVA attributable to the project.

		GVA per annum (£m)	Deadweight (£m)	Input Displacement (£m)	Output Displacement (£m)	Leakage (£m)	Multiplier (£m)	Net GVA (£m)	NPV of Net GVA (£m)
Magpie	paper	0.05	0	0	0	0	0	0.05	0.04
	card	0.30	0	0	0	0	0	0.30	0.28
	total	0.35	0	0	0	0	0	0.35	0.33
Impact	plastic	0.55	0	0	0	0	0	0.55	0.50
	card	0.02	0	0	0	0	0	0.02	0.02
	total	0.57	0	0	0	0	0	0.57	0.52
BCCC	green waste	0.08	0	0	0	0	0	0.08	0.07
Woodhorn	waste wood	0.75	0	0	0	0	0	0.75	0.70
PPR*	composite	2.10	0	0	0	0	0	2.10	1.96
Project Total		3.85	0	0	0	0	0	3.85	3.57

- Deadweight Loss** – The project did not impose a deadweight loss, as all the survey respondents stated that none of the grant recipients would have been able to access private sector funding, without the initial grant from SEEDA. Additionally, the interviewees all felt that private sector funding was unaffordable and/or inaccessible, due to the high risk nature of their emergent sector. Those grant recipients that had attempted to access grants through other organisations found that the other grants were not compatible with their project time frames, or their smaller scale of production.
- Input Displacement** - The project did impose significant Input displacement effects on the regional economy as the waste would have been disposed of by regional companies providing them with revenue. However this input displacement would be equalled by the income to the recycling companies that charged for collection of the materials and the savings to companies that paid less for collection for recycling than they paid for collection for disposal. As the revenue from collection is not included in the GVA increase for the recycling companies, there is no need to remove it given that it certainly displaced revenue to other regional companies.
- Output Displacement** – The project is not anticipated to cause any output displacement effects, as the final products of the grant recipients did not compete with other locally produced goods, therefore not affecting the revenues of any local firms. In the case of Woodhorn, PPR Wipag, and the plastic pellets produced by Impact Recycling, the final outputs are exported from the South East region. When the final products are sold locally, as in the cases of BCCC, Magpie, and recycled paper produced by Impact Recycling, they have replaced goods imported from outside the region.

- **Leakages** – The Net GVA of this project was not reduced by leakages as all the grant recipients are located exclusively in the South East region and do not have any plans to relocate out of the region in the 2008-2011 time period.
- **Multiplier Effect** – As the capital equipment financed by this project was purchased outside the South East region, there was no multiplier effect achieved by this project.

As a result of the project, a total of 5 jobs were created. Those companies that have not expanded their workforce have invested in staff retraining and skills development programmes.

Outcomes and Impacts

In total 61,300 tonnes of material being diverted from landfills in the South East Region, between 2006 and 2010 as a result of this project. This diversion of materials from traditional waste disposal methods resulted in reduced CO2 emission of 4,800 tonnes and save 40,600 Mwh of energy due to efficiencies in transport and processing routes ¹¹

Table 25: Environmental Benefits attributable to the project

	Cumulative 5 year Savings Attributable to the Project		
	Feedstock Diverted (Tonnes)	CO2 (Tonnes)	Energy (Mwh)
BCCC	1,700	10	600
Woodhorn	46,400	- 100	30
Impact	1,800	2,100	20,300
Magpie	8,400	5,200	19,800
PPR	3,000	400	1,500
Total	61,300	4,800	40,600

The majority of the beneficiaries said that they were able to expand their business into either new areas of production or to move up the production value chain into more stable rolling contracts as a result of the grants. Additionally, in organic material, reprocessing grant recipients were able to attract business support from WRAP, to develop marketing strategies and certify their products to a standard where they are able to be sold in the local retail market at a higher price. Several of the interviewees, expressed the opinion that without the capital equipment that they accessed through this grant, their business might not have remained economically viable into the near future.

Strategic Added Value

Some interviewees recognised that EnviroBusiness had provided a significant leadership role for the project through providing access to networking opportunities with potential business partners. However Interviewees were not able to identify specific Strategic Added Value brought to the project by SEEDA beyond the funding. This is due to SEEDA effectively delegating interactions with beneficiaries to Envirobusiness.

Overall Assessment

The project was able to find appropriate grant recipients and has successfully leveraged matched funding to finance their purchase of capital equipment. While the project has also had success in terms of waste diversion, job creation and GVA growth, the lack of a clear benchmark or specific targets makes it difficult to assess the extent to which the project was successful.

¹¹ Based in calculations in Invest in Recycling Annual report (2007)

There is also evidence from the beneficiaries that the seed financing has allowed them to build their business so it will be able to access further financing in the future without grants leading to sustainable and growing businesses as well as increasing recycling. This also begs the question as to whether it would be possible to provide subsidised loans instead of grants, which could operate to create a revolving financing fund. This may be particularly be relevant where companies have significant potential added value such as PPR, which dominates the production of net economic benefits from this project.

Key Sources

http://www.woodhorngroup.co.uk/waste_management.asp

http://www.impactrecycling.co.uk/plastic_recycling.shtml

<http://www.magpie.coop/shabitat.php>

<http://www.pprwipag.com/>

<http://www.brighton-compost.coop/household.html>

Invest in Recycling Annual Report 2007

Invest in Recycling Grant Recipient Monitoring Report – March 2008

http://www.seeda.co.uk/work_in_the_region/sustainable_developments/waste/docs/seeda-marketreviewsummarypresentation.pdf

South East Sustainable Energy Partnership

Objectives and Rationale

SESEP was formally established in 2005 lead by GOSE to contribute to the Government's 2003 Energy White Paper objectives, specifically to:

- Develop and implement regional policy and targets for sustainable energy
- To share best practice
- To support projects to meet the region's targets

This activity was driven in part by a target for the South East region of achieving 5.5% of its electricity generated (based on regional installed electrical capacity) by renewable energy by 2010 as agreed with national Government. Monitoring progress against this target was achieved through using the South East England Renewable Energy Statistics (see-stats) initiative, which was partly developed and funded through SESEP. The current RES has now set significantly more challenging targets of 10% by 2010 and 20% by 2020 of all primary energy supplied in the region.

Since 2007 SESEP has evolved to focus more on supporting local authorities to deliver carbon reduction more generally through promoting sustainable energy, rather than specifically promoting renewable energy. This has also coincided with the end of regional funding by DBERR for SESEP relating to renewables.

The rationale for the partnership seems mainly to be to address potential coordination failure between regional and local public bodies so that there was a coherent strategic approach to promoting sustainable energy and particularly to achieve the original 5.5% renewable target. The need for coordination was established in the Government's 2003 Energy White Paper, which also 'strongly encourage(d) RDAs to play a key role in the delivery of energy policy objectives at regional level'. SEEDA's role in the RES 2002-12 is specifically focussed on promoting the renewable energy technology sector in the SE.

The main underlying theory of change would seem to be that building awareness and understanding of renewable energy amongst local authorities and related bodies, would help facilitate and remove barriers, particularly planning barriers, to renewable energy projects in the SE and hence build the SE renewable energy sector.

Activities and Outputs

The main activities of SESEP would seem to be facilitation, coordination and awareness raising as well as managing funding to sub-regional delivery bodies, who worked to identify and facilitate renewable energy projects on the ground. It also funded the development of see-stats to monitor progress towards the renewable energy target, which was a major direct output of the partnership.

SEEDA's funding of £149k (04-07) mainly supported the sub-regional delivery partners and the development of the see-stats monitoring mechanism.

Also SEEDA's Energy Flagship and Biomass Exemplar projects were developed with and coordinated with SESEP to ensure maximum public sector support and facilitation.

SESEP had 10 different activity areas in its 2005/06 annual report and 8 objectives in its 2006/07 business plan, which may have been challenging to manage in a focussed manner. In 2006/07 it did set 5 priority actions to assist in focussing its activity.

SESEP is currently further focussing its activities with a particular focus on working to support Local Area Agreements delivery of carbon reduction targets. It is also looking to engage with relevant businesses such as utilities.

Outcomes and Impacts

The main relevant outcome is that the SE is now very likely to achieve and exceed its 5.5% renewable energy target based on installed electrical capacity, potentially achieving 7% by 2010, but fail to meet the more recent RES target of 10% based on primary energy supply. However it is less clear to what extent achievement of the former target has been contributed towards by SESEP. It is estimated that over 50% of installed capacity by 2010 will be provided by 2 major offshore wind farms (Kentish Flats and Thanet) over which SESEP's activities will have had very limited influence. Furthermore, sub-regional delivery is forecast to be about 50% of that envisaged by SEERA in its original development of the 5.5% target in 'Proposed Alterations to Regional Planning Guidance, South East – Energy Efficiency and Renewable Energy' (2003). However delivery at the sub-regional level could have been less effective without the intervention of the sub-regional delivery groups funded by SESEP, which was mostly funded with SEEDA provided funds.

Achievement of renewable targets is substantially influenced by local planning decisions and national mechanisms such as the Renewable Obligation Credits scheme. SESEP has sought to influence the former, but planning remains a key issue for the success of renewable energy projects.

Strategic Added Value

GOSE was clearly seen as responsible for providing leadership to SESEP with SEEDA seen as having a more supportive role apart from promoting biomass. In this latter area SEEDA was seen to have a greater leadership role. SEEDA were also seen as influential in promoting business involvement, but not necessarily getting involved in actually delivering such involvement. SEEDA's leadership was looked for in promoting renewable energy in the future.

Lessons

The planning system was still seen as a huge barrier to delivering renewable energy, particularly with larger projects. It was suggested there was a need to work with beacon local authorities who were leading the way in delivering renewable energy to demonstrate its wider benefits and reduce community objections.

With the more ambitious targets set by the current RES and the reduced focus on renewable energy by SESEP, it was suggested that new mechanisms needed to be explored to achieve these targets. This was seen as particularly the case for delivering larger projects which are likely to determine whether targets are achieved or not. Here SEEDA's business links could be a major factor.

Overall assessment

It is not possible to assess the impact of SESEP on the delivery of renewable energy capacity to date, but clearly the main source of delivery, off shore wind, cannot be attributed to SESEP. With SESEP's change in direction and focus on supporting local authority carbon reduction, there is clearly a need for a new mechanism to deliver larger renewable projects working with business, if the current RES targets are to be met. Clearly there is a need for a new renewable energy delivery strategy learning from the SESEP experience and designed to achieve the new substantially more ambitious RES targets.

SESEP's activities concentrated on the delivery of renewable energy supply rather than supporting the development of a SE renewable energy sector per se, including the renewable energy technology supply chain. As SEEDA has recognised, a focus on the whole supply chain development in the SE is likely to provide greater economic benefits and so should be taken into account in future SEEDA activities.

SESEP's future activities will clearly be relevant to delivering the RES target for the reduction of carbon emissions, particularly from the domestic sector. SEEDA may be able to add value to this activity by facilitating engagement with relevant businesses such as utilities. However it is not clear how well set up SESEP is to engage with business and the Energy Savings Trust (EST) may be better placed to provide such engagement through their new regional manager. SEEDA is currently engaging with business, LAs and others on mechanisms to deliver the RES target.

Key Sources

SESEP - Regional Sustainable Energy Strategy and Delivery Programme – Annual Report 2005/06

SESEP – Business Plan 2006/07

South East England Renewable Energy Statistics – www.see-sats.org

TV Energy, 2008 - Progressing Renewable Energy in the SE of England

SEERA, 2003 – Harnessing the Elements: Proposed Alterations to Regional Planning Guidance, South East – Energy Efficiency and Renewable Energy

Energy Wind Turbine Flagships

Objectives and Rationale

The overarching goal of this project is to facilitate the development of a wind-powered electricity-generating sector in the South East. The individual exemplar turbines were developed with the aim of raising awareness in local communities the potential for and benefits of installing wind-powered electricity generating capacity (WPEGC), in the hopes of convincing landowners to consider installing turbines. Additionally, by locating the exemplar turbines in prominent locations, they aimed to reduce opposition to the aesthetic qualities of wind turbines. The project was also designed to reduce the use of fossil fuels in the South East by providing a source of green electricity both directly to households and businesses, and through the electricity grid.

The interviewees expressed two key facets to the rationale for this project:

- The first part of the rationale was that there was a lack of awareness among local landowners with regard to the opportunities that existed to install WPEGC. This informational market failure discouraged the development of the wind-powered electricity-generating sector by reducing the number of potential installation sites.
- The second part of the rationale was the misconceptions about WPEGC and their aesthetic qualities were likely to lead to opposition to the installation of future wind-farm developments in the South East such as; those planned for the Port of Ramsgate and other parts of Kent. This informational market failure could severely hinder the development of the wind-powered electricity-generating sector by further reducing the number of potential installation sites.

The underlying theory of change was that in order to develop the capacity to support a wind-powered electricity-generating sector in the South East, the information failures that reduced the availability of potential sites needed to be addressed. Through generating green electricity, the exemplar projects would act as a vehicle to disseminate information to the local population on the benefits of WPEGC as well as the processes and options for installing WPEGC. By being located in prominent locations, the wind turbines would act to make wind turbines more aesthetically acceptable.

Activities and Outputs

The main activity of this project was the allocation of grants to the exemplar projects in order to fund the purchase and installation of the electricity-generating wind turbines. These grants were awarded in partnership with the Government's Low Carbon Building Programme, EDF Energy's Green Fund, Local Authorities and private sector companies.

The project has successfully installed two exemplar projects in Dover and Swindon. In total, they have installed six wind turbines with a combined generation capacity of 6.5 megawatts.

- In November 2007, the Dover District Council has installed a 17 metre, electricity-generating turbine at their Whitfield offices. The wind turbine cost approximately £90,000, of which £27,000 was contributed by SEEDA through

this project. The turbine has an electricity generating capacity of 50-kilowatt hours per month. This was funded through three equal grants and SEEDA.

- In February 2007, the West Mill Wind Farm installed five wind turbines each with an electricity generating capacity of 1.3MW. The total cost of the purchase and installation of the wind turbine was £50 million, of which the majority of funding came from the sale of shares to local residents. SEEDA contributed a Capital Grant Payment of £50,000 to support the development of the Co-operative, the undertaking of a Grid Connection Study, and contribute towards Design and Tender Documents.

Outcomes and Impacts

To date the project has installed 6.5 megawatts of electricity generating capacity. The exemplars are anticipated to generate 8.6 GWh of electricity per annum and are anticipated to be commercially viable for up to 25 years.

The West Mill Wind Farm began commercial electricity generation in February 2008. The electricity that they generate is transmitted to two companies, who then sell the electricity to 2,500 subscribing households that have switched to renewable sources of energy.

In 2007, the Dover District Council began to offset its electricity consumption by directly utilising the electricity it generates. In doing so, it is estimated that it will reduce its spending on electricity by £4,000 per annum¹². The turbine is anticipated to reduce the carbon footprint of the Dover District Council by on average 0.25 tonne per week or 13 tonnes per year.

There is evidence that these exemplars have increased awareness of renewable energy:

- The West Mill Wind Farm offers instructional tours of the exemplar project to schools, colleges, community/local groups, councillors, to raise awareness of the potential for WPEGC in the Oxfordshire area.
- Due to the high demand for information that they have received, the Westmill Wind Farm created a website to guide individuals in determining if their site is appropriate for installing wind powered electricity generation capacity. The website was launched in early 2008. Quantitative evidence from the website was not yet available. However, an interviewee estimated that the site had attracted a high volume of interest.
- Interviewees estimated that approximately 5,000 people per month had been exposed to this wind turbine, although they did not have a formalised system in place for monitoring the number of people seeking information on installing WPEGC themselves.

The two projects have arguably met their immediate outcomes of raising levels of awareness. However, it is difficult to assess whether they have or are likely to lead to more installations of wind power in other sites.

¹²

http://www.shepwaylibdems.org.uk/news/000858/dover_council_switches_on_wind_turbine.html

Strategic Added Value

Interviewees associated with West Mill Wind Farm expressed the opinion that, while the funding that they received through this project was extremely helpful, they were not aware of SEEDA's contribution extending beyond the funding. Other funding partners were not aware of SEEDA's contributions to these exemplar projects. In the case of the West Mill Wind Farm, interviewees expressed the opinion that the purchase of the turbines would have been possible without SEEDA's funding, however the dividends paid to its members would have been affected, and the time line for the installation would have been delayed.

Challenges and Lessons

A key lesson from this project is to acknowledge the long term nature of the return on investment made by SEEDA.

- The Westmill Wind Farm took 15 years from concept to installation, partly due to technology becoming redundant by the time planning approval was received. The complexity of the planning approval process combined with the fast pace of technological change, created challenges for the exemplar projects
- This challenge was less acute with the smaller Dover District Council wind turbine project; however difficulties with planning approvals and accessing the appropriate technology resulted in the installation being delayed by almost a year.

Resistance to the installation of the turbines was experienced by both the exemplar projects. Securing access to financing was also a challenge for both exemplar projects due to the emergent nature of the wind-powered electricity-generating sector, particularly at the initial stages of the project development.

Overall Assessment

The project was successful in supporting the development of two key exemplar projects that demonstrated the options available to potential installers of WPEGC. The exemplar projects have also offered local citizens the opportunity to access green electricity directly and to benefit financially from its production. They have also been successful at raising the profile of wind turbines.

However, the exact extent and nature of the influence of the exemplar projects has not been assessed, and there has been no baseline information to act as a comparison with any future survey. In the future exemplars should arguably conduct baseline and follow-up studies in order to assess the impacts of the exemplar projects on the attitudes of the populations in their catchment areas and provide justification for these interventions.

Key Sources

http://www.westmill.coop/westmill_aboutus.asp

http://www.good-energy.co.uk/renewable_generation#wind

Sustainability Checklist Project

Objectives and Rationale

This project was set up to with the aim to of generating a greater understanding within the planning and development communities, of the impact of large-scale developments on; the wider community, land use, transport, energy, buildings, infrastructure, natural resources, ecology, community involvement and business involvement.¹³ Additionally, the Sustainability Checklist was designed to be a straightforward tool for a wide array of decision makers, including developers, local authorities and other interested parties to:

- Guide the design of new developments by making sense of current policy, highlighting best practices and setting benchmarking targets for new developments building based on the guidelines set by Ecohomes and the new Code for Sustainable Homes¹⁴.
- Maximise the overall sustainability of an individual proposed development by allowing developers to assess to what extent a design proposal will deliver on a range of sustainability issues covered in the Regional Spatial Strategy for the South East.
- Easily compare the sustainability impacts of competing new housing and mixed use development proposals and/or alternative land uses proposals.

The rationale expressed by the interviewees was that the overlapping natures of the existing planning guidelines created difficulties in establishing consistent interpretations with respect to sustainability throughout the South East Region (ie there was an information failure):

- For developers, this lack of clear guidelines and targets created disincentives for them to propose developments that exceeded the minimum planning requirements.
- For Local Authorities, this lack of clear standards and benchmarks made it difficult to choose developments that would maximise the overall sustainability of their community.
- For SEEDA, their ability to set best practise by incorporating innovations into development projects was hindered by these inconsistencies in policy application.

The underlying theory of change is that by streamlining the multiple levels of planning policies, and guidelines into a user-friendly, interactive format, the planning process would be more transparent, thereby creating incentives for implementing improvements in sustainability of large-scale developments. By objectively taking into account a wide range of sustainability criteria, the Sustainability Checklist would encourage competition among developers to maximised sustainability, giving the Local Authorities and other stakeholders a greater choice of options in implementing sustainable development and incorporating sustainability requirements into the planning process.

¹³ http://www.seeda.co.uk/work_in_the_region/sustainable_developments/construction/index.asp

¹⁴ <http://southeast.sustainability-checklist.co.uk/page/overview/whatis>

Activities and Outputs

The first Sustainability Checklist was launch by SEEDA in conjunction with the Building Research Establishment (BRE) in July 2003. It was intended to complement existing tools such as those developed by Ecohomes and BREEAM but would be focused on larger multi unit developments, rather than individual new homes and buildings. A series of six training workshops were conducted in 2004 in collaboration with six Sustainable Business Partnerships (SBPs) across the South East, to improve awareness of the benefits and impact of the Checklist in the construction industry. Following the launch of the initial Sustainability Checklist, SEEDA and BRE initiated a pilot study involving eight companies and two local authorities to quantify how they were embracing the sustainability agenda.

The main activity of this project was a series of the meetings of a reference group that set direction, reviewed policies and oversaw governance for the updated Sustainability Checklist. Additionally the project held a series of workshops in 2007 to encourage Local Authorities to participate and adapt the Checklist to meet their local needs.

The Updated Sustainability Checklist was the project's main output, and was launched in January 2007. The Updated Sustainability Checklist was web based unlike the original that was burned on CD. The project also addressed many of the usability issues and answer reliability issues that were present in the original version of the Checklist. This original Checklist was closely linked to Ecohomes policies, and as a result the Sustainability Checklist needed to be revised to remain harmonised with changing government policy.

The Updated Sustainability Checklist had a stronger requirement for developers to submit supporting documentation when completing the Checklist. In completing the Checklist, they were required to answer questions in eight categories relating to sustainability. Within each of the categories questions were weighted, so that questions pertaining to less significant issues receive a maximum score of 50% of those deemed to have a more significant impact. The Sustainability Checklist scores the submission against minimum standards, as well as good and best practice standards for each of the eight areas¹⁵. The good and best practice standards are drawn from SEEDA's experience with delivered projects, as well as the input from planners and other regional stakeholders, and are intended to outline the likely future direction of policy.

The Updated Sustainability Checklist, produced through the project, will be able to be tailored to the needs of individual Local Authorities within the South East Region. This will be done by a Local Authority either altering the weighing of questions and/or adding questions that address local concerns and local policies. The Region and participating Local Authorities will be responsible for updating their sub-regional Checklists'. This arrangement has a strong potential for creating discontinuity both between the sub-regional elements of the Sustainability Checklist and between Updated Sustainability Checklist and other regional Sustainability Checklists.

¹⁵ http://southeast.sustainability-checklist.co.uk/page/faq/practice_standards#why

Outcomes and Impacts

The updated Sustainability Checklist has led to the first sub-regional Sustainability Checklist being launched in August 2008 by Brighton and Hove District Council. This spin-off project was though partially funded by SEEDA. The pilot Local Authority is actively marketing the concept of the sub-regional Sustainability Checklist to other Local Authorities in the region so greater future use may occur. This sub-regional Checklist will be accessed through the Regional Checklist's website, and will incorporate the overall structure of the Updated Sustainability Checklist. However, this sub-regional Checklist has had to be significantly altered in order to meet the needs of the Local Authority, and will cater for a wider range of housing developments including householder applications and renovations of existing buildings, rather than the intended scale of large scale developments.¹⁶ Interviewees expressed the view that, while it was too early to have observed any impacts from this project, the monitoring and evaluation system that the Checklist provided the Local Authority would have a significant impact on its ability to set appropriate planning policies. By adopting the sub-regional Checklist the Local Authority was able to switch from a cumbersome paper based to a more efficient, electronic data collection system allowing them to improve the quality of information future policy decisions will be based on.

The Sustainability Checklist has been used on some SEEDA funded projects, including: the Daedalus brownfeild regeneration project in South Hampshire and the Woolston Riverside development project in Southampton. In this context, the Updated Sustainability Checklist has assisted SEEDA to work with local planning authorities, and key stakeholders, including businesses and local communities, to agree a development vision for the future of these areas. This should have future impacts on the environmental quality of these developments.

However interviewees commented that the 2nd Sustainability Checklist has not been broadly adopted nationally or inter-regionally by developers. The main reason for this, suggested during the interview process, was that while the tool itself was well designed, it was seen superfluous to the needs of developers. Several interviewees expressed the view that, the Sustainability Checklist did not help them in submitting planning approvals. Additionally, it was felt by interviewees that nationally operating developers needed an integrated nationally scaled Checklist. It was felt that nationally operating developers were deterred from utilising any of the regional Checklists due to the discrepancies in terms of their format, questions, scoring, and evaluation. It was felt that a single nationally integrated system, with regional components would have been more beneficial. SEEDA are currently working with the Housing and Communities Agency to develop a national approach to address these issues.

Challenges and lessons

The key lesson from the original Checklist was that the tool itself and the outputs it generated needed to be useful to the audiences that they were targeted towards, if the Sustainability Checklist was to be utilised.

¹⁶http://64.233.183.104/search?q=cache:Yqr5_iK1-pAJ:peace.brighton-hove.gov.uk/Intranet/CommitteeMgt.NSF/0/7BEA8D5A6291FA4180257345003E6547/%24File/Item%2B14%2B1%2BSust%2BBuilding%2BDesign%2BSPD%2Breport.doc+SEEDA+Sustainability+checklist&hl=en&ct=link&cd=20&gl=uk&client=firefox-a

The main challenge faced by the project was to tailor the Sustainability Checklist to meet the needs of three disparate groups of stakeholders: SEEDA, national developers and Local Authorities. While the regional scale of the original Sustainability Checklist was appropriate for SEEDA, both national and sub-regional bodies found that the outputs generated by the Sustainability Checklist were not appropriate to the scale of their operations. The project was able to incorporate this lesson by allowing the Updated Sustainability Checklist to be tailored to the needs of sub-regional level.

The first Sustainability Checklist experienced significant challenges in maintaining consistency when other regional bodies adapted the Checklist to meet their local conditions. These discrepancies in format and outputs generated by Checklist discouraged national operators from utilising any of the Checklists. The project has addressed this challenge, to an extent, by providing a template for the sub-regional Checklists. While the sub-regional Checklists are separate entities from the regional Sustainability Checklist, they are linked to the project website. However, as the sub-regional bodies have a lot of flexibility in adapting the template and are responsible for keeping their Checklists up to date, there is a strong possibility that the future usability of the Checklists will be impacted.

Strategic Added Value

Several of the interviewees felt that the project significantly contributed to raising the level of debate on sustainability issues at the Local Authority level. While the interviewees were not aware of any projects or technological changes that were catalysed by this project, they did see potential for this occurring at the Local Authority level in the future.

Overall assessment

The project was highly successful in developing a user friendly, objective tool that incorporated many of the lessons learnt from the original Sustainability Checklist. The Updated Sustainability Checklist is used by SEEDA in its decision making process for setting best practices for the sustainability of development projects it is involved in. However its take-up amongst its other key intended users, local authorities and developer was not significant as yet. It was the overall view of the interviewees that in targeting the needs of so many audiences, the Updated Sustainability Checklist's outputs were not relevant to many private sector users.

Key Sources

http://www.wwf.org.uk/filelibrary/pdf/regsust_checklist.pdf

http://www.seeda.co.uk/news & events/press_releases/2004/20040301.asp

Climate South East

Objectives and Rationale

This partnership was set up to promote the SE region to be resilient to climate change and low carbon through:

- Raising awareness
- Developing and championing solutions
- Influencing policy processes

The partnership was originally set up in 1999 when there was a low awareness of the potential impacts of climate change and its main focus has been on promoting understanding of the need to adapt to the impacts of climate change. However over time it has responded to membership demands to also address climate change mitigation issues, although there seems to be a lack of clarity in its role in mitigation. For instance, it is noticeable that its website does not suggest it has a mitigation role, while its draft 3 year strategy does.

The partnership has not had clear targets and monitoring in the past, but it is currently developing a three year strategy and is seeking to define clearer targets, which it will monitor.

The rationale for the partnership is to address information failure regarding the climate change impacts in the SE preventing adequate adaptation responses. The RES 2002-12 recognises that climate change is expected to be more pronounced in the SE than other regions and recognises the potential impacts on economic activity. However it doesn't specifically set out adaptation actions.

The main underlying theory of change is that increased understanding of climate change impacts and potential adaptation responses will lead to action being taken by government and business to reduce the economic impacts of climate change. The partnership produced an initial report 'Rising to the Challenge' in 2000/01. This identified the key sectors (eg Tourism) likely to be impacted on by climate change and has driven work since.

Given the long-term and diverse nature of climate change impacts, this partnership faces a substantial challenge in driving actual adaptation responses through information and demonstration. Its challenge is further increased by expanding its remit to cover climate change mitigation, as well as potentially diluting its focus and profile as leading on climate change adaptation. The specific rationale for SEEDA's involvement has not been set out in the RES 2002-12 or the current RES apart from generally recognising the issue of adaptation.

Activities and Outputs

The main activities of the partnership are conducted through a range of working groups on issues such as planning, business & the economy and tourism. These working groups carry out research, awareness raising and influencing depending on their focus. A key output for the partnership is its website, which has recently been upgraded and provides a wide range of information on climate change impacts and responses, with extensive use of case studies. This recent use of case studies reflects a recent move to focus on actions to respond to climate change giving the increasing awareness of

climate change. These case studies have included local grassroots action through the development of unanticipated contacts with local NGOs. Other key outputs have been

- Research publications, for example on retrofitting of housing to adapt to climate change commissioned jointly with London and the East of England.
- Consultations responses, for example to the SE Plan and the Climate Change Bill.

The partnership is managed and funded by its members, who pay a range of different levels of subscriptions to join depending on their status. SEEDA pays approx £5,000 annually to be a member and provides free office space for the partnership officers. The total current budget for the partnership is about £60,000 from a total membership of about 60. Membership is predominately public sector and NGOs. The main business membership is from water companies, with few other business members.

The partnership has recently relaunched its website and rebranded itself as Climate South East. It is currently developing its forward strategy focussing on action and seeking to recruit a larger business membership.

Outcomes and Impacts

Interviewees suggested that the main outcome to date from the partnership had been an increase in awareness and understanding of climate change impacts and the need for adaptation. There was no specific independent evidence of this, but the increasing numbers of members of the partnership provides some evidence to support this. Another key outcome was the influencing of the SE Plan, which does have a reasonably substantial policy on measures to adapt to climate change. It is noticeable though that the current RES only refers to the need to adapt to climate change without any specific actions to achieve this. There was recognition that there was limited success so far in actual influencing action to adapt to climate change on the ground, but this was increasing the focus of the partnership.

There has been a broader increase in awareness of climate change impacts which has assisted the partnership in its work and helped build its membership. For instance it has had 20 new members in the last year. The inclusion of climate change adaptation in the Climate Change Bill has also given adaptation a high profile.

Strategic Added Value

Interviewees recognised that SEEDA had provided a significant leadership role for the partnership through providing the chairman, Graham Tubb, since its inception. It was claimed that the Chair had kept the focus of the partnership, maintained its momentum and made relevant connections back to SEEDA. The Chair had also assisted in influencing the SE Plan and provided important understanding of the regional economic context to the partnership. There was though a contrast drawn to the London Climate Change Partnership which is funded directly by the Greater London Authority. It is also noticeable that the current RES has not identified extensive actions to address climate change impacts.

Lessons

The partnership has faced challenges in decision making on what can be controversial issues. It has learnt to use sub-groups, such as the planning group, to work through difficult issues prior to discussion in the executive group.

It is still seeking to address the major challenge of recruiting new business members to broaden its engagement with the business sector. This may be particularly challenging with the current dominance of the public/NGO sector and the potential lack of clarity in the partnership's mission, covering both adaptation and mitigation, but with a stronger track record on the former.

Overall assessment

This partnership seems to have achieved a level of success with a challenging remit as demonstrated by its expanding subscription membership and its impact on the SE Plan. However its success has been limited in engaging business and the potential lack of clarity in its role on climate change mitigation would seem to be problematic. The current RES and SEEDA's Corporate Plan include limited actions to address climate change adaptation, which raises the question as to SEEDA's ongoing level of investment in the partnership, unless it becomes a major actor in delivering the RES's climate change mitigation objectives. Given Climate South East's limited capacity and lack of a track record in the area of mitigation, this seems unlikely.

Key Sources

Climate South East Website – www.climatesoutheast.org.uk

South East Climate Change Partnership – Strategic Plan 2008-12.

ANNEX 2 – INTERVIEWEES

Name	Position	Organisation
Alan Almond	Business Development Director,	Home Grown Cereals Association
Andrew Day		Countryside Properties
Bev Draig	Sustainability Policy Coordinator	Eastleigh Borough Council
Bill Godfrey	Hardy Ornamental Nursery Stock Sector Champion	
Brian Connorton		Thames Water
Carol Blake	Director Recycling of Plastic, Cardboard, Printer Cartridges and Paper	Impact Recycling Ltd
Catriona Riddell	Planning Strategy Manager	SEERA
Chris Corrigan	Regional Policy Manager	RSPB
Chris Sollars	River Catchment Coordinator	SuRCaSE
Claire Williams	Daedalus Project Officer	SEEDA
Colin Rowland	Head of Material Resources Strategy Implementation	Hampshire CC
David Hoilfield,	Woolston Project Officer	SEEDA
David Howarth	Strategic Environmental Planning Manager	Environment Agency
David Payne	Planning Manager	SEERA
David Pryce-Jones		Government Office South East
Douagl Driver	Head of Rural Strategy,	Government Office for the South East
Gabriel Berry		TV Energy

Name	Position	Organisation
Haley Elston	Food Group Manager	Taste of the Wight
Heather Buttivant	Programme Manager	Climate South East
Helen Jackson		energy4all
Henriette Reinders	Managing Director	South East Food Group Partnership
Hilary Knight	Food Group Manager	A Taste of Sussex
Howard Davidson	Regional Director	Environment Agency
Hugo House	Communications manager	Good Energy
Ian Bryan	Operations Manager	National Industrial Symbiosis Programme
Ian Hepworth	Regional Policy Director	SE Wildlife Trusts
Jeremy McCabe,	Precision Farming Sector Champion	
Joanna Lucas	Regeneration Director	Crest Nicholson Regeneration
John Evans	Chairman	South East Food Group Partnership
John Hallett	Kennett Project Coordinator	Environment Agency
John Pitts	Managing Director	The Woodhorn Group Ltd
John Walker	co-ordinator waste processing / recycling	Brighton Community Compost Centre
Jonathan Weston	General Manager Automotive Plastics Recycling,	PPR WIPAG LIMITED
Julian Morgan Jones	MD and Operations Director	South East Wood Fuels Ltd.
Keith Colquhoun	Climate strategy Manager	Thames Water
Keith Richards	Chief Executive Officer	Thames Valley Energy
Keith Riley	Managing Director	Veolia

Name	Position	Organisation
Lee Dance	Head of Water Resources	South East Water
M. Woodcock		Forestry Commission
Mark Thompson		EDF energy
Matthew Knight	Regional Manager	Energy Savings Trust
Paula Goncalves	Senior Planning Officer Planning Projects	Brighton and Hove Local Authority
Quinton Sandell	Head of Local Sourcing, South East	Tesco
Richard Hodegson	Manager	Isle of Wight Cheese Company
Robert Jones-Mantle	Director	Magpie Recycling
Ron Wootton		Hoare Wootton
Roy Williamson	Partnerships and Projects Manager	Enviro Business
Scott Raffle	Communications Manager	Horticulture Development Corporation
Shaun Leavey	Chairman	Farming Regional Industry Group
Shawn Cline		Dover District Council
Steve Creed	Director of Business Group	WRAP
Steve Sands		Impetus Marketing
Tim Bines	Chair	South East England Biodiversity Forum
Tom Crossett	Chair	South East Water Resources Forum
Tom Vosper	Biomass Project Manager	CEN

ANNEX 3 – STAKEHOLDER INTERVIEW GUIDES

Introduction

This document contains 3 Generic Topic Guides to be used as part of GHK's evaluation of SEEDA's Sustainable Use of Natural Resources projects and partnerships. They are for use in interviews with:

- SEEDA project managers
- Business and other beneficiaries;
- Stakeholders;

Each Guide is designed to facilitate in-depth, semi-structured, qualitative interviews. Interviews will be conducted predominantly by telephone. The Guides are designed to be suitable as the basis for both telephone and face-to-face interviews. The Guides are intended to be flexible and both interviewers and interviewees will be experienced enough to use them as a framework; these are not question-by-question guides and issues will be explored or ignored according to relevance/importance.

Use these guides first with SEEDA project managers. Use these interviews to identify what are the expected impacts of projects/partnerships; where the intended strategic added value was of SEEDA's involvement and what lessons they see emerging. These interviews then should be used in conjunction with the topic guides when interviewing others to probe/prompt interviewees. The project managers will also give you the contact details etc that you need.

There will be significant cross-over between the partners and strategic stakeholders. Partners are likely to be (should be) strategic stakeholders so allow them to talk more widely about SEEDA's role in the relevant area as well as specifically within the partnership. The standalone topic guide for strategic stakeholders is designed for more senior stakeholders who are not directly involved attending partnership meetings.

Throughout we will **collect examples** that illustrate key points made, especially in relation to the more intangible issues around Strategic Added Value and in relation to impacts on people and organisations that have engaged with Genesis.

All interviewees are being interviewed on the basis that their **comments will be un-attributable**, and that no individuals or organisations will be identified in reporting. Any quotations used will be made anonymous. **This should be made clear at the start of the interview.**

Notes from these interviews will be written up under the main headings of the Topic Guide and stored in a database for ease of analysis.

Project case studies

Good morning/ afternoon, my name is XXXXX and I am calling from GHK Consulting. We are undertaking an evaluation of SEEDA's support of projects and partnerships to promote the sustainable use of natural resources and as part of this project we are doing a series of short telephone interviews to explore the impact of key projects. I am calling you particularly about XXXX project.

Interviews should take no longer than 35-40 mins. All responses will be made anonymous, and no individuals or organisations will be identified in reporting.

[Establish whether they are prepared to take part in the survey and undertake the interview or arrange a suitable time to call back. If they are prepared to take part, please ensure that they understand the purpose of the interview and the way in which the information will be used].

Introduction & Context

1. Please briefly describe your role within your organisation.
2. Where are you/is your organisation based?
3. Please describe the nature and extent of your involvement with the project.
4. How would you describe your knowledge of this project: good, reasonable, limited?

Objectives and Rationale

5. What was the project trying to do? What were its original objectives? What would success have looked like? How would it be measured?
6. What was the rationale for the project? Why was it thought necessary to achieve these objectives? For instance, was a market failure identified? Was there evidence to support this rationale? If so what? Did the project actually address the identified rationale?

Outcomes & Impacts

7. What did the project achieve? To what extent has the project met its original objectives? (Scale 1 – 5: 5 is exceeding its objectives, 4 meeting, 1 not meeting its objectives at all). Please explain your rating.
8. Would these objectives have been met without this project? Would other organisations have met them? Would other organisations have funded the project?
9. What did specifically SEEDA's funding provide to the project? What would have happened without this funding?
10. Have there been any additional, anticipated or unanticipated outcomes?
11. What have been the wider trends and policies, national or local that may have impacted on the achievements of the project?

12. What challenges or barriers have been faced? Were they overcome and if so, in what way?

Strategic Added Value

13. To what extent has SEEDA shown strategic and catalytic leadership through its involvement in this project? Has it encouraged and influenced present and potential regional partners and stakeholders to commit to contributing to shared strategic objectives and behave accordingly? Has SEEDA's involvement specifically levered in extra funding? Overall, how would you rate SEEDA's leadership? (Scale 1 – 5: 5 a very high level of leadership). Please explain your rating.
14. To what extent has SEEDA increased coordination, alignment and partnership through its involvement in this project? (Scale 1 – 5: 5 a very high level of coordination etc). Please explain your rating.
15. To what extent has SEEDA improved intelligence and awareness raising contributing to wider policy development through its involvement in this project? (Scale 1 – 5: 5 a very high level of improvement). Please explain your rating.
16. How effectively is this project delivering on your/partners/stakeholders expectations of SEEDA? (Scale 1 – 5: 5 a very high level of delivery). Please explain your rating.

Conclusion & Reflection

17. Overall, do you think this project has represented value for money, taking into account direct cash contributions, leverage and SEEDA staff time?
18. Are there any specific recommendations you would make in order to help SEEDA become more effective and efficient in future?
19. Do you have any other comments in relation to any of the issues raised in this interview, or are there any issues we have not discussed that you would like to raise?

THANK THE INTERVIEWEE FOR THEIR TIME AND CLOSE

Partnership case studies

Good morning/ afternoon, my name is XXXXX and I am calling from GHK Consulting. We are undertaking an evaluation of SEEDA's support of projects and partnerships to promote the sustainable use of natural resources and as part of this project we are doing a series of short telephone interviews to explore the effectiveness of key partnerships. I am contacting particularly about XXXX partnership.

Interviews should take no longer than 35-40 mins. All responses will be made anonymous, and no individuals or organisations will be identified in reporting.

[Establish whether they are prepared to take part in the survey and undertake the interview or arrange a suitable time to call back. If they are prepared to take part, please ensure that they understand the purpose of the interview and the way in which the information will be used].

Introduction & Context

1. Please briefly describe your role within your organisation.
2. Where are you/is your organisation based?
3. Please describe the nature and extent of your involvement with the partnership.
4. How would you describe your knowledge of this partnership: good, reasonable, limited?

Objectives and Rationale

5. What is the partnership trying to do? What were its original objectives?
6. *Does the partnership have clear targets and a monitoring framework to establish how effectively they are met?*
7. What was the rationale for the partnership? Why was it thought necessary to achieve these objectives? Was there evidence to support this rationale? If so what? Did the partnership actually address the identified rationale?

Outcomes & Impacts

8. What has the partnership achieved? To what extent has the partnership met its original objectives? (Scale 1 – 5: 5 is exceeding its objectives, 4 meeting, 1 not meeting its objectives at all). Please explain your rating.
9. Would these objectives have been met without this partnership? Would other organisations have met them? Would other organisations have funded the partnership?
10. What did specifically SEEDA's funding provide to the partnership? What would have happened without this funding?
11. What attracted you to participate in the partnership? What did you get out of this partnership?

12. Have there been any additional, anticipated or unanticipated outcomes?
13. *Have there been any notable successes with the partnership and if so, in what way?*
14. What have been the wider trends and policies, national or local that may have impacted on the achievements of the partnership?
15. What challenges or barriers have been faced? Were they overcome and if so, in what way?
16. *Is this the most appropriate partnership to delivery outcomes in this area? Are the right partners involved? Should other organisations be part of the partnership? Is there a need for different arrangements to be put in place?*

Strategic Added Value

17. To what extent has SEEDA shown strategic and catalytic leadership through its involvement in this partnership? Has it encouraged and influenced present and potential regional partners and stakeholders to commit to contributing to shared strategic objectives and behave accordingly? Has SEEDA's involvement specifically levered in extra funding? Overall, how would you rate SEEDA's leadership? (Scale 1 – 5: 5 a very high level of leadership). Please explain your rating.
18. To what extent has SEEDA increased coordination, alignment and partnership through its involvement in this partnership? (Scale 1 – 5: 5 a very high level of coordination etc). Please explain your rating.
19. To what extent has SEEDA improved intelligence and awareness raising contributing to wider policy development through its involvement in this partnership? (Scale 1 – 5: 5 a very high level of improvement). Please explain your rating.
20. How effectively is this partnership delivering on your/partners/stakeholders expectations of SEEDA? (Scale 1 – 5: 5 a very high level of delivery). Please explain your rating.

Conclusion & Reflection

21. Overall, do you think this partnership has represented value for money, taking into account direct cash contributions, leverage and SEEDA staff time?
22. Are there any specific recommendations you would make in order to help SEEDA become more effective and efficient in future?
23. Do you have any other comments in relation to any of the issues raised in this interview, or are there any issues we have not discussed that you would like to raise?

THANK THE INTERVIEWEE FOR THEIR TIME AND CLOSE

Strategic Sub-priority interviews

Good morning/ afternoon, my name is XXXXX and I am calling from GHK Consulting. We are undertaking an evaluation of SEEDA's support of projects and partnerships to promote the sustainable use of natural resources and as part of this project we are doing a series of short telephone interviews to explore the impact in key areas.

Interviews should take no longer than 35-40 mins. All responses will be made anonymous, and no individuals or organisations will be identified in reporting.

[Establish whether they are prepared to take part in the survey and undertake the interview or arrange a suitable time to call back. If they are prepared to take part, please ensure that they understand the purpose of the interview and the way in which the information will be used].

Introduction & Context

1. Please briefly describe your role within your organisation.
2. Where are you/is your organisation based?
3. Please describe the nature and extent of your involvement with SEEDA's activities to promote the sustainable use of natural resources. Is your involvement greater with their sub-priority 'investing in the environment; securing sustainable land management or promoting sustainable management of water, waste and energy?
4. How would you describe your knowledge of their projects and partnerships: good, reasonable, limited?

Objectives and Rationale

5. What do you see SEEDA trying to do in these areas?
6. What was the rationale for the activities? Was there evidence to support this rationale? If so what? Did the activities actually address the identified rationale?

Outcomes & Impacts

7. To what extent has SEEDA met its original objectives? (Scale 1 – 5: 5 is exceeding its objectives, 4 meeting, 1 not meeting its objectives at all). Please explain your rating.
8. Would these objectives have been met without SEEDA's activities? Would other organisations have met them? Would other organisations have funded these activities?
9. Have there been any additional, anticipated or unanticipated outcomes from SEEDA's activities?
10. *Have there been any notable successes and if so, in what way?*
11. What have been the wider trends and policies, national or local that may have impacted on the achievements of SEEDA?

12. What challenges or barriers have been faced? Were they overcome and if so, in what way?
13. *Are the most appropriate partnerships in place to delivery outcomes in these areas? Are the right partners involved? Should other organisations be part of the partnerships? Is there a need for different arrangements to be put in place?*

Strategic Added Value

14. To what extent has SEEDA shown strategic and catalytic leadership? Has it encouraged and influenced present and potential regional partners and stakeholders to commit to contributing to shared strategic objectives and behave accordingly? Has SEEDA's involvement specifically levered in extra funding? Overall, how would you rate SEEDA's leadership? (Scale 1 – 5: 5 a very high level of leadership). Please explain your rating.
15. To what extent has SEEDA increased coordination, alignment and partnership? (Scale 1 – 5: 5 a very high level of coordination etc). Please explain your rating.
16. To what extent has SEEDA improved intelligence and awareness raising contributing to wider policy development? (Scale 1 – 5: 5 a very high level of improvement). Please explain your rating.
17. How effectively is this partnership delivering on your/partners/stakeholders expectations of SEEDA? (Scale 1 – 5: 5 a very high level of delivery). Please explain your rating.

Conclusion & Reflection

18. Overall, do you think SEEDA's activities in this area have represented value for money, taking into account direct cash contributions, leverage and SEEDA staff time?
19. Are there any specific recommendations you would make in order to help SEEDA become more effective and efficient in future?
20. Do you have any other comments in relation to any of the issues raised in this interview, or are there any issues we have not discussed that you would like to raise?

THANK THE INTERVIEWEE FOR THEIR TIME AND CLOSE

ANNEX 4 – RESULTS OF LOCAL FOOD TRAINING BENEFICIARY SURVEY

An incentivised electronic survey was sent to approximately 700 recipients through distribution lists held by the county food groups. Despite a reminder email and an extension to the deadline only 28 respondents completed the survey. Only 8 of the 28 had received training funded by the South East Food Group partnership prior to March 2007.

Training Usage

Of those who had received training the types listed were:

- Hygiene (two respondents)
- Local Marketing
- Chocolatiers course
- Technical training in Chocolate moulding to help expand our product range
- Recipes and technical product info
- Cheese grading
- Web site training
- Labelling

This training was received as follows:

When did you receive it?	Count
April 2005 to March 2006	2
April 2006 to March 2007	6

Overall the training was received well:

How would you rate the overall quality of the training	Count
Poor	0
1	0
2	0
3	1
4	4
Excellent	3
5	3

With one respondent marking it as “too expensive”, with the remaining 7 viewing it “about right”.

The following comments were made on the training:

- The training has been a real benefit to our business giving key staff skills they did not previously possess and allowing us to consider developing new products
- A good way of enabling me to increase my product knowledge and extend my recipe portfolio
- It was only possible to attend the course because of the grant available as we are a new business.
- At the last session early this year on HACCP we were given the wrong tests papers.

Business Benefits

4 of the 8 respondents had sold more local produce since receiving their training:

	Have you sold any additional local produce since your training?	Please estimate the extra annual sales you have achieved since you received your training	How many jobs have you created or safeguarded as a result of the extra business?
	Count	Count	Count
Yes	4	Total £11,000	Total 5
No	2		
No, but anticipate additional sales in the future due to the training	2	Total £5,000	Total 0

Two respondents commented that the % of these extra sales that they had paid out for purchases from suppliers was currently unknown. One estimated this at 20%.

The significance of the contribution of the training to realising these extra sales was reported as considerable:

How significant was the contribution of the training you received in making these extra sales possible?	Count
Insignificant	1
	2
	3
	4
Significant	5
	2

The displacement questions met with responses suggesting these effects may be small:

	Are your main competitors to your sales of local produce located in the region?	Has your increase in sales significantly reduced sales to local competitors?
	Count	Count
Yes	2	0
No	3	5

The only further comments on the business benefits of selling local produce was “Although it’s hard to quantify additional sales and the direct impact the training has had on the business I KNOW that it has helped improve the quality and shelf-life of my products. Selling locally made produce is definitely a unique selling point that customers respond positively to.”

Future

Of the 28 respondents, only 2 reported that they expected to relocate their business outside the SE in the next three years. 16 stated that they would look for training in the future to improve their selling of produce locally. 5 of these showed a willingness to pay the full cost of this training:

	Do you expect to relocate outside the South East in the next 3 years?	Would you look for training in the future to improve your selling loc produce locally?	Would you be willing to pay the full cost of this training?	
	Count	Count		Count
Yes	2	16	Yes	5
			No	11
No	26	12	Yes	
			No	1

Recommendations and comments on training included:

- As a very small business, funds for investment are restricted and have to be carefully allocated. The availability of training subsidies can be a major factor in the decision to invest capital into training.
- It has been very encouraging to receive training I otherwise could not have afforded in order to further the business
- I would rather pay less than the full cost but then if the training is needed I will have to pay the full cost.
- A lot of technical chocolate-making courses are expensive and I would find it hard to afford/justify the cost - the offer of 75% subsidy is absolutely fantastic and enables artisan producers like me to continue getting better
- Though it would depend on how necessary I thought the training was and whether it fitted my training needs strategy.

- The Kent Farmers' market Association are looking for training courses for producers selling at the 35 Farmers' Markets in Kent. We are presently investigating ways and means of how to fund such training and the best way to offer it to very small (in most cases) producers.

Respondent Background

	Count
Farmer	7
Food Processor	21
Other	5

Respondents' business locations were spread as follows:

Where is your business based?	Count
Hampshire	18
Isle of Wight	0
Kent	4
Surrey	0
Sussex	4
Thames Valley	2
Other	Hampshire Berkshire Border Twickenham, Middlesex

Average annual sales for respondents were distributed as follows:

Average Annual Sales	Count
£1 - £24,999	6
£25,000 - £99,999	3
£100,000 - £499,999	11
£500,000 +	3
Unknown	5

Sales were geographically distributed as follows:

Share of sales from the South East Region	Count
0% - 19%	1
20% - 39%	1
40% - 59%	5
60% - 79%	2
80% - 99%	7
100%	11
Unknown	1

Feelings on how the regional market has changed were reported as follows:

How has the regional market changed between 2004 and 2007	Count
Increased	20
Same	4
Decreased	2

Not answered	2
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Purchases for these respondents was distributed as follows:

What share of purchases are made from suppliers in the South East?	Count
0% - 19%	5
20% - 39%	2
40% - 59%	5
60% - 79%	3
80% - 99%	7
100%	3
Unknown	3

Ownership of production standards was distributed follows:

Does your business have a production standard	Count
SALSA	2
Efsis	2
BRC	1
Other, Please Specify	2
Unanswered	21

Interest in achieving a production standard:

Are you interested in achieving or already working towards a production standard	Count
Yes	15
No	2
Maybe	12 (one duplicate yes and maybe)

ANNEX 5 - LOCAL FOOD TRAINING BENEFICIARY SURVEY QUESTIONS



Farmer and Producer Electronic Survey

Over the last 3 years the South East Food Group Partnership (with funding from SEEDA) has subsidised training courses for producers in the South East. The aim of the training has been to aid regional farmers and producers to develop and market local products so they are able to increase the margins on their sales and hence improve their economic performance.

We would like to know how much this support has benefitted your business and would appreciate it if you could spend a few minutes filling out this survey before 30th July 2008.

A lucky respondent will win a voucher for a hot air balloon ride from a choice of locations across the South East.

Training usage

Q1 Have you received training funded by a SE Food Group Partnership prior to March 2007?

- Yes
 No

If "No" please proceed to question 6, Future

Q1a If yes, what sort of training have you received?

- Hygiene
 Local Marketing
 Product Design
Other, Please Specify

Q1b If yes, when did you receive it?

- April 2004 to March 2005
 April 2005 to March 2006
 April 2006 to March 2007

Q1c If yes, how would you rate the overall quality of the training?

- Poor - 1 2 3 4 5 - Excellent

Q1d If yes, how would you rate the cost of the training?

- Too Expensive About Right Too Cheap

Q1e Please provide any further comments on the training

Business Benefits

- Q2 Have you sold any additional local produce since your training?
 Yes
 No
 No, but anticipate additional sales in the future due to the training

If "No" or "No, but", please proceed to question 6, Future

- Q2a If yes, please estimate as best you can, the extra annual sales you have achieved since you received your training (£'000s)

- Q2b If yes, please estimate as best you can, the % of these extra sales that you have paid out for purchases from suppliers (%)

- Q2c If yes, how many jobs have you created or safeguarded as a result of the extra business?

- Q2d If yes, how significant was the contribution of the training you received in making these extra sales possible?
- | | | | | | | |
|---------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------|
| Insignificant | 1 | 2 | 3 | 4 | 5 | Significant |
| | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |

- Q3 Are your main competitors to your sales of local produce located in the region?
 Yes
 No

- Q4 Has your increase in sales significantly reduced sales to local competitors?
 Yes
 No

- Q5 Please provide any further comments on the business benefits of selling local produce

Future

- Q6 Do you expect to relocate the business outside the SE in the next 3 years?
 Yes
 No

- Q7 Would you look for training in the future to improve your selling of produce locally?
 Yes
 No

- Q7a If yes, would you be willing to pay the full cost of this training?
 Yes
 No

- Q8 Do you have any other comments or recommendations?

Q9 Would you be happy for us to contact you to discuss these issues further?

- Yes
- No

Q9a If yes, please provide your contact details (tel; email)

Respondent background

Q10 What is your name?

Q11 What is your main business?

- Farmer
- Food Processor
- Other, Please Specify*

Q12 Where is your business based?

- Hampshire
- Isle of Wight
- Kent
- Surrey
- Sussex
- Thames Valley
- Other, Please Specify*

Q13 What are your average annual sales? (£)

Q14 What share of sales come from the SE region (%)

Q15 How has the regional market changed between 2004 and 2007

- Increase
- Same
- Decrease

Q16 What share of purchases are made from suppliers in the SE (%)

Q17 Does your business have a production standard such as SALSA, Efsis, BRC

- SALSA
- Efsis
- BRC
- Other, Please Specify*

Q18 Are you interested in achieving or already working towards a production standard such as Salsa or Efsis Safe and Legal.

- Yes
- No
- Maybe

Thank you for taking the time to complete this survey.