

## Introduction

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

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

## Principles and Priorities

The Consultation Draft of the Implementation Plan set out a number of principles which have been used to guide the development of the actions required to achieve each of the three RES objectives: Global Competitiveness, Smart Growth and Sustainable Prosperity.

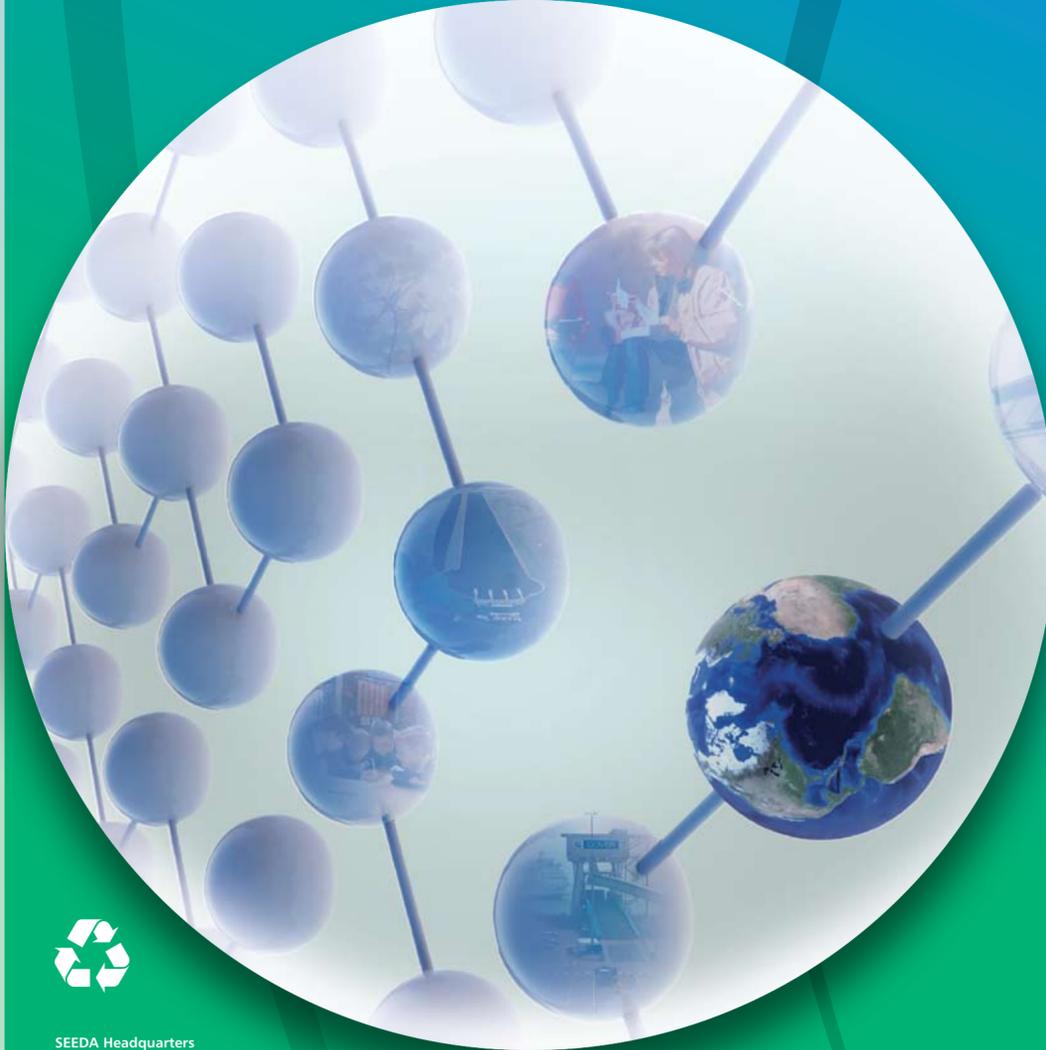
### Global Competitiveness

#### The Principle

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

#### Four Priorities:

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



**SEEDA Headquarters**  
Cross Lanes, Guildford,  
Surrey, GU1 1YA, England

☎ +44 (0)1483 484 200  
☎ +44 (0)1483 484 247  
✉ seeda@seeda.co.uk  
www.seeda.co.uk

**Chatham Maritime Office**  
The Observatory, Brunel,  
Chatham Maritime,  
Kent, ME4 4NT, England

☎ +44 (0)1634 899 900  
☎ +44 (0)1634 899 901

**Brussels Office**  
Rue du Commerce 45  
1000 Bruxelles, Belgium

☎ 00 322 504 0720  
☎ 00 322 504 0721  
☎ 00 322 504 0722

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If English is not your first language, we can provide a summarised version of this document in the region's next six most spoken languages – Punjabi, Hindi, Gujarati, Urdu, Polish and Bengali. The document can be made available in large print, Braille, disk and audio cassette.

## The Regional Economic Strategy 2006-2016 for South East England Implementation Plan



## Smart Growth

### The Principle

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

### Five Priorities:

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

## Sustainable Prosperity

### The Principle

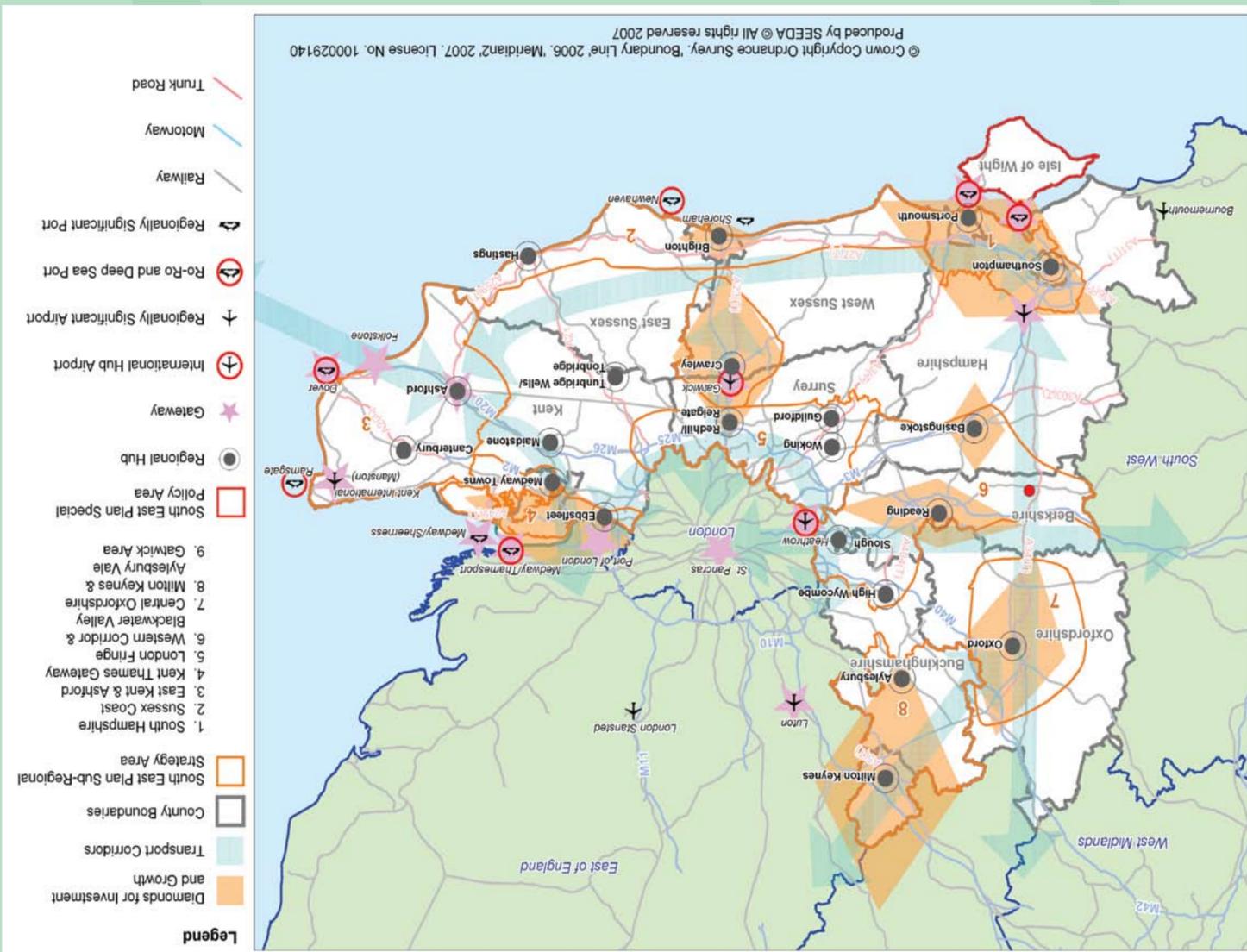
The South East will achieve sustainable prosperity through preserving quality of life as a competitive advantage, enhancing the environmental, social and lifestyle offer to keep the region attractive as a place to live, work, and do business.

### Five Priorities:

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

## Spatial Approach

Greater South East: pan-regional working for Global Competitiveness including tr-RDA work to deliver the Thames Gateway Economic Development Investment Plan  
 Economic Contours (Coastal, Rural and Inner): RES Actions connected with the particular needs of individual sub-regions  
 Diamonds for Investment and Growth: clear priorities for focusing the RES. Basingstoke; Brighton and Hove; Gatwick Diamond; Milton Keynes and Aylesbury Vale; Oxford/Central Oxfordshire; Reading; Thames Gateway Kent (including Medway and Ebbsfleet); Urban South Hampshire (including Portsmouth and Southampton)  
 LAAs (and MAAs where appropriate): key mechanisms for aligning RES Actions with local priorities  
 Significant continuing regeneration programmes: Dover, Margate, Ashford, Hastings and Bexhill  
 This approach does not make a simple choice between investing in success or under-performance but judges each initiative against the impact that it can have in addressing the three headline indicators of the RES.



# The Regional Economic Strategy 2006 - 2016 for South East England Implementation Plan

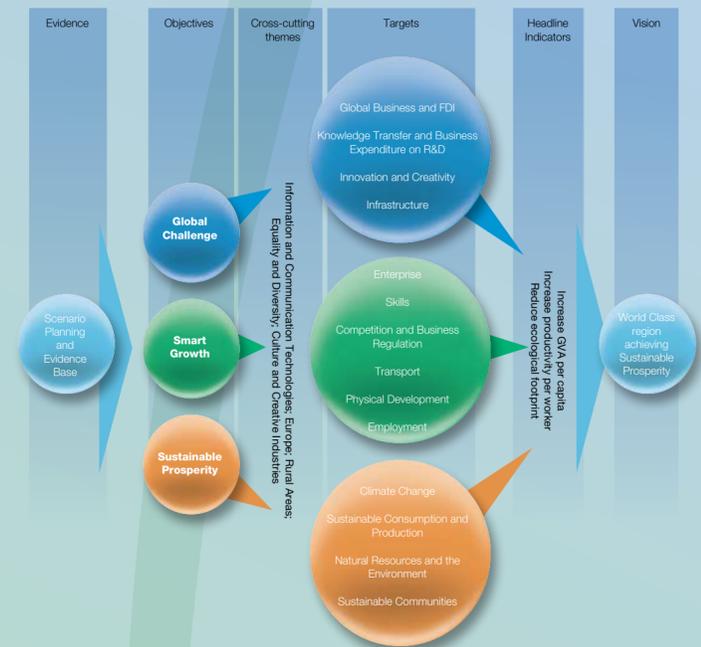
Regional Economic Strategy 2006 - 2016

## HEADLINE TARGETS

**Achieve an average annual increase in GVA per capita of at least 3%**

**Increase productivity per worker by an average 2.4% annually, from £39,000 in 2005 to at least £50,000 by 2016 (constant prices)**

**Reduce the rate of increase in the region's ecological footprint (from 6.3 global hectares per capita in 2003, currently increasing at 1.1% per annum), stabilise it and seek to reduce it by 2016**



## GLOBAL COMPETITIVENESS

### 1. Global Business and Foreign Direct Investment

Businesses operating internationally up from 8% in 2003 to 12% by 2016.

- A joint Regional Trade and Investment Service
- Retain major global businesses by developing closer links with parent companies
- Work with strategically important sectors to assist them in developing international markets
- Pan-regional collaboration – work with the East of England Development Agency and the London Development Agency on joint activities, including the Thames Gateway

### 2. Knowledge Transfer and Expenditure on Research and Development

Businesses in the South East reporting R&D links with universities up from 11% in 2005 to 15% by 2016. Expenditure on research and development in the South East up from 3.2% of Gross Value Added to 4% by 2016.

- Identify priority markets and technologies in a South East Innovation Action Plan and with the national Technology Strategy Board; work with the 500 top companies in the region to identify innovation opportunities in their supply chains; promote Open Innovation and establish sub-regional Innovation Networks
- Involve Higher Education Institutions in Innovation Networks with the region's businesses

### 3. Innovation and Creativity

Total South East business turnover attributable to new products up from 12% in 2004 to 20% by 2016 and significantly improved products from 18% in 2004 to 25% by 2016.

- Quality market intelligence to win global market opportunities and innovation support
- Develop and internationalise innovative companies with a simple innovation and global readiness support offer, delivered through Business Link
- Broaden the Enterprise Hubs and concentrate in fewer, larger sub-regional hubs
- A South East Funding Escalator to provide a complete portfolio of funds and investment readiness support for early stage companies
- Develop leadership and management skills particularly for medium-sized companies
- Achieve a double dividend of growth and sustainability with support for businesses and sectors with products or processes designed to increase growth and decrease the ecological footprint

### 4. Infrastructure – Connecting the Region to Global Markets

Secure investment in infrastructure priorities to maintain international economic competitiveness.

- Innovative approaches to funding key regional projects through a Regional Infrastructure Fund
- Faster delivery of key gateway infrastructure with Network Rail, the Highways Agency and the Department for Transport
- Engage Infrastructure Delivery Agencies and the Logistics and Freight Sector to improve the ability of the regional infrastructure and industry to adapt to climate change

### 11. Climate Change and Energy

Reduce CO<sub>2</sub> emissions by 20% from the 2003 baseline by 2016; increase renewable energy to at least 10% of energy supply by 2010 and 20% by 2020.

- Commitment by public bodies to carbon and energy reduction/efficiency action plans as part of business plans, supported by common methodology as part of a Regional Carbon Action Plan and capacity-building support
- Develop an energy sector and supply chain development strategy including skills and capacity building
- Break the link between GVA growth and car use through a modal shift – support home-based businesses and promote home-working. Create exemplar sustainable travel towns in new developments such as Ebbsfleet

### 12. Sustainable Consumption and Production

Per capita water consumption down by 20% from 2003-2004 to 135 litres per day by 2016, and a 30% increase from 2003 in GVA generated per tonne of materials entering the waste stream by 2016.

- Deliver resource efficiency programmes through Business Link to maximise efficiency in all business operations
- Develop the secondary materials supply chain in the South East to turn economic cost (waste) into economic opportunities (resource recovery)
- Increased water storage capacity and reduced 'flash run off' rates through improved land management practices
- Smart ('zero carbon/zero waste') construction – stimulate a 'construction waste commodities market' through a whole-life resource efficiency approach in major developments. Build climate change adaptation into housing and commercial property infrastructure and move upward from Level 3 Sustainable Homes in all Public Sector sponsored construction
- Stabilise and reduce resource consumption in existing developments with water efficiency technologies and low carbon/energy retrofitting in Public Sector developments to stimulate demand
  - Education, flexible water tariffs and improved technology, leveraging a reduction in the unit cost of low-energy/water products

**Vision**  
By 2016 the South East  
will be a world class region  
achieving sustainable prosperity

### 5. Enterprise

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

- Simplified business support with easier access with Business Link as the primary access point
- Promote enterprise to under-represented groups with an integrated approach to tackling financial exclusion
- Enterprise education – enhance the teaching of, and support for, enterprise in schools, colleges and higher education
- Social enterprise – promote the start-up and growth of social enterprises particularly supporting disadvantaged groups

### 6. Skills

Maximise the number of people ready for employment at all skill levels and continually equip to progress in the labour market.

- Integrate Train to Gain into the simplified business support offer, to encourage employer-based learning
- Meet the skills needs of businesses through the Action for Business College Programme and Training Pools funding employer-led partnerships
- Access to vocational and work-based learning through effective Information, Advice and Guidance for young people and adults

### 7. Competition and Business Regulation

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

- Establish a South East Public Procurement Forum to champion best practice across the Public Sector
- Local Area Agreements to define opportunities for local sustainable procurement
- Influencing national and European legislation
- A regional standard for implementing social impact measures in public procurement contracts with Beacon Councils for procurement

### 8. Transport

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

- A Regional Infrastructure Fund to speed up delivery of key regional projects
- Increase the modal share of rail for freight
- Use demand management and develop new technology to manage rail capacity and road space more efficiently
- Build the capacity of public and other non-car based transport modes to improve travel choice
- Increase the take-up of more flexible ways of working and green travel planning

### 9. Physical Development – Sustainable Built Environment

Sufficient and affordable housing and employment space of the right quality, type and size to meet the needs of the region and support its competitiveness, with the efficient use of land resources, including mixed-use developments.

- Action to address issues which prevent development coming forward
- Increase the number of individuals with the skills and capacity to delivery quality regeneration and development projects, in particular by supporting local authorities
- Minimise the environmental impact of the Construction Sector through sustainable practices and processes, and the use of new technologies
- Improve the quality of the housing stock through wider understanding and adoption of quality design and sustainability standards

### 10. Employment

Economic activity up from 82% to 85% by bringing 110,000 South East residents of working age into the labour market by 2016 and 250,000 residents by 2026.

- Work with employers to remove the barriers to developing a diverse workforce
- Deliver innovative models that move adults back into sustainable employment
- Provide financial assistance to encourage the economically inactive back into employment
- Lobby for tax and benefit reform to support the most excluded back into work and review transitions from benefit to employment and living wage standards in the region's Public Sector employers

### 13. Natural Resources and the Environment

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

- Quality natural environments, including inter-connected green spaces and space for water – a strong evidence base spreading good practice; a land-use project to demonstrate cutting-edge practices with multiple benefits
- Green infrastructure built into new developments for recreation, health, and bio-diversity. Incentives to address the through-life 'cost avoidance' benefits of green infrastructure as part of sustainable construction

### 14. Sustainable Communities

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

- Tackle the causes of economic exclusion outside of the workplace – develop a robust evidence base to inform decision making in joint public agency planning and Local Area Agreements, with a strong focus on 'those not in education, employment or training'
- Vibrant places and communities – improving local knowledge, skills and participation in local place making, citizenship and volunteering. Increasing the supply of affordable housing in both rural and urban areas, and using local buildings for work, learning, social and cultural activity
- Using the Voluntary and Community Sector to address disadvantage – set a regional standard for social impact measures in public procurement contracts in partnership with Beacon Councils for procurement. Attract resources for the Voluntary and Community Sector through a South East Corporate Cabinet and a Regional Funders Forum
- Stimulating cultural, health and social markets – research the impacts of demographic change and opportunities for new services and technology

## SMART GROWTH

## SUSTAINABLE PROSPERITY

## TRANSFORMATIONAL ACTIONS

100% Next Generation Broadband Coverage  
Science and Innovation Campuses

Raising Economic Activity Rates to 85% by 2016  
Regional Infrastructure Fund  
Skills Escalator

Education-led Regeneration  
Global Leadership in Environmental Technologies  
Making the Most of 2012