

SOUTH EAST ENGLAND DEVELOPMENT AGENCY

BOARD MEETING ON 11 DECEMBER 2008

ITEM 13

AGENCY REPORT

Recommendation

The Board is invited to **NOTE** the Agency Activity Report for November and December which represents a cross section of reports from within SEEDA organised according to the themes of SEEDA's Corporate Plan 2008-11.

GLOBAL COMPETITIVENESS

Global Markets Programme

International

1. SEEDA since the previous Agency Report has secured eight foreign direct investments which will create 95 jobs over the next three years. Recent weeks has seen a doubling of interest from the United States with over 20 new projects being handled in October.

Inward Investment Activity

Creative Media Tour

2. A two day programme was organised by SEEDA for a party of 18 investment officers from the US, Europe and AsiaPac encompassing companies, universities and innovation centres within Southampton and Brighton.

Green Build Exhibition Boston

3. SEEDA attended the Green Build Exhibition in Boston. In preparation for the event, 20 meetings with interested companies were arranged at the show and a round table dinner hosted by SEEDA organised in conjunction with South East Centre for the Built Environment (SECBE) and Trade and Investment (UKTI) Boston.

Silicon Valley Bank (Palo Alto)

4. SEEDA's Palo Alto based representative organised a venture capital centred programme with the Silicon Valley Bank. The Bank invited their own clients to meet with representatives of SEEDA/UKTI and partners to understand the process for expanding their businesses into the European market place. One hundred companies were invited with sixty attending; all one hundred companies are being followed up within the US.

Security exhibition

5. SEEDA attended the Security exhibition in Essen, Germany, to identify fresh targets in the security sector. Seventy companies were targeted in a pre-marketing campaign and four leads were identified.

Bitkom, UKTI and SEEDA business event

6. A joint Bitkom (national German ICT association), UKTI and SEEDA business event was held at Systems 2008 in Munich. Objectives were to generate investment leads, create awareness of opportunities in the security sector in the south east region and to get visibility in a key sector of the Systems exhibition. SEEDA arranged for a keynote speaker from the South East Security Innovation and Technology Consortium to give an overview of IT-Security in the UK/South East. Five participants registered for the event generating two leads.

AusBiotech 2008

7. Supporting UKTI, SEEDA attended AusBiotech, Australia's largest biotechnology exhibition, and met with potential investors from research institutes, government agencies and the biotech community. Four good quality leads were sourced from the exhibition in Melbourne.

SEEDA ICT Presentation to Queensland Government

8. SEEDA was invited by the Queensland Government to present to a panel of government officials and local businesses on the strengths of the ICT industry in the South East. The Queensland Government intends to organise a trade mission to the UK early 2009 and requested that a number of RDAs present on their respective regions.

Bio Japan 2008

9. SEEDA attended Bio Japan 2008 in Yokohama supporting Kanagawa prefecture. SEEDA presented to prospective investors, highlighting the sector strengths in the South East and opportunities for alliance.

Korea Electronics Show (KES 2008)

10. SEEDA attended KES 2008 held in Seoul, one of the largest IT and Electronics exhibitions in Asia. Exhibitors included leading manufacturers from the Electronics, Semiconductor and Display Industries and provided SEEDA with an excellent opportunity to meet potential investors and promote the sector strengths of the South East.

Ningbo SME Delegation

11. SEEDA hosted a delegation from Ningbo, Zhejiang Province, China, at SEEDA HQ, Guildford. The visit provided an opportunity for SEEDA to present on the region, to highlight the sector strengths of the South East and to discuss the opportunities and business support for SMEs in the region.

NASSCOM Indian SME Delegation

12. Following a successful mission to India in January 2008, organised by South East Media Network, SEEDA hosted the NASSCOM delegation of Indian SMEs to the Thames Valley. NASSCOM (National Association of Software and Services Companies) is the leading global organization representing the Indian software and services industry. SEEDA presented on the ICT sector strengths and opportunities in the South East and introduced the delegation to IBM and Microsoft.

Investor Development Activity

13. SEEDA is working closely with regionally significant companies in partnership with key business support providers such as Train to Gain and Job Centre Plus to assist companies as they manage restructuring/redundancy operations. The

focus is on helping companies, and the outplacement firms they have engaged, via four core areas:

- profiling the workers they wish to keep and those they are letting go
- shaping training programmes to upskill both sets of workers (helping the company be as competitive as possible and maximise the chances of staff that are leaving finding alternative employment)
- workshops to help those wishing to set up their own businesses
- providing links with HR Directors of companies who are recruiting.

Research and Development Programme

National Aerospace Technology Strategy

ASTRAEA

14. ASTRAEA is a public-private sector collaborative programme to develop the technologies, systems, facilities together with the necessary regulatory environment so that unmanned aircraft can operate safely and routinely in UK civil airspace. SEEDA's investment (£2 million) is supporting a high level of Research & Development and knowledge transfer in the South East and a range of Small and Medium Enterprises (SMEs) in working with QinetiQ, Thales, Flight Refuelling and BAE Systems. The integrated demonstrations at Parc Aberporth at the end of October, attended by over 100 delegates, were extremely successful from both a systems and technology interface perspective as well as in terms of engaging regulators and potential users of unmanned aircraft in the programme.

HealthMap

15. SEEDA funding (£3 million over three years) is contributing to the HealthMap, an R&D programme to develop Health Management and Prognostic methods for the aerospace industry. HealthMap is in turn part of the national Integrated Wing collaborative R&D programme managed by Airbus UK. Airbus UK hosted a partner workshop at the beginning of November. The event was attended by over 50 technical staff across the Integrated Wing with the intention of facilitating knowledge transfer and creating linkages across complementary R&D activities within the programme.

Innovation and Creativity Programme

Thames Valley Innovation Conference

16. SEEDA sponsored and exhibited at the Thames Valley Innovation Conference 2008 at Green Park, Reading. The event, now in its third year, brought together around 600 businesses, advisors and investors wishing to achieve greater levels of commercial success from their ideas, innovations and investment.

Innovation and Growth Teams

17. SEEDA have received the first four draft Innovation and Growth Team Business Plans. SEEDA will be providing feedback before final submissions due 17 December.

Manufacturing Advisory Service

18. SEEDA has commenced the procurement process for a new renewed Manufacturing Advisory Service for the South East to commence in April 2009, when the current contract terminates.

Sector Consortia

19. The South East Health Technology Alliance (SEHTA) launched a key piece of research, supported by SEEDA, East England Development Agency (EEDA), London Development Agency (LDA), 'Health Technology Cluster in the Greater South East' in October, highlighting the size and strength of the Greater South East's health technologies community. It shows that there are over 4,700 core companies in health technology sector generating revenues of almost £100 billion every year in the Greater South East and is critical to the future financial prosperity of the region.

Broadband and ICT

Broadband Survey

20. A broadband survey commissioned by the Broadband and ICT team is complete. The data from the survey will form a baseline against which to monitor progress as the deployment of higher-speed broadband services takes place in future years. The survey is in two parts, a survey of the location of "Points of Presence", known as PoPs, and a survey of ADSL broadband speeds that consumers should expect their telephone line to provide now. The report and data files will be available on the SEEDA website.

Girls in IT

21. SEEDA facilitated a major IT event, held at Microsoft, involving HR Directors from ICT Corporates to promote the IT sector as a leading career option for girls. Together with "e-skills", major Corporates showcased career opportunities in the IT sector. SEEDA invited keynote speakers from Sony, IBM, Oracle, Hewlett Packard, Orange, LG, Central St Martins College and Reading University to attend, to address an audience of 170 13-year-old girls and their teachers from schools around the Thames Valley.

SMART GROWTH

Enterprise Programme

Business Support Simplification Programme (BSSP)

22. Following the announcement of the "Solutions for Business" portfolio and the first products going live in October, awareness of the new framework is rapidly growing across Business Link staff, Local Authorities, product providers and within SEEDA. The map of publicly funded business support in the south east is nearly complete. This will be the main tool for the transition process of moving from the current offer to the new, BSSP compliant offer through 2009.

University Enterprise Networks (UENs)

23. Baroness Shriti Vadera, Minister for Competitiveness and Small Business and Pam Alexander, SEEDA Chief Executive launched University Enterprise Networks on 20 November as part of the Enterprise Week celebrations. Three University Enterprise Networks were launched, including the STEM University Enterprise Network (Science, Technology, Engineering, Maths) which is led by SEEDA in collaboration with EEDA, and sponsored by Microsoft. Networks are developed, managed and facilitated by the National Council of Graduate Entrepreneurship.

Business Link

Performance to end September 2008

24. In the year ending September 2008, Business Link has supported almost 138,000 customers (significantly above its target, which is 133,500 customers) and has worked with more than 16,000 businesses intensively (also above target). In particular, in the last three months more than 4,500 businesses have worked face to face with a Business Link Advisor to develop an action plan with the objective of growing their business. These action plans have resulted in Business Link making more than 6,000 referrals to other business support providers (public and private sector).
25. In addition, Business Link in the South East maintains a very high customer satisfaction score of 91% and 40% of all customers are 'delighted'. This data is derived from an independently managed telephone survey of more than 1,700 customers per quarter.
26. The Government has announced a package of support to help businesses ride out the economic challenges ahead. The package includes a free 'Health Check' for all SMEs to be delivered via local Business Link Providers. In the South East, Business Link is delivering this Health Check through its 'intensive assistance' process which provides one-to-one support for a business by a fully trained Business Link Advisor.

Business Link Enterprise Gateway Service

27. During July to September, the Business Link Enterprise Gateway Service has raised awareness of enterprise to more than 2,200 individuals, of which 800 have been actively engaged in the Service. Out of those who went on to access support from the service, 345 people received one to one mentoring support, 334 individuals attended skills development workshops and 192 people attended peer networks. As a result of Enterprise Gateway intervention during this 3 month period, more than 350 individuals were referred to Business Link to continue developing their new business via mainstream Business Link support.

Train to Gain

28. At the end of the second quarter, the Skills Brokerage Service has exceeded its half year targets for engagements with employers, apprenticeships and skills for

life learners. Almost 5,100 business have engaged with the skills brokerage and almost 900 employers have signed the Skills Pledge. Almost 13,000 learners have been signed up across all levels, including for skills for life, apprenticeships, Level 2 and Level 3 qualifications. The team of corporate brokers, dealing with companies that have between 1000 and 4999 employees is now at full strength.

29. Recent ministerial announcements have outlined further flexibilities to the Train to Gain service that will be available from January 2009. These include bite-size units of qualifications, and wider eligibility to access funding for Level 2 and Level 3 qualifications.

Enterprise Week (17 – 23 November 2008)

30. For the first time Enterprise Week formed part of Global Entrepreneurship Week, an international celebration involving over 60 countries from around the world. SEEDA has been vital to the success of the initiative acting as a catalyst for regional activity, raising awareness and facilitating collaborations between key stakeholders.
31. Event figures have well surpassed the totals for 2007 (6800 inspiring events held across the UK). Specifically, within the South East, almost 600 events (500 in 2007) were held including the SEEDA facilitated International Speednetworking event involving Local Authority delegates from Sweden who were visiting to learn more about SEEDA's Innovation and Enterprise Strategies and Programmes.

Women's Enterprise Regional Activity

32. SEEDA supported a visit from overseas delegates as part of Prowess's UK Study Tour in October. Women's Enterprise experts from various countries, including Canada, United States, Belgium and Sweden, attended a presentation at The Lightbox Museum in Woking. Business Link Surrey hosted the event, and SEEDA presented to the group on the south east region's delivery of women's enterprise activity. They also met with business women from the region who described their experiences, which including SEEDA Women's Enterprise Ambassadors.

Aspire Fund

33. The Women's Enterprise Task Force (WETF; co-Chaired and managed by SEEDA) shaped the aims of the Aspire Fund, launched on 19 November, following a WETF recommendation to the Department for Business, Enterprise and Regulatory Reform (BERR) to support access to finance for women-led and women-run businesses. The Aspire Fund is a risk capital fund which aims to address the funding gap for women entrepreneurs. SEEDA and the WETF continue to work with BERR and organisations such as Centre for Entrepreneurial Learning (CfEL) on future initiatives supporting women business owners.

International Women's Enterprise Study Tour

34. Lorely Burt MP (Liberal Democrat spokeswoman for the Department for Business, Enterprise and Regulatory Reform) hosted the Women's Enterprise Task Force (WETF; co-Chaired and managed by SEEDA) welcome reception at the House of Commons for the first international women's enterprise study tour to the UK in late October. The study tour was run by Prowess, SEEDA's key strategic partner in women's enterprise, and included a visit to the SEEDA region on 29 October to meet with SE businesswomen. SEEDA also contributed strategically towards the international policy roundtable debate hosted by the Department for Business, Enterprise and Regulatory Reform.

CompeteFor The London 2012 Dating Agency For Olympic Related Contracts

35. There are now over 43,000 business registered on CompeteFor which is now growing at a rate of around 5000 per month. In the South East over 7,700 companies have registered and more than 3,300 are rated as fit to tender. Over 550 opportunities have been posted on the system, 90 in the last two weeks, demonstrating increased momentum. 67 contracts have been awarded to CompeteFor suppliers. Companies in the South East have now been awarded 130 contracts, over 100 prior to CompeteFor and 6 through competeFor. More than 360 companies are short listed for contracts.

Tourism ExSEllence Awards Conference A Great Success

36. This event has grown from strength to strength both in numbers and reputation. This year 320 representatives from tourism business attended the ExSEllence awards on the 28 October, at the Wentworth Club, Surrey. The competition attracted more entries this year to compete over 16 categories. The category winners go on to compete on the national stage at the Enjoy England Awards for Excellence. The national awards ceremony will take place in April 2009 where the South East hopes to consolidate on its successful record. No other region achieved more national winners than the South East.

Employment and Skills Programme

Redundancy Support

37. SEEDA is offering a structured plan of support for companies during the economic downturn, as well as offering support to plan for the future and a subsequent upturn in the economy. When a major company announces a downsizing, SEEDA will move in to offer, alongside partners such as Jobcentre plus and the local authorities, and with any outplacement support engaged by the company, a free, tailored, in-house package, including:
 - direct access to companies locally that are hiring.
 - advice on pensions, state benefits etc;
 - careers advice (detailing the varied options that are available);
 - CV writing and interview technique advice;

- support to retrain (may include financial support);
 - advice and potential financial support to set up owner-enterprises and self employment options;
38. In the first two quarters of this year, SEEDA has supported over 5,000 people; more than the number supported in the whole of last year.
39. SEEDA is currently working with LSC and Jobcentre Plus on increasing capacity to deal with the fallout from the downturn.

Employment and Skills Board (ESB) Workshop

40. Work is progressing on transforming the six Local Skills for Productivity Alliances into an Employment and Skills Boards structure that will be more driven by business need. At recent workshop officials from Department for Work and Pensions, the Department for Business, Enterprise and Regulatory Reform; and Communities and Local Government provided constructive and positive feedback on the process. Government officials indicated that they saw the South East model as an exemplar (a) for working and delivering at different levels and (b) for partnership working and getting things done without large amounts of funding.

European Regional Development Fund Competitiveness Programme

41. SEEDA is working with regional partners to ensure support funded under the European Regional Development Fund Competitiveness Programme 2007 - 13 is targeted to take account of the current economic situation. The first meetings of the Project Selection Committee took place on the 13 and 21 November and applicants presented against five specifications. Funding was available to provide support to help businesses reduce their outgoings through minimising waste in the design stage and in promoting innovative ways to reuse it. This will benefit the bottom line of businesses. Funding was also available to support businesses to grow and access new markets, through support to access the public procurement opportunities offered, which are a key element of the changes in public spending strategies to combat the downturn. Support is being targeted at some of the sectors most affected by the current conditions, in particular the construction sector. The results will be announced on the 2 December.

Memorandum of Understanding

42. The RDAs and the Trade Union Congress have recently signed a Memorandum of Understanding which outlines key principles for effective cooperation between trade unions and the RDAs in pursuit of economic development in each region. The Memorandum is intended to provide a clear framework for social dialogue in each region. It reflects very much and has been inspired by the type of good practice and partnership development which SEEDA has espoused in its Social Dialogue Forum activity, where employers and their representatives, trade unions and other interested bodies come together to

identify, develop and disseminate good workplace practice for improved productivity.

SUSTAINABLE PROSPERITY

Low Carbon Programme

Renewables and Retrofit

43. SEEDA has engaged with a number of utilities and developers in recent weeks to facilitate investment in the region. Follow up work involves bringing private sector companies together with local authorities, to help with planning and other issues. Meanwhile, as part of SEEDA's lead energy role, discussions have taken place with the Department for Energy and Climate Change as to how the proposed renewable energy target of 15%, emanating from the EU Renewables Directive, can be apportioned between national, regional and local players in a manner that helps delivery.

The Greening Campaign

44. SEEDA commissioned the Greening Campaign almost a year ago to roll out an innovative community based change programme to reduce household and community energy and water. The Campaign has been gathering speed and is now working with over 60 communities across the South East. It is widely recognised for its ground breaking work, for example by the Energy Saving Trust in their National Conference.

Sustainability Checklist for Developments in the South East

45. On 19 November Brighton & Hove Council and SEEDA were granted the regional Royal Town Planning Institute annual award in the Sustainable Communities category for the new, online sustainability checklist (<http://brighton-hove.sustainabilitychecklist.co.uk/>). The Brighton & Hove checklist is designed to help developers, applicants, the Local Planning Authority and other interested parties to assess the extent that a design proposal will deliver on sustainability issues. The tool should help to improve the quality and speed of planning applications. SEEDA is discussing with Homes and Communities Agency working to bring together their standards and checklists.

Low Carbon Regional Leadership Group

46. The South East Low Carbon Regional Leadership Group has been set up to deliver the 30% carbon reduction set out in the Corporate Plan. It held its inaugural meeting on 14 November, chaired by SEEDA. A dozen regional organisations representing the public, private and voluntary sectors have come together to demonstrate their commitment to tackling carbon emissions across the region, both directly in their own operations and also through their wider

'sphere of influence'. Partners are developing an action plan that will see increased efficiencies through sharing resources and reducing costs through joint working. A formal launch is being planned for the New Year.

Resource Efficiency Programme

Pathway To Zero Waste

47. Pathway To Zero Waste, the South East's flagship programme to transform the amount of waste disposed to landfill and realise the commercial value of resources that are currently being discarded, has gained momentum with the appointment of a small core team in November. The team is led by programme director, Chindarat Taylor, and is based at the Reading Office of one of the partners, the Environment Agency. A Zero Waste webpage has also been established: www.seeda.co.uk/towardszerowaste
48. A formal launch is scheduled for March 2009, and will feature Mark Tant, the Managing Director of a leading construction company - Willmott Dixon, EA chairman Chris Smith and SEEDA Chairman James Brathwaite.

Natural and Rural Resources Programme

Green Infrastructure

49. European funding has been secured for a major new green infrastructure initiative. SEEDA is working with the Town and Country Planning Association, Southampton City Council on behalf of PUSH, Maidstone Borough Council and 12 European partners through the GRaBS (Green and Blue Space Adaptation for Urban Areas) project. The project will be effective in assisting the integration and delivery of green and blue infrastructure into urban developments. Green infrastructure refers to a multi functional asset capable of performing a variety of roles - such as parks, gardens, allotments, sports facilities tracks and pathways, natural and historic sites, as well as accessible countryside. Blue infrastructure relates to the water; examples are canals, ponds lakes rivers etc. The project will also inform communities how they can adapt to climate change.

Land Use Strategy

50. Natural England (NE) is leading the development of South East land use strategy. A meeting held on 25 November brought Natural England, Environment Agency, Forestry Commission, English Heritage, the Assembly, DEFRA and SEEDA together to agree a way forward. National work underway, including the DEFRA land use project and Future Foresight study, will identify 'global land use drivers' and develop scenarios in early 2009. Natural England will work very closely with the national initiatives to ensure their work has a South East focus and contributes to the action plan Natural England are currently developing.

51.

Rural Development Programme England (RDPE)

52. SEEDA have awarded over £500k in grants from the European funded RDPE scheme to projects in the South East in November. The grants provide significant resources to secure profitability for land-based industries in the region.
53. RDPE has supported three projects which will improve competitiveness and profit:
- £160k grant to refurbish an abattoir so that they can slaughter animals for the human food chain once more. This will provide a valuable outlet for livestock farmers in East Kent and has directly safeguarded 14 jobs.
 - A Kent farmer has been awarded a £78k grant to expand a meat cutting and hanging facility in Kent, providing facilities to add value to his livestock enterprise and therefore provide additional income.
 - A horticultural packing company, also in Kent, has been awarded £98k to expand their packing line. This will create 9 additional jobs, allow them to service new multiple retailer contracts, and provide a packing facility for an additional 6 local growers.
54. The RDPE programme has supported 2 projects which aim to provide new business opportunities using local assets:
- Ten new full time jobs will be created as a result of £106k funding awarded to a Forestry Centre in Kent. The funding will support the development of a chestnut fencing company utilising locally sourced wood.
 - £85k has been awarded to a large country estate to install a biomass heating system to replace their oil fired system – the first renewable energy carbon saving project approved under RDPE in the region.

The economic downturn

55. Interest in the RDPE programme at present remains strong with a number of interesting applications being developed with the assistance of SEEDA; including three more renewable energy projects on farms, a micro hydro electric scheme, and a major tourism proposal with the Areas of Outstanding Natural Beauty across the region. However, there are concerns about how the credit crunch will affect applicants' abilities to secure the necessary match funding.

RDPE Leader Programme

56. The region has 14 approved Leader programmes which support both communities and business, and are developed and managed by Local Action Groups. The first 8 Leader contracts have been signed by the Chief Executive and a short hand-over ceremony took place where the Isle of Wight contract was passed to the Council by SEEDA's Chairman and Chief Executive at a business networking lunch on the Island on Friday 7 November. The remaining 6 contracts will be finalised in the next few weeks. SEEDA allowed Leader Groups to start work and spend some money prior to contract development,

and some of the Leader groups have already approved their first projects and should be able to issue contracts to these projects very soon.

New Rural Board

57. Key regional and local partners, including Local Authorities, agreed this year to rationalise the arrangements for providing a focus on rural affairs, and to create a single, stronger Rural Board and a new Forum involving local strategic partnerships, county rural fora and rural community councils (and through them, organisations involved in the issues affecting rural areas). The importance of a keen focus on both the contribution of rural areas and their needs has been reinforced by the current volatile economic conditions, the implications for the affordable housing market, and issues around food and fuel security.
58. The purpose of the Rural Board is to provide leadership, develop rural priorities, and take forward the region's single Rural Action Plan. It will also act as watchdog, assessing what is working and challenging what is not working. The purpose of the new Forum is to be a powerful network feeding into Sustainable Community Strategies and Local Area Agreements, providing intelligence and advice on what is really going on in rural areas.
59. The new Rural Board has now held its first Board meeting. The Board's independent chair is Paul Bettison, the leader of Bracknell Forest. The other eleven seats currently on the Board represent economic, social and environment sectors. Two additional seats remain unfilled (for the new Forum Chair and the Health Authorities). The Board are starting on a process of identifying the priorities for the region – recognising that much has changed since the single Rural Action Plan was agreed. An initial piece of work will be led by Board member Shaun Leavey, Chair of the region's Sustainable Food and Farming Board, who will be identify the urgent action needed to maintain an adequate labour market for the horticulture sector.

Small Rural Towns

60. The Carterton Community Centre, the first major project in Oxfordshire under the SEEDA funded Small Rural Towns programme, was formally opened on 27 November. The development cost £1.4 million in total and offers significant opportunities for local service provision and events to this community in West Oxfordshire.

Making sure business is resilient to disease

61. The region continues to be vigilant as new cases of the Bluetongue disease have been found in the UK. SEEDA has given further support to the National Farmers Union to continue their vaccination campaign.

Sustainable Communities Programme

Tackling Inequalities

62. SEEDA is preparing for equalities legislation currently going through parliament that will create new duties for public authorities to create a single Equalities Scheme. This change will simplify, standardise and strengthen equalities legislation. It will provide additional leverage for SEEDA to maximise the economic gains that can be made from promoting the equalities agenda. For example:
- Tackling age discrimination and developing initiatives to support older workers has the potential to significantly increase the percentage of the population who are active in the economy, an important factor given our shrinking tax base.
 - Increasing cultural awareness within the workplace will also increase the effectiveness of a business seeking to expand into global markets.
63. SEEDA is also a member of the newly formed Regional Strategic Partnership for Migration. Involving the UK Border Agency, there is a clear opportunity for us to influence central government on migration issues through our membership. The findings SEEDA's our Migrant Workers Report give a solid evidence base for the contribution that migrant workers make to the regional economy.

Culturally Led Regeneration

64. Aware of the adverse impact of the economic recession on large scale capital regeneration projects, we are working with the coastal areas of East Kent and Sussex to investigate the potential of revenue based socially and culturally led regeneration processes. The aim is to identify and tackle socio-economic barriers to enable regeneration areas to continue to pursue their goals of jobs and market development.
65. We have been successfully helping coastal Local Authorities to develop competitive bids to attract investment from the Department of Culture, Media & Sport's Sea Change fund. At the end of October a £1 million grant to Bexhill was announced, and some £500K for Littlehampton. By investing in arts, public space, cultural assets and heritage projects; the programme is aimed at driving cultural and creative regeneration and economic growth by stimulating the visitor economy. SEEDA is now working with the current round of Local Authority applicants for the open grants programme, which is due to close on 5 January. We have organised a seminar for Local Authorities who have an interest in bidding to the programme, which will include a 'surgery' session for close examination of potential bids.

Development of the Creative Economy

66. The Cultural and Creative Economy makes a significant £8.4 billion contribution to the South East (5.8 % of total regional GVA). In February 'Creative Britain: New Talent for the New Economy' was published. Led by the DCMS, in

partnership with BERR and DIUS, it documents 26 commitments, which outline how the Government will take action to support the creative industries. RDAs have two commitments. First, under the theme of helping businesses to grow, RDAs will establish a network of regional beacons. Second, under the theme of supporting the development of creative clusters, RDAs will pilot regional creative strategic frameworks.

67. As well as contributing to the delivery of the RDA commitments, SEEDA is chairing and leading a Regional Partnership that brings together all the key players named in the Creative Economy Programme. Priority areas for joint working are: innovation, research and economic intelligence (including keeping track of the resilience of the sector in the recession), joint investment, and upwardly influencing government.
68. Membership of the group includes SEEDA, South East Media Network, Screen South, Skillset, Culture & Creative Industry Skills, Higher Education South East, Arts Council England South East, Museums Library and Archives, Learning and Skills Council and South East Education, Skills and Employment for London 2012.

Corporate Cabinet

69. There is an increased commitment among our corporate members to make this collaborative initiative work, as the need to scale up activity has become more acute in the current economic climate.
70. A website www.corporatecabinet.co.uk has now been launched, and the first of a regular series of member communications was sent in November. In addition to delivering RES objectives through Corporate Social Responsibility (CSR), the Corporate Cabinet is keen to input into SEEDA's collation of regional economic intelligence. SEEDA's Economic Research Manager will be attending the next Board meeting to discuss how this can be taken forward.

Financial Inclusion

71. There is a well advanced proposal under the Corporate Cabinet, being driven by Legal & General, to accelerate the development of Credit Unions in the South East; to provide affordable credit to local communities and to encourage a savings culture and prevent those in debt becoming the prey of loan sharks. This will help the workless, unemployed and those recently made redundant - who are in financial difficulties or over-indebted. Interventions will be based on the draft financial inclusion strategy for the South East, focussing on the areas of highest need. East and West Sussex are particularly keen to work with the Corporate Cabinet on this theme.
72. Corporates are keen to become involved because the sooner people get back into the labour market, with as little debt as possible; the better it is for businesses that are dependent on domestic consumers and the wider economy. Credit Unions have a key role to play in preventing individuals in financial difficulty sliding further into debt as they offer an alternative to doorstep lending for the financially excluded and their products encourage a savings culture. There is also evidence that mainstream savers are using Credit Unions as a way of investing in their community.

ENABLING INFRASTRUCTURE AND DEVELOPMENT

Strategic Development Fund Programme

Incubation Programme

73. Canterbury Innovation Centre - All agreements have now been signed with SEEDA's project partners the University of Kent, East Kent Spatial Development Company and Basepoint. Work has now started on site. The project will deliver 80 new offices and workshops for small and starter businesses, with a focus on innovation and technology transfer. The development is the first phase of the new Science Park.
74. Chilterns Business Centre, Princes Risborough - Planning consent for the project has now been obtained. The project is of an exemplar sustainable design with a target of achieving the new BREEAM 'outstanding' mark and to be carbon neutral in operation. The design includes photovoltaic panels and wind turbines.

Woolston

75. Commercial negotiations with both Crest Nicholson Regeneration and Palmer Johnson continue to progress. It is anticipated that building work will start on the marine quarter, Phase 1 and Phase 2 of the Crest scheme by Spring 2009.
76. Advanced works continue to progress on site. The phase which included the demolition and removal of the Fitting Out Trades Complex building is now complete.
77. SEEDA and Marine South East are actively working with Palmer Johnson regarding their workforce requirements, local training and up-skilling opportunities.

Daedalus

78. The planning strategy has been agreed in principle with the local planning authorities. Work on the Visionary Framework is being progressed which will inform the development of the Supplementary Planning Documents (SPD's), against which future planning applications are reviewed.
79. A newsletter will be distributed to the local community in early December. The newsletter provides an update on the project and promotes the Daedalus exhibition at the Lee-on-the-Solent Methodist Church Hall on the 5 and 6 December 2008.

East Cowes

80. SEEDA continues to progress negotiations with Waitrose regarding the terms of the Development Agreement. Once these have been agreed, a planning application for the scheme will be submitted to the Isle of Wight Council (IoWC).
81. The selection process for a contractor to undertake the Phase 1 infrastructure works is now complete. It is anticipated that the successful party will be formally

appointed to undertake the works by mid November and is expected to start on site in early December.

Cowes Outer Harbour

82. The preparation of an Environmental Assessment is expected to be completed by December 2008. It is anticipated that the planning application and marine consents will be submitted to the relevant authorities in early 2009. Following this, it an OJEU (Official Journal of the European Communities) procurement process will commence for a developer.

West Medina Mills

83. SEEDA has prepared a planning application for a marine employment development which was submitted to the Isle of Wight Council in November 2008. It also included an application to realign and reconstruct the approach road – Stag Lane.

Buckland Mill

84. The developer Gillcrest is still very keen to move forward with the development of the Buckland Mill site in Dover. They have produced a more robust and sustainable business plan for the site encompassing a better mix of development, including a care home, retail unit, GP surgery and more social and private housing.
85. As a result of a recent positive meeting with Dover's Planning Officers it is expected that revised planning documents will be submitted to Dover Planning Committee before Christmas.
86. Planning approval is expected in February/March 2009 with Phase 1 works planned to start on site in May/June 2009.

Queenborough and Rushenden Regeneration Project

87. SEEDA has now appointed BAM Nuttall to carry out the first phase of enabling works at Neats Court on the Isle of Sheppey, as part of the Queenborough and Rushenden Regeneration Project. The works will include the preparation of land for the first section of the Rushenden Link Road and development sites for an Aldi HQ and distribution centre of some 56,000 sq m and HQ offices for the Registered Social Landlord Amicus. These two employers will provide nearly 600 new jobs.
88. Works commenced on site in September and the environmental and archaeological works are now complete. This included the discovery and recording of Stone Age, Bronze Age, Roman and mediaeval remains.
89. This is a major step forward for the Project as it is the first step in opening up of the sites for employment and the start of the Road which the local community has been lobbying for, for over 30 years.

Infrastructure Programme

Housing

90. On 10 November, the SEEDA Chairman James Brathwaite hosted a dinner attended by the Regional Housing Minister Jonathan Shaw, private sector house builders and developers along with public sector representatives from SEEDA, Government Office, English Partnership (EP), Homes and Communities Agency (HCA), and local authorities.
91. The purpose of the dinner was to understand the impact of the current market on the house builders/developers as businesses, the outlook for housing delivery in the region, and to identify what action was needed to help maintain some delivery.
92. It was clear from the discussion that the sector faces major challenges and that there are no quick or easy solutions to a very depressed situation. The opportunity to engage in debate was welcomed by the attendees, with both private and public sector appreciating the opportunity to have an open discussion on the issues of most concern. A number of practical policy proposals emerged, which SEEDA is now pursuing with Ministers.

RoCK (Regions of Connected Knowledge)

93. RoCK (Regions of Connected Knowledge) has been formally approved under the EU INTERREG IVB programme and awarded €5.9 million of European Regional Development Funding (ERDF). Building on the High Speed Train (HST) projects' success, the project aims to improve railway networks connecting the knowledge regions of North West Europe.
94. The project is being led by the city of Eindhoven with partners in the Netherlands, Germany and Belgium and Reading Borough Council.
95. SEEDA will lead on exploring the feasibility of Transmanche Metro, a new regional rail service to connect Kent and Nord-pas de Calais in France. It would be complimentary to eurostar services and run on existing infrastructure to service intermediate regional stations, connecting East London, North Kent, Ashford, Hastings, Calais and Cote d'Opale, West Flanders and Lille Metrople with each other and to existing point-to-point high-speed services.
96. Additionally, SEEDA is also leading on project communications and marketing and has responsibility for co-ordination of the project. RoCK will also enable the continuation of the HST network, which began under SEEDA's leadership of the HST connect and HST integration projects.
97. SEEDA's share of the budget will come to around €2.75 million, with half of that supported by ERDF.

STRATEGIC INFLUENCE

Area Teams

Surrey and Berkshire Area Team

Sub-Regional Partnerships

98. The Berkshire Economic Strategy Board has appointed Marshall Leopold from the private sector to the position of Chair, and David Sutton, from the public sector experience as Vice Chair. The partnership has also made the decision to form as a Company Limited by Guarantee. The aim is to launch as an independent organisation by 1 April 2009. SEEDA has supported the Board to submit its first monthly economic climate report, and work will be ongoing to ensure this baseline is built on.
99. SEEDA has influenced the alignment of the Surrey Sustainable Community Strategy with the RES, by working with Surrey Economic Partnership who has drafted the economic development chapter. The Strategy was published on 24 November for a three month consultation period.

Employment and Skills Boards

100. SEEDA was activity represented at the first meeting of the Surrey Employment and Skills Board and as a result the potential to provide support for the financial services sector is being explored further.

Economic Intelligence

101. SEEDA was represented at the Thames Valley Business Leaders meeting where the bank of England presented information on the current economic climate.
102. In continuing the role of monitoring airport policy, a report on the House of Commons debate on the expansion of Heathrow was provided and this will contribute to the paper for the Board.

Hampshire and Isle of Wight Area Team

SEEDA visit to Isle of Wight

103. On 7 November, SEEDA's Chairman and Chief Executive met with some of the Island's major employers and several SMEs. Discussions focused on pressing economic issues such as the impact of the credit crunch and current economic downturn on the Island's economy. SEEDA took away key messages to report to government on the specific issues facing businesses and opportunities for SEEDA and government assistance at this critical time, which will feed into the new SE Economic Delivery Council, jointly chaired by James Brathwaite and Regional Minister Jonathan Shaw, Regional Minister SE.
104. SEEDA also held positive talks with the Isle of Wight Council concerning joint priorities and SEEDA investment to develop the Island's economy including the Cowes Waterfront initiative.

PUSH Economic Review

105. On 15 October, SEEDA's Hampshire and Isle of Wight Area Team brought together a wide range of stakeholders responsible for the South Hampshire economy to review the impact of the current economic downturn on the South

Hampshire Business Plan which sets out the economic vision and objectives for the South Hampshire Diamond through to 2026.

106. SEEDA shared up to date economic information and then led a discussion to ascertain the impact to date on the economy. The meeting agreed a series of practical actions that will either help to mitigate the impacts of the downturn in South Hampshire and prepare for the upturn in the market. In the New Year the group will meet again to track progress and share new intelligence.

Meeting with Ministers Concerning the Strategic Provision of Skills

107. Continued growth in the Solent Marine Cluster led to a high level meeting on 13 November chaired by John Denham, the Minister of Innovation, Universities and Skills to discuss how best to meet the long-term skills requirements of the marine sector.
108. Kathy Slack, SEEDA's Hampshire and Isle of Wight Area Director, attended along with Regional Minister Jonathan Shaw MP, Lord Tony Young (Parliamentary Under Secretary of State for Skills and Apprenticeships), and a range of stakeholders.
109. Palmer Johnson's recent commitment to establish their European operations in the Solent was used as a case study to discuss how stakeholders can work together to deal with major economic developments and promote and manage inward investment activity with respect to skills. Ministers set the challenge to stakeholders to clearly define responsibilities and leadership in meeting the skills needs of employers.
110. SEEDA, Marine South East, and the LSC are working closely with Palmer Johnson and the wider marine sector on their evolving workforce and skills needs, which has resulted in new apprenticeship and welding programmes being launched. Partners are now working with Palmer Johnson to establish longer term plans to grow and develop their workforce as they build up operations in the Solent.

Kent and Medway Area Team

Thames Gateway Economic Development Investment Plan

111. The Economic Development Investment Plan is now being taken forward and work is underway to look at ways of developing the initiatives further.
112. On the 4 November a joint Regional Development Agency workshop was held with SEEDA, the East of England Development Agency and the London Development Agency to look to the future. As part of the workshop two presentations were given.
113. Charles Landry, an expert on creativity and cities, is helping shape the 'Re-imagining the Gateway' programme and provided a presentation on our understanding of what needs to be done to make the Gateway 'world class'.
114. The second presentation was provided by Peter Head of ARUP consultants, who has been appointed as the Innovation and Enterprise Champion, and focused on 'eco innovation' across the Thames Gateway and the potential for capturing the opportunities for this. From the presentations a set of specific actions will emerge for consideration by the RDA Chairs and CEOs at their next meeting to take forward both agendas.

115. The Thames Gateway Forum on the 26 and 27 November was used to launch and promote EDIP and to set-out the progress made on the initial projects announced at its launch in September.
116. The Forum also promoted how the RDAs are supporting businesses to address the challenge of the current economic downturn.

Ashford Skills Strategy

117. SEEDA is working with Ashford's Future and other partners to finalise a Skills Strategy for Ashford, which will provide a clear challenge for businesses, residents, public and third sector agencies to raise the town's growth challenge.
118. The ten year strategy, which will form a key element of future plans for this Growth Area, outlines the challenges that Ashford faces. It also sets out how Ashford's Future will realise its ambitions to develop a knowledge-based economy that provides high value added jobs for local people and attracts knowledge intensive businesses.
119. Discussions have been reignited with South Kent College and the Learning and Skills Council about the potential for development of a new Ashford Learning Campus. While discussions are at an early stage, this project is considered to be a corner stone for Ashford's Future regeneration programmes.

North Kent Multi Area Agreement

120. Good progress is being made in developing the North Kent Multi Area Agreement (MAA). While the intention is still for this to be finalised by April 2009, partners are working towards signing a Memorandum of Understanding at the Thames Gateway Forum on the 26 November.
121. The Memorandum will encompass the three themes of skills, transport and housing and it will indicate only the broad areas for which specific freedoms and flexibilities will be sought in the final MAA agreement. At this stage, it appears unlikely that the partnership will try to secure delegation of funding, although governance issues in general are being addressed.

Prime Minister and Peter Mendelson visit to Kent Science Park

122. SEEDA were pleased to support the organisation of a visit to Kent Science Park by the Prime Minister and Peter Mendelson, the Business Secretary, on the 21 October. The venue was filled with representatives from local businesses and a good exchange followed, chaired by the SEEDA Chair James Brathwaite.
123. There was a panel discussion involving the Prime Minister, Peter Mendelson, John Denham MP, Secretary of State for Innovation for Innovation, Universities and Skills, and Jonathan Shaw MP, Minister for the Region.

Sussex Area Team

Sub-Regional Partnerships

124. The Berkshire Economic Strategy Board has appointed Marshall Leopold from the private sector to the position of Chair, and David Sutton, from the public sector experience as Vice Chair. The partnership has also made the decision to form as a Company Limited by Guarantee. The aim is to launch as an independent organisation by 1 April 2009. SEEDA has supported the Board to submit its first monthly economic climate report, and work will be ongoing to ensure this baseline is built on.

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127. SEEDA was represented at the Thames Valley Business Leaders meeting where the Bank of England presented information on the current economic climate.

128. In continuing the role of monitoring airport policy, a report on the House of Commons debate on the expansion of Heathrow was provided and this will contribute to the paper for the Board.

Gatwick Diamond

129. The Sussex Area Team continues to actively support the Gatwick Diamond Steering group. The steering group is a business led public – private partnership which has a vision that: 'By 2016, the Gatwick Diamond will be a world class, internationally recognized business location achieving sustainable prosperity'.
130. An enhanced strategic alliance is developing between BAA Gatwick and SEEDA. A dinner recently hosted by SEEDA and attended by the Managing Director of Gatwick Airport, business leaders, local authorities and sub regional partnerships, has paved the way to developing a relationship that will ensure the airport towards playing a full and inclusive role in the economic development opportunities that the airport can bring to the Gatwick Diamond. BAA Gatwick has a £840 million investment programme for its terminals that Gatwick Diamond partners are seeking to ensure is developed in a sustainable way and importantly that will support any future opportunities for Gatwick to provide connections to key world economic areas.
131. The University of Brighton has submitted an early expression of interest to HEFCE for funding of a University Centre in Crawley. SEEDA, through the area teams, are working closely with partners to develop the proposal.

American Express, Brighton and Hove

132. American Express has confirmed that they will build a new 25,000sq metre office development on land north of their existing European headquarters close to the city centre. Planning application is expected mid 2009 and when complete, this will make Brighton their 3 largest operation in the world, and will safeguard 3000 jobs.

Milton Keynes, Oxfordshire and Buckinghamshire Area Team

Sub Regional Partnerships – Building Capacity

133. The MKOB Area Team has continued to work closely with the three Partnerships in the sub-region to ensure they add value to local economic strategies. Quarterly reviews have now taken place with all SRPs, with a focus on ensuring they have the capacity to drive forward economic development in the local areas.

134. The team has hosted an away day, with SEEDA Board Members Alex Pratt and Poul Christensen and the sub-regional Investor Development Managers, to agree the SEEDA priorities for MKOB. The day was extremely useful at focusing effort and priorities.
135. Skills were a primary focus of the OEP Annual Dinner, held at Mansfield College on the 13 November. SEEDA guests included Chief Executive Pam Alexander, Executive Director for Skills & Sustainable Prosperity Oona Muirhead, and Warren Ralls, the Area Director for MKOB. They were among over 100 guests present to hear presentations on both further and higher education from the Principal of Oxford & Cherwell Valley College and the Vice Principal of Oxford Brookes University.

Aylesbury and Aylesbury Vale Masterplanning

136. The MKOB Area Team have been involved in the Aylesbury and Aylesbury Vale masterplan for the town centre; ensuring SEEDA's economic priorities are reflected in the local development plan that links to their core strategy.
137. Mark Wathern, Area Manager MKOB, is working with the project team to ensure the Peter Jones National Enterprise Academy links to the locally funded regeneration initiatives to deliver a step change that will 'pull' into the town centre tourists, businesses and the students who graduate; therefore generating wealth in the local economy.
138. As part of the Aylesbury Vale Advantage (AVA) Board, SEEDA inputted into the public consultation on housing growth suggesting that economic development leads housing growth within the city. This has been taken up by the Board and could mean a much more coordinated effort in developing the local economy and reducing out commuting by local residents, which in turn will deliver increased economic benefits.

Milton Keynes South Midlands (MKSM) Growth Area

139. The Area Team have been supporting the MKSM Growth Area through helping to shape the economic development and Higher Education (HE) strategy. The team have recently provided a visual representation of the development activity in the area in order to stimulate ideas into the economic unique advantages of MKSM. With stretching house and job targets, it is imperative the MKSM growth project is economically led to really drive forward the economy of the area.
140. The MKOB Area Director, Warren Ralls, and Deputy Director, Ruth Lyons, have also started working with a MKSM Multi Area Agreement (MAA) project team to investigate the feasibility of a MAA and, if agreed, to develop the specific targets. This MAA could ensure a partnership approach to MKSM and will focus all stakeholders on the key priorities that will deliver the growth required.

Weston Otmoor Ecotown

141. SEEDA commissioned a study to look at the impact Weston Otmoor Eco Town would have on the nearby town of Bicester; which has now been produced but not yet signed off. The report states there could be a potential detrimental impact on Bicester.
142. The Government's sustainability appraisal placed Weston Otmoor in the lowest tier of sustainability. CLG are now looking at broadening some work into looking at "Sustainable Urban Extensions" following a legal challenge on one of the non South East proposed Eco Town locations. SEEDA has asked CLG for

funds to extend the study to review how Bicester could be developed into an 'eco development'. This has not yet been discussed with partners and CLG would like Cherwell to lead.