

SOUTH EAST ENGLAND DEVELOPMENT AGENCY

CORPORATE PLAN 2002-04

1. SEEDA'S STRATEGY

1.1 Principles

The advent of the Single Pot will be 'slow burn' rather than 'big bang'. In the short term, it will allow SEEDA to improve the performance of its existing activities. It is only over the longer term that new activities and new modes of working will emerge, as the amount of headroom in SEEDA's funding from government increases.

It is SEEDA's intention to use the forthcoming review of the Regional Economic Strategy to develop, with the full involvement of partners, this agenda more fully. At the outset, it is SEEDA's intention to exploit the flexibilities offered through the Single Pot for the benefit of the region (within the context of the Regional Sustainable Development Framework) through adopting the following principles to guide its operations:

- i. SEEDA will seek to **balance investing in success with tackling deprivation**. Wherever appropriate, these two streams of activity will be linked. This implies positively harnessing the dynamism of economically successful areas to the benefit of less successful areas, rather than passively relying on a trickle-down process.
- ii. SEEDA's priorities and activities will be **driven by outcomes and not programmes**. SEEDA's primary objective will be to secure progress against the 11 Tier 2 Regional Outcome Targets. This will require the development of bespoke initiatives addressing the needs of particular areas and themes, rather than standard programmes
- iii. SEEDA's normal presumption will be to achieve **delivery through partners unless there is a strong justification for direct intervention** (for example to achieve better value for money, or because the critical mass of delivery expertise exists at regional level). Allied to this, SEEDA will seek to maximise the leverage achieved by its own investment, and will look to partners to commit complementary funding.
- iv. The predominant mechanism for determining future SEEDA funding and support will be the preparation of a **shared framework for action with partners**. Such an approach already underpins the Enterprise Hub initiative, and Area Investment Frameworks offer an appropriate model for area-based initiatives. Regional and sub-regional priorities will be reviewed as part of the forthcoming review of the Regional Economic Strategy.
- v. As a complement to the above, there will be increasingly **a presumption against broadly-cast regional bidding rounds**. Although there may be special situations where these offer benefits, for example to test pilot initiatives, they have many disadvantages when seeking to achieve targeted interventions with partners against regional priorities.
- vi. SEEDA's interventions will **either have a specific spatial focus, or will address region-wide priorities**. Where SEEDA invests in local initiatives, it will seek to

develop wider benefits for the region. Where SEEDA invests in region-wide initiatives, it will seek to relate these to spatial priorities and conditions.

1.2 Spatial Priorities

Wherever possible, SEEDA's approach will be to relate its activities to spatial priorities across the region, namely:

- Areas of economic success – primarily to improve competitiveness and skills availability, and to overcome the pressures that result from economic success (through the focused deployment of region-wide initiatives);
- Thames Gateway Kent – to recognise the national and regional importance of this large regeneration programme involving three regions;
- Major regeneration areas – to continue the task of tackling deprivation beyond existing SRB programmes
- Urban areas outside major regeneration areas – to address the broader issue of urban renaissance
- Priority rural areas – to ensure sustainable economies and communities

SEEDA's Regional Economic Strategy identifies both areas of economic success and less economically-successful areas, which are in each case consistent with those identified in Regional Planning Guidance. Existing areas of economic success comprise:

- The Thames Valley area
- Gatwick – Brighton and adjacent parts of Sussex and Surrey
- South Hampshire (from Havant to the River Test)
- Oxford – Milton Keynes (as part of the wider Oxford – Cambridge arc)
- Blackwater Valley (western Surrey and north east Hampshire)

Thames Gateway runs from Tower Bridge to Southend on the north bank of the Thames, and to Sittingbourne and Sheppey on the south side. The Kent element is geographically the largest, and contains several foci of new development and regeneration in what will be a 30 year programme. SEEDA's own largest direct development project at Chatham Maritime is itself a major contribution to the Thames Gateway.

Less economically successful areas provide a continuing focus for SEEDA's regeneration activities, and are consistent with 119 most deprived wards in the region as identified through the Index of Multiple Deprivation 2000. The priority areas are principally the eastern and southern coasts of the region:

- North East Kent (including the former Kent Coalfield)
- South Kent and the Sussex Coast
- The Isle of Wight
- Portsmouth and South East Hampshire
- Southampton

Outside these spatial priority areas are a number of towns and cities that raise issues, whether of prospective major growth or deprivation which will be addressed by specific SEEDA initiatives as part of urban renaissance. Examples include Ashford, Milton Keynes, Oxford, Reading, Slough and Woking.

The present priority rural areas are: south and east Kent, eastern East Sussex and the Isle of Wight. The national study of rural deprivation being undertaken by the Countryside Agency and the Regional Development Agencies will review these and the case for any additional areas. The Market Towns Initiative is in the process of identifying 10 towns in the region which will include Battle, Cranbrook, Heathfield, Hythe and Minster.

These spatial priorities will continue to shape and inform SEEDA's activities through the life of this Corporate Plan, and will be the focus for the bulk of SEEDA programme expenditure. Region wide initiatives and programmes will complement these geographic priorities. SEEDA will retain a small portion of its budget (up to 5%) to seek practical solutions to address smaller pockets of deprivation, and to reach excluded groups (such as the disabled and minority ethnic communities) whose needs are not defined by geographic boundaries. These will not be addressed on a case by case basis, but rather through initiatives addressing common themes which unite a number of localities or communities throughout the region.

There will also be specific targeted "task-force" type interventions to deal with particular issues. Hastings is a current example.

1.3 Implementing the Single Pot

During the period of this Corporate Plan, SEEDA will implement the Single Pot to address the Regional Outcome Targets according to the principles and spatial priorities outlined above, while also managing the transition from a substantial legacy of individual programmes. There will be increasing scope for SEEDA to work with partners to prioritise and deliver its investment in accordance with shared Regional Outcome Targets. This will not be a bidding process, but rather will involve the agreement of strategic and delivery targets at a number of levels:

- The Regional Economic Strategy, which will be reviewed during the coming year
- The Regional Outcome Targets, as set out in this Corporate Plan
- Sub-regional economic strategies, currently under preparation by the Region's 11 Economic Partnerships with SEEDA support, and addressing either individual Economic Partnership areas (typically on a County basis) or key economic areas lying within these areas (e.g. South Hampshire) or across partnership areas (e.g. Brighton – Gatwick). Draft or outline strategies will be in place by 31 December 2001 and, after consultation during the review of the Regional Economic Strategy, will inform sub-regional funding priorities across SEEDA's full agenda to provide a bottom-up prioritisation of spatial funding requirements
- Area Investment Frameworks, informed by established economic strategies, and with the objective of determining the spending priorities for appropriate local areas. Five pilot AIFs are currently under preparation in Southampton, Kent Thames Gateway, North East Kent, Coastal East Sussex with Hastings, and the Isle of Wight. There will be refined, and further AIFs prepared for Brighton and Hove, and for Portsmouth and South East Hampshire.

At the local level, there is a large number of partnerships associated with the delivery of initiatives supported by SEEDA. Ideally, implementing an integrated approach to economic

development and regeneration will require a smaller number of more broadly based delivery bodies able to prioritise across the full range of SEEDA activities and beyond. Local Strategic Partnerships (LSPs) may provide the foundation for such a broader based approach, with a brief to:

- Improve all public services, renew deprived areas, develop strong, sustainable economies and healthy, safe communities;
- Focus service delivery on the needs and aspirations of local people – including those who are traditionally excluded;
- Find ways to encourage people to be constructively involved in their communities; and
- Ensure sustainable development locally and contribute to the regional sustainable development agenda.

The LSPs for the region's 4 areas eligible for Neighbourhood Renewal Fund (Hastings, Brighton and Hove, Portsmouth and Southampton) are due to receive accreditation during February 2002. There are currently no plans for accrediting other LSPs; these are at various stages of development, and include several examples of umbrella County-wide LSP.

In principle, LSPs will provide local fora with remits that encompass the full range of SEEDA activities, and more. They will therefore be the obvious local partnerships with whom SEEDA should agree priorities for its local investment alongside those of all other funding bodies, informed by Area Investment Frameworks where these exist. However, LSP's themselves are not delivery bodies, and groups of LSPs may wish to consider optimum arrangements to enable economies of scale.

In this rapidly-developing climate, the new delivery mechanisms and partnerships needed to implement the Single Pot will require extensive guidance and nurturing, and will evolve over the next 2 years. During this period, SEEDA will achieve delivery of its Corporate Plan through a flexible use of three modes:

- *Devolved Delivery* to a third party partner(s) or partnership, usually set up for a particular purpose and with a defined spatial area of operation (e.g. SRB Partnership, Learning and Skills Council local arm, Business Link franchise)
- *Contracted Delivery* through a particular partner or groups of partners, often assembled for a specific purpose (e.g. Enterprise Hub, Basic Skills, pilot projects)
- *Direct Delivery* by SEEDA – where the Agency possesses the specific expertise to be the optimum deliverer (e.g. land assembly and redevelopment) or there is an essential regional dimension (e.g. inward investment)

In consultation with local partners, SEEDA will seek to encourage the transition of successful SRB Partnerships into appropriate delivery vehicles suiting the new institutional arrangements. This may well involve a rationalisation of current partnership structures to reduce duplication and achieve critical mass. A more detailed discussion paper setting out proposals for the region will be produced for consultation during the first 3 months of 2002.

The ultimate choice of delivery mode will be shaped by the principles set out above, and will be driven throughout by a presumption of subsidiarity.

1.4 SEEDA's Funding Strategy

SEEDA's funding strategy for 2002-04 addresses the foregoing issues by adopting the following approach:

- i. Full support for existing legacy programme commitments, including full funding provision for all existing SRB Round 1-6 Programmes (£50m in 2002-03, £40m in 2003-04);
- ii. Rural development activities funded at no less than their 2001-02 levels, with increasing links to related activities involving learning and skills, and business support;
- iii. Redevelopment by SEEDA itself of at least 40ha of brownfield land (excluding Kent Coalfield) annually, for hard end use in support of spatial priorities;
- iv. Expansion of several existing regional initiatives (e.g. Enterprise Hubs; sector development; basic skills and ICT learning; motivating learning; sector and management skills; Wired Region);
- v. Development of initiatives to address regional priorities (e.g. Brownfield Land Assembly Trust; Support for Enterprise in Deprived Areas; East Kent Spatial Development Company and urban renaissance projects);
- vi. Working with regional and local partners to identify SEEDA spatial priorities, reflecting the emerging network of Local Strategic Partnerships and drawing on the experience of Area Investment Frameworks.

The 3 primary facets of SEEDA's activities will remain actions in support of:

- Business competitiveness
- Learning, skills and workforce
- Community regeneration and physical development

Business Competitiveness

The Corporate Plan Period will see major steps forward in the implementation of SEEDA's Strategy for Business, the objectives of which are to:

- Enable businesses to adapt, prosper and grow
- Accelerate new business start-ups
- Increase international business activity and competitiveness

This Strategy is given additional force by the relevant Tier 2 Regional Outcome Targets - for productivity, enterprise, investment and innovation. These will require SEEDA's initiatives for business to be highly focused and integrated if they are to achieve measurable impact. While the resources allocated to these activities will more than double in 2002-03, they remain very modest in relation to the scale of the task.

SEEDA is approaching these issues by continuing to develop 4 sets of activities:

- Enterprise Hubs and related services and networks;
- International activities to secure the region's global position as a location for high value added inward investment and other international linkages;
- Support for sectors, clusters and supply chains; and
- Sector-related skills development.

These activities are increasingly linked and mutually-reinforcing. For example, Enterprise Hubs are a base for promoting clusters, and are beginning to attract inward investment. Sector Groups are engaging strategically with skills development. Inward investment promotion places increasing emphasis on the key sectors and clusters linked to the region's knowledge base. In the region's more deprived areas, the new Enterprise Gateways will exploit the strength of the Enterprise Hub model, but also link closely with SEEDA initiatives in those communities to build employability and basic skills.

It is an essential feature of all these activities that businesses and business leaders themselves are engaged in setting priorities and directions so that what is done is relevant and useful from a business perspective. A frequent and important message for business is the need to improve the coherence and quality of services to businesses, especially SMEs. SEEDA has brought all the region's main business service provider organisations, both publicly funded and membership based, in a Regional Business Support Board. This Board will continue to address these issues during the Corporate Plan period.

Learning, Skills and Workforce

SEEDA's particular contribution to this broad policy area will continue to be to address these issues from an economic development perspective. SEEDA's approach to each issue is to:

- Identify needs from a business and/or individual perspective;
- Identify which partners are best placed to respond;
- Define SEEDA's own role and contribution in this context.

SEEDA's activities, founded on research evidence and the experience of pilot initiatives, focus on 6 common themes:

- The need to motivate both individuals and employers to learn
- The need to bring learning to individuals in the most suitable form – relevance, delivery (in terms of both time and place) and cost are key aspects here
- Using people to help and train others. Peer mentoring can yield impressive results – SEEDA will seek to expand mentoring in all its forms
- Spreading good practice and rolling out success
- Developing Centres of Excellence specialising in the development of particular skills and sectors
- Involving those elements of the population who are either not currently in employment, or are working below their potential

These actions will be drawn together and developed further through the Framework for Regional Employment and Skills Action, which will be developed alongside the review of the Regional Economic Strategy for publication in October 2002.

Community Regeneration and Physical Development

SEEDA's overall priority here remains to develop and implement a more coherent framework for physical and community development than that inherited from its predecessor bodies. This leads to 5 linked strands of activity:

- A better articulation of spatial development priorities, using Area Investment Frameworks as a key tool in this process;
- Continuing the work of community regeneration, and actions to address social exclusion through promoting economic inclusion, within these evolving spatial priorities
- Developing SEEDA's response to the Urban Renaissance agenda;
- Addressing infrastructure needs for the region, related to economic development priorities through influencing deficiencies in service provision;
- Maintaining an enduring commitment to the development of the rural economy, and of rural communities.

In addition, SEEDA will make every effort to secure further funding and support for the development of additional affordable housing across the region.

Following the Government's consideration of the Hastings Multi Modal Study in June 2001, the Secretary of State invited SEEDA to lead the preparation of a comprehensive regeneration strategy for Hastings and Bexhill. SEEDA has done this through creating a task force of staff from the local authorities and led by a steering group with a wider stakeholders group. A 10 year strategy is currently being developed, comprising 5 key areas:

- Regeneration measures for urban renaissance
- Higher Education Centre of Excellence
- Enterprise Hub, business incubation and intensive business support
- Broadband – fibre cabling network
- Transportation improvements

SEEDA's proposed contributions to these initiatives over the next 2 years are reflected in this Corporate Plan, as part of a broader funding package.

Table 1 overleaf translates this funding strategy into major activity headings, which are then described in turn in Section 2.

Table 1: SEEDA Corporate Plan 2002-04 Themed Funding Summary

Theme	2001-02 Outturn £m	2002-03 Proposed £m	Yr on Yr Change	2003-04 Proposed £m	Yr on Yr Change
Enterprise Hubs and Related Services / Networks	2	4	+2	4	-
International	1	1	-	1.5	+0.5
Sectors, Clusters and Supply Chains	1	3.5	+2.5	4	+0.5
Sector / Management Skills	1	3	+2	4	+1
FRESA / Labour Market Intelligence	0.5	1	+0.5	0.5	(-0.5)
Basic Skills / ICT	2	5	+3	5	-
Motivating Learning	3	3.5	+0.5	4.5	+1
Wired Region	1	2	+1	3	+1
SRB Programmes	53	50	(-3)	40	(-10)
Social Inclusion	-	0.5	+0.5	1	+0.5
Physical Development	26	20	(-6)	20	-
Urban Renaissance	-	0.5	+0.5	6	+5.5
Rural Development	2.5	3	+0.5	4	+1
Area Investment Frameworks	-	0.5	+0.5	1	+0.5
Sustainable Development	-	0.5	+0.5	0.5	-
Economic Partnerships – Core Funding	-	0.5	+0.5	0.5	-
Corporate Research and Evaluation	-	0.5	+0.5	0.5	-
<i>Sub Total - Programmes</i>	<i>93</i>	<i>99</i>	<i>+7</i>	<i>100</i>	<i>-</i>
Administrative Programme Funding	4	5	+1	6	+1
Core Administration	5	6	+1	7	+1
Total Corporate Plan Spending	102	110	+8	113	+3
Assumed Financial Allocation	102	105	+3	108	+3
Over Programming (funded from entrepreneurial receipts)	-	5	+5	5	-
Funding additional to Corporate Plan:					
• Foot & Mouth Recovery	2	-	(-2)	-	-
• Kent Coalfield (funded via English Partnerships)	1	7	+6	10	+3
• UK Broadband Fund	-	1	+1	1	-
• Hastings (SR2002 bid)	-	15	+15	15	-
• BLAT Rollout (SR2002 bid)	-	10	+10	10	-

2 SEEDA'S OPERATIONS

2.1 Enterprise Hubs and Related Services and Networks

Enterprise Hubs

SEEDA has drawn from the experiences of the leading business incubators around the world to develop a new model for local business networks, specifically suited to the UK. Enterprise Hubs act as catalysts to encourage innovation and enterprise, stimulating the growth of small businesses. The initiative has received great support from the business community, from the region's universities and research institutes, and from other partners. It is evolving as a model of best practice in providing support for high tech, fast growing entrepreneurial companies, and in facilitating the exploitation of technology from the knowledge base. The network will continue to be developed and strongly supported during the period of the Corporate Plan.

Enterprise Gateways

Enterprise Hubs are a proven route to enhanced business birth rates and survival, but there are many potential entrepreneurs who do not benefit from this activity because they are in areas of commercial activity that are not considered either high growth or high technology.

This particularly disadvantages the more deprived areas of the South East including rural areas where there is simply not the knowledge or infrastructure to improve the birth rate of start-up companies. Although entrepreneurial flare has no respect for class, race, gender or geography, the access to the tools needed to make an idea a commercial reality is limited and uneven. The barriers to starting a company include lack of training, business knowledge, support networks, space and investment. Similar barriers are also faced by social (i.e. not for profit) enterprises.

The key feature required of Enterprise Hubs is close links to the research and technology base. This is not easily available in many areas, nor even relevant to many potential entrepreneurs. Furthermore, a mix of higher and lower technology companies in the same network does not work well. SEEDA therefore proposes a new type of Enterprise Hub to be branded as Enterprise Gateways with many similar characteristics, including availability of flexible supported workspace, but refocused to the needs of this different group of enterprises. In particular there will be:

- Strong emphasis on links into HE/FE and others to provide training/skills for businesses, including social enterprises.
- Access to early stage finance, but geared more to schemes such as Enterprise Grants, Small Business Service Phoenix Fund, Prince's Trust, and to general bank support for small business than to business angels and venture capital.
- Strong linkages, including wherever possible co-location, to other SEEDA initiatives for social inclusion and employability such as learning centres and support for social enterprise.

In delivering the Enterprise Gateways, SEEDA expects to work closely with the Business Links as providers of the necessary business support including the Gateway Directors.

Enterprise Hub and Enterprise Gateway Programme

The first 6 Enterprise Hubs have been launched, already doubling the amount of flexible workspace for high technology companies under development in the South East. Over the

next 2 years we will launch up to a further 20 Hubs and Gateways, making progress towards a target of a complete regional network of 40 Hubs and Gateways in place by the end of 2006. Already 290 companies are incubating in the Hub network, and SEEDA's target is to support the creation of 1,200 new businesses in the network over the next 2 years.

Early Stage Finance

By the end of 2001-2002 financial year, SEEDA expects to have delivered 3 important initiatives in enhancing the availability of early stage finance to meet the growth needs of SMEs:

- A £30m Regional Venture Capital Fund jointly funded by the SBS, the European Investment Fund and the private sector;
- A stand alone not-for-profit company, Finance South East, as a proactive enabler of access to the Regional Venture Capital Fund and other funding sources; and
- A regional Business Angels Network, linking many local Business Angel groups into a wider range of investment opportunities among the region's growth SMEs.

During the Corporate Plan period SEEDA will aim to ensure that there is a 'funding escalator' to meet the needs of growth companies at different stages from early seed corn requirements through to successive tranches of venture capital. Plans include ensuring the fullest possible use of the DTI's SMART scheme and all elements of the SBS's Early Growth Funding Programme. Working with the Business Links, SEEDA will also ensure support and coaching to small firms in becoming 'investment ready'.

For the funding needs of SMEs and social enterprises in the Enterprise Gateways, SEEDA will aim to ensure a similarly comprehensive range of available funding, using all the existing Government supported measures, and standing ready to supplement them should specific gaps be identified within the Gateway network.

2.2 International and Investor Development

International Activities

In the current international climate, the region has to work extremely hard to maintain the flow of international investment projects, and its position as one of Europe's leading regions for high value-added investments, including corporate HQs and R&D. Currently, levels of enquiries are well down, and given the lead time of typical investments the down turn on the record levels of new investment in recent years may persist for some time. SEEDA has been progressively reinforcing its capability and professionalism in marketing the region and handling clients, working with our sub-regional partners. This commitment will continue over the Corporate Plan period, including, with the agreement of DTI Ministers, the appointment of some limited overseas representation for the first time. A representative based on the West Coast of the USA is likely to be appointed before the end of 2001-2002.

The inward investment project team will continue to handle projects originating from Invest UK, the UK's national inward investment promotion organisation, as well as from SEEDA's own international market and investor development activities.

The team is organised to deliver both geographic and sector expertise to deal proactively with our key priority investment sectors of ICT, engineering/electronics, and life sciences, as well as reactively with Invest UK referrals. The team will work closely with sub-regional partners to deliver a comprehensive and professional service to investors.

Investor Development

In current circumstances, ensuring high levels of customer care to existing investors, to reinforce their commitment to the South East is of paramount importance. SEEDA will use a comprehensive account management system to get closer to existing strategic investors, whether or not foreign owned. The aim will be to provide a significantly higher level of contact than before to gain early warning of their plans, foster their success and capture their growth for the region. To support this work, 7 investor development specialists have been recruited to work with the region's 11 economic partnerships in developing links with key investors.

The decision to transfer responsibility for administering Regional Selective Assistance to the RDAs will add usefully to SEEDA's direct capability to support investment within the region's Assisted Areas.

Global Regions

Building closer links with high performing regions around the globe for the benefit of businesses in the South East is a strategic extension of SEEDA's business development activities to build a more productive economy. The objective is to build extensive networks with such regions, involving inward/outward investment, technology transfer and joint ventures, universities, science parks and incubators, supported by SEEDA links with regional governmental bodies. A mapping of demographics, skills and sector similarities and existing contacts is being used to prioritise up to 6 regions for this initiative over the Plan period.

2.3 Sectors, Supply Chains and Clusters

Sector Groups

Sector Groups enable SEEDA to work with key industries to help remove barriers to their competitiveness and improve regional economic performance. They consist of business leaders who influence strategy and work across a wide range of issues and initiatives to ensure they are co-ordinated to meet industry needs. In particular, they contribute to the elements of SEEDA's agenda concerned with Skills, Productivity and Innovation.

Currently there are Groups covering the Aerospace and Defence, Marine Industries, Pharma Bio and Healthcare, Media and Creative Industries, Tourism and Transport Sectors. All Groups now have budgets and full-time facilitators to co-ordinate their work. Over the past year the Groups have been reorganised and some now have specific Task Forces concerned with issues such as adoption of Best Practice, Cluster Development and Skills Development etc.

During the next 2 years this arrangement will be extended to all Groups and it is anticipated that all groups will develop and deliver major projects to improve the South East as an environment within which their Sectors can maximise growth. These projects will be similar in scope and scale to the Lean Manufacturing project, which will reach 300 companies, and the VISIT project to network all Tourist Information Centres together which will be delivered over the next 3 years. In particular it is planned to launch the Lean Enterprise Programme, which will cover Marine, Aerospace and other Engineering Groups next year, and to run this over the next 3 to 4 years. There is also a major programme in preparation, linked to appropriate Enterprise Hubs, to develop wet lab space / accelerators for the Pharma Bio industry to help it maintain and improve its rate of innovation.

By the start of the Corporate Plan period, 4 further priority sectors will be included in this initiative. The new Groups will cover Property and Construction, Environmental Technology, Advanced Engineering and IT Sectors. The sector team will also be working with the rural team to develop a Group to improve the productivity and effectiveness in the region of the Food supply chain between the producer and the retailer.

Regional Centre of Manufacturing Excellence (RCME)

This initiative was announced by DTI at the end of 2000, and will be joint funded by DTI and SEEDA. It will powerfully enhance the best practice programmes sponsored by the relevant SEEDA Sector Groups.

A national network of RCMEs will be established, with a core identity allowing users to understand its purpose, type of services provided, and relationship with the Small Business Service and other initiatives. Following an open tender, SEEDA has contracted with Engineering Employers Federation South to run and manage the RCME contract in the South East. The core network will:

- Actively engage with SMEs to stimulate interest in best practice, processes and technologies;
- Provide manufacturing information and advisory services to SMEs, including routes to subsidised consultancy;
- Make available highly qualified staff who can offer credible, practical and timely 'hands on' advice;
- Collaborate with a group of Associates who can provide full services;
- Have a close working relationship with Business Links, complementing their more general advisory services.

Trade Partners UK International Sector Advisors

Working in partnership with Trade Partners UK, SEEDA will support the creation of a team of 6 sector specialists located with our partners in the region, providing:

- High quality targeted advice on exporting for businesses in Enterprise Hubs;
- Links to SEEDA's Sector Groups;
- High quality support for the implementation of the South East International Trade Strategy;
- Delivery, with South East Business Link teams, of the Passport to Export to companies in their specialist sector;
- Opportunities to contribute to SEEDA's Global Regions initiative, promoting the region internationally.

Supply Chains

SEEDA is discontinuing support for the Regional Supply Office from the end of 2001-2002. Strategic projects to build significant Supply Chain capability within the South East region, rather than the one to one help which has been offered to business over the last five years, predominantly on a piece meal basis, will be developed as an integral part of Sector facilitation and Cluster development.

Clusters

The South East economy is more dependent on SMEs than average and is one of the more clustered economies within the UK; there are probably between 20 and 40 active business networks and concentrations offering significant cluster potential. SEEDA's approach is

being developed on the basis that an RDA cannot lead clusters or create new ones, but that it can have a significant impact in improving performance. A recent study of 768 clusters world-wide showed that only 3% were genuinely world class, with just above 50% of the rest being significant at the national level. A Clusters Action Plan has been developed which seeks to accelerate a substantial number of South East clusters to world class performance.

All aspects of SEEDA's activities in support of business have a contribution to make to delivering this Plan, which will over the next 2 years engage with the following key clusters in the South East as priorities:

- Marine Technology.
- Pharma Bio and Healthcare.
- The advanced engineering technologies which link to motor sport.
- The R & D cluster that starts within the Oxford-Cambridge Arc and extends southward with the A34 as its spine.
- The South East Media cluster.

Clusters do not respect RDA boundaries, and in this work we can benefit from working with our neighbouring RDAs, as we already do in support of the motor sport cluster.

2.4 Sector Skills Development

SEEDA will work with Sector Groups and Skills Insight to deliver the skills necessary for the growth of key sectors in the region. SEEDA will:

- Support the growth of the Pharma Bio and Healthcare; Media; ICT; and science, technology and mathematics related sectors;
- Support the development of craft skills in the construction sector and related industries to match forecast demands;
- Build on initiatives to extend Centres of Excellence throughout the region;
- Support the development of a Centre of Excellence in urban renaissance, with a focus on continuing professional development;
- Increase number of people undertaking science, technology and maths training especially at technician level;
- Support the development of innovative e-learning materials through the creation of a Centre of Excellence for e-learning support;
- Support the further development of the National Training Organisation Hub for the region.

2.5 World Class Managers

The forecast growth in managers in the South East region is higher than in other regions, and management skills are emerging as a key area of skills shortage. SEEDA will work with key partners to achieve a step change in the number of managers engaged in training and to

develop appropriate approaches and courses, particularly exploiting e-learning delivery. SEEDA's contribution will include:

- Raising the number of business mentors (including graduates) to provide skills development to business;
- Developing a small elite cadre of interim/caretaker managers to manage businesses on behalf of owner managers for short spells, releasing managers to attend high quality training;
- Rolling out a range of innovative approaches to management development previously piloted through SEEDA funds;
- Extending the E Skills into Business programme to Local Learning and Skills Councils and other business support organisations;
- Increasing management skills development in specific localities, by working with Local Learning and Skills Councils, Business Links and other partners

2.6 Framework for Regional Employment and Skills Action, Labour Market Intelligence

Framework for Regional Employment and Skills Action

RDAs have been tasked by Government to develop Frameworks for Regional Employment and Skills Action, providing focus to key regional partners' action to ensure that:

- A full range of sustainable job opportunities exist
- Every individual has the opportunity and skills to find employment
- Employers get the workforce they need with the skills they require

SEEDA will develop this Framework through a Regional Employment Forum, working in partnership with GOSE, the Regional Assembly, Local Learning and Skills Councils, the Employment Service, local authorities and other partners. The Forum will devise sub-regional and local arrangements to develop the framework locally through the emerging network of Local Strategic Partnerships. The Framework will be launched alongside the revised Regional Economic Strategy in October 2002.

Labour Market Intelligence

SEEDA will continue to build on the effective intelligence base developed through Skills Insight, the regional partnership initiative providing skills and economic intelligence. SEEDA will continue to work with the National Training Organisations Hub for the South East and Higher Education South East, and will maintain its programme of sector research, skills forecasting and research bursaries. Together, these activities will provide the strong evidence base necessary to underpin policy and strategy on skills issues.

2.7 Basic Skills and ICT in the Workforce

SEEDA will work with key partners through the Framework for Regional Employment and Skills Action to deliver innovative basic skills and ICT training in the workforce and through learning centres. The key initiatives will comprise:

Basic Skills in the Workforce

Continuing to action the region's Basic Skills Strategy, SEEDA will deliver a further 8,500 basic skills learning opportunities in the workforce in each of the next 2 years. SEEDA will also train 50 mentors and tutors to support this expansion, and will continue to develop and spread good practice in basic skills through the Basic Skills Regional Co-ordination Network established in 2001.

NHS Basic Skills Needs

A Public Sector Skills shortage survey shows that the health sector has been the worst hit by recruitment difficulties, and NHS evidence shows that there are also skill needs in the care sector. SEEDA will work with the regional NHS Workforce Development Confederations and Local Learning and Skills Councils to tackle basic skills needs in the NHS, introducing a basic skills programme in each of the region's 71 NHS Trusts.

Widening Participation in ICT

Women are severely under-represented in ICT, and the proportion is falling. Evidence suggests girls have interest in ICT until 13 but by 16 perceive that ICT is not for them. SEEDA will seek to change the negative perception of ICT careers and skills by involving girls in exciting and compelling activities that are relevant to their lifestyles. SEEDA will also continue to work with the e-skills National Training Organisation, Local Learning and Skills Councils and other partners to address the IT user skills challenge for the South East region, targeting IT help to particular groups especially women returners and older people.

2.8 Motivating Learning

SEEDA is committed to removing real and perceived barriers to learning, building a region where life long learning is the norm. A research and delivery programme will encourage more individuals to learn and join the workforce, particularly those in hard to reach areas and social groups. The key initiatives will comprise:

Employability

This research programme will focus on take up of Lifelong Learning and employability in the region's most deprived areas and their environs, identifying and mapping geographic areas and communities with low employment rates. Findings will be disseminated to local groups and partners to enable action to take place.

Older Workers

The age of 50 has come to mark the point at which people begin, on a large scale, to withdraw from the labour market, despite the fact that people are living longer active lives. This loss of potential will aggravate skills and knowledge shortages in the regional economy (particularly managerial and craft skills) and will reduce the employment rate. To tackle this, the project will:

- run a local pilot awareness-raising campaign, making the case for retention, based around a particular sector with known skills problems;
- work with older people on employment and ageing - self help and peer mentoring, inter-generational mentoring and developing good practice on mentoring relationships.
- map issues and potential, examining the match between the skills of older people and skills shortages.

Marketing Learning

A Co-ordinator will compile a plan to ensure maximum awareness of national and regional campaigns / initiatives. SEEDA will also lead the establishment of a regional marketing forum.

Learning Centre Initiative

The South East Skills Audit 2001, prepared by Skills Insight, shows that 77% of the workforce has not undertaken any work-related training in the three months prior to the survey and 29% in the last five years. The Learning Centre Initiative will tackle real and perceived barriers to learning, as well as address the culture of limited aspirations. Starting with an initial review of existing provision across the region, the initiative will create an integrated network of learning centres which enhance existing centres and establish new centres as necessary. This initiative is specifically targeted at learning centres providing opportunities in basic skills, management development, and/or information technology, and close links with are expected to develop with Enterprise Gateways.

2.9 Wired Region

The Wired Region initiative will enable people and businesses to prosper in the global information society and knowledge economy. It focuses on developing broadband infrastructure, providing for future business growth and shared web-enabled knowledge systems. SMEs and individuals connected by broadband will be able to take advantage of high-speed data transfer allowing advanced communications and sophisticated e-learning. Over the next 2 years, the initiative will focus on 2 major lines of action:

Broadband Roll Out

SEEDA will promote access to and usage of broadband facilities throughout the region through:

- Coastal Superhighway – a 6 node network linking Canterbury, Ashford, Maidstone, Hastings, Brighton and London, thus establishing broadband access for some of the region's most deprived communities;
- Subsidiary Broadband Loops – local loops for regeneration priority areas, including Thames Gateway
- Broadband Aggregation – Mapping existing provision and demand, and using this information to work with telecommunications companies, local businesses and partners to fill gaps in the network and meet business requirements.

SEE On-line

The SEE On-line initiative will support the creation of portals- Learning, Business and Community, which will provide relevant content and manage referrals to other partners and internet resources.

2.10 Single Regeneration Budget Programmes

SRB is currently the largest single element of SEEDA's budget, and funds locally driven regeneration initiatives in the South East carried out by local partnerships, targeted at areas of greatest need.

In March 2001 the Government announced that there would be no further national rounds of the SRB. In the South East no new schemes have been agreed since Round 6 decisions were announced in August 2000. Until this time there was an annual bidding round with approved schemes running for up to 7 years. Whilst schemes approved under rounds 1,2 and 3 are now coming to an end those approved under later rounds run to 2006-07. SRB funding peaks in 2001-02 and 2002-03 before declining steeply by 2004-05.

SRB began as an open competitive bidding round with an agreed regional allocation. Under the early guidance bids were assessed on merit without a spatial strategy underpinning this judgement. From SRB Round 5 a 2 tier funding approach was introduced for allocating SRB resources across the region (linked to the Index of Local Deprivation) comprising:

- Comprehensive action in communities in the most deprived areas – Portsmouth, Southampton, Brighton and Hove and (from Round 6) Hastings. These areas were invited to bid for greater amounts of funding;
- Other areas, including rural areas, the former coalfield and coastal towns with pockets of need were invited to bid for smaller amounts.

In addition to funds targeted at the spatial regeneration priority areas, SEEDA has supported a limited number of regional bids. An example is RAISE, the Regional Network for the voluntary and community sector in the South East.

In 2001-02 there are 64 approved SRB schemes across the South East being delivered by 52 partnerships. In 2002-03 this will fall to 54 schemes and 43 partnerships, and in 2003-04 to 40 schemes delivered by 32 partnerships. In 2001-02, SRB is supporting over 1,300 individual projects ranging from support for start up businesses in Adur and Southampton, to activity to encourage young women and girls to take up science and engineering in Brighton and Hove, and raising awareness amongst young people in Kent of the risks of drugs.

The early rounds of SRB were noted for an emphasis on economic regeneration, however later rounds required successful bids to demonstrate a commitment to community engagement and support for community capacity building as an integral part of their strategy. The emphasis on securing community engagement is reflected in the nature of the schemes supported under Rounds 4, 5 and 6.

The Government's national SRB guidance under Round 6 also emphasised the need for SRB schemes to support Government priorities in tackling the problems of deprived areas. In addition to lifelong learning and enterprise, SRB was expected to contribute to improvements in health, crime, youth crime, drug misuse and housing. Again this agenda is reflected in later SRB schemes approved in the South East, which present comprehensive regeneration programmes for areas, often focused on specific estates, neighbourhoods or collection of wards rather than specific themes targeted across a local authority area.

The support to community based regeneration and to tackling the problems of social exclusion saw a move towards more revenue-based schemes as reflected in the capital revenue split over the remaining years of the programme.

Supporting the Voluntary and Community Sector

The voluntary, community and faith sectors are an important force in the design and delivery of regeneration programmes. The sector offers a valuable route to reaching economically

excluded and hard to reach individuals. SEEDA has supported the development of the sector through individual area based regeneration programmes and through regional initiatives such as RAISE. This is effectively a ‘network of networks’ to engage local groups in the regeneration process and maximise the sector's contribution across Government regeneration programmes and in regional activity, thus contributing to capacity building within the region. Support is also provided to SEREN, the black and minority ethnic voluntary and community network in the region. It is at an early stage, but SEEDA is supporting its development in order that it can fully engage the black and ethnic minority community in the economic development of the region.

Succession Strategies

Through work with the Development Trusts Association, SEEDA has supported local partnerships to explore whether a community managed vehicle such as a development trust, could offer a sustainable regeneration vehicle for communities. This has been successful with a number of partnerships now pursuing this as part of their forward strategies. SEEDA will continue to encourage partners to consider the development of autonomous, asset- based community regeneration organisations as part of their regeneration programmes.

Evaluation and Good Practice

As the SRB programmes begin to reach a conclusion, a main task during the Corporate Plan period will be to work with partners in the region to:

- identify good practice that needs to be mainstreamed into continuation funding or policy development in the region;
- better understand the detailed contribution that activity delivered by partners through the Single Regeneration Budget makes to the objectives of the Corporate Plan and the RES;
- identify the transition arrangements that may need to be put in place as the SRB programme tapers and the headroom offered by the single pot opens up.

SEEDA will evaluate the contribution that SRB funding makes to the regional skills agenda as part of the intelligence gathering and planning for the Framework for Regional Employment and Skills Action. This will be followed by a rolling programme of evaluation covering the main elements of the SRB – funded activities.

Ensuring Effectiveness

SEEDA has started the process of reviewing the SRB schemes to realign them where possible more directly with the relevant Tier 2 Targets. The focus is on schemes supported under Rounds 5 and 6 and the larger schemes. Already some partnerships have been able to move towards activities that more closely reflect SEEDA objectives, such as enterprise and the development of brownfield land. This has been done without jeopardising the integrity of the original schemes.

SEEDA has also started a major programme of system reviews. This will help to establish the strengths of existing partnerships in the region, which is critical as we begin to explore new delivery vehicles.

Regeneration Network

The Government’s Neighbourhood Renewal Unit is keen to see the development of learning and skills opportunities in regeneration. Regeneration networks are being advocated in all of the English regions to develop connectivity and share good practice between regeneration

activity. SEEDA is working with GO-SE to explore the feasibility of such as network in the South East and the relationship with the Centres of Excellence.

Fisheries Regeneration Initiative

SEEDA has been allocated funding for the regeneration of demersal fishing ports (i.e. those landing fish rather than shellfish). This money has been provided by the Government as a response to particular difficulties which have affected the industry in recent years, including declining stocks, cuts in quotas and rising upkeep costs. As a result SEEDA is developing a Fisheries Regeneration Initiative which subject to approval, will target the ports most affected by the recent changes to the demersal fishing industry. The funding will be available from SEEDA until March 2003.

Funding allocations are based on the regional distribution of the 32 ports in England landing the largest catches of demersal fish in 1999 (as identified by the then MAFF). Of these ports, 9 were in the South East. SEEDA's Fisheries Regeneration Initiative will use the funding for projects in these 9 fishing ports; Ramsgate, Folkestone, Dungeness, Hastings, Rye, Eastbourne, Newhaven, Shoreham and Portsmouth. Eligible projects which SEEDA would wish to see coming forward from local partnership are those which will either:

- Contribute directly to the regeneration of fishing communities; or
- Lead to the identification of need, development of strategies and/or identification and dissemination of good practice.

SEEDA will particularly encourage cross boundary working, and joint bids from several ports would be especially welcomed. Any proposals will be expected to contribute to the Objectives of the Regional Economic Strategy. SEEDA is seeking to support up to 5 submissions with a maximum SEEDA input of £200,000 for each proposal.

It is recognised that each of these ports is already covered by existing SEEDA investment in the form of the SEEDA Fund for Community Regeneration (through SRB and rural programmes). Any project coming forward within the Fisheries Regeneration Initiative must demonstrate that it is additional to, and that it complements, existing SEEDA activity.

2.11 Physical Development

Direct Development

In order to meet the Tier 2 target of remediating 75 ha of brownfield land each year in the region, SEEDA will itself aim to remediate 40 ha per year, concentrating particularly on larger sites within the coastal regeneration priority areas, and other urban areas as part of the Agency's contribution to urban renaissance. This means that the current distribution of SEEDA site development work in Thames Gateway, North East Kent, Ashford, Folkestone, Southampton and Portsmouth will be further consolidated to reflect the spatial priorities.

Chatham Maritime is currently SEEDA's largest physical development project, covering 140 ha in the heart of the Medway Towns, and therefore a major contribution to the implementation of the Thames Gateway strategy. As promised in the Corporate Plan for 2000-01, a new 5 year Business Plan to run until 2006 and seeing the project virtually to completion has been proposed, and approved by DTLR, authorising the overall expenditure of £37m over the next 5 years. Other similar large physical development schemes which the Thames Gateway area will be identified and begun during the Corporate Plan period. A joint venture with Medway Council to see the implementation of 35 ha of largely brownfield land at Rochester Riverside is likely to be the first of these.

The characteristics of these large physical development projects is that they are usually direct developments by SEEDA, through site purchase, assembly, remediation and then securing a development partner to carry through the construction works. The success of this depends largely on the size of the capital programme, and the expertise and skills the Agency has in this field. SEEDA is willing to use the CPO powers available to the Agency to assemble difficult sites – as evidenced by the making of a CPO at Shoreham on Sea in 2001, the first RDA CPO to reach public inquiry stage.

Contribution to Regional Priorities

In addition to the spatial priorities set out above, there are thematic priorities responding to the RES. Demand for housing presents the South East with a particular challenge to make the most of brownfield sites. Thus SEEDA is developing a programme for providing affordable housing on brownfield sites. The second thematic programme provides for the development of innovation centres and Enterprise Hubs, in appropriate locations throughout the region, as set out in the Regional Economic Strategy.

Infrastructure Provision: East Kent Spatial Development Programme

SEEDA has been working with Kent County Council and the Districts of Dover and Thanet to identify key infrastructure shortfalls (electricity, gas, water and drainage), which are constraining business growth in East Kent. This initiative has been driven in response from the deregulated utilities companies that they are unwilling to risk the high levels of capital investment necessary to provide infrastructure to allocated development sites in East Kent without some form of risk sharing strategy or upfront contribution from the public sector.

This partnership between SEEDA and the local authorities has therefore proposed the pooling of public sector capital into a new regeneration company which will part share in the risk of providing new primary infrastructure. The detailed legal mechanism and structure of the regeneration company is currently being finalised, and is expected to become operational by March 2002, following DTI approval to SEEDA's formal request to participate in the company. The intention is then to develop other special purpose vehicles for the Sussex coast, Brighton, Southampton and Portsmouth.

2.12 Rural Development

The Rural White Paper gives a specific legal remit to SEEDA and all RDAs to develop the rural economy in priority rural areas and the Market Town Initiatives.

Priority Rural Areas

Subject to the review of the Regional Economic Strategy, SEEDA's rural regeneration interventions will continue to be focused at those parts of the region facing the highest level of rural deprivation:

- south and east Kent
- eastern East Sussex
- the majority of the Isle of Wight.

The integrated Rural Development Programme, which finishes in March 2004, will continue to deliver both economic and social regeneration through the 3 Rural Partnerships.

Market Towns

The Market Towns Programme commenced in 2001-02 with the selection of 10 market towns located in or on the edge of the more deprived rural areas. Selection of these towns and the development of their associated Healthchecks and Delivery Plans will be completed by February 2002, and the delivery of the major projects will take place during 2002-03 and 2003-04.

Regionwide Support

Foot and Mouth has sharply focused the problems of ward areas and the need for a sustained rural recovery programme. This support is required throughout the region's rural areas. Recovery support will be required for several years ahead to restore confidence in the countryside and in local produce. SEEDA's regionwide rural development activities will include:

- Market Towns. SEEDA will spread its support for market towns to an additional 15 towns across the region, building on the success of the existing SRB Project *Rural Towns Rural Life*. Selection of towns to be supported will be through the existing South East Rural Towns Partnership.
- Business Support. SEEDA will work with the region's Business links and Local Learning and Skills Councils to ensure that business support is tailored to the needs of rural businesses. This will be augmented by the development of a Rural ICT strategy.
- Land-Based Diversification. SEEDA will continue to provide grants to farmers to diversify their buildings.
- Tourism. 'Green tourism' will be offered continuing support. The Regional Rural Tourism partnership is being supported by SEEDA and the Countryside Agency. The South East Walks network in Kent, Surrey, East and West Sussex will be extended across the region. More farm bed and breakfast will be provided through farm diversification grants.
- Local produce. SEEDA will work with food groups and the Local Produce Network, supporting local food initiatives, Farmers' Markets, and the Livestock Action Plan.
- Best Practice. SEEDA will continue to promote, and raise awareness of, rural issues across the region. This will be supported through research and the publication of best practice and information.

Much of this work will be taken forward by embedding SEEDA's commitment to rural development in its activities addressing business competitiveness, and learning and skills. The following activities will be of particular relevance:

- Enterprise Hubs and Enterprise Gateways
- Sectors (particularly tourism and food), clusters and supply chains
- World class managers
- Basic skills and ICT
- Wired Region
- Physical development

2.13 Social Inclusion

Led by GOSE, SEEDA is collaborating with the South East Regional Assembly, the voluntary sector, the Health Development Agency and the Housing Corporation and Social Care Regional Offices to prepare a Social Inclusion Statement for the region. The aim of the statement is to:

- create a brief and clear summary of the policy context set by the National Strategy for Neighbourhood Renewal
- identify key priorities for action over the next 12 - 18 months.

Consultation on the draft statement took place from August to November 2001, and the statement will be launched early in 2002.

The distinctive contribution of SEEDA to tackling poverty and social exclusion will be through a package of economic inclusion interventions aimed at creating enterprising communities and reducing joblessness. Part of this work involves changing external perceptions of deprived areas, reinforcing the message that they contain enterprising businesses and individuals, entrepreneurship and innovation and that they are not economic no-go areas.

The precise package of intervention appropriate for the regeneration priority areas will be negotiated with regional and local partners, but it is anticipated that SEEDA will focus on its contribution in the following areas:

- Access to finance for individuals and enterprises
- Training and skills development (plus action to address specific barriers to employment such as caring responsibilities)
- Support for enterprise (micro, social enterprise, self employment, business growth and retention)
- Creating sustainable community led organisations, including Development Trusts

At a regional level, it is likely that SEEDA will provide support in the form of:

- Development and promotion of Social Investment Funds
- Development of regional networks to develop and share best practice.
- Action to encourage corporate social responsibility

As is the case with rural development, much of this work will be taken forward by embedding SEEDA's commitment to social inclusion in its activities addressing business competitiveness, and learning and skills. The following activities will be of particular relevance:

- Enterprise Gateways
- Sectors, clusters and supply chains
- Basic skills and ICT
- Motivating learning
- Wired Region
- Urban renaissance
- Rural development
- Area Investment Frameworks

2.14 Urban Renaissance

The Urban White Paper sets out a five-year programme for urban renaissance. It identifies 2 key challenges for RDAs:

- Achieving sustainable economic growth and social renewal in declining areas, through reclaiming land, restoring economic activity and improving services;
- Providing for sustainable economic growth in areas which are expanding but which may have problems such as land shortages.

The White Paper also highlights the need for RDAs to take a lead role in promoting better design and planning and to develop mechanisms for the effective assembly and reclamation of brownfield sites.

As part of its role to implement Urban Renaissance, SEEDA will:

- Support the creation of a School of Urban Renaissance, acting as a best practice unit linking to the national group of 24 pilot cities (including Brighton and Hove, Medway and Reading in the South East), and spreading good practice to other relevant towns and cities across the region.
- create a Brown Field Land Assembly Trust as a mechanism to assemble brownfield land to meet local housing need
- demonstrate best practice in achieving sustainable development and the benefits of creating compact, well-designed, socially inclusive places and the re-use of existing buildings through support to the Prince's Foundation Neighbourhood Renaissance initiative;
- establish an accreditation scheme for professionals who are competent in Land Condition;
- disseminate best practice and raise skill levels through a co-operative trans-regional centre of excellence serving the South East, London and Eastern regions;
- promote highest standards of new design through establishing a Regional Design Panel, and supporting the development of Architecture Centres.

Brownfield Land Assembly Trust

The South East is under intense housing pressure, and faces a major challenge if it is to accommodate the projected population and housing growth over the next 10-15 years. Government has set a national target for 60% of all new housing development to be provided on previously developed land and through the conversion of existing buildings. The Regional Economic Strategy aspires to set a higher level of 65%.

Directing investment to brownfield sites and increasing the density of development is proving difficult to achieve in the South East. A key reason is that urban brownfield sites are often small (typically less than 0.4 ha) with development constraints and fragmented ownership. An inter-departmental group comprising SEEDA, DTLR, GOSE, the Housing Corporation, the South East England Regional Assembly and Reading and Medway local authorities has been investigating the establishment of a Brownfield Land Assembly Trust, as provided in this year's Corporate Plan, and with funding through the Strategic Fund. This work suggests that if applied across the region it might be expected to generate 1000 ha of land not previously identified through local plan or urban capacity exercises.

Based on the feasibility work carried out, SEEDA will establish a Brownfield Land Assembly Trust in 2002 to acquire, remediate and masterplan packages of small brownfield sites in

urban areas across the South East. It will then work in partnership with local authorities, housing associations, contractors and the private sector to procure homes to meet identified local housing needs.

Neighbourhood Renaissance South East

The Urban Task Force Report indicated the importance of ensuring new development was designed in such a way as to support the creation and retention of mixed and vibrant communities. Action is required to encourage landowners and developers to bring forward smaller scale vacant derelict sites and buildings in urban and rural areas and design schemes more intelligently and effectively so as to contribute to the wider policy objective. Allied to this is the need to consider opportunities to introduce residential and mixed development to existing town centres so as to improve the overall sustainability of a wider area.

A joint initiative between the Prince's Foundation and SEEDA will address these key areas by:

- improving the perceived value of developing under-utilised vacant/derelict sites and buildings in both town centre, wider urban and rural areas and establishing the benefits of applying best practice in terms of design, inclusivity and wider sustainability;
- working with local authorities and other partners to identify large scale housing estates and other over-extended suburban areas, and establish creative partnerships to consider physical restructuring;
- working with selected local authorities and their local communities to plan for the growth of settlements, creating better designed, socially inclusive, more sustainable town/village extensions.

Specialist Land Condition Accreditation Scheme

A key ingredient of urban renaissance in many areas is to deal with problems of contamination. The Urban Task Force recommended the establishment of a new instrument – a Land Condition Record (LCR) - to record the physical and chemical nature of land contamination and the remediation steps that have been taken.

The need for accreditation is:

- to provide quality assurance;
- to ensure only “licensed” people who have a minimum level of qualifications and experience of LCR can produce an LCR;
- to provide a consistent high standard of LCR throughout the industry;
- to build confidence within all parties involved in land conveyancing that the information provided is true and accurate;
- to indicate the suitability of people to undertake the subsequent risk management assessment and interpretations of information; and
- to provide an industry wide accepted standard of practitioner and product

SEEDA has funded the initial development of the accreditation scheme, and will contribute towards the running costs.

Regional Centre of Excellence

The Urban White Paper proposed the establishment of Regional Centres of Excellence to help develop the skills necessary for comprehensive urban regeneration. To take this forward in

the South East, SEEDA has commissioned a study to advise on the most effective basis for a network for the region, coordinated by a central body. This is being carried out alongside similar studies in London and the East of England, to ensure on optimum approach to meeting the wide ranging demands for regeneration skills training by an equally large and diverse supply of Universities and colleges. The study will make recommendations on the nature, content and operation of the network as well as possible forms of management, development and resourcing.

Design Standards

Following discussions with CABE and DTLR, SEEDA has developed a proposal to establish a regional design panel, which will become operational in 2002. This will enable new development projects of regional significance to be assessed by an independent group of design experts, who will offer advice and views about the architectural aspects of schemes, and whether there opportunities for improvement. SEEDA will certainly expect development schemes on its own direct development sites to be considered by the design panel, and carry forward the already established practice of holding design competitions for particularly significant projects, for example at Chatham Maritime.

The region has one of the very few successful local Architecture Centres, based in Chatham serving Kent, and prospectively East Sussex. SEEDA will continue to provide revenue funding to the Kent Architecture Centre, and to encourage the establishment of further centres, based most likely for the Solent, Thames Valley and Milton Keynes areas to serve the rest of the region.

2.15 Area Investment Frameworks

Area Investment Frameworks (AIFs) will be a principal means of establishing future SEEDA regeneration funding, by:

- Ensuring that local individual investment funders work together with shared objectives, priorities and commitment to maximise the benefits to local communities;
- Mapping and co-ordinating all investment from public, private and voluntary sectors over the short, medium and long term;
- Identifying any financial shortfalls between what is planned and funding available.

Once priorities have been agreed through the AIF process. SEEDA will negotiate the level of its support and agree specific targets and milestones with deliverers. The implementation of these action plans will need the engagement of a wide range of partners and strong strategic partnerships at the sub-regional level.

Based on the experience gained from the 5 pilot AIF's, best practice advice will be prepared, and used both to enable the AIF process to be continued in these areas, and assist its development in those regeneration priority areas where AIFs have yet to be prepared. These are principally the Portsmouth area and Brighton and Hove.

Over the next year, SEEDA will work with GOSE and local partners to identify the appropriate mechanism for developing and delivering AIFs. The degree of variation in local circumstances and priorities across the region means that there is unlikely to be one single model for sub-regional partnerships. Partnership arrangements must ensure accountability, reflect the full range of stakeholders (including community and business interests), interpret

sub-regional priorities, decide funding priorities, and identify the most appropriate delivery vehicle.

2.16 Corporate Support for SEEDA's Operations

SEEDA will provide for continued core funding in support of the region's 11 Economic Partnerships throughout the Corporate Plan period. This reflects the continued role of these partnerships as SEEDA's key partners in developing shared sub-regional strategies and priorities.

SEEDA will ensure that all aspects of its operations are consistent with the principles of sustainable development, and with the objectives of the region's sustainable development framework: *A Better Quality of Life in the South East*. In support of this commitment, specific provision has also been made for the following activities:

- Promoting sustainable development with businesses (including Sustainable Business Awards)
- Further development of sustainable development indicators, and project appraisals
- Development of Environmental Technology Sector Group
- Support for sustainable construction practices
- Ongoing support for regional for a (Climate Change Partnership, Renewable Energy Partnership and Water Resources Forum)

SEEDA will also support its operations through an ongoing programme of corporate research and evaluation.

2.17 Kent Coalfield

SEEDA and EP have jointly prepared a strategic review statement of progress in respect of regional coalfield regeneration, responding to a request from DTLR to review progress and proposals for the three Kent Coalfields sites at Tilmanstone, Betteshanger and Snowdown. The review was supportive of SEEDA's role so far and of the direction of SEEDA's future policy for all three sites. One of the key objectives is to ensure strategic integration with other business expansion initiatives in East Kent, particularly the Canterbury Triangle Vision Statement including the expansion of Pfizer and the development of a broader business base around the Port of Dover.

SEEDA's approach to the regeneration of the Coalfields has already resulted in the 10 ha of new development land at Tilmanstone being offered on the market several years ahead of other competing employment sites in the area, thereby attracting considerable interest from local expanding companies. Similarly, the provisional timetable for marketing serviced development land at Betteshanger at the end of 2003 has stimulated a number of genuine occupier enquiries both from companies presently located in East Kent and from those outside the area who are considering relocating. The precise content of the different uses on the various sites will be adjusted once the results and analysis from the East Kent AIF are available early in 2002.

The review endorsed the previously agreed approach of a comprehensive regeneration of the 3 inherited sites. Key outcomes that will be delivered during the course of the programme over the period 2001-04 include:

- **Brownfield Land:** 170ha of former coalfield sites (assuming Snowdown is able to be included in the programme) will benefit from environmental enhancement which will have a direct effect on seven surrounding communities;
- **Employment Space:** 30ha of land reclaimed for employment uses, including the 10ha already sold and developed at Tilmanstone. The total projected floorspace is approximately 25,500 m² at Tilmanstone (of which 13,935 m² has already been completed), with a further 25,000 m² projected at Betteshanger and Snowdown.
- **New Jobs:** Job projections are approximately 1,000 for Tilmanstone, including the 750 which have already been created or safeguarded, 650 for Betteshanger and up to 500 at Snowdown.
- **Environment and Leisure:** Approximately 110ha of land is to be laid out as public open space.
- **Housing:** Although the existing Local Plan has no allocation for housing on the former colliery sites, SEEDA has been advised that in the interests of sustainable development, mixed use and reducing traffic along country lanes, some residential development should be considered to complement the employment allocations at both Betteshanger and Snowdown. This would be in line with the Regional Planning Policy of at least 60% of new housing being on brownfield sites, whereas the modest demand for new housing in East Kent has meant that most developments are still on Greenfield sites. In the long term, as the Local Plan gets reviewed, it is likely that housing choice in the area will be improved by an appropriate form of residential component at both Betteshanger and Snowdown.

The individual site strategies have remained unchanged during a period of detailed site analysis, but remain the subject of regular testing and the commissioning of various works on site at Tilmanstone and Betteshanger. The Coalfields Community Campaign spokesman, at this year's Coalfield Conference, commended SEEDA's work on and around the former colliery sites, praising the commitment to the communities, and stating that SEEDA had the most successful regeneration programme of any RDA in the country. SEEDA is also the only RDA to be establishing an annual review of its operations with the local community in partnership with the County Councils.