

A SHARED VISION

The regional economic strategy for the East of England

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Foreword

A shared vision: the new regional economic strategy for the East of England is complete for us all to take forward and implement.

The extensive consultation process, key to the successful development of the strategy, has been a valuable opportunity to review, with partners, the direction which our region is taking. Both David Marlow, chief executive of the East of England Development Agency (EEDA), and I have been impressed by the broad consensus and ownership which all groups have shown as the future of the region has been discussed. We see a region growing up - increasingly confident about its image, strengths and direction.

The significant guidance and support which our partner organisations have offered while this strategy has been compiled has been hugely beneficial. We are very grateful to all who have participated. I would especially like to pay tribute to the staff at EEDA for their tremendous hard work, diligence and commitment in producing this strategy. However, now is not the time to sit back, relax and congratulate ourselves on a job well done.

Despite the East of England being rightly known as the ideas region, where innovation and enterprise have achieved much, we are far from realising our potential. There are still many challenges to be addressed and this is why the new regional economic strategy is so important. As the world economy changes so the region and its businesses must continually innovate, adapt and evolve. Above all, we owe a duty to future generations to ensure our growth is not at the expense of their opportunities.

So now is where the hard work really begins. Achieving the economic potential of our region does not rest solely with EEDA. We will do our part - as a catalyst and facilitator, bringing the relevant players together - but the responsibility for implementation of the strategy also rests on the shoulders of businesses, organisations and community groups in the East of England.

The strategy and the future of our region belongs to us all.

Richard Ellis, chair, EEDA

November 2004

Foreword

A shared vision: the regional economic strategy for the East of England represents a major step forward for our region. The East of England can sustain and enhance its position as a leading UK, and indeed global, region if we work together positively and cohesively.

The new regional economic strategy is an important statement for the region and our successful record of partnership working, sitting alongside a suite of emerging core strategies and a new integrated regional strategy.

Together these new strategies will give an up-to-date and coherent regional script to assist our regional and local partners in delivering against the priorities of the new regional economic strategy.

The East of England Regional Assembly (EERA) has been pleased to work with EEDA and its partners on the formulation of the regional economic strategy over an extended period – as a member of the strategy committee, participant in the formulation workshops and events, and as consultee and scrutineer.

The statement of synergy between the regional economic strategy and the emerging regional spatial strategy on page 113 is a significant regional milestone. It demonstrates the overwhelming alignment of the two strategies and highlights the few areas of divergence, which were restated in the EERA resolution endorsing the strategy*.

I am pleased to welcome this third regional economic strategy, and look forward to working with EEDA and other partners as we all progress the delivery of sustainable economic development across the whole region.

Sue Sida-Lockett, chair, EERA

November 2004

*The resolution can be viewed in full at:

<http://www.eera.gov.uk/Documents/Meetings%20and%20Events/Assembly%20and%20Panels/Regional%20Assembly/05-11-04/RES%20Resolution.doc>

Introduction

A shared vision: the regional economic strategy for the East of England represents the latest revision of the regional economic strategy for the region, which was originally produced in 1999 and revised in 2001. This document takes into account, policy initiatives, data and research that post-date the production of the 2001 strategy.

The regional economic strategy is informed by an extensive consultation process with regional and national partners, involving scenario planning workshops, two written consultation stages and a host of meetings and presentations across the region. Details of this process are set out in appendix I. A list of all of the organisations that have contributed to the development of this strategy is contained in appendix VI.

This is a regional strategy. It is not about what any single organisation will do. The strategy can only be delivered by a range of organisations working in partnership. It is essential that organisations across the region work together to deliver the goals and priorities set out in this document.

This document is organised in the following way:

Part one: context and vision sets the scene with a brief description of the region. It explains the scope of the regional economic strategy and its relation to other regional strategies. A vision is then set out for the region which forms the basis of the strategic goals.

Part two: strategic goals describes the eight strategic goals and related priorities and actions.

Part three: looking inside and looking outside covers the distinctive issues affecting the region's sub-regions, particular communities and key sectors and clusters. It also considers the role of the region in the national and international economy.

Part four: delivery focuses on how the strategy will be delivered at a regional and sub-regional level, and how regional performance will be monitored.

Equality and diversity, sustainable development principles and specific issues related to the region's rural areas have been reviewed and integrated into the goals in this strategy. The strategy has been subject to a formal sustainability appraisal and rural proofing process. Consultants involved in the appraisal have worked on an ongoing basis to inform the development of this strategy and written reports have been prepared at key stages of the process. More details are available in appendix I.

Equality and diversity has been central to the development of this strategy, and the Community and Voluntary Forum for the Eastern Region (COVER) and MENTER, the Black / Minority Ethnic Network for the Eastern Region have contributed to reviewing the document from this perspective. This will continue to be a key consideration for the implementation of the strategy's priorities and actions. Part three contains further information on equality and diversity.



Part one

Context and vision

The scope of the regional economic strategy

The purpose of the regional economic strategy

The regional economic strategy sets the long-term vision for the sustainable economic development of the East of England. This strategy should be considered alongside the regional spatial strategy for the East of England which covers the period up to 2021. The regional economic strategy is formally reviewed every three years but it is also a live document that is subject to an ongoing and transparent process of monitoring and review. The strategy:

- is the framework within which many different organisations can work with businesses, communities and individuals to improve the region's economic performance and the quality of life of those who live and work here
- focuses on things that are important at the level of the region. It is about agreeing regional goals, priorities and actions and promoting more effective co-ordination of activities. The delivery of these actions will be carried out at the most appropriate level, by the most appropriate organisation
- is both strategic and action oriented. Being strategic means making choices about the most important economic development issues facing the region. Not everything can be a priority.

It is important to be clear about the distinction between the regional economic strategy and EEDA's corporate plan. The strategy is produced on behalf of the region by EEDA. EEDA will be producing a separate corporate plan covering the period 2005-2008. The corporate plan will set out the activities that EEDA will undertake to deliver the strategy.

Similarly, it is essential that other organisations, use their own business and corporate planning processes to identify the actions they will undertake in relation to the goals and priorities set out in this strategy.

The regional economic strategy and other regional strategies

The regional economic strategy is one of a suite of regional strategies. Production of these strategies is overseen or is the responsibility of a number of different regional organisations. The regional economic strategy informs, emphasises, seeks coherence between and builds upon the economic development aspects of these regional strategies.

The regional spatial strategy sets the spatial development framework for the region. Other strategies, for example the environment strategy and the social strategy, emphasise different aspects of sustainable development. EERA has also led on the production of an integrated regional strategy for the East of England which, building on the sustainable development framework, will provide an overarching context for the other regional strategies.

Part four provides more information about the links between this strategy and other regional strategies. It is the role of the regional economic strategy to focus on the development of the region's economy. Ultimately, all of these strategies are about improving the quality of life for people who live and work in the East of England.

The evidence base

Since the publication of the last regional economic strategy, 'East of England 2010: prosperity and opportunity for all', a wide range of research has been undertaken providing further and more detailed information about the East of England. This work, along with other information, has formed a strong evidence base for this revised strategy. Many of the studies are referenced throughout this document. Appendix III lists some of the more important studies that have been undertaken in recent years. Copies of these reports and other studies, together with a wealth of further socio-economic and environmental information about the region, can be found on the East of England Observatory at:

www.eastofenglandobservatory.org.uk.

The Observatory is an on line resource to help facilitate the sharing of knowledge about the region. Partners are invited to add their knowledge to this growing pool of information. It is important that we continually update and develop this evidence base. Speedy implementation of the recommendations from the Allsopp review of statistics for economic policy making will help to broaden our knowledge and understanding of the regional economy.¹

¹ Review of Statistics for Economic Policy Making: Final Report to the Chancellor of the Exchequer, the Governor of the Bank of England and the National Statistician, Christopher Allsopp, December 2003, HM Treasury

Drivers in the East of England

The East of England is one of the largest and most diverse regions in the United Kingdom (UK) and comprises the six counties of Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk. It is the second largest region in England with an area of 19,110 sq km. Compared to other English regions, there are fewer large cities and no obvious regional capital. The region has a significant rural landscape, and is home to around a fifth of England's market towns. On our doorstep is London, a world city. Mainland Europe is only a short journey away, and the region contains a number of important international gateways and transport corridors of national significance.

The region has a growing population of just under 5.5 million, which has grown by over 11 per cent from 1982 to 2002. Our population is forecast to increase by around half a million up to 2021, making it one of the fastest growing regions in the UK. As with elsewhere in the country, the demographic make-up of the region is changing with an increasingly ageing population, especially in our coastal areas. Although the region benefits from a net in-migration of around 20,000 people per annum, there is a significant out-migration in the 15-24 age group. There is also a steady growth in the region's black and minority ethnic population, although this population is distributed unevenly across the region and its size is below the UK average.

The East of England has one of the strongest and fastest growing economies in the UK, with output totalling £81 billion in 2002. The economy is diverse and includes a strong service sector, which is the source of much of the region's growth. The region has a significant concentration of internationally important businesses engaged in research and development (R&D) and houses over 30 of the world's leading research centres.

In line with the trend in many western economies over the past 30 years, there has been a clear structural change in the UK economy, away from employment in manufacturing and towards employment in the service sector. Knowledge and the value-added embedded in services or products are fundamental to the way that UK industries can maintain competitive advantage. While this trend is already in evidence in many areas of our region, some of the more traditional industries and firms are undergoing major transition to enable them to survive. The growth of the knowledge economy is also associated with the emergence of a dual labour market, with knowledge jobs and lower level jobs created simultaneously.

Globalisation is another major influencing factor on the future economic and social environment within which the East of England is operating. Removing barriers to trade opens up new markets for East of England companies, but also increases competition in key sectors for trade and inward investment. Globalisation of the labour market has a direct influence on employment in the region. Global trends such as the enlargement of the European Union (EU) can not always be influenced at a regional level, but the region can play a role in adapting to global changes and influencing the local impacts of globalisation. The East of England's continued success depends on increased influence on the international stage and the ability of our businesses to respond flexibly to the demands of a changing market. The region is well placed to benefit from the increasing globalisation of business activity and boasts a number of important transport gateways that link the region to continental Europe and beyond.

The economy of the East of England is also inextricably linked to the economies of our neighbouring regions, nationally and internationally. The region plays an important role in complementing and enhancing the position of London as a world city. The greater south east area is fundamental to the overall health of the national economy. As economic growth continues, we need to ensure that the gap between wealthy and poor neighbourhoods does not widen in the region. This will be a key challenge as income inequalities between the rich and poor have tended to increase in the developed world in the last 20 years.

The effect of climate change is likely to be particularly significant in the East of England. Water shortages may become a real issue for the region, while increased storm intensity will influence flooding and have an impact on our coastal defences. In common with the rest of the UK, the region is likely to experience hotter, drier summers and milder winters which may affect food production in our rural areas.

Increasingly, such issues are being viewed from a regional perspective. Economic development has shifted from being seen solely as a national priority to one where regional and sub-regional players are playing a greater role.

This regional economic strategy is formulated in the context of these and other economic, political, environmental, technological and social drivers, many of which are important on a global scale. Further information on the range of key drivers for the regional economy that were identified through workshops held across the region is set out in the publication **'scenario planning: developing a shared understanding of the influences on the economic development in the East of England'**, available on the East of England Observatory.

Vision for the East of England

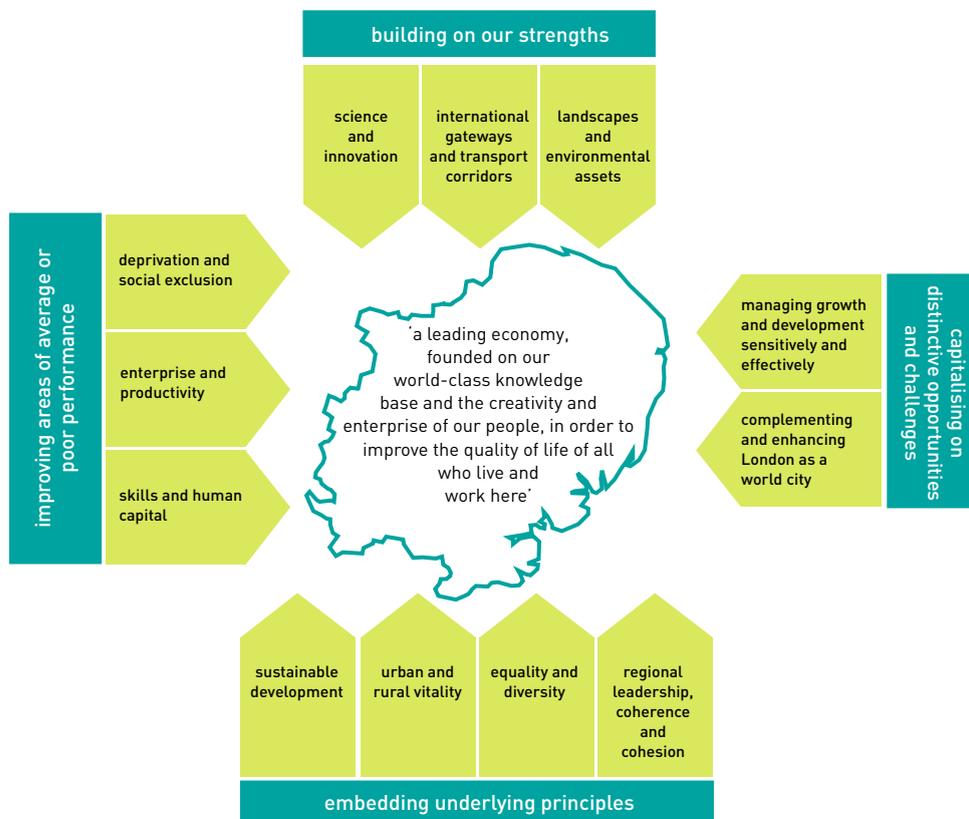
Our vision for the region is...

‘...a leading economy, founded on our world-class knowledge base and the creativity and enterprise of our people, in order to improve the quality of life of all who live and work here.’

Our view of a leading economy is that of an economy with high and growing levels of wealth; increasing levels of economic participation and inclusion; sustainable and dynamic urban and rural environments; and a number of specialist roles and functions in the global economy of international quality. The East of England already has a number of these attributes, but achieving the vision requires us to do much more.

In particular, the key changes that will achieve this vision encompass:

- building on the region’s current strengths
- improving areas of average or poor performance
- capitalising on the East of England’s distinctive opportunities
- embedding important underlying principles.



Building on our strengths...

our vision for the East of England is to continue to build on:

- **the region's global leadership in science and technology, research and innovation** - this includes areas such as biotechnology, pharmaceuticals, engineering, advanced manufacturing and information communications technology (ICT). The region will continue to nurture these strengths, working with the knowledge base, and developing the Cambridge brand and networks so that its benefits apply even more strongly across the region
- **our international gateway roles and transport corridors** - these include some of the fastest growing ports and airports in the country and major transport corridors. Over the period of the strategy, the region will manage the expansion of Stansted and Luton Airports, and of Felixstowe, the Haven Gateway and the Thames Gateway ports, to capture more of the economic benefits for the region. The region will accelerate improvements in transport infrastructure enabling major corridors of economic activity to deliver growth and sustainable communities
- **the region's landscapes and environmental assets, which act as a national resource for food, farming and renewable energy** - this strategy recognises the enormous potential that the region's diverse landscapes bring to the regional economy, through enhancing the quality of life of those that live and work here as well as by attracting visitors. Continual growth in the range of businesses in rural areas outside of the traditional land-based sector is needed to provide a viable economic future for the countryside.

Working to improve exploitation of our offshore resources and biofuels, developing new national roles in renewable energy production, industry and services is an important contribution to this future. This strategy supports a sustainable and competitive food and farming industry, as part of a broad mix of vibrant rural businesses that benefit the region and the UK economy as a whole.

Improving areas of average or poor performance...

the vision requires the region to overcome significant barriers to progress, particularly in terms of:

- **skills and human capital** - the region's skills base remains patchy, with areas of educational underperformance, skills gaps and shortages. Over the period of the strategy, the region will produce a world-class workforce that befits a leading region. This includes stimulating demand for skills and a learning culture from both employers and employees, tailoring supply to better support employers and focusing on particular basic skill or higher-level skill deficits
- **enterprise and productivity** - the region's strong reputation for R&D is not consistently translated into business success. Rates of business start-up and levels of productivity are not particularly strong in comparison to the UK average, and are weak relative to international comparator regions. The region needs to develop a more coherent and tailored business support service, facilitate a growth in productivity and competitiveness, especially in key sectors and clusters and support the development of social enterprise. The region will also work to develop stronger links between the business community and the region's science base, as well as increasing

beneficial two-way engagement in the international economy. We also need to address the region's congested and inadequate transport links, which can be a constraint on business growth

- **deprivation and social exclusion** - although the region has high levels of employment, a number of communities continue to suffer from multiple deprivation. The pattern of exclusion is often not only area-based but is also focused in particular communities or population groups. A refreshed approach to regeneration will see the East of England focus on giving communities of both place and interest opportunities to fully participate in the regional economy, while working in an increasingly holistic manner to tackle the causes and symptoms of exclusion and deprivation.

Capitalising on our distinctive opportunities and challenges...

the East of England, along with the South East, has particular opportunities arising from our position adjacent to London, and from our rapid growth of population and related economic activity. The regional economic strategy's vision envisages the East of England:

- **complementing and enhancing the position of London as a world city** - London, the South East and the East of England provide more than 40 per cent of UK gross value added (GVA), a significant proportion of the country's public finance revenue and much of the UK's competitive advantage in a global economy. Our proximity to London also can lead to challenges with commuting patterns causing increased pressures on our infrastructure and housing. Over the period of this strategy, the East of England will seek to benefit from and add value to London as a world city, particularly through delivering business and job growth in the region which act as a knowledge support

network to the capital and through the development of our major regional cities and urban and rural service centres.

- **managing growth and development sensitively and effectively** - the region's high level of growth is creating increasing pressures on our environment, as well as housing, transport, and other infrastructure and services, while per capita levels of public expenditure are the lowest in the country. To address this, the region will need to develop innovation in planning, financing and managing growth in order to maintain and build upon the existing high levels of satisfaction with quality of life.

Embedding underlying principles... the strengths, weaknesses and opportunities which the regional economic strategy seeks to address are underpinned by four principles which provide the foundation for the strategy's goals and priorities:

- **sustainable development** - the regional economic strategy is founded on a principle of 'development that meets the needs of the present without compromising the ability of future generations to meet their own needs².' While the regional economic strategy by definition focuses on the economic aspects of sustainable development, it also recognises and complements the regional sustainable development framework, other regional social and environmental strategies and the principles embodied in the new integrated regional strategy. The region will continue to develop sustainable development exemplars in key areas such as environmental technologies and renewable energy. Social and environmental aspects will also be embedded into the delivery of all the strategic goals.
- **urban renaissance and rural vitality** - the East of England is atypical of many English regions in having no traditional large cities or obvious regional capital. Instead it comprises a large number of medium-sized cities, a number of new towns and urban areas, the largest number of market towns in England and a very significant rural economic hinterland. The pattern of regional economic strategy development recognises these characteristics, with tailored urban renaissance and rural development plans intrinsic to delivering the strategy's vision.
- **equality and diversity** - the East of England benefits from the different communities and cultures within its population. A range of barriers remain for some groups in accessing all the opportunities available in the region. This has long-term effects on the aspirations and achievements of many communities, and represents a significant loss to the region's economic and social vitality. The opportunities that are created from the development of a successful economy must be made available to everyone irrespective of ethnicity, gender, disability, age, faith or sexual orientation. This strategy recognises that it is the responsibility of everyone to promote equality and diversity in all their policies and actions, and these form an integral part of the development and implementation of the strategy.
- **regional leadership, coherence and cohesion** - the East of England has traditionally been seen as a less coherent and cohesive region than many other UK regions and international comparators. This regional economic strategy, however, marks a coming of age for the East of England. Five years after the first regional economic strategy, the region now has a more robust evidence base; an emerging array of complementary strategies and plans; and, most importantly, an increasingly mature relationship between key players within the region and with major external stakeholders. The regional economic strategy will be an economic direction for subsequent regional action planning taken forward by a range of regional partners, accompanied by complementary strategies covering land use, social, environmental and other important areas.

Sustainable development and the integrated regional strategy

The regional economic strategy recognises the key pillars of sustainable development identified in the UK strategy for sustainable development³:

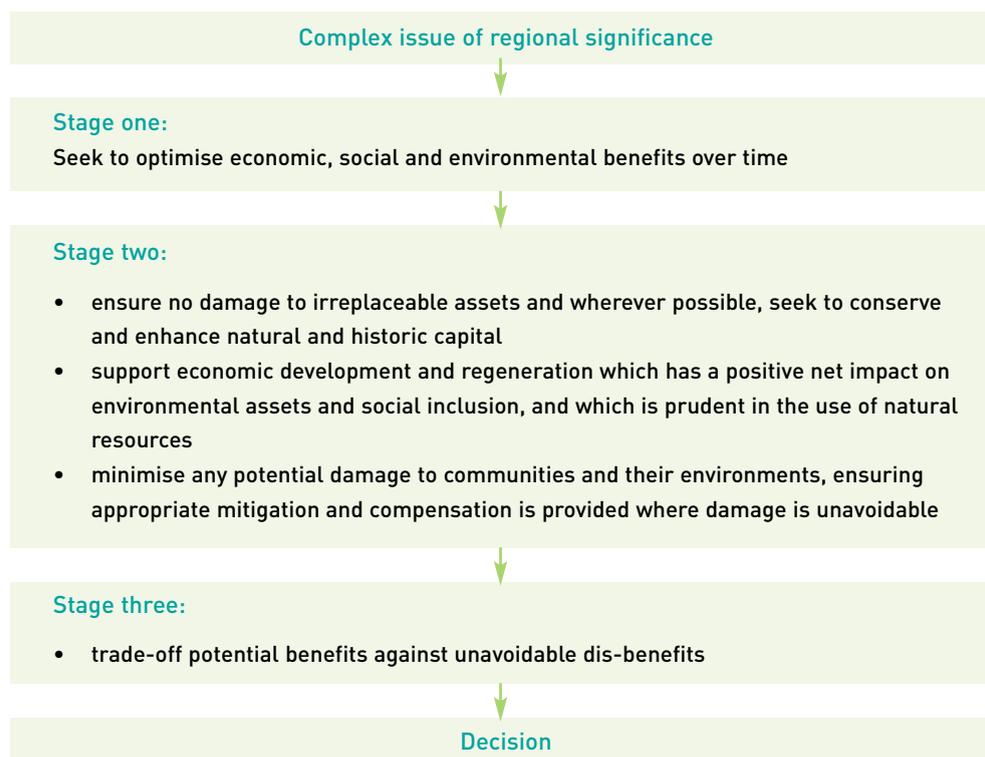
- social progress which recognises the needs of everyone
- effective protection of the environment
- prudent use of natural resources
- maintenance of high and stable levels of economic growth and employment.

It also takes into account the regional sustainable development framework (SDF) that is seeking to improve the quality of life for all the people in the region. However, new national policy developments, and the nature of the challenges that the East of England faces, means that the region needs to update its thinking to ensure that alongside environmental concerns, appropriate attention is also given to community, social and economic perspectives, integral to sustainable development.

Delivering the economic strategy in a sustainable manner means that partners in the region will need to make positive and sustainable choices, seizing opportunities to take forward growth in a sustainable manner. In some cases, compromises will be required and there will be a need to make tough decisions. These have to be made transparent, underpinned by a commitment to sustainable development.

The draft integrated regional strategy for the East of England considers how these choices can be made in the context of the broader sustainable development agenda and offers a pragmatic decision-making hierarchy that is appropriate to the needs of the region. The emphasis of this approach is not simply on trying to avoid potential problems but on making choices that can move the region forward. It seeks to provide a basis for positively endorsing those forms and processes of economic development and regeneration that will – on balance – enhance environmental assets and help to engender stronger social inclusion, recognising that both of these imperatives have an important economic dimension.

The integrated regional strategy - making choices: a decision-making hierarchy for the East of England⁴



3 UK Strategy for Sustainable Development, Defra, 1999

4 Based on the revised draft of the integrated regional strategy for the East of England, EERA, November 2004. The final strategy is due to be finalised in December 2004.



Part two

Strategic goals

How we have structured the goals

Part two of the strategy sets out the eight strategic goals. For each goal there is an initial context section which provides some background to the issues, highlights priority areas where the region needs to focus and sets out how this will be achieved. The order in which the goals and the associated priorities are presented is not intended to imply any order of importance.

Links

The interrelated nature of the goals means that links have been used throughout the text to direct the reader to related issues in other parts of the document.

Look for the  symbol.

Sustainable development

The need for development to be sustainable is an underlying principle of the strategy. Because this is an economic strategy, the economic and social aspects of sustainable development are directly addressed throughout the main text of the document. Where relevant, the environmental aspects of development have also been separately identified in the environmental dimension sections.

Look for the  symbol.

Rural

The strategy does not contain a separate rural goal. The approach instead has been to emphasise that all the goals are relevant and important to the rural parts of our region. The text identifies where there is a particular rural dimension to issues or to delivery. '**Focusing on rural communities in the East of England**', a separate document focusing on what the strategy means for the region's rural areas can be obtained from the East of England Observatory or by emailing resinfo@eeda.org.uk.

Equality and diversity

Actions to promote equality, diversity and inclusion are integrated throughout the regional economic strategy. This approach recognises that it is the responsibility of everyone to actively promote equality and diversity in all their policies and practices and to continually monitor the impact of their actions in this respect. Further information on equality and diversity is contained in part three of this document.

Delivering the strategy and monitoring regional performance

Each goal includes a short section 'delivering change' which sets out how the actions will be taken forward. Part four of the document sets out these delivery mechanisms in more detail, including the process of delivery planning that will follow the publication of this strategy. It also outlines the approach to performance monitoring.

Sectors and clusters

Many of the most prominent sectors and clusters that are important to the region's economy are highlighted throughout the text of the goals. Some of the more important sector issues for each goal are picked out in text boxes. More information on sectors and clusters is included in part three of the document.

SUMMARY OF GOAL ONE:

A skills base that can support a world-class economy

Increasing employment rates in disadvantaged communities

- > support disadvantaged communities facing particular barriers to employment, including actively marketing vacancies that are relevant to them
- > support older people, lone parents and sick & disabled people to engage with the labour market through a coherent partnership-based approach
- > co-ordinate employment and skills support in the region with other activity designed to tackle barriers to employment such as housing, childcare, care of the elderly and drug & alcohol issues
- > ensure that the transition from unemployment and inactivity to employment is supported by continued learning and skills development
- > further develop the regional business support package for companies and employers facing restructuring.

Supporting wider career choices for young people

- > tackle underachievement at compulsory schooling age to reduce the number of young people, particularly from disadvantaged groups, who are not in education, employment or training
- > co-ordinate services for young people so that they can make better informed choices about career and learning opportunities
- > support education business links to provide a flexible and responsive service to schools in tailoring and extending work experience opportunities for young people
- > raise aspirations of all young people to continue with structured learning and skills development – at college, school or in the workplace
- > promote vocational and occupational programmes and pathways for progression to careers, such as the new family of apprenticeships and foundation degrees
- > increase the number of young people studying mathematics, science, engineering and technology subjects.

Developing skills that better meet business needs

- > create a demand-led system of learning and skills provision with high success rates that is more responsive to individual, business and sectoral needs
- > ensure that sector skills agreements reflect regional skills needs
- > target government-funded level 3 training on key regional sectors, especially building on the regional network of centres of vocational excellence
- > develop information, advice and guidance (IAG) services for adults to foster participation in high quality learning activities, particularly for those qualified below level 2
- > increase the number of people improving their literacy and numeracy skills in the workplace
- > increase the number of people participating in learning and gaining qualifications at levels 2 and 3, especially through vocational routes such as the new family of apprenticeships and the employer training pilot.

Developing higher level skills to support the knowledge economy

- > increase participation in higher education, through targeting students from 'non-traditional' backgrounds, and building new and improved progression routes
- > implement a capital expansion programme to help deliver the widening participation agenda, support knowledge transfer, teaching, research and technology
- > develop more effective mechanisms for matching supply and demand of higher level skills within the region
- > support specific schemes to encourage SMEs to recruit graduates
- > support leadership and management development programmes that move the economy to a higher skills business model.

SUMMARY OF GOAL TWO:

Growing competitiveness, productivity and entrepreneurship

Building a more enterprising culture

- > improve the business planning and management skills of entrepreneurs to help improve performance and growth
- > develop strategic partnerships between educational establishments and business and promote enterprise and innovation throughout the education system
- > reduce the barriers to enterprise for targeted communities of interest with low business start-up rates, such as people over 50 years old, people with disabilities and women
- > promote and provide accessible information and advice about starting a business, as part of a coherent business support service for start-ups across the region.

Providing a coherent and integrated business support service

- > ensure greater co-ordination between business support services and skills development, and raise the awareness of these services across the region
- > ensure business support is better tailored to the needs of businesses and reflects the diversity of enterprises in the region
- > build a well signposted and coherent infrastructure of high quality advice, mentoring, business champions and support services, including guidance on regulation, access to finance and resource productivity
- > support the provision of good quality premises on flexible terms for new and expanding businesses
- > draw on national and international business support expertise which adds value to regional expertise.

Supporting the accelerated and sustained growth, productivity and competitiveness of the region's businesses

- > co-ordinate and focus support among organisations that provide assistance to businesses in key sectors and clusters
- > deliver tailored business support in key sectors and clusters focused on those that offer the best prospect for economic growth
- > create forums, networks and mentoring opportunities between businesses to exchange ideas, experience and best practice
- > continually review the classification of businesses that should receive specialist support.

Developing the capacity of the region to engage in global markets and to improve the level and quality of foreign investment into the region

- > raise the awareness of support services to companies considering trading internationally for the first time or wishing to enter new overseas markets
- > ensure the region's businesses are equipped with the skills and expertise needed to engage effectively in international markets
- > market the key strengths of the region in particular sectors and clusters to potential investors and partners overseas, and communicate strong propositions for the region in order to attract inward investment
- > encourage further investment from foreign-owned companies in the region
- > develop two-way international relationships and partnership networks that foster trade and investment opportunities.

Ensuring business development adds value and vitality to local communities

- > ensure that enterprise is an integral part of regeneration strategies in the region's most deprived communities
- > raise business awareness of the opportunities to engage with local communities
- > grow community and social enterprises across the region
- > encourage corporate social responsibility and the promotion of equality and diversity practices
- > optimise sustainable local markets and integrated supply chains
- > promote role models that different communities can identify with.

SUMMARY OF GOAL THREE:

Global leadership in developing and realising innovation in science, technology and research

Stimulating demand for research and development and knowledge transfer among the region's SMEs	<ul style="list-style-type: none">> raise business awareness of the importance of innovative developments in products, services and processes> ensure that businesses and research establishments have access to specialist advice on innovation where appropriate, and that service providers have a forum to link their complementary services> support innovative businesses in accessing appropriate finance, such as at proof of concept stage> capitalise on opportunities to build businesses that exploit local university-based research.
Ensuring strong links between regional universities, research institutes, and the private sector	<ul style="list-style-type: none">> ensure that the region's universities and research centres are among the world's most accessible to industry> ensure the region's firms are well-informed, intelligent customers of the science and technology resources on offer> encourage corporate R&D to work in collaboration with research establishments and establish close ties between themselves and the SME community to ensure maximum exploitation of intellectual property> develop enterprise hubs as a focus for networking activity for innovation, science and technology, integrated into the business support infrastructure.
Maintaining and building upon the quality of research establishments in the region	<ul style="list-style-type: none">> collaborate with partners in London and the South East to maintain and build upon the greater south east research cluster> promote the strengths and distinctive roles of the region's universities and research establishments to the business community nationally and internationally.
Facilitating international partnerships that enable knowledge transfer and collaboration on R&D	<ul style="list-style-type: none">> support the development of international partnerships with complementary knowledge-based economies in other European and international regions> work with other regions to influence and advance European innovation policy developments> maximise the region's potential for accessing funding for R&D projects, through programmes such as the European Union Sixth Framework Programme> grow regional support for businesses to access international opportunities through partnering schemes and international networks.
Making full use of the research assets and global reputation of Cambridge to achieve benefits for the region	<ul style="list-style-type: none">> support the Oxford-Cambridge Arc and the growth of an ICT-based economic corridor between Cambridge and Ipswich> support the development of knowledge-based clusters across the region> share good practice on the commercialisation of the knowledge base developed in Cambridge, with other parts of the region> ensure the strengths of Cambridge feature as an integral part of the international marketing of the region.

SUMMARY OF GOAL FOUR:

High quality places to live, work and visit

Ensuring a suitable supply of homes to support economic growth

- > ensure sufficient high quality homes are developed in the right locations to support economic activity and regeneration
- > promote public and private partnerships and mechanisms to provide land for housing development
- > address affordable housing needs and the housing needs of migrant workers, refugees and other socially-excluded groups, through cross agency working
- > co-ordinate regional programmes to address skills gaps and shortages in the built environment professions, and develop skills to take advantage of the latest sustainable construction techniques
- > develop demonstrator housing projects that deliver high density, resource efficient affordable homes and maximise the use of brownfield land opportunities.

Ensuring the provision of social and transport infrastructure

- > develop multi-agency approaches for delivering the health, social care, education and community services needed by growing, diverse or isolated communities, including solutions using new delivery models
- > encourage the full participation of public service providers in the planning process to ensure adequate provisions are made for population increases
- > improve local and regional transport connectivity, in urban and rural areas, and ensure existing routes are managed and used effectively
- > support innovative transport improvements in remote rural, coastal areas and priority regeneration areas as part of major new housing or mixed use developments.

Ensuring a high quality supply of business land and premises

- > work with businesses to ensure sufficient high quality employment land and premises that meets their current and future needs in sustainable locations
- > promote public and private sector partnerships to bring forward brownfield sites for economic activity where they can address a demonstrated business requirement
- > map specific land use requirements of the region's key sectors and clusters to support planning
- > support area action plans and masterplans which ensure effective integration of employment with other land uses and provide a framework for high quality development
- > focus on overcoming barriers which prevent the efficient and sustainable use of land and property resources in urban and rural areas.

Developing and enhancing green spaces and infrastructure to support economic growth

- > develop strategic networks of green infrastructure for the region, such as Thames Gateway South Essex green grid, and the governance and capacity to manage them effectively
- > embed green infrastructure policies in regional, sub-regional and local planning frameworks and masterplans
- > invest in and enhance key environmental assets and develop high quality and accessible urban-rural fringe
- > build coherence between environmental and neighbourhood renewal strategies and programmes to maximise community involvement in developing and sustaining green space
- > develop mechanisms to maximise the benefits for the region from the Common Agricultural Policy (CAP) reforms.

Developing culture, heritage and leisure assets for residents and visitors

- > protect, conserve and enhance key cultural, heritage and leisure assets to maintain their intrinsic value and increase their sustainable economic contribution to the region
- > work with the leisure, cultural and tourist industries to develop those sectors to the benefit of the community and the creation of local opportunities that can help overcome social exclusion
- > ensure that the leisure and cultural needs of existing and growing communities are taken into account in planning and delivering development
- > use the skills of heritage, environment and built environment professionals to promote development which respects and enhances the existing natural, rural or urban environment.

SUMMARY OF GOAL FOUR:

High quality places to live, work and visit

continued...

Enabling renaissance and regeneration of the region's communities

- > promote the use of the latest sustainable construction techniques, technologies and materials through regional exemplar projects and by the adoption of housing and building standards by developers and planning bodies
- > develop mechanisms to share and embed best practice in community engagement
- > raise awareness and embed the importance of sustainable development in design and planning
- > integrate funding streams to improve urban design and architecture using mechanisms such as Architecture Centres
- > ensure the delivery of design quality that respects and enhances the region's places, in partnership with the Commission for Architectural and Built Environment and other relevant bodies
- > facilitate and enable the delivery of sustainable communities across the East of England through a Regional Centre of Excellence for Sustainable Communities.

SUMMARY OF GOAL FIVE:

Social inclusion and broad participation in the regional economy

Supporting those who are disadvantaged to achieve their potential

- > promote learning opportunities that support individuals to improve their skills for life and employability
- > raise the aspirations and achievements of communities, particularly focusing on young people
- > harness the skills and talents of older people who wish to work or play an active role in their community, for example through volunteering
- > build social capital by strengthening links between people, within and between neighbourhoods, and promoting community leadership.

Supporting disadvantaged communities and groups to access sustainable employment opportunities

- > tackle barriers to work and promote access to employment for groups currently under-represented in the labour market such as disabled people, the over 50s, women and carers
- > support the delivery of comprehensive and holistic community regeneration programmes in deprived communities of interest and place
- > help maintain employment, services and facilities in villages and rural areas.

Improving prospects for better quality employment

- > promote socially responsible and sustainable practices among both private and public sector employers
- > work towards maximising the social benefits of public sector procurement, employment and other corporate policies
- > enhance vocational training and progression opportunities for individuals in low value jobs.

Providing improved access to essential services

- > promote access to savings and credit schemes with appropriate advice and support
- > implement innovative and sustainable ways of delivering accessible services to rural communities and promote integrated service delivery
- > strengthen infrastructure support for the voluntary and community sector.

Tackling discrimination experienced by communities or individuals

- > promote equality and diversity in policies, programmes and service delivery across the region
- > introduce effective mechanisms to monitor the mainstreaming of diversity policies and practices
- > promote full sustainability appraisal of regional policy and programmes to plan and monitor equality and diversity standards.

SUMMARY OF GOAL SIX:

Making the most from the development of international gateways and national and regional transport corridors

Taking advantage of the opportunities from sustainable airport expansion in the region

- > sustainably develop the potential of the region's airports to support job growth and provide business opportunities, through skills training and provision of business infrastructure
- > support the sustainable expansion of airports including proposals progressed as a consequence of the aviation white paper, while seeking to minimise the negative environmental and quality of life impacts of airport expansions
- > support the implementation of road, rail and public transport improvements to airports in tandem with airport capacity expansion, to enable the region to benefit from additional air services and minimise adverse local impacts
- > support and promote the establishment of airline routes that meet business needs.

Making the most of our gateways to the sea

- > develop the potential of ports and their surrounding areas for job growth and business opportunities, through, for example, skills training and provision of business infrastructure
- > support sustainable port expansion proposals and port-related developments that enhance local regeneration projects
- > develop enhanced access to ports, in tandem with port expansion plans, and increase the proportion of freight travelling by rail with particular emphasis on rail freight interchanges and the Haven Gateway–Nuneaton rail freight route
- > support appropriate reassessment of regional and sub-regional transport investment plans in the event of major port expansion plans, such as London Gateway and Bathside Bay.

Promoting the delivery of strategic road, rail, and other public transport priorities for the region

- > support the implementation of the regional transport strategy, particularly investment in the creation of a strategic inter-modal network, and those projects that demonstrate high economic benefit without erosion of environmental capital
- > demonstrate the broader sustainable economic case for transport infrastructure improvements
- > support improvements to the strategic public transport network, to move towards a minimum of hourly train services between the principal towns and cities of the region
- > secure investment in major interchange centres.

Ensuring that transport solutions serve economic growth in a sustainable manner

- > support the delivery of the appropriate mix of strategic transport modes for the region to develop sustainably and in particular support major investment in inter-urban and rural rail services
- > support initiatives that properly maintain and make best use of existing transport infrastructure
- > ensure that the principle of reducing travel need is considered and aligned in transport and economic planning strategies in the region
- > support initiatives that promote reduced car use and travel demand, such as teleworking, car pooling, local sourcing of goods and services, travel plans and ICT infrastructure
- > encourage R&D and its application in the development of innovative transport and communication modes, technologies and environmentally benign fuels.

Understanding and addressing the importance of transport links with London

- > provide greater employment opportunities within the region to support the existing settlement pattern and to reduce the need to commute
- > seek to achieve increased capacity, reliability and more frequent rail links between London and the East of England, with improved facilities at stations
- > ensure that new investment in Greater London rail infrastructure addresses the needs of the region's commuters and that the Strategic Rail Authority's route utilisation studies give proper weight to commuting needs alongside those for longer distance travel
- > support traffic management schemes designed to ease congestion.

SUMMARY OF GOAL SEVEN:

A leading information society

Promoting the use of network based technologies among businesses, organisations and individuals

- > raise the awareness of the benefits of ICT and broadband technologies through the use of promotional material and specialist advisors
- > encourage SMEs and the voluntary and community sector in the region to adopt e-commerce and trade on line
- > support the development of mobile and remote working using ICT through the promotion of the teleworking toolkit
- > raise business knowledge about emerging technologies and services, that could represent new risks or benefits to the region's economy.

Ensuring that the capacity and coverage of our data communications infrastructure keeps pace with the needs of a knowledge economy

- > support and develop initiatives which encourage the progression of broadband access in target areas by supporting community groups and rural internet service providers
- > use opportunities offered by the aggregation of public sector demand and the creation of public sector networks to upgrade broadband infrastructure in target areas
- > encourage dialogue between the public sector and network providers to explore next generation network provision solutions, including the trial of pilot solutions.

Improving the skills and ability of people to make effective use of ICT

- > support programmes to increase computer literacy among those who have limited experience or take-up of ICT
- > promote e-learning and blended learning initiatives and ICT-based learning communities
- > ensure that e-learning initiatives are supported by adequate infrastructure for both the provider and recipients
- > further develop and promote the region's high level ICT skills base to assist UK companies and encourage inward investment.

Supporting growth in the supply of network based technologies and the development of digital content

- > develop an understanding of the key opportunities and market needs for ICT companies in the region
 - > encourage the development and delivery of content initiatives that will drive forward broadband usage
 - > continue the development of a regional strategy to support and develop the region's ICT sector.
-

SUMMARY OF GOAL EIGHT:

An exemplar for the efficient use of resources

Promoting the adoption of resource efficiency and environmental good practice principles

- > raise awareness of existing programmes and co-ordinate the delivery of resource productivity advice linked where appropriate to mainstream business support
- > support and encourage the public sector and businesses, particularly SMEs, to take up green procurement and energy efficient practices up to or beyond the regulatory requirements
- > support methods to increase the take up of certified environmental management systems.

Capturing the advantages of the renewable energy potential of the region

- > establish an offshore renewables centre at Lowestoft as part of the development of the industry supply chain
- > influence the fiscal and delivery landscape by promoting policies such as biofuel taxation, grants and CAP reform for the benefit of the renewable energy sector
- > assist in the development of sites and markets for economically viable biofuel production and associated technologies.

Progressing the development of environmental goods and services businesses

- > ensure the sector maximises the environmental business opportunities available from development in the Growth Areas
- > improve links between the sector and relevant R&D and academic institutions through initiatives such as the centre of sustainable engineering in Peterborough
- > work with neighbouring regions to support the development of new markets for recycling, recovery and alternatives to landfill.

Establishing the region as an exemplar of environmentally sustainable development

- > raise the profile and awareness of sustainable development and mainstream its principles across public and private bodies
 - > support the development of networks that encourage innovation and share international standards of best practice among regional stakeholders and between regions, for sustainable development
 - > understand and communicate analysis of the relationship between the environment and the economy to support informed policy making.
-

Implementing the strategy

EEDA has ultimate responsibility for overseeing the implementation of the regional economic strategy. Wherever possible, this is best delivered through cohesive and coherent partnerships of major public, private sector and voluntary and community agencies, working together with stakeholders/beneficiaries of the strategy. To this end we envisage moving toward a position where for each strategic goal there is a lead partnership with responsibility for driving forward the delivery of that goal.

Broadly speaking two major regional partnerships might be developed to cover the strategy, with a supporting range of either goal lead or customer-focused partnerships.

The emerging Regional Skills and Competitiveness Partnership will oversee delivery of goals one to three. The Regional Skills and Competitiveness Partnership incorporates both the Department for Education and Skills (DfES) requirements for the establishment of a Regional Skills Partnership and a lead for goal one, with a Strategic Advisory Board for Business as a lead for goal two, and the Science and Industry Council as a lead for goal three.

A proposal for a Sustainable Communities and Infrastructure Board is being developed that would play a similar role to the Regional Skills and Competitiveness Partnership for goals four to six. The Sustainable Communities and Infrastructure Board might incorporate both a Community Development Board for prioritisation of community regeneration and social inclusion, that would provide a lead for goal five; a Transport and Infrastructure Board as a lead for goal six; and be supported by the Regional Centre of Excellence for Sustainable Communities and a Growth Areas Board for areas of major change to effectively manage the challenges faced by the region in achieving goal four.

The proposal for goals seven and eight is that they should be led by regional steering groups, with links to both the Regional Skills and Competitiveness Partnership (especially the Science and Industry Council) and the Sustainable Communities and Infrastructure Board.

These proposals, alongside further evolution of regional governance and strategy implementation arrangements for other regional strategies, will be developed over the early period of this strategy. In the meantime EEDA will take responsibility for progressing the delivery planning of the strategic goals.

At sub-regional level, the region's sub-regional economic partnerships are agents for economic development and regeneration. They are, through their networks, routes to the totality of public, private and community resources needed to realise the strategy's goals and vision at a sub-regional level. Sub-regional economic partnerships should take account of this strategy when drawing up or reviewing their own sub-regional strategies and business plans.

At local level the local authority is the statutory lead agency for promoting economic development and regeneration, working with a range of other important partners. It is not appropriate for a regional strategy to be prescriptive about action at the local level. In developing strategies and action plans, however, local partners are encouraged to have due regard for the regional and sub-regional context within which they are operating.

Delivery of the strategy is covered in more detail in part four.

GOAL ONE: A skills base that can support a world-class economy

What success will look like

- increasing employability and participation in the labour market, especially for disadvantaged communities
- increasing numbers of young people participating in vocational, mathematics, science, engineering and technology options
- more young people participating in some form of structured learning
- increasing number of employers engaging in workforce development activity across an increasing proportion of their workforce
- improving success rates for people engaged in structured learning or training
- enterprises better able to recruit, retain and develop the staff needed to achieve their objectives
- increased higher education participation across a wider cross section of society and through a wider range of programmes and courses.

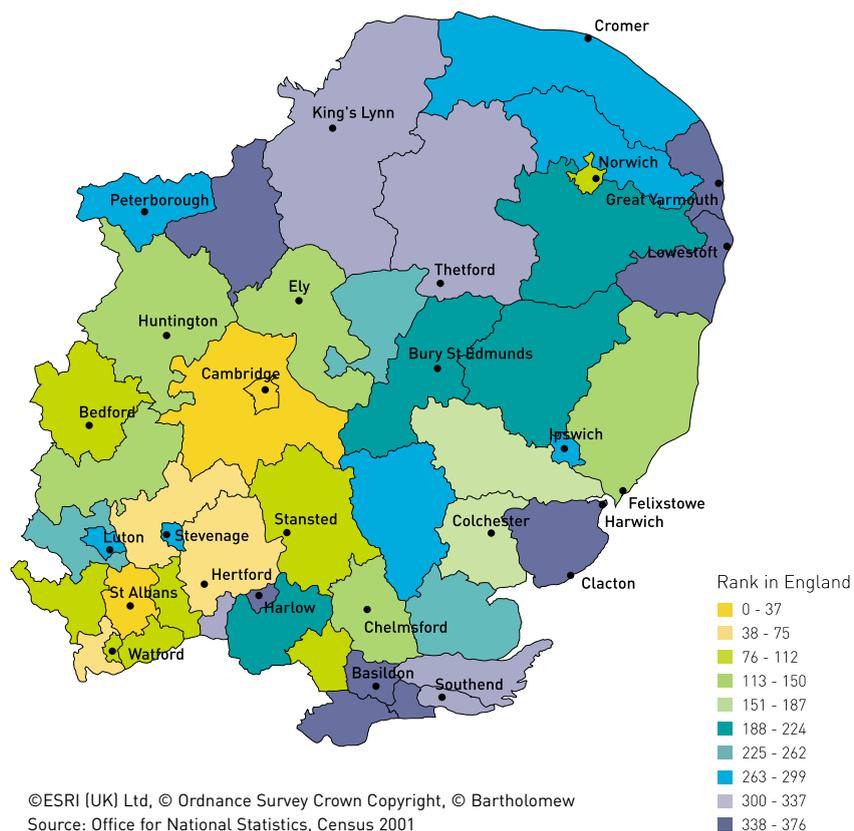


The five drivers of productivity are set out at the end of this section, after goal eight

The region's skills base is a key determinant of its economic performance. The East of England needs to ensure that skills activity is better aligned with current and future business needs. The East of England can be best described as a strong economy supported by a weak skills base. The region displays characteristics of a low skills equilibrium labour market, where an economy becomes trapped in a spiral of low value added, low skills and low wages⁵. This situation contrasts with a much stronger performance against the other drivers of productivity and employment indicators.

The region has one of the highest employment rates in the UK but this masks a disparate pattern across the region. For example, claimant unemployment in Great Yarmouth is treble the regional average and a recent study concluded that its 'real' rate of unemployment – 20 per cent in January 2002 – was the highest of all principal seaside towns in Britain⁶.

Figure 1: People with qualifications at degree level or higher, ranking of districts in England and Wales



5 'Tackling the low skills equilibrium', DTI, November 2003

6 'A Case Study of Great Yarmouth', Seaside Towns Research Project Paper No. 4, Sheffield Hallam University, February 2003

Disparities in activity and unemployment rates in the East of England are even greater across communities of interest (eg lone parents) than communities of place (eg peripheral rural areas). A recent study has highlighted a number of factors that are significant in explaining non-employment in the East of England: age (over 50s); family structure (especially lone parents); low qualifications and skills; impairment; and membership of certain black and minority ethnic groups⁷. People experiencing a combination of these forms of disadvantage face the highest risk of non-employment.

Good performance by school age children provides the foundation for a highly skilled adult workforce and reduces the number of adults who go through the far more resource intensive process of re-engaging into a culture of lifelong learning after an unsuccessful school experience. The East of England generally fares well on pupil achievement but there is room for improvement. One in 15 (almost 15,000) 16-18 year olds are not in any form of education or training⁹. Of those that do enter some form of structured learning there are concerns that not enough are entering vocational, mathematics, science, engineering and technology (SET) options. More young people studying these options is seen as a crucial ingredient in the development of the science base of the UK economy¹⁰.

Pupil achievement must play some part in explaining the scale of adult literacy and numeracy problems across the country. In the East of England there is a significant number of people with numeracy and literacy needs. Over half of these adults are in employment. Employers consistently report skill shortages and gaps. It is estimated that 11 per cent of the East of England workforce, or a quarter of a million workers, are not sufficiently proficient to meet the requirements of their job role¹¹. Skill gaps affect all sectors and occupations with a particular focus on lower and intermediate skilled jobs. Skill shortages are similarly dispersed across the labour market, with the largest concentration within skilled trades.

There are also shortages of higher level business skills in the region. Management skills are critical because of the influence they have over the development of other staff and business strategies. Management skill gaps are higher in the region (16 per cent of all skill gaps) than across England (12 per cent)¹².

The region suffers from low levels of applications to university from its young people. Rates tend to be lowest in the most urban and most rural parts of the region. Low participation is compounded by the net out-migration of students, particularly in the most peripheral rural parts of the region. The East of England also has the lowest proportion of its students staying within its boundaries to study. After graduation, there is another net loss with students finding employment outside of the region, particularly in London. This trend is apparent throughout working life, with the region experiencing a daily 'brain drain' into the capital.

In terms of the proportion of adults qualified to level 4 (degree or equivalent) the region has four of the weakest ten local authority districts in England and Wales: Castle Point, Fenland, Great Yarmouth and Thurrock¹³. Cambridge and St. Albans are two of only three districts in the top twenty outside of London. However, in terms of the East of England these graduate 'hot spots' are the exception rather than the norm.

This brings us back to the need to stimulate demand from employers for higher level skills as part of the shift towards a higher skills equilibrium and knowledge economy. Many of the business support infrastructure components that help to foster a demand for higher level skills – such as state support for R&D and technology transfer measures – are already in place. However, they tend to be targeted at sectors more readily identified with high value added activity. There is also a need to target sectors that are more closely aligned to the low skills equilibrium.



The role of sectors and clusters in the regional economy is explored more fully in part three

Disadvantaged groups

The National Employment Panel identifies a broad range of disadvantaged groups, all of which are relevant to some extent to this region: people without partners (particularly lone parents); sick and disabled people; those with no or low skills; people over 50 years; residents of areas of high unemployment; ethnic minorities and refugees; ex-offenders; substance abusers; and homeless people⁸.

- 7 'Disadvantage, and Multiple Disadvantage, in the East of England', Institute for Social and Economic Research, Essex University & Observatories Social Exclusion Partnership, January 2004
- 8 'A New Deal For All', Report of the National Employment Panel, 2004
- 9 'Young People and the Labour Market – Part 1: Economic Activity & Education', The East of England Labour Market – Census 2001 Project, EERA/EEDA, October 2003
- 10 'Science and innovation: working towards a ten-year investment framework', HM Treasury, DTI and DFES, March 2004
- 11 'National Employers Skills Survey 2003: Key Findings', Learning & Skills Council, 2004
- 12 unpublished data from 'National Employers Skills Survey 2003', Learning & Skills Council, 2004
- 13 '2001 Census', Office for National Statistics

Enterprise and skills

Skills development and training in the region needs to be more closely aligned with the requirements of businesses and enterprises, taking full account of the future needs of a knowledge economy. Businesses also need to play a greater role in making a contribution to the region's schools, colleges and universities, to generate aspirations for the future working population of the region and to encourage interest in the region's growth sectors.

Recent examples of this joined-up approach include the region's Manufacturing Advisory Service, the establishment of a business-led automotive academy to provide consistent levels of training support to the industry both nationally and regionally, and the integration of training and business support activity through a single European Social Fund programme aimed at companies facing restructuring.



The role of employment and skills support in improving work conditions is explored further under goal five, priority three

Spatial dimension

The most urbanised parts of the region display characteristics of a dual labour market where wage levels, skills requirements and career opportunities work differently for workers at opposite ends of the employment spectrum¹⁴. Removing the barriers to progressing from the lower value jobs will improve the overall efficiency of the regional labour market.

Restructuring in the rural economy presents particular challenges because of the limited range of employment opportunities available to local communities and the urban concentration of learning facilities. Many of the most educated young people, particularly in the more peripheral rural areas, leave in search of better employment opportunities¹⁵. Innovative ways of developing learning communities could provide a platform for upskilling the rural workforce. Many of the region's coastal resorts exhibit similar issues and problems to the rural parts of the region – narrow economic base, dominance of low skills employment and limited access to training provision. Changing the aspirations of local communities and employers will be necessary to underpin the development of a more dynamic and knowledge-based economy. This is not just about new industries but also about the transformation of the existing economic base.

Regional priorities

Breaking out of the low skills equilibrium requires both employers and individuals to increase their skills aspirations. The region already suffers from a range of skill shortages and gaps. Raising aspirations may not, in the short-term, narrow the gap between the current situation and where we need to be. Nevertheless, increasing skill levels of workers and jobs in the long-term is the key to developing more sustainable employment. Skills support must be seen as an integral part of the wider business support agenda. Making the employment and skills infrastructure more responsive to the current and future needs of employers and individuals and raising the level of this need should be seen as cross-cutting objectives applying to all skills and employment priorities. This holistic approach is key to helping more move towards a higher skills equilibrium.

Priority one:

increasing employment rates in disadvantaged communities

This priority focuses on communities of place and interest. There is more scope to increase the regional workforce through increasing economic activity rates than by reducing unemployment. The economically inactive who would like a job outnumber the unemployed by about 3:2. The over 50s, women and people with disabilities have been identified as offering the greatest potential¹⁶.

In a regional labour market exhibiting some signs of overheating, the focus for action must be where market failure is greatest and where there is potential to meet the needs of a changing economy. Increasing economic activity rates within the most disadvantaged communities must be an integral part of the region's regeneration programmes. Equally, achieving a better balance between labour supply and demand in local economies showing signs of overheating must be central to developing more sustainable patterns of growth. The use of migrant labour to address skills shortages and other recruitment difficulties is likely to be an increasing trend as a result of EU enlargement. The region will need to co-ordinate support services for migrant workers to ensure that their skills are fully utilised to the benefit of the regional economy.

14 'East of England Framework for Regional Employment and Skills Action', EEDA, January 2003

15 'LEADER + Draft Programme 2000- 2006: East of England Regional Annex', MAFF, 2000

16 'Regional Economic Strategy Sub-regional Study – Stage 1 Final Report', Bone Wells Associates, Colin Buchanan & Partners and Business Strategies, July 2002

Addressing the skill needs of particular industries may also be an important ingredient of the successful implementation of some regeneration initiatives. While many jobs created in regeneration programmes are inevitably relatively low skilled and low paid, it is important that people can access pathways to improve their employment options. Failure to do this will exacerbate the low skills equilibrium and do little to alleviate exclusion in the long-term.

Employment actions aim to improve the efficiency of the labour market thereby supporting business competitiveness and regional productivity. However, the employment agenda is intrinsically linked to the skills and social inclusion agendas.

Actions

- > support disadvantaged communities facing particular barriers to employment, including actively marketing vacancies that are relevant to them
- > support older people, lone parents and sick & disabled people to engage with the labour market through a coherent partnership-based approach
- > co-ordinate employment and skills support in the region with other activity designed to tackle barriers to employment such as housing, childcare, care of the elderly and drug & alcohol issues
- > ensure that the transition from unemployment and inactivity to employment is supported by continued learning and skills development
- > further develop the regional business support package for companies and employers facing restructuring.

Priority two:

supporting wider career choices for young people

Good educational performance by our young people is a foundation for long-term economic growth and for an inclusive, prosperous society. Current performance against a range of school age indicators suggest we are better placed than many regions but we are still some distance from providing the future workforce needs of a world-class economy. There is a need to target resources in the most disadvantaged communities, both urban and rural, to break the cycle of low aspirations and achievement. The Tomlinson Report will play a key role in raising the vocational agenda¹⁷. Equally, the region must embrace the emerging government agendas on the study of mathematics and science, engineering and technology (SET) subjects. The Skills for Business Network has a key role in developing stronger demand-led information, advice and guidance (IAG) services.

Actions

- > tackle underachievement at compulsory schooling age to reduce the number of young people, particularly from disadvantaged groups, who are not in education, employment or training
- > co-ordinate services for young people so that they can make better informed choices about career and learning opportunities
- > support education business links to provide a flexible and responsive service to schools in tailoring and extending work experience opportunities for young people
- > raise aspirations of all young people to continue with structured learning and skills development – at college, school or in the workplace
- > promote vocational and occupational programmes and pathways for progression to careers, such as the new family of apprenticeships and foundation degrees
- > increase the number of young people studying mathematics, science, engineering and technology subjects.



The issue of skills needed to support the growth agenda is highlighted under goal four



There is a strong correlation between the actions in this goal and goal five



Where access is available ICT infrastructure has the potential to help remove barriers to learning for peripheral rural communities and to support more sustainable patterns of employment. More on the need for ICT skills in the development of the region is described under goal seven, priority three



Further links between young people and exclusion are explored under goal five, priority one

¹⁷ 14-19 Curriculum and Qualifications Reform, a Summary of the Interim Report of the Working Group on 14-19 Reform

LINK

Goal two priority one emphasises the need to promote and co-ordinate the innovation and enterprise agendas in schools

LINK

The integration of skills and business support is also detailed under goal two, priority two

Priority three:

developing skills that better meet business needs

It is important that skills related developments are demand-led and responsive to the needs, and future needs, of businesses and employers in the region including the public and voluntary sectors. Responding to business needs must take account not only of supply, but also of the quality of provision.

It has been estimated that a significant proportion of the 20 per cent productivity deficit that the UK faces in comparison with Germany is due to the relative skills levels of their respective lower skilled workers¹⁸. An increased focus on literacy and numeracy and vocational training is seen as critical to addressing this issue. This is reflected in the priority that government has placed on the Skills for Life strategy and the commitment in '21st Century Skills' to fund training up to level 2 for all people below this level and level 3 in selected sectors.

Lesser skilled workers with the greatest skill gaps are the least likely, and often the least willing, to receive training. Employers focus a relatively high proportion of their training resources on managerial and professional staff. Developing a culture of learning among individuals must go hand in hand with activity focused on employer engagement. There is a need to develop new ways of supporting employers to move towards higher skill business models across all sectors of the economy. This support must recognise that employers are often seeking skills rather than qualifications. It is important to encourage employers to support their staff to gain accredited skills. Vocational routes such as the new family of apprenticeships and the employer training pilot are important vehicles for this.

New, more accessible forms of learning and delivery mechanisms such as e-learning and learning communities have an important role to play. However, for rural areas, access to information and guidance on learning provision can be as important as accessing the learning opportunities themselves. This priority focuses on developing skills up to and including level 3 (literacy and numeracy, GCSEs, A Levels, apprenticeships). Priority four focuses on level 4 and above (degree, foundation degree, nursing qualification, management development). In practice this demarcation will be flexible but it does help to provide a clearer framework for action planning.

Actions

- > create a demand-led system of learning and skills provision with high success rates that is more responsive to individual, business and sectoral needs
- > ensure that sector skills agreements reflect regional skills needs
- > target government-funded level 3 training on key regional sectors, especially building on the regional network of centres of vocational excellence
- > develop information, advice and guidance (IAG) services for adults to foster participation in high quality learning activities, particularly for those qualified below level 2
- > increase the number of people improving their literacy and numeracy skills in the workplace
- > increase the number of people participating in learning and gaining qualifications at levels 2 and 3, especially through vocational routes such as the new family of apprenticeships and the employer training pilot.

Priority four:**developing higher level skills to support the knowledge economy**

A shortage of higher level skills in the workforce is constraining the development of the knowledge economy. This is being compounded by management skill gaps that are restricting the pace and scale at which companies can adapt or anticipate global economic and industry trends. The regional knowledge economy can only be developed by supporting the growth in knowledge workers across a broad range of sectors.

There is also a need to address the deficit of higher education provision in specific parts of the region such as Peterborough, Suffolk and Thames Gateway South Essex. Low participation and high net out-migration of students are both reflections of the current difficulties in accessing local provision. It is important to recognise the strong role that the region's further education sector has played in delivering higher education provision and to build upon this provision where appropriate.

It is imperative that the growth in the numbers of people with higher level skills is responsive to the needs of businesses. 'Without significant changes to product market strategies, service standards, work organisation and job design, improving the skills of those who undertake these jobs may achieve only limited results and may lead to over-qualification and to skills that are under-utilised or not used at all'¹⁹. The region needs to develop more effective mechanisms for matching supply and demand of higher level skills, including greater and more effective integration of the higher education offer into the wider business support infrastructure, and schemes that encourage mutual exchange of experience and expertise between higher education and business. This will require strong partnerships between the Higher Education Funding Council for England (HEFCE), higher and further education institutions and other stakeholders.

The region also needs to exploit the internationalisation of labour markets by attracting high skilled workers from across the world. This should be based on a robust understanding of the implications of EU enlargement, the needs of the regional labour market and other relevant factors.

Actions

- > increase participation in higher education, through targeting students from 'non-traditional' backgrounds, and building new and improved progression routes
- > implement a capital expansion programme to help deliver the widening participation agenda, support knowledge transfer, teaching, research and technology
- > develop more effective mechanisms for matching supply and demand of higher level skills within the region
- > support specific schemes to encourage SMEs to recruit graduates
- > support leadership and management development programmes that move the economy to a higher skills business model.

Sectors and clusters

Sector Skills Councils (SSCs) are independent, UK wide organisations developed by groups of influential employers in industry or business sectors of economic or strategic significance. SSCs are aiming to tackle the skills and productivity needs of their sector throughout the UK. Each SSC agrees sector priorities and targets with its employers and partners in sector skills agreements. '21st Century Skills' defines the purpose of such agreements as 'to engage partners representing both demand and supply in a compact that develops a shared analysis of the skills challenge for each sector, shared objectives for tackling it, collaboration in taking the necessary action, and the development of a demand-led method for allocating funds in response to employer needs.'



The region's higher education institutions are an important asset in terms of supporting knowledge transfer between the business community and the science and technology base. This issue and further links between higher education and businesses are explored in goal three

19 'Tackling the low skills equilibrium', DTI, November 2003



THE ENVIRONMENTAL DIMENSION

Addressing skills issues is critical to delivering the strategy in a sustainable manner. The region has a key strength in environmental technology and renewable energy industries. Developing the skills base will play an important role in maintaining competitive advantage and exploiting this asset for the sustainable development of the region.

Environmental issues are also becoming embedded in working practices across all sectors. The learning and skills infrastructure must respond to this agenda.

Delivering change

The Regional Skills and Competitiveness Partnership will oversee the implementation of the skills and employment priorities in the region. The Regional Skills and Competitiveness Partnership incorporates the DfES requirement for the establishment of a Regional Skills Partnership. Building on the regional economic strategy the Regional Skills and Competitiveness Partnership will co-ordinate the review of the East of England's framework for regional employment and skills action (FRESA), which was first published in January 2003. It will form the delivery plan for goal one and set out the detailed skills and employment challenges facing the region, including the priority areas requiring urgent action.

Other key regional stakeholders in the implementation of the skills related activities in the region include local Learning and Skills Councils, JobCentre Plus, Skills for Business, EEDA, higher education, further education, Small Business Service and business and workers' representatives.

In addition to the skills agenda the Regional Skills and Competitiveness Partnership will also co-ordinate business support, science and innovation and international trade and investment in the region. The co-ordination of these areas will ensure greater coherence for employers and learners and generate greater efficiency in the way funding is delivered.

For more information on this goal contact resskills@eeda.org.uk



Pictured above: Laura Gardner at the National Construction College, Bircham Newton, Norfolk

‘The regional economic strategy has a pivotal role in informing the strategic direction of the Regional Skills and Competitiveness Partnership (RSCP). The regional skills agenda and the strategy goal ‘a skills base that can support a world-class economy’ will be led by the Learning and Skills Council and other regional partners through the RSCP. The implementation of the RSCP will contribute to raising the skills base and delivering the vision of the regional economic strategy.’

Mary Conneely, regional director, East of England Learning and Skills Council

GOAL TWO: Growing competitiveness, productivity and entrepreneurship

What success will look like

- levels of new enterprise and business growth comparable to those of a leading global region
- regional businesses achieving their potential through support from high quality, accessible and integrated business support, training and development structures
- a coherent region-wide framework of tailored specialist support focused on those businesses that provide the best prospects for regional economic growth
- increasing levels of participation in the national and international economy by East of England businesses, with particularly strong relations with a number of other leading global regions
- increased levels of entrepreneurship and business aspiration, particularly in underperforming areas.



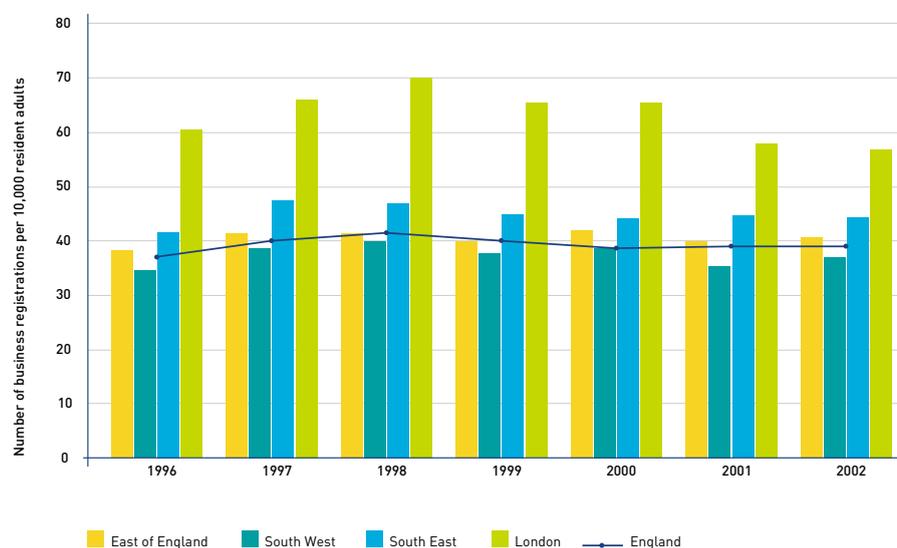
The five drivers of productivity are set out at the end of this section, after goal eight

A thriving and entrepreneurial business community is critical for driving wealth creation and employment in the regional economy. As is the case in the rest of the UK, SMEs form a major part of the East of England economy. Of the estimated 386,500 businesses in the region 70 per cent are sole traders, and 29 per cent employ between one and 49 employees. Larger businesses, although representing less than one per cent of the total number of businesses in the region, also play an important role in the regional economy. They are significant regional employers and those that employ over 250 workers actually contribute a greater proportion of turnover to the economy than the UK average²⁰.

There are a wide range of employment and business opportunities outside the private sector. The public sector is a major employer, with the health and social care sector alone responsible for around 11 per cent of the total employment in the region²¹. The East of England also boasts a strong community and voluntary sector, with an estimated 6,900 organisations active in this sector²².

A growing part of the regional economy is social enterprise. Social enterprises can be described as businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than been driven by the need to maximise profit for the private owners of the business. The region plays a significant role in contributing to the UK's strong social economy, employing nearly 27,000 people full time, with an annual turnover of some £3 billion²³.

Figure 2: Business registration rates



20 'Small Business Service', SME Statistics 2001

21 'Health & Social Care and Sustainable Development in the East of England', Centre for Public Services and the Nuffield Institute for Health, January 2004

22 'An Overview of Skills Development Opportunities & Training Needs within the Community and Voluntary Sector in the East of England', COVER, August 2002

23 'Making a Living for the Community: Mapping the Social Economy in the Eastern Region', The Guild 2002

Whatever the size and type of company, the region's businesses need to improve their productivity and be more enterprising. Looking at business start-up rates is a useful way of analysing regional entrepreneurship. Around 41 businesses registered for VAT per 10,000 adult population in 2002 in the East of England. This puts the region third in the UK behind London and the South East. However, while regional start-up rates are just above the UK average, they fall well below those in the United States and a number of European countries.

Globalisation is a major influencing factor on business development. It can be seen reflected in increased competition, a higher degree of specialisation, cross-border supply chain networks, a globalised labour market, increased movement of commodity manufacturing to low cost economies overseas and a greater degree of international collaboration between businesses. With increased international competition all companies will need to improve their levels of productivity and sharpen their competitive edge, particularly through a focus on adding value and innovation in the development of products, processes and technologies. The region needs to ensure that it is working with leading international regions to accelerate business growth, productivity and trading opportunities.

Evidence shows that businesses in the region are already seizing the opportunities that globalisation presents. The East of England has a strong export performance with the value of exported goods reaching £17.6 billion in 2003²⁴. This makes the East of England the fastest growing region in terms of export performance in goods over the five years leading up to 2003. This is a particularly strong performance considering that the East of England has a relatively small manufacturing sector in comparison to its output than other regions. The export of services is a key growth area for the region, given our strong knowledge base and service sector. Foreign-owned investment also adds significantly to the regional economy, with over 1,850 foreign-owned facilities in the East of England. However, these are unevenly distributed across the region with areas closer to London attracting the highest concentrations.

Spatial dimension

Business growth is not evenly spread across the region, with business activity and growth most pronounced in the parts of the region closer to London. For example, Essex and Hertfordshire continue to lead the region in both the number of new businesses registering for VAT as a proportion of existing business stock, and in the number of start-ups established as a proportion of the population. However, these counties tend to have the lowest three year survival rates. Norfolk and Cambridgeshire record the highest company survival rates, suggesting less business churn in these areas.

A recent report on start-up trends in the region pointed to a wide range of factors that contribute to the variation in start-up and survival rates at a sub-regional level, including population growth and densities, proximity to markets, especially London, commuting patterns, urban/rural characteristics, skills levels and infrastructure developments²⁵.

Rural areas are often seen as based on traditional low-growth businesses, but this is increasingly not the case. Farming and agriculture actually comprise only around 15 per cent of all businesses in rural areas, with real estate, wholesale and retail more prominent.²⁶ However, many businesses in rural areas experience problems related to their remoteness, low population densities and limited local markets. They often find access to national or international markets difficult and face challenges due to the relative small size and composition of the local labour market. Furthermore, for many businesses in the more remote areas of our region, accessibility to support services is a key issue for their sustainable growth.



THE ENVIRONMENTAL DIMENSION

Fostering a strong local economy can improve environmental sustainability. Producing goods locally for local markets can reduce the pressure on transport infrastructure and help create local employment opportunities. Equally, an awareness of the environmental and productivity benefits associated with the efficient use of resources and environmental best practice must be raised within the business community. Business support services have a role to play in advising businesses about environmental issues, and encouraging the adoption of good practice in the areas of resource productivity and environmental management systems. This issue is addressed further in goal eight.

24 DTI / Her Majesty's Customs and Excise Regional Trade Statistics, 2004

25 'East of England Business Start-up Survey', Kingshurst Consulting July 2003

26 'A Government Action Plan for Small Business: the Evidence Base', Small Business Service

Sectors and clusters

This goal is relevant to all sectors of the economy, including both those in the service sector and those involved in manufacturing. Although there has been a clear structural change in the UK economy, away from employment in manufacturing and towards employment in the service sector, manufacturing remains an integral part of the regional economy. In particular, the high value elements of manufacturing are strongly linked to the region's knowledge base. Developing the value-added element of manufacturing can help the region maintain competitive advantage among its international counterparts. Further information on the region's key sectors are set out in part three.

LINK

A key aspect of building an enterprise culture is ensuring a better link between higher education facilities and businesses to exploit the potential for joint development and commercialisation of ideas, and is explored further in goal three, priority two

Regional priorities

The East of England aims to be a leading and supportive location for starting and growing enterprising businesses. The long-term economic success of the region will depend upon the continued vitality and impetus of fresh ideas and new entrants to the business community, together with improvements in the innovative activity of existing businesses. It is important to minimise the barriers preventing people from starting and growing an enterprise, regardless of their background and location, and to encourage more enterprising activity in all types and sizes of business.

The over-riding priority for business support in the region is to establish a more coherent, efficient and rationalised customer interface with regional businesses. This support needs to be appropriate across the business community from sole traders to established large employers. The support structure needs to comprise:

- generic region-wide business support for start-up businesses and SMEs
- specialist business support for high-tech or fast growth businesses
- specialist support for businesses of regional significance, such as large employers.

Priority one:

building a more enterprising culture

It is clear that the region needs to foster a more enterprising culture, whether or not this is applied to the establishment of a new enterprise or to improved performance in an existing business. The Davies Review pointed out that in order to prepare themselves for their future working lives, 'all young people will need more enterprising skills and attitudes, not just to set up businesses (or enter self-employment), but also to build their own careers and to stay employable. In addition, enterprise may be seen as a set of skills, attitudes and capabilities which can help weaken the link between economic uncertainty and social exclusion'²⁷. In order to succeed in this, enterprise needs to be an integral part of the educational system.

Actions are required to educate and inform all segments of the population of the relevance of enterprise. Cultural and ethnic diversity is a stimulus to creativity and enterprise creation. However, the region needs to encourage greater entrepreneurial activity from specific under-represented communities, particularly from within some black and minority ethnic communities in the region, women entrepreneurs, people aged over 50 and people with disabilities. Strategies to promote business growth must recognise and support the particular needs of these groups in order to ensure everyone realises their potential. Potential entrepreneurs also need to be informed about all the possible business models available to them, including social enterprise.

Actions

- > improve the business planning and management skills of entrepreneurs to help improve performance and growth
- > develop strategic partnerships between educational establishments and business and promote enterprise and innovation throughout the education system
- > reduce the barriers to enterprise for targeted communities of interest with low business start-up rates, such as people over 50 years old, people with disabilities and women
- > promote and provide accessible information and advice about starting a business, as part of a coherent business support service for start-ups across the region.

²⁷ 'A Review of Enterprise and the Economy in Education', Howard Davies, February 2002

Priority two:**providing a coherent and integrated business support service**

Providing the right environment for companies to start-up and grow depends on an accessible and effective business support infrastructure. However, less than 50 per cent of businesses in the UK seek external advice when establishing a new business venture, and of these only around 15 per cent seek advice from public sector support organisations²⁸. Too many businesses remain confused about the array of business support on offer. A priority for business development is the need to ensure that the private and public sector work together to provide a more co-ordinated and better signposted service.

Business support needs to recognise and support the diversity of business types in the region. There are a number of support providers in the region with a specialist remit, such as those that focus on social enterprise, women, black and minority ethnic groups or specific sectors. Access to an appropriate business support system is also a key issue in some of the rural areas of our region. While many of the support requirements of under-represented groups and social enterprises are generic by nature, they often have different routes into the business support network and require specific advice on issues such as access to finance. Their needs can in most cases be best met by mainstream support organisations, but they need to work closely alongside specialist providers.

Public sector support has a key role to play in providing accommodation and facilities where there is a business need that is not being met by the private sector. Appropriate physical infrastructure needs to make use of local expertise and be integrated with a range of support measures, such as training programmes, advisory resources, and ongoing support. There also needs to be appropriate support for businesses as they grow, including guidance on access to additional finance and larger premises.

Actions

- > ensure greater co-ordination between business support services and skills development, and raise the awareness of these services across the region
- > ensure business support is better tailored to the needs of businesses and reflects the diversity of enterprises in the region
- > build a well signposted and coherent infrastructure of high quality advice, mentoring, business champions and support services, including guidance on regulation, access to finance and resource productivity
- > support the provision of good quality premises on flexible terms for new and expanding businesses
- > draw on national and international business support expertise which adds value to regional expertise.



Mechanisms for high-tech businesses to access support on research and innovation, such as enterprise hubs, need to be an integral part of business support and are covered in more detail in goal three

²⁸ 'Annual Small Business Survey', Small Business Service, 2003

LINK

Specialised business support for companies requiring access to specialist advice on innovation and technology is also explored in goal three, priority one

Priority three:

supporting the accelerated and sustained growth, productivity and competitiveness of the region's businesses

It is important that the East of England builds on its strong entrepreneurial and innovative base. The region needs to develop and sustain successful and growing businesses and their comparative advantage for the future vitality of the region's business base.

In addition to a generic level of business support across the region, there is also a requirement for specialist support for some businesses, according to their need, aspirations and the impact that intervention would have on their competitiveness. Tailored support might include access to specialised knowledge and information; networks and mentoring schemes; collaborative activity; technical, vocational or managerial skills training; and access to appropriate physical infrastructure. The region needs to focus its provision of tailored and specific support on businesses which have the best prospects for economic growth and where there is market failure. It should also take account of those businesses which are of regional significance to the East of England, such as larger employers where their retention is of particular importance to the region. It is vital that such tailored support is seamlessly integrated into the business support landscape.

A number of partners in the region use a sector or cluster approach for engaging with businesses and service providers to facilitate consensus about the types and focus of intervention for their business activity. This approach has also enabled businesses to address their issues under a 'collective umbrella' and so influence the wider competitiveness agenda. The East of England is striving to broaden the connections and relevance of these sector/cluster networks across the region. These networks of businesses in the same sector or area of activity will make a significant contribution to the future stability and growth of the region's economy.

Actions

- > co-ordinate and focus support among organisations that provide assistance to businesses in key sectors and clusters
- > deliver tailored business support in key sectors and clusters focused on those that offer the best prospect for economic growth
- > create forums, networks and mentoring opportunities between businesses to exchange ideas, experience and best practice
- > continually review the classification of businesses that should receive specialist support.

LINK

Further details about sectors and clusters are provided in part three

Priority four:**developing the capacity of the region to engage in global markets and to improve the level and quality of foreign investment into the region**

The globalisation of markets and international political developments such as the enlargement of the EU, are major influencing factors affecting the future economic development of the region. As a result, businesses of all sizes face increasing challenges as well as new opportunities. Such drivers heighten the need for businesses to build on their specialist strengths so that they can capitalise on their competitive advantages in a global environment. For the region, this means broadening its exporter base, including the export of services, and encouraging new and existing exporters to access the support services available to them.

International business does not just involve trading opportunities. Exporting is inextricably linked to different forms of internationalisation – joint ventures and partnering, technology transfer, imports, both inward and outward investment, and international research arrangements. Encouraging knowledge-based companies to engage in international business through the international trade of knowledge, technology and services is also a more sustainable alternative to the import and export of manufactured goods. Above all, the region needs to adopt an integrated and holistic approach to international business activities to provide a coherent platform of support for businesses seeking to develop their global connections.

As part of this holistic approach, we need to focus on retaining existing foreign investment in the region and attracting new inward investment that provides regional employment opportunities, as well as an influx of new technologies and 'know-how' that can contribute to an overall improvement in productivity. A significant proportion of direct foreign investment comes from investors already operating in the region, so it is vital that a specialised aftercare support package is available to them.

Actions

- > raise the awareness of support services to companies considering trading internationally for the first time or wishing to enter new overseas markets
- > ensure the region's businesses are equipped with the skills and expertise needed to engage effectively in international markets
- > market the key strengths of the region in particular sectors and clusters to potential investors and partners overseas, and communicate strong propositions for the region in order to attract inward investment
- > encourage further investment from foreign-owned companies in the region
- > develop two-way international relationships and partnership networks that foster trade and investment opportunities.



Promoting the region's identity and strengths, which can have positive benefits for inward investment, is further explored in part three



The role of international partnerships and networks in stimulating innovation is also described under goal three, priority four



Higher educational establishments play an important role in attracting inward investment to the region. The need for closer working between educational establishments and business is explored in goal three, priority two



Levels of inward investment are affected by the quality of the local environment, including crime rates, transport links and availability of housing. These issues are also covered in goals four and six



The importance of developing employment opportunities in the region's most deprived communities is also explored in goal five, priority two

Priority five:

ensuring business development adds value and vitality to local communities

Raising levels of enterprise is essential to sustainable regeneration in the East of England's most disadvantaged communities and lagging areas and for tackling social exclusion and poverty. The region needs to improve its capacity to harness private sector investment and innovation in the regeneration of the region's most deprived communities.

As part of this, the region's businesses need to be encouraged to engage with their local communities and pursue corporate social responsibility practices. This includes a commitment to socially responsible practices in recruitment, investment, vocational training and procurement.

Furthermore, discrimination in business, whether on grounds of gender, age, ethnicity, faith or sexual orientation, needs to be tackled. For many businesses, corporate social responsibility and equality and diversity practices are viewed as an additional regulatory burden. The key is in communicating how such practices can be perceived less as an expense and more as an investment in a distinctive capability of the business. They also provide a means of unlocking the full economic potential of our diverse communities. In this way, our businesses can make the most of a rich pool of talent, culture and creativity.

The region also needs to build aspirations for enterprise among our most deprived communities. Research shows that attitudes and self perceptions among the lowest income groups in the UK are less positive than their high income counterparts. This can be a significant barrier to enterprise creation²⁹. Raising the confidence and aspirations of a community is important for stimulating entrepreneurial activity. Harnessing the support of existing entrepreneurs as mentors and role models to reflect the diversity of the region's workforce is an effective tool in raising the awareness of the opportunities of enterprise. It can also demonstrate the diversity of business models available, which include community and social enterprises. Social enterprises not only create wealth and employment opportunities for a local community, but in some cases have particular benefits for those who traditionally face barriers to the labour market.

Actions

- > ensure that enterprise is an integral part of regeneration strategies in the region's most deprived communities
- > raise business awareness of the opportunities to engage with local communities
- > grow community and social enterprises across the region
- > encourage corporate social responsibility and the promotion of equality and diversity practices
- > optimise sustainable local markets and integrated supply chains
- > promote role models that different communities can identify with.



Pictured above: Lisa Yilmaz, a milliner from Stevenage who has benefited from business support and advice from Incredit

‘Entrepreneurs come from all age groups and walks of life, with different experiences and ambitions. They are found in community centres and schools, in coffee shops and colleges. To develop the East of England’s businesses it is vital to offer a flexible development service that supports ideas from incubation to business success. Incredit is delighted to see the regional economic strategy supporting people and businesses to grow.’

Sue Lawton, chief executive, Incredit

Delivering change

From April 2005, responsibility for the delivery of Business Link services and business support will be devolved to the regional development agencies. This will include responsibility for administering R&D grants and parts of the successor to the Phoenix Fund which focuses on enterprise activities in disadvantaged areas.

This provides the region with an opportunity to review how business support services can be most effectively delivered and promoted to bring about greater coherence between regional policy and local delivery, a more integrated regional business development agenda and improved alignment with national priorities and policy.

The East of England business support model will be developed under the guidance of the Regional Skills and Competitiveness Partnership to present a seamless interface for business customers alongside support for skills, international trade and science and innovation.

The work of the Regional Skills and Competitiveness Partnership will also be informed by other regional strategies. These include a business start-up strategy for the region, that provides a framework for actions relating to enhancing the region's entrepreneurial culture. EEDA and the regional arm of UK Trade & Investment have also published the region's international business strategy that sets out key actions and priority areas that enable the region to fulfil its potential as a leading location for international trade and investment. International activity will be taken forward as a key component of the Regional Skills and Competitiveness Partnership.

For more information on this goal, please contact resenterprise@eeda.org.uk

GOAL THREE:

Global leadership in developing and realising innovation in science, technology and research

What success will look like

- continued international quality R&D in bioscience, ICT and other key sectors
- greater innovative capability in SMEs, supported by better access to the region's science base and improved knowledge transfer
- greater commercialisation of R&D by the region's business
- broadening of the benefits of the 'Cambridge phenomenon' so that networks and clusters operate both regionally and globally and are spread to increasing numbers of sectors and areas across the region³⁰.

The East of England is well positioned to take the lead in driving forward the UK's innovation agenda. Innovation, driven in part by investment in R&D and a high quality science and knowledge base is a key driver of productivity. However, spending on R&D as a share of GVA has been steadily declining in the UK over the last twenty years in contrast to the situation in most other developed countries. Professor Michael Porter's recent review of UK competitiveness reinforced the point that 'current levels of UK innovation are insufficient to drive UK productivity growth and close the UK productivity gap versus key competitors.'³¹

One of the East of England's key strengths is its impressive record in R&D. A higher proportion of the regional GVA is spent on R&D than in any other UK region. The East of England is the only UK region to rank in the top ten EU regions on this measure. Our strength in R&D is particularly pronounced in the private sector, and in certain sectors such as pharmaceuticals, telecoms and the automotive industry. However, R&D and innovation is important to a wide range of sectors, even those that have not been traditionally viewed in the past as being science driven.

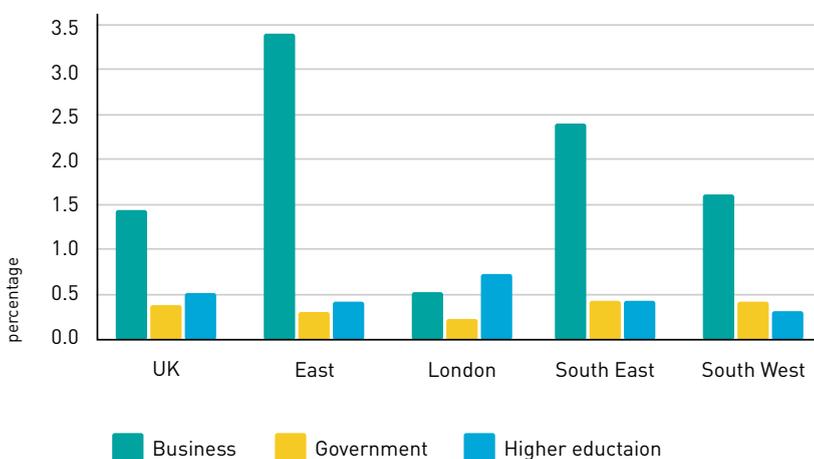
The region boasts a number of high quality higher education establishments and in Cambridge, one of the world's most renowned universities. The region also has a wealth of research establishments outside of the university structure, such as Research Council-funded institutes and industrial research and technology organisations. Regional research expertise ranges from the fundamental end of the scale to highly applied, near-market R&D, and institutions are spread fairly evenly across the region's geography.

East of England R&D companies

The region boasts a number of major R&D intensive private sector companies including:

- Ford at Dunton in Essex
- Major pharmaceutical R&D centres:
 - GlaxoSmithKline in Stevenage and Harlow
 - Merck Sharp & Dohme at Harlow
- Unilever at Colworth House, near Bedford
- BT at Adastral Park in Suffolk
- Nissan at Cranfield Technology Park.

Figure 3: Expenditure on R&D as a percentage of regional GDP, 2001



Source: Office for National Statistics, 2002

³⁰ 'The Cambridge Phenomenon' is a term originally used in a publication by SWQ in 1985 to describe the existence in and around Cambridge of a highly dynamic and innovative cluster of high-tech industries

³¹ UK Competitiveness: Moving to the Next Stage', Michael Porter, 2003

However, while our educational and research establishments produce scientific research of international quality, the level of R&D expenditure within the region's university sector itself is only broadly in line with the UK average. The region's relative strength in R&D largely reflects the decisions of a few large companies in R&D intensive industries to locate their activities in the region. The region is less successful in stimulating R&D intensive activity among smaller companies and is less adept at exploiting the research carried out in the educational sector.



Growing the renewable and environmental technologies industries is covered in goal eight, priority three



The deficit of higher education in certain parts of the region is explored in goal one, priority four

Spatial dimension

The East of England has great strengths in research across the region, performing above the UK average in many sectors. There is, for example, a strong telecoms R&D industry, mainly based in and around Suffolk. The region also benefits from the ongoing success of the greater Cambridge cluster, with its strong networking activities, mixture of private and public sector research and numerous support functions. The region is also undoubtedly a world leader in the biosciences, particularly in plant and environmental biosciences, in and around Norwich, and the presence of several major pharmaceutical companies within Essex, Hertfordshire and Bedfordshire.

Within the public/university sector there are important parts of the East of England, where the higher education component of the research and technology base is not well developed. The need to address this shortfall must not be obscured by the reflected strength of the more R&D intensive universities.

It is recognised that the East of England's strengths have much in common with London and the South East of England. There is a globally important cluster of science-based excellence which spreads across the whole of this greater south east area, which serves as a hugely important economic driver for the whole of the UK economy.

Regional priorities

There needs to be an increased focus on ensuring our strong science and technology base contributes to enhancing economic growth in the region, helping improve UK productivity as a whole and ensuring our businesses can compete on an international basis. The region needs to promote greater collaboration and knowledge transfer between research establishments, universities and business, and ensure that more research is developed into business opportunities. While the 'Cambridge phenomenon' has been extremely successful, it has not been replicated elsewhere in the region, or systematically spread beyond the greater Cambridge sub-region. Other specialist areas like ICT in Suffolk or the development of technology in the film and media sector in Hertfordshire also need to be nurtured. There is also a need to ensure greater opportunities for linking rural businesses into the potential advances provided by R&D developed in the region.

Priority one:**stimulating demand for research and development and knowledge transfer amongst the region's SMEs**

Actions need to be taken to ensure that more SMEs across the region are encouraged to engage in R&D activity and to generate and commercialise innovative ideas. In his review of business-university collaboration in the UK, Lambert reported that 'the main challenge for the UK is not about how to increase the supply of commercial ideas from the universities into business. Instead, the question is about how to raise the overall level of demand by business for research from all sources'³². Failure to address this will lead to a loss of competitive advantage for many East of England companies, to the benefit of overseas competitors.

Business support providers need to work together to raise awareness of knowledge transfer initiatives and mechanisms, and to ensure that businesses involved in innovative science and technology areas are able to access the most appropriate support.

Actions

- > raise business awareness of the importance of innovative developments in products, services and processes
- > ensure that businesses and research establishments have access to specialist advice on innovation where appropriate, and that service providers have a forum to link their complementary services
- > support innovative businesses in accessing appropriate finance, such as at proof of concept stage
- > capitalise on opportunities to build businesses that exploit local university-based research.

Priority two:**ensuring strong links between regional universities, research institutes, and the private sector**

The East of England has international strengths in research by universities, research institutes and industry. Action is required to allow a higher proportion of this research to develop into innovative marketable products and processes allowing new high value added enterprises to grow. The region should continue to promote spin-outs from research establishments and universities, but should also work to embed entrepreneurial priorities more firmly within appropriate higher educational facilities.

University/business collaboration is a key area for the future development of the regional and UK economy. The models for university/business linkages are diverse, ranging from knowledge transfer activities to industry sponsorship of research programmes. These models need to be flexible to take account of the different parties' contributions. The public sector can play an important role in facilitating the establishment of such links between universities and business.

It is also important to ensure that non-university research institutes forge ties with closely located universities and businesses. Where such links have been or are being established, the region should continue to develop enterprise hubs focused on providing niche support to research and enterprise.



Building business from the region's research base will be influenced by the availability of a highly skilled workforce. The importance of further and higher education in providing this workforce is explored in goal one



The requirement for an integrated business support structure is also covered in goal two, priority three

i10

There are many examples of university-business collaboration in the East of England. One such example is i10, a partnership between ten higher education institutions in the East of England, which is involved in the funding and facilitation of collaborative projects. This has provided an opportunity for businesses to tap into the region's pool of university-based innovation, expertise and assets. The integration of such initiatives into the wider regional infrastructure for supporting innovation is essential.

³² 'Lambert review of business-university collaboration', Richard Lambert, December 2003



THE ENVIRONMENTAL DIMENSION

'Innovation will be essential for meeting the environmental challenges of the future – including moving to a low carbon economy and reducing waste' (DTI)³³. The region's strength in science and technology means that it is well positioned to contribute to research on global environmental issues, and in breaking the link between economic growth and unsustainable resource use. Potential areas include bio-research for food production, monitoring of global weather movements as well as research into environmental protection and alternative transport solutions. The region has a number of world-class university environmental departments, including the School of Environmental Sciences at the University of East Anglia and the National Soils Research Institute, part of Cranfield University.

Actions

- > ensure that the region's universities and research centres are among the world's most accessible to industry
- > ensure the region's firms are well-informed, intelligent customers of the science and technology resources on offer
- > encourage corporate R&D to work in collaboration with research establishments and establish close ties between themselves and the SME community to ensure maximum exploitation of intellectual property
- > develop enterprise hubs as a focus for networking activity for innovation, science and technology, integrated into the business support infrastructure.

Priority three:

maintaining and building upon the quality of research establishments in the region

The region is a global leader for science and technology research and development, with a range of important centres of international quality across the region. In order to ensure we retain this international competitive advantage, we need to maintain the region's position as a top recipient of Research Council funds and attract more research-intensive companies to the region. This will add further strength and stability to the region's knowledge pool, and ensure that business-research collaboration in the region continues to prosper. Part of this strategy will involve giving the private sector a greater role in shaping innovation and technology transfer policy to ensure it meets the needs of their research establishments.

The East of England also needs to work in close partnership with its neighbouring regions to enhance the UK's position as a world-leading generator of R&D. Through collaborating with our partners in other regions we can more effectively exploit the inter-regional cluster of science-based excellence in the greater south east. Continuing to develop this excellence will enable the UK to compete effectively with other global research centres and help ensure international research is developed in this country, to the benefit of the UK as a whole.

Actions

- > collaborate with partners in London and the South East to maintain and build upon the greater south east research cluster
- > promote the strengths and distinctive roles of the region's universities and research establishments to the business community nationally and internationally.

33 'Competing in the global economy: the innovation challenge', DTI, December 2003

Priority four:**facilitating international partnerships that enable knowledge transfer and collaboration on R&D**

The region aims to be a premier location for the R&D functions of global businesses and for international businesses seeking to collaborate with a research base. The region can also play a lead role in international research efforts, especially in a number of key areas of global significance, such as climate change and sustainable energy. Through working with overseas regions, the East of England will increase its global influence. Knowledge transfer and learning from best practice overseas also play a key role in improving productivity of our region's businesses. The development and nurturing of alliances across international borders is a key learning mechanism for businesses in acquiring and selling new technology, and can also provide a forum for SMEs to work together co-operatively to reduce costs and share resources through international activity.

The East of England hosts many facilities that enable companies to access partners and funding in respect of innovation and R&D from the European Union. These should be encouraged to expand and increase the breadth of service offered to regional researchers and businesses.

Actions

- > support the development of international partnerships with complementary knowledge-based economies in other European and international regions
- > work with other regions to influence and advance European innovation policy developments
- > maximise the region's potential for accessing funding for R&D projects, through programmes such as the European Union Sixth Framework Programme
- > grow regional support for businesses to access international opportunities through partnering schemes and international networks.



International partnerships that support and encourage international business are described under goal two, priority four

Enterprise hubs

An enterprise hub is a dynamic network of high-level support for the region's knowledge-based companies. A hub is likely to build on existing regional strengths, such as a specific asset in research or technology or where there is a critical mass of businesses in a particular sector. The hubs act as a focus for investment advice, support and mentoring, and can also help establish improved links between industry, business support services and educational bodies.

A regional enterprise hub has been established in Stevenage to support aerospace, defence and IT start-ups (Hertfordshire Business Incubation Centre). Another hub has been established in Cambridge specialising in the biosciences sector (BioConcepts, Babraham Research Campus). In addition, an engineering enterprise hub is being developed in Norfolk to help the East of England become the UK's leading centre of innovative engineering. There are also plans to develop a healthcare hub to commercialise ideas and innovations coming from the NHS, as well as a centre for sustainable engineering to encourage more companies to develop and use sustainable technologies.

Sectors and clusters

A cluster is a group of independent companies operating in a specific field of industrial or economic activity with representation from across the value chain, ranging from academic institutions with sector expertise to venture capitalists and specialised suppliers. The region has a number of innovative business clusters of international quality. These include:

- a life science super-cluster, spreading from London up as far as the Norwich Research Park
- an energy cluster on the Norfolk/Suffolk coast which, due to the low carbon technology drive, has broad connections across industry and business
- an environmental technologies cluster, stretching from Essex to Cambridgeshire with a focal point in Peterborough
- a motorsports cluster, an example of advanced engineering and manufacturing in the region, with a focal point in Hethel, Norfolk linking to Cranfield
- a multimedia cluster stretching from London through Hertfordshire to the north east of the region
- a strong ICT sector, particularly in the areas of network and service provision, with an important cluster in the Cambridge area.

Constant innovation in products and process is, however, essential to all service and manufacturing businesses, especially in a globally competitive environment. Further information about the regional economic strategy's approach to sectors and clusters is outlined in part three.

Priority five:

making full use of the research assets and global reputation of Cambridge to achieve benefits for the region

The availability of mechanisms for knowledge transfer and exploitation varies widely across the region and from one sector to another. The richest picture is found in and around Cambridge where the quality of teaching and research at the University, the high-tech image of the city and its proximity to London attracts scientists, entrepreneurs, investors and a wide range of service providers that can help facilitate the commercialisation of knowledge. Role models and mentors are now relatively plentiful and the longer-established companies provide fertile ground for the development of spin-outs as well as ensuring an active pool of technological and entrepreneurial talent in the locality.

It is vital that the region takes full advantage of these successes. Cambridge is the most prominent international brand for the region. By exploiting and promoting this success, there can be benefits for other parts of the region, which provide world-class research, but have so far lacked a similar standing within the business community.

However, Cambridge has limited capacity to accommodate further long-term growth. Links with other areas can increase available resources and help to accommodate more sustainable growth. Economic corridors, based on strategic relationships, and business networks, are a means of generating high value economic activity to extend out of Cambridge. The region should support the skills, communications and business support requirements of these corridors, as well as the development of infrastructure appropriate for a successful knowledge-based economy.

Actions

- > support the Oxford-Cambridge Arc and the growth of an ICT-based economic corridor between Cambridge and Ipswich
- > support the development of knowledge-based clusters across the region
- > share good practice on the commercialisation of the knowledge base developed in Cambridge, with other parts of the region
- > ensure the strengths of Cambridge feature as an integral part of the international marketing of the region.

Delivering change

The East of England is establishing a Science and Industry Council to advise on the development of the region's research strength and promote greater partnerships between business and research institutes. The Council will be the main lead organisation for prioritising the actions under this goal, and for overseeing the development of a detailed delivery plan. The Science and Industry Council will co-ordinate its activities with business support and skills development under the auspices of the Regional Skills and Competitiveness Partnership.

Research Councils are increasing their collaboration with regional partners to strengthen the regional contribution to broader UK-wide science and innovation policy and delivery. They will be represented on the advisory board of the Science and Industry Council.

For more information on this goal, please contact resinnovation@eeda.org.uk



Pictured above: Melina Herring of Sweet Finished Artwork, one of the companies at St John's Innovation Centre

'The East of England is not only growing, it is evolving. This makes a document such as the regional economic strategy essential to the development of the region, as it bids to attract and retain new and vibrant talent. This is why I am especially glad to see the inclusion of goal three in the strategy with its focus on global leadership in developing and realising innovation in science, technology and research. As a cradle for ideas, our region is ideally placed to succeed and I hope by working together we can.'

Walter Herriot, managing director, St John's Innovation Centre, Cambridge

GOAL FOUR:

High quality places to live, work and visit

What success will look like

- a better balance between housing supply and demand in the region
- successful delivery of the East of England Sustainable Communities Plan to enhance the distinctive qualities of the region's urban and rural communities
- high quality social, environmental and transport infrastructure and services to attract and retain skilled workers and increase investment
- a natural and built environment which supports economic vitality and renaissance in the region's towns and cities, market towns and rural communities.
- cultural, heritage and leisure assets which enhance the strengths of the region for the benefit of the region's residents and its visitors

Sustainable Communities Plan

The Sustainable Communities Plan was launched in February 2003 by the Office of the Deputy Prime Minister (ODPM). It contains a broad vision of what constitutes a sustainable community and seeks to bring coherence and focus to housing, planning, urban renaissance, transport and neighbourhood renewal programmes. Specifically, the Sustainable Communities Plan sets out an action plan to tackle housing shortages and affordability in the greater south east, mismatch between housing supply and economic growth, and low demand and abandonment in the Midlands and the North. It also aims to address a history of poorly designed houses and communities, and the need to reform delivery across the whole of England. The Sustainable Communities Plan also identifies specific locations which should be the focus of employment and housing; these are termed the Growth Areas. Three of the Growth Areas fall within or overlap the region: Thames Gateway South Essex; London-Stansted-Cambridge-Peterborough; and Milton Keynes-South Midlands.

The East of England is one of the fastest growing regions in the country both in terms of population and economy. For the region to achieve its vision it must offer the homes, workplaces and environment to retain and attract world-class businesses and their workforces. Ensuring high quality places across the region is important to support sustainable economic growth, attract inward investment, stimulate regeneration, underpin tourist and cultural attractions, and to create a sense of local pride and ownership for communities.

One of the key challenges for the UK is to plan for and manage growth in areas of economic success where the symptoms of an overheating economy are damaging quality of life and the future success of these areas. This problem particularly affects the greater south east, including large parts of the East of England. The Government's response has been the Sustainable Communities Plan which, among other things, requires an acceleration of housing growth in the East of England to match population and labour force growth.

Figure 4: Growth Areas in the East of England



The Sustainable Communities Plan has a series of challenges and opportunities for the region. These include not only delivering the number of homes needed, but matching it with the transport, jobs, social and environmental infrastructure and services to make this growth really sustainable. They also include delivery of all of this at a level of quality that builds on the distinctive and internationally competitive characteristics of the region. It is critical that the Sustainable Communities Plan is delivered successfully for the whole region. This means weaving the Growth Areas developments into the overall fabric of the region. The identified Growth Areas cover areas which are both urban and rural in character. A significant amount of immigration to the region has been to rural areas where there are distinct challenges to address in order to achieve sustainable growth.

The balance of elements for high quality places in all parts of the region varies from place to place. However in all cases quality means integration between jobs, homes, other community facilities such as schools and health services and cultural, heritage and leisure assets. It means making best use of development sites, and development that is of the highest design and environmental standards. The pressures for growth are intense but speed and quality of development must go hand in hand. Well designed places, with a mix of residential and commercial uses and a strong community, not only make people 'feel' better about a place but also create locations where businesses can thrive.

It is vital that the supply of jobs and homes are aligned. This includes providing homes that are affordable and accessible to house the region's labour force, and the provision of land and premises that meet the needs of current and future businesses. Delivery of high quality places rests with the construction industry, planning authorities and other public agencies working in partnership, and at all times engaging local communities in the development of ideas and plans.

Spatial dimension

Sustainable communities in all parts of the East of England are the guiding principle behind this goal. Although the goal covers the whole region, it is acknowledged there is a particular challenge within the Growth Areas, where failure to provide sufficient high quality housing, green and social infrastructure such as open spaces, schools and health services, or business premises could undermine the success of these locations and that of the whole region.

Over half of all housing proposed in the draft regional spatial strategy in the period to 2021 is planned for the Growth Areas. Some regeneration principles, such as using brownfield locations and securing sufficient supporting community and transport infrastructure, present a more significant challenge in locations closer to London or in Cambridge. Elsewhere in the region, it is the balance of jobs to match existing homes that is the more significant challenge to delivering a sustainable community.



The different issues associated with achieving sustainable communities across the region is tackled in the section on sub-regions in part three

Sectors and clusters

All parts of the economy benefit from high quality places. Assessments of housing and business land needs are made to accommodate and support the growth of all businesses and particularly address the needs of key sectors of the economy. In terms of delivery the priorities of this goal will rely on the services of the construction industry and built environment professionals. The way in which the region plans to achieve high quality places means there needs to be a particular emphasis on the skills requirements of the environmental, sustainability and design elements within those industries.

The holistic approach to development and regeneration mean there is an important role for social infrastructure providers, the culture, heritage and leisure industries and agriculture in helping to deliver sustainable communities.

Regional priorities

The priorities and actions set out under this goal outline the key land use elements that make up the places part of a sustainable community. These include providing land for homes, social and transport infrastructure, locations for business, green spaces in and around our communities and for our culture, heritage and leisure assets.

Priority one:

ensuring a suitable supply of homes to support economic growth

The supply of homes, and affordable homes in particular, is a significant constraint on economic growth and competitiveness. Through the Sustainable Communities Plan, the government has committed to a large scale programme of housing and economic growth in a number of strategic locations in the region. However, supplying the appropriate amount and type of housing is a priority not just in these locations but also within other rural and coastal communities. In all areas it is vital to ensure that developments are of the highest design quality, accord with locally generated design codes and incorporate environmentally sound principles in both their construction and the lifestyle they promote and support. Developing the relevant skills in the planning and development industry to achieve this is crucial to delivery.

Lack of affordable housing has been identified as a major issue in the regional housing strategy. Housing problems can be acute for disadvantaged groups but they are not confined to those on low incomes and can be a characteristic of both rural and urban areas. Affordability has a significant economic impact affecting the recruitment and retention of workers in essential public services such as health and education and across the private sector. The lack of affordable housing can undermine the sustainability of communities, as people are forced to either travel longer distances to work or move to new areas, weakening local networks and social contacts. The construction of new homes and buildings to high quality design and environmental standards together with the scale of growth being planned for, is itself a significant job growth opportunity for the region.

Actions

- > ensure sufficient high quality homes are developed in the right locations to support economic activity and regeneration
- > promote public and private partnerships and mechanisms to provide land for housing development
- > address affordable housing needs and the housing needs of migrant workers, refugees and other socially-excluded groups, through cross agency working
- > co-ordinate regional programmes to address skills gaps and shortages in the built environment professions, and develop skills to take advantage of the latest sustainable construction techniques
- > develop demonstrator housing projects that deliver high density, resource efficient affordable homes and maximise the use of brownfield land opportunities.



Goals one and eight highlight the importance of construction, sustainable construction skills and environmental technology to the delivery of the region's physical infrastructure

Priority two:**ensuring the provision of social and transport infrastructure**

To ensure that development is sustainable and benefits all sections of the community, it is important that growth is supported by appropriate infrastructure. This includes community, health, education and social infrastructure together with local access to services, retail and cultural opportunities. Existing infrastructure deficits must be addressed at an early stage in the development process. The nature of this provision should take account of the region's unique circumstances, in particular its proximity to and interaction with London and the levels of in-migration expected from the capital.

Transport planning should encompass a range of options that reduce the need to travel, and facilitate walking and cycling, as well as providing for public and private transport needs. Local transport availability is a key element in realising the potential of towns to act as service centres for their catchment areas and is particularly important for the relationship between market towns and their rural hinterland. It can also be a factor in promoting social inclusion by improving access to jobs and services.

Actions

- > develop multi-agency approaches for delivering the health, social care, education and community services needed by growing, diverse or isolated communities, including solutions using new delivery models
- > encourage the full participation of public service providers in the planning process to ensure adequate provisions are made for population increases
- > improve local and regional transport connectivity, in urban and rural areas, and ensure existing routes are managed and used effectively
- > support innovative transport improvements in remote rural, coastal areas and priority regeneration areas as part of major new housing or mixed use developments.

Priority three:**ensuring a high quality supply of business land and premises**

A key element in achieving a balance of housing and jobs is developing employment sites that support business growth and ensure the economic viability of local communities. Urban brownfield employment sites are increasingly under pressure to be developed for housing. While it is acknowledged that the long-term vacancy of derelict employment sites can harm a town's image and undermine confidence, it is important to retain existing employment sites where possible and appropriate. Only sites that no longer meet regeneration and growth objectives should be made available for alternative uses.

The scale of employment site provision and job growth should meet the needs specified in the draft regional spatial strategy. This provision must recognise the needs of different sectors and clusters such as knowledge-based activities adjacent to the region's higher education and other research centres. Employment site provision in the Growth Areas and within the London Arc is necessary to enable balanced job and housing growth, provide choices for business and reduce dependency on London. Support for innovation by new and growing businesses through enterprise hubs and innovation centres will be important in this respect.



Major transport corridors and gateways are discussed in goal six



Business support is covered more widely in goal two



THE ENVIRONMENTAL DIMENSION

There are important principles that must be applied to minimise the environmental impact of development, and indeed make development and biodiversity conservation work together. The priority must be to promote development that is sustainable, focused on previously developed land with high density development where appropriate, while protecting and enhancing open space and environmental assets. Concentrating development in this way can also generate critical mass of activity to justify a range of support services and a balance between jobs and homes, which can reduce the need to travel.

We must ensure new development realises opportunities to create, manage and enhance wildlife habitats, natural and historic landscapes.

The adoption of sustainable construction techniques will help the region to capitalise on opportunities to improve energy efficiency in new buildings and settlements, increase the use of energy from renewable resources, reduce waste and enable recycling.

Developments can provide flood protection and prevent pollution by reinstating floodplains, managing surface run off, creating buffer strips and by setting back embankments and using natural vegetation. Examples of best practice in design for biodiversity and sustainable construction will be taken forward through the Regional Centre of Excellence for Sustainable Communities.

The rural economy is undergoing major change and needs support in order to make the transition as smoothly as possible. Rural businesses and the rural community need to be engaged in regeneration initiatives, such as developing appropriate employment opportunities in our villages, including the re-use of redundant farm buildings. This will allow our villages to retain the mix of employment and residential property use essential to the maintenance of their character and vitality, and help prevent social exclusion which affects some people who live in rural areas.

Actions

- > work with businesses to ensure sufficient high quality employment land and premises that meets their current and future needs in sustainable locations
- > promote public and private sector partnerships to bring forward brownfield sites for economic activity where they can address a demonstrated business requirement
- > map specific land use requirements of the region's key sectors and clusters to support planning
- > support area action plans and masterplans which ensure effective integration of employment with other land uses and provide a framework for high quality development
- > focus on overcoming barriers which prevent the efficient and sustainable use of land and property resources in urban and rural areas.

Priority four:

developing and enhancing green spaces and infrastructure to support economic growth

Varied and well-managed green spaces have a central role to play in securing successful, sustainable economic development while supporting agriculture and sustainable land management objectives. High quality environments make a significant contribution to effective residential and commercial development, to economic and social regeneration and are recognised as a driver in inward investment decisions.

Landscapes can be described as 'functional green infrastructure' when they help to create a positive sense of place, promote healthy living, protect and enhance biodiversity and increase quality of life. The region's national parks, areas of outstanding natural beauty and other environmentally designated areas are an important part of these landscapes but a wider variety of green spaces also contribute towards environmental protection and water management through pollution filtration, flood protection and sustainable urban drainage solutions. Accessible and living landscapes are highly effective in delivering positive health, social inclusion, community safety and educational outcomes.

Changes to the Common Agricultural Policy (CAP) are likely to place a much higher priority on management of the landscape. As farmers and land managers adapt to these changes there are both threats and opportunities to the appearance of the rural landscape. It is important the region addresses these challenges and work to ensure changes translate into an enhancement of the distinctiveness and sustainability of the region's predominately farmed landscape.

Actions

- > develop strategic networks of green infrastructure for the region, such as Thames Gateway South Essex green grid, and the governance and capacity to manage them effectively
- > embed green infrastructure policies in regional, sub-regional and local planning frameworks and masterplans
- > invest in and enhance key environmental assets and develop high quality and accessible urban-rural fringe
- > build coherence between environmental and neighbourhood renewal strategies and programmes to maximise community involvement in developing and sustaining green space
- > develop mechanisms to maximise the benefits for the region from the CAP reforms.

Priority five:**developing culture, heritage, and leisure assets for residents and visitors**

The East of England contains natural, archaeological and built heritages of international importance. The unique fabric and character of the region needs to be safeguarded and its distinct characteristics should be reflected in new developments.

The historic environment is a particular asset, which contributes strongly to the region's image. Historic settlements and landscapes, including market towns, coastal resorts and county estates all contribute to making this a distinctive and attractive region.

Developing the region so it continues to be seen as an attractive place to live and to visit is important for the quality of life of the region's residents and can provide a focus for community pride and activity. It also provides a significant contribution to improving the tourism offer. Tourism is a growing sector of our economy, and to develop it further it is essential that culture, heritage and leisure facilities are supported and strengthened. The protection of existing and the creation of new and accessible green infrastructure is integral to the region's tourism industry and sustainable management of tourism is essential to the continued success of these areas.

Good cultural, leisure, sport and recreation facilities along with social infrastructure and high quality housing can promote healthy, safe and culturally vibrant communities that help attract and retain the high quality workforce the region's economy needs.

Actions

- > protect, conserve and enhance key cultural, heritage and leisure assets to maintain their intrinsic value and increase their sustainable economic contribution to the region
- > work with the leisure, cultural and tourist industries to develop those sectors to the benefit of the community and the creation of local opportunities that can help overcome social exclusion
- > ensure that the leisure and cultural needs of existing and growing communities are taken into account in planning and delivering development
- > use the skills of heritage, environment and built environment professionals to promote development which respects and enhances the existing natural, rural or urban environment.

Priority six:**enabling renaissance and regeneration of the region's communities**

The priorities set out so far define what a high quality place is by the elements it includes. We also need to address how that happens, with particular focus on the regional interventions that enable them all to be achieved.

Developing skills and sharing best practice is the focus of regional activity ultimately aimed at improving the quality of development in the region. This builds on the emerging agenda being set by the Egan Review for built environment professionals. Co-ordination of best practice and the development of skills will be carried out through the Regional Centre of Excellence for Sustainable Communities.

Community involvement is vital to a successful renaissance process. Greater community engagement strengthens the sense of ownership and pride in places and is the foundation of high quality sustainable development. While different issues may arise, community engagement is important in both urban and rural areas.

Regional Centre of Excellence for Sustainable Communities

The role of the Regional Centre of Excellence for Sustainable Communities will be to facilitate the sharing of information and skills across the regeneration sectors, urban and rural, public, private and voluntary. These all have different expertise to contribute to the best practice knowledge bank of the region. The centre will work across all these expert groups to encourage joint work programmes and partnerships. The added value of the centre will be in capturing that learning and feeding back to practitioners and policy makers. The co-ordinating function of the centre will ensure an integrated approach to regeneration funding and enable practitioners to act as champions for excellence and promoters of innovation. With its overview of the industry, the centre will also be able to function as a unique tool to monitor and advise on skills issues within the development and construction industry.

Actions

- > promote the use of the latest sustainable construction techniques, technologies and materials through regional exemplar projects and by the adoption of housing and building standards by developers and planning bodies
- > develop mechanisms to share and embed best practice in community engagement
- > raise awareness and embed the importance of sustainable development in design and planning
- > integrate funding streams to improve urban design and architecture using mechanisms such as Architecture Centres
- > ensure, in partnership with the Commission for Architectural and Built Environment and other relevant bodies, the delivery of design quality that respect and enhance the region's places
- > facilitate and enable the delivery of sustainable communities across the East of England through a Regional Centre of Excellence for Sustainable Communities.

Delivering change

At the heart of high quality places are the communities they serve. People must be empowered to help shape the future of their communities through mechanisms that will enable closer working between the public, private and community sectors. A more accessible and inclusive development process that enables participation in formulating strategies and masterplans is central to this. These strategies and masterplans should allow the adoption of a holistic approach to urban and rural renaissance.

At a regional level the Regional Centre of Excellence for Sustainable Communities will help to facilitate and enable the delivery of sustainable communities across the East of England. At a local level community-owned masterplans, development frameworks and conurbation-wide strategies should focus on measures to ensure the long-term economic vitality of places. Effective local delivery vehicles, sensitive to local needs and capacity, are crucial to implementation in some areas.

Public agencies will be guided at the regional level by a range of interlocking strategies that are both distinctive and complementary. Together, they present a coherent vision for how the region can develop to best serve its existing and future communities. Of particular importance for this goal are the regional spatial strategy, which sets the spatial development framework for the region up to 2021, the regional environment strategy, the regional housing strategy, the regional social strategy, the towns and cities strategy and action plan and local authority transport plans. Sector strategies which have a particular impact on or are driven by place are the food and farming strategy and the regional tourism strategy. The synergy between this strategy and the draft regional spatial strategy is explained in more detail in part four. At a national level the Sustainable Communities Plan is one of the most important influences on this goal.

Local delivery vehicles, including Urban Regeneration Companies and Urban Development Corporations, will plan and implement change, within a framework of local accountability and greater community engagement.

A proposal is being developed for the creation of a Sustainable Communities and Infrastructure Board. This would play a similar role in relation to goals four, five and six as the Regional Skills and Competitiveness Partnership will play for goals one, two and three. With regard to the delivery of this goal, it is proposed that the Sustainable Communities and Infrastructure Board is supported by a new Regional Centre of Excellence for Sustainable Communities and a Growth Areas Board for areas of major change.

For more information on this goal, please contact resplaces@eeda.org.uk



‘To grow and evolve our region needs high quality places to work and live, which is why my corporation supports goal four of the regional economic strategy. Thurrock has been identified as one of the key areas to help generate future economic growth and to achieve this we are tackling the issues surrounding the increase in housing which is required to meet national goals. If we can establish these fundamental building blocks everyone in the East of England will be able to achieve their potential - this is why the regional economic strategy is so important for the East of England.’

William McKee, chair, Thurrock Urban Development Corporation

GOAL FIVE:

Social inclusion and broad participation in the regional economy

What success will look like

- a significant reduction in the number of people in low paid jobs and living in poverty
- reduced exclusion through improved employment and participation in training
- an increase in the number of successful enterprises developed in deprived communities and by disadvantaged groups
- strong and inclusive communities with the capacity to reduce inequalities for the economic benefit of the East of England.

Health and social exclusion

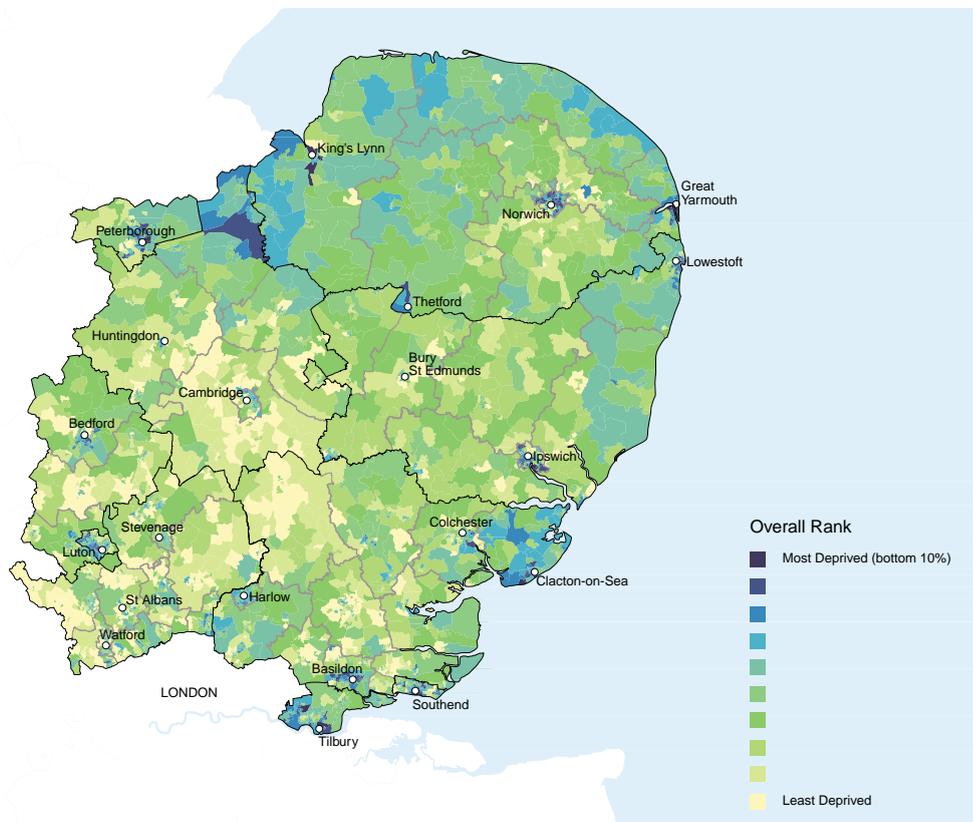
Ill-health prevents the establishment and development of sustainable communities and is a barrier to the enjoyment of the environment. Inequality and health inequality impact upon sustainability in other ways too. Persistent inequality is not only fundamentally unjust, it also makes society and its institutions less stable and prone to social conflict and crime. There is overwhelming evidence to suggest that addressing the health needs of the least advantaged is an urgent priority.

A multi-agency approach is the most valuable for delivering services, using the specialisms and knowledge of partners to provide an enhanced service to end users. A number of issues can be addressed to improve the relationship between the health and social (public) sector and the voluntary and community sector³⁵.

Social exclusion is a multi-dimensional process in which many factors interact and reinforce poverty and disadvantage. It has a detrimental effect on economic growth and quality of life and can lead to communities that are excluded from development. Lack of skills, unemployment and crime have a direct impact on businesses and regional productivity. Persistent exclusion leads to wasted potential, lower demand for goods and services, and costly pressures on welfare and public services.

The major driver of social exclusion is low income but ill health, poor skills, unemployment, poor housing, discrimination and other factors can all contribute. Because these problems are linked and mutually reinforcing, they combine to create a situation from which it can be difficult to escape³⁴.

Figure 5: Deprivation in the East of England



³⁴ 'A new commitment to neighbourhood renewal: National strategy action plan', Social Exclusion Unit, January 2001

³⁵ 'Health and social care and sustainable development in the East of England', Centre for Public Services and the Nuffield Institute for Health, January 2004

Strengthening local economies, meeting people's social needs and addressing problems of poverty and social exclusion are central to building sustainable communities. There is clear evidence that employment creation and economic growth in a community do not in themselves necessarily reduce local unemployment or increase the prosperity and wealth of local people³⁶. Achieving economic growth while reducing disadvantage and inequality is a challenge to which the region must rise in order to achieve its vision.

The East of England is a relatively prosperous region, yet it faces significant problems of poverty, disadvantage and social exclusion. Overall, an estimated 17 per cent or 884,000 people, 22 per cent of children and a quarter of pensioners are living in poverty³⁷. Around 400,000 adults, 10 per cent of the population, have literacy skills of entry level 3 or below, which is roughly the standard expected of an eleven year old. 1.4 million adults, around 30 per cent of the population, have an equivalent level of numeracy³⁸.

Poor access to essential services, pensioner poverty, low take up of benefits and low pay are all significant issues in the region³⁹.

Unemployment rates for some black and minority ethnic communities and people with disabilities are over twice the regional average rate. Twenty three per cent of 16 year olds obtain poor or no grades at GCSE.

Low pay is a particular problem in rural areas. The proportion of employees on low pay is higher in the rural East of England than it is in urban parts of the region. The most significant low-paying rural industries are agriculture, hotels and restaurants and the retail trade and, among part-time employees, health and social work. It is estimated that a full-time worker with a non-working partner would need to earn around £9 per hour to avoid income poverty⁴⁰.

Generally, access to the appropriate transport services is a key issue in the region's rural areas. Access to services however, is not just about physical access. It can include other barriers such as cultural, financial and language barriers or inappropriate forms of service delivery. Poor information and lack of trust in service provision can also prevent individuals from accessing essential services. Some population groups such as low income households, lone parents and some black and minority ethnic communities are much more likely to lack basic services such as a bank account or household insurance⁴¹. Older people are particularly at risk of social isolation. Sixty per cent of single pensioners in the region's rural districts do not have a car, and the proportion receiving help from social services to live at home is lower than in other parts of the country⁴².

Spatial dimension

There are concentrations of deprivation in particular areas or neighbourhoods, typically some urban centres, coastal areas and rural areas in the north of the region. However, the pattern of exclusion and deprivation is not only area-based. While the scale of these problems across the region is significant, they are not always picked up by statistical indicators which focus on ward averages or rankings. This is particularly true in rural areas. Indeed, many of the problems the region faces are no different to those that exist across the country as a whole. The differences between geographic areas are typically smaller than those between population groups⁴³. Some groups – such as some black and minority ethnic communities, travellers, refugees and asylum seekers, disabled people, lone parents and the elderly – are particularly vulnerable and face unacceptably high risks of unemployment or disadvantage which need to be addressed wherever they occur.



The importance of improving productivity in all sectors, including the public and voluntary and community sector is highlighted under goal two

36 'Business-led regeneration of deprived areas: a review of the evidence base', Research report 5, ODP, 2003

37 'Households Below Average Income 1994/95 – 2001/02', Department for Work and Pensions, 2003

38 'The skills for life survey – a national needs and impact survey of literacy, numeracy and ICT skills', DFES, 2003

39 'Regional social strategy: a strategy to achieve a fair and inclusive society in the East of England', EERA, draft February 2004

40 Ibid

41 'Monitoring poverty and social exclusion 2003', Palmer G North J Carr J and Kenway P, Joseph Rowntree Foundation, 2003

42 'Poverty and social exclusion in rural East of England', New Policy Institute for the Observatories Social Exclusion Partnership, March 2004

43 Ibid

Investing in communities

The investing in communities programme represents a direct response to the challenges particularly highlighted in goal five. It promotes a holistic approach to social inclusion, by supporting long-term strategic planning to tackle disadvantage and by encouraging the co-ordination of public sector resources and interventions to deliver agreed priorities. The programme offers a real opportunity to develop long-term regeneration programmes to help address the specific needs of the most disadvantaged communities. It is highlighted in the regional social strategy, through the inter-agency recommendations and actions, as an example of the way coherent, joined up regeneration programmes can be developed through a partnership approach. It is intended that the investing in communities programme will contribute to the delivery of other goals of the strategy.

LINK

Skills for young people are discussed in more detail under goal one, priority two

LINK

Employment issues are also highlighted in goal one, and work under these two goals will be progressed in parallel to take forward this agenda

Regional priorities

There are a number of strategic objectives, policies and actions that have been agreed regionally, which are central to supporting local action and providing a framework for tackling social exclusion. These are set out in the regional social strategy. The regional economic strategy complements the social strategy by focusing on those priorities and interventions that have a specific economic focus.

Priority one:

supporting those who are disadvantaged to achieve their potential

Supporting people and communities to achieve their potential is important to reduce inequalities and for the growth and success of the region's economy. This support should be targeted not only at learning and skills needs, but also at addressing the wider barriers to participation and performance, such as crime, ill health and poor housing.

Building social capital can help mitigate the effects of exclusion in all parts of society. It is important to ensure that people of all ages are involved in community life and widen their social networks, and so are able to contribute more fully to the development of the region.

Actions

- > promote learning opportunities that support individuals to improve their skills for life and employability
- > raise the aspirations and achievements of communities, particularly focusing on young people
- > harness the skills and talents of older people who wish to work or play an active role in their community, for example through volunteering
- > build social capital by strengthening links between people, within and between neighbourhoods, and promoting community leadership.

Priority two:

supporting disadvantaged communities and groups to access sustainable employment opportunities

A high priority for the regional economic strategy must be to support the creation of wealth and growth in ways that are sustainable and that benefit all parts of the region and all sections of the community. Employment is the single most effective means of tackling poverty⁴⁴. Creating sustainable jobs and helping people to access local employment opportunities is central to local regeneration strategies. In addition, policy interventions to reduce income inequalities and promote community economic regeneration need to be tailored to local circumstances and be implemented in a holistic way. Job creation and enterprise policies should be developed alongside improved infrastructure, community services, learning provision, childcare and other services which enable all parts of the community to benefit.

Issues faced by communities are often complex and need to be addressed from many different aspects. It is especially important that social issues are addressed in alignment with employment and skills issues.

⁴⁴ 'Jobs for all', report of policy action team 1 for the Social Exclusion Unit, Department for Education and Employment, 1999

Actions

- > tackle barriers to work and promote access to employment for groups currently under-represented in the labour market such as disabled people, the over 50s, women and carers
- > support the delivery of comprehensive and holistic community regeneration programmes in deprived communities of interest and place
- > help maintain employment, services and facilities in villages and rural areas.

Priority three:

improving prospects for better quality employment

Poverty and social exclusion are not just about unemployment. Nationally, two-fifths of low income households have someone in work⁴⁵. The rise of a dual labour market in the region, with an increasing number of high level occupations at one end of the spectrum and low paid, lower level occupations at the other, means that those at the lower end can become trapped in insecure work, with low wages and poor terms and conditions. Low-paid workers are very unlikely to receive any job related training which would help them progress to a better job in the future⁴⁶.

Improving conditions of work through work-life balance policies, provision of childcare and practices that promote the health of employees, can have direct benefits for business competitiveness. There is some evidence that companies with family friendly policies have better financial performance and productivity⁴⁷. A healthier workforce leads to a reduction in working days lost due to sickness, higher productivity at work as well as less pressure on services.

The commitment of all employers, public and private, in the region is essential. The public sector is a major employer. It is responsible for almost £2 billion worth of expenditure on goods and services every year in the region⁴⁸. There is a huge potential to change corporate practices, including procurement, in order to support local employment and to help achieve sustainable development objectives.

Actions

- > promote socially responsible and sustainable practices among both private and public sector employers
- > work towards maximising the social benefits of public sector procurement, employment and other corporate policies
- > enhance vocational training and progression opportunities for individuals in low value jobs.



Social enterprise and the role of enterprise in tackling deprivation are further explored under goal two, priority five



Goal one highlights the issue that addressing the quality of jobs is as important as access to jobs



Corporate social responsibility is also explored in goal two, priority five

45 'Monitoring poverty and social exclusion', Palmer G North J Carr J and Kenway P, Joseph Rowntree Foundation 2003

46 'Poverty and social exclusion in rural East of England', New Policy Institute for the Observatories Social Exclusion Partnership, March 2004

47 'The nature and pattern of family friendly employment policies in Britain', Dex S and Smith C, Joseph Rowntree Foundation, May 2002

48 'Health & social care and sustainable development in the East of England', Centre for Public Services and the Nuffield Institute for Health, January 2004

LINK

The importance of social and transport infrastructure for community development is highlighted in goal four, priority two

LINK

Goal seven explores how ICT infrastructure and services can enable communities and people to have better access to learning and other services

Priority four:

providing improved access to essential services

Access to services, transport and information is key to achieving an inclusive society. There is a need to adapt and to increase services in the region to meet the changing needs of the population. For example, there are recognised needs for housing and services to serve the ageing population in many of the region's towns⁴⁹. The region also needs to ensure that access to services in certain population groups, such as low income households, lone parents and some black and minority ethnic communities, is provided. The East of England faces a huge challenge to plan and provide the infrastructure and services necessary to accommodate the growth planned for the future.

The region's rural households have poorer geographical availability of key services compared to the average for rural England. Even for those rural dwellers with access to private transport, the loss of local service outlets increases the costs of accessing services with a negative impact on their quality of life. The best way to reduce the need to travel and revitalise local communities is to maximise the number of services provided in local communities.

Actions

- > promote access to savings and credit schemes with appropriate advice and support
- > implement innovative and sustainable ways of delivering accessible services to rural communities and promote integrated service delivery
- > strengthen infrastructure support for the voluntary and community sector.

Priority five:

tackling discrimination experienced by communities or individuals

Supporting the development of a more sustainable economy cannot be separated from creating a more inclusive society. Opportunities generated throughout the region within each of the goals in this strategy must be available to all communities, including those that regularly encounter discrimination and disadvantage. In the East of England, those often facing particular disadvantage include black and minority ethnic communities, refugees and asylum seekers, disabled people, older people and the young.

Embracing diversity also has direct benefits for the competitiveness of businesses. A diverse workforce has a wider range of ideas, strengths, skills and talents and higher levels of creativity and innovation. The region should proactively promote diversity, embedding policy and practice across all programmes, going beyond simply meeting legal requirements. A significant shift is required in attitudes and practices to help transform the lives of disadvantaged groups. This will only come from local, sub-regional and regional organisations mainstreaming equality and diversity across all their policies and practices, not merely those relating to social inclusion. Continually monitoring the impact of these policies and practices will be a key element of success.

Actions

- > promote equality and diversity in policies, programmes and service delivery across the region
- > introduce effective mechanisms to monitor the mainstreaming of diversity policies and practices
- > promote full sustainability appraisal of regional policy and programmes to plan and monitor equality and diversity standards.

49 'The implications of an ageing population for the sustainable development of the East of England', Population Ageing Associates, June 2003

Delivering change

The regional social strategy, led by EERA, sets out the region's strategic objectives, policies and actions that provide a framework for tackling social exclusion and support for local action. The priorities under this goal complement the objectives set out in the social strategy.

Because of its multi-dimensional and cross-cutting nature, social exclusion can only to be addressed by agencies working in collaboration and partnership. The voluntary and community sectors and the public sector have a key role in tackling the issues faced by the region. It is important to achieve a good balance between them ensuring that services are delivered in a sustainable and efficient way.

Local strategic partnerships and community strategies also have a role to play in this process, as they represent an important mechanism for developing joint strategies, investment and action plans. Although some issues, such as crime can only be addressed successfully at a local level, a strategic approach is required to identify the causes and appropriate responses by the community in partnership with the police and other key organisations.

A proposal is being developed for the creation of a Sustainable Communities and Infrastructure Board. This would play a similar role in relation to goals four, five and six as the Regional Skills and Competitiveness Partnership will play for goals one, two and three. It is proposed that the Sustainable Communities and Infrastructure Board would incorporate a Community Development Board as lead partnership for goal five.

For more information on this goal, please contact resinclusion@eeda.org.uk



Pictured above: M Iqbal at Andaaz, his family's business, in Bedford

'MENTER, the Black / Minority Ethnic Network for the Eastern Region is pleased to be associated with the regional economic strategy which recognises that social inclusion and participation are key factors in economic and environmental regeneration. The goals and priorities of this strategy prove that it is based on an understanding of all the people in this region and that if inequalities continue to grow this will damage the well-being of all.'

Kuldip Rupra, chair, MENTER

GOAL SIX:

Making the most from the development of international gateways and national and regional transport corridors

What success will look like

- greater competitive advantage secured as a result of strategic transport infrastructure investments around key ports and airports in the region
- efficient and sustainable movement of goods and people both within and across the region
- greater business, employment and regeneration opportunities supported by the region's international, national, regional and local transport infrastructure
- efficient use of sustainable transport
- sustainability considerations are properly taken into consideration in the planning of any new developments.

The ability to transport goods, services and people efficiently is crucial for modern, open and competitive economies that rely heavily upon intra-regional and international links. The East of England is in a prime location - it is close to London, connects the Midlands, the north of England and Scotland with the capital, and links the UK with the continent. The region also has the opportunity to take full advantage of major airport and seaport expansion plans and associated rail freight enhancements.

Our air and seaports serve an international, national and regional economic function, as well as supporting growth and assisting the regeneration of local economies. They are catalysts for business and enterprise development, providing gateways to important European destinations and beyond⁵⁰. The recent aviation white paper sets a framework for airport growth to 2031⁵¹. This reflects the national importance of aviation activity and represents an important material consideration in managing economic change over the coming period. The region needs therefore to plan positively and sustainably to capture the economic and social benefits of airport growth, most notably at Stansted and Luton, together with the continued role of our other airports, while ensuring that, as far as possible, adverse impacts, notably environmental impacts, are minimised and mitigated. This approach is particularly important because consultation on the revised draft regional economic strategy has shown that there is no regional consensus about the extent of airport expansion, particularly at Stansted. There is a divergence in policy terms between this strategy and the draft regional spatial strategy. This is more explicitly referred to in the accompanying statement of synergy between the two strategies and in part four of this strategy.

There are plans for important further developments at the region's seaports. A tri-regional ports study outlines the need to provide the necessary expansion of ports within the greater south east to meet capacity shortfalls⁵².

Both airports and seaports are dependent upon high-quality transport and connections for the efficient movement of freight and passengers. It is essential that co-ordination frameworks and investment mechanisms are in place to realise the highest economic benefits associated with airport and port expansion.

Car ownership in the region is above the national average and road traffic has continued to increase, owing in part to the region's rural character⁵³. The East of England also contains some of the UK's most heavily used transport infrastructure. In addition to serving the needs of local residents and businesses, the region's road and rail networks handle national and international traffic. An historic lack of investment in transport infrastructure means that some parts of the transport system are already at capacity, resulting in congestion, which undermines the competitiveness and productivity of local economies and the region as a whole. The road and rail networks of the region are very much focused on London. This radial system combined with poor east to west connections limits opportunities for inter and intra-regional movement.

50 'The Future Development of Air Transport in the United Kingdom', York Aviation, 2003

51 'The Future of Air Transport', Department for Transport, December 2003

52 'South East England, London and East of England Regional Ports', South East and Anglian Ports Local Authority Group, June 2002

53 'Regional Trends 2004', Office for National Statistics, 2004



THE ENVIRONMENTAL DIMENSION

A modern and efficient transport network is essential for a growing economy. Public transport solutions, such as improved rail services, offer an opportunity to reduce environmental impacts. However, new road, rail and airport infrastructure has to be reconciled not only with the potential for adverse local environmental impacts of transport investment, but with the greater challenge of global warming and international targets to reduce CO₂ emissions. As transport is a major contributor of CO₂, one of the region's major challenges is to maintain economic growth while tackling its adverse environmental impacts, for example by reducing the need to travel. The government's agenda is supporting the sustainable expansion of ports and airports as gateways to international markets. The regional economic strategy seeks to capitalise on the economic and employment opportunities provided by these developments while securing positive and meaningful mitigation measures to address environmental impacts through the master planning and statutory processes. Each proposal and scheme will be assessed through the appropriate appraisal process against sustainable development criteria.

Figure 6: Major transport routes and gateways in the East of England



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Source: EEDA

Spatial dimension

The East of England must ensure that infrastructure is in place to meet the demands of those areas experiencing faster economic growth. Infrastructure is also required to address congestion and improve transport links to London. In areas of deprivation, improved accessibility, via road, rail and other public transport improvements, are an important part of a wider package of measures that will deliver regeneration and economic benefits to the region. Better transport links between regeneration areas and areas with stronger economic growth will also increase opportunities for both locations. Rural and coastal areas have particular access issues which need to be addressed with appropriate infrastructure for supporting both employment opportunities and access to service centres.

Regional priorities

The levels of growth now planned for the East of England provide an opportunity to remedy some of its weaknesses in transport infrastructure. This requires the region continuing to apply a multi-modal approach to problems and develop new ways of funding transport schemes. Opportunities for international collaboration should be taken where appropriate, for example through European Union funding. Trans-European Networks can also play an important role in helping to deliver our priorities in the East of England.

The draft regional spatial strategy incorporates the regional transport strategy (RTS) for the East of England. It is not the purpose of this strategy to repeat the priorities set out in the RTS, but to highlight those elements which are of particular significance for the region's economy and underline the importance of investment fundamental to the region's success.



More information about sectors is provided in Part three

Priority one:

taking advantage of the opportunities from sustainable airport expansion in the region

The region's airports are important assets which act as drivers for growth and regeneration and will play an important role in improving the region's competitive strength and attractiveness as a business location and tourism destination. The aviation white paper states that there will be an increasingly severe shortage of runway capacity at the major south east airports over the remainder of this decade. In particular, the scale of expansion envisaged in the aviation white paper, especially for Stansted and Luton, represents a step change opportunity in this regard. The government believes the expansion of Stansted will strongly complement the realisation of its regional and sub-regional growth objectives. Airport growth can also have a strong positive impact on the regeneration of some of the region's most deprived locations, such as Harlow, Luton and the Thames Gateway.

Regardless of future Government decisions on airport capacity at Stansted, the Stansted/Harlow sub-region is set to grow strongly, reflecting employment-led growth in the service and high-technology sectors. The continued expansion of Luton Airport has the potential to play a key role in delivering employment led growth in the Luton area, providing a strong basis for economic regeneration and a catalyst for inward investment. The growth of Norwich and Southend airports will also be important in ensuring the region remains an attractive location to businesses.

It is essential that the region maximises the direct and indirect economic and regeneration benefits of airport growth. To achieve this, the region needs to develop policies and strategies that integrate airport growth with regeneration strategies, the supply of high quality and quantities of employment space, and the delivery of high quality road and rail infrastructure. The region needs to support and promote air routes that businesses value, such as connections to major European hubs and capitals and regular scheduled services to the United States. Growth in passenger numbers, freight movement and employment opportunities must be matched by prioritisation of schemes designed to improve surface access, and their timely incorporation into investment programmes.

Actions

- > sustainably develop the potential of the region's airports to support job growth and provide business opportunities, through skills training and provision of business infrastructure
- > support the sustainable expansion of airports including proposals progressed as a consequence of the aviation white paper, while seeking to minimise the negative environmental and quality of life impacts of airport expansions
- > support the implementation of road, rail and public transport improvements to airports in tandem with airport capacity expansion, to enable the region to benefit from additional air services and minimise adverse local impacts
- > support and promote the establishment of airline routes that meet business needs.

Priority two:**making the most of our gateways to the sea**

The region's ports serve a key role in the regional, national and international economy and it is essential that an inclusive strategy covers freight as well as the movement of people. Investment in and expansion of ports will consolidate and strengthen their role as international gateways. It is recognised that major ports within the region such as Harwich and Felixstowe have a national role in freight distribution. Others, such as Lowestoft, Ipswich and Great Yarmouth have more localised niche markets. Smaller ports on the region's coastline attract various leisure activities. Some of these areas can also take advantage of the potential to widen their economic base away from traditional maritime activity by their gateway potential. Ports are positive contributors to the regional economy and those situated in, or close to, deprived areas such as the Haven Ports, and those proposed in the Thames Gateway, can have an important regeneration role.

To remain competitive, ports require off-site transport infrastructure of the right quality and quantity. Sometimes the investment required may be small scale and local. For the major ports in particular, efficient access, especially by rail, from dockside to destinations across the country is critical to achieving their full potential and delivering sustainable freight movement.

Actions

- > develop the potential of ports and their surrounding areas for job growth and business opportunities, through, for example, skills training and provision of business infrastructure
- > support sustainable port expansion proposals and port-related developments that enhance local regeneration projects
- > develop enhanced access to ports, in tandem with port expansion plans, and increase the proportion of freight travelling by rail with particular emphasis on rail freight interchanges and the Haven Gateway–Nuneaton rail freight route
- > support appropriate reassessment of regional and sub-regional transport investment plans in the event of major port expansion plans, such as London Gateway and Bathside Bay.

Priority three:**promoting the delivery of strategic road, rail, and other public transport priorities for the region**

The region needs to reduce congestion in transport routes, especially in those that fulfil a major national or regional role, by investment and managing demand on the network. Transport connections within the region, especially east to west, fall below reasonable expectations both for travel within the region and for connecting the East of England to other regions. Better east to west links are needed to help create a wider choice of viable locations and therefore greater flexibility to business and employees. Good transport links are also essential to support the development of economic corridors in and beyond the region.

Better connectivity between different modes of travel is a prerequisite for the efficient functioning of the transport system in the region and is essential if demand is to be increasingly met by more sustainable means. Investment in improving the region's major interchange centres is therefore key to the development of the region's transport infrastructure, alongside public transport investment.



More information about economic corridors is contained under goal three, priority five

Actions

- > support the implementation of the regional transport strategy, particularly investment in the creation of a strategic inter-modal network, and those projects that demonstrate high economic benefit without erosion of environmental capital
- > demonstrate the broader sustainable economic case for transport infrastructure improvements
- > support improvements to the strategic public transport network, to move towards a minimum of hourly train services between the principal towns and cities of the region
- > secure investment in major interchange centres.

Priority four:

ensuring that transport solutions serve economic growth in a sustainable manner

A vibrant regional economy needs excellent strategic and local transport infrastructure. This requires investment whether to serve new centres of growth, to address congestion or to improve connectivity. Yet the form that this investment takes will not always be in the direction of increased road capacity. The regional transport strategy for the region will support a spatial strategy designed to achieve focussed and balanced growth thereby reducing the need to travel, especially by car, and seeking to secure transport provision alongside new development. Increasingly, supportive infrastructure will consist of multi-modal solutions requiring the co-operation of developers and operators as well as public sector investment. Innovative funding mechanisms such as charging solutions complement traditional public sector funding sources. Such approaches also have the potential to release road capacity for essential journeys and increase productivity.

Actions to reduce unnecessary car journeys will often be the responsibility of local transport plans, for example through safer journeys to schools initiatives, green travel plans and public transport support. It is also appropriate to seek support for major investment, for instance, in inter-urban rail services and ICT infrastructure, encouraging more sustainable modes of transport and patterns of working.

Transport plans will also need to consider that due to the rural character of much of the region, reducing car journeys is a key challenge in some areas. Improving access to services in rural areas often depends on improving the transport infrastructure. Transport is also a key element of realising the potential of market towns to act as service centres for their rural hinterland, as well as tackling social exclusion in rural areas.



More information about local transport and other infrastructure is provided under goal four, priority two – linking housing, jobs and transport

Government transport schemes

It is essential that schemes supported by the Department for Transport continue to be advanced as quickly as possible to support the economic development of the region. These schemes include:

- A14 improvements between Cambridge and Huntingdon
- M1 junctions 6a-13 widening
- A5/M1 link (Dunstable Northern Bypass)
- A421/M1 to Bedford dualling
- M11 junction 8-9 widening
- M25 junction 16-30 widening
- A12/M25 Brooke Street interchange improvement
- A12/M25 to Chelmsford widening
- A120 Braintree to Marks Tey dualling.

Further continued support is also required on a series of other transport schemes to ensure entry into the targeted programme of improvements.

LINK

The role of R&D and innovation in the region's economy is discussed in more detail in goal three

The Greater Anglia franchise

The first of the new generation of rail franchises is the Greater Anglia franchise. As such, it provides not only for more coherently planned commuter services in the region, but for the proper scheduling of maintenance work and freight paths. This will increase service reliability. The modest station improvements incorporated into the franchise need to be supplemented by investment through local transport plans, section 106 contributions and other mechanisms to deliver an improved travel experience. The particular opportunities presented by increased housing development in the Growth Areas must be grasped to ensure that enhanced land values can be harnessed to maintain a momentum of improvement, despite the rail industry's capital spending constraints.

Actions

- > support the delivery of the appropriate mix of strategic transport modes for the region to develop sustainably and in particular support major investment in inter-urban and rural rail services
- > support initiatives that properly maintain and make best use of existing transport infrastructure
- > ensure that the principle of reducing travel need is considered and aligned in transport and economic planning strategies in the region
- > support initiatives that promote reduced car use and travel demand, such as teleworking, car pooling, local sourcing of goods and services, travel plans and ICT infrastructure
- > encourage R&D and its application in the development of innovative transport and communication modes, technologies and environmentally benign fuels.

Priority five:

understanding and addressing the importance of transport links with London

The region provides a geographical link between UK regions and the continent, and has the strongest transport links with the greater south east. Job opportunities, transport and housing costs and quality of life influence the pattern of commuting flows between the three greater south east regions. This economic inter-dependency is important to all three regions. Proper understanding of the relationship with London is key to ensuring that commuting and congestion issues are properly addressed.

Outside London, there is commuter resistance to changing trains or using more than one mode of public transport on the journey to work. This provides a major challenge to provide more through-services and additional station parking to meet both peak and off-peak demand.

Actions

- > provide greater employment opportunities within the region to support the existing settlement pattern and to reduce the need to commute
- > seek to achieve increased capacity, reliability and more frequent rail links between London and the East of England, with improved facilities at stations
- > ensure that new investment in Greater London rail infrastructure addresses the needs of the region's commuters and that the Strategic Rail Authority's route utilisation studies give proper weight to commuting needs alongside those for longer distance travel
- > support traffic management schemes designed to ease congestion.

Delivering change

The East of England's draft regional spatial strategy incorporates the regional transport strategy which sets a policy framework and specific strategic rail and road network priorities for the region. The regional economic strategy complements the transport strategy and the infrastructure investment plans and priorities it identifies⁵⁴. The greater south east has also produced a regional ports study that identifies potential capacity shortfalls and the need to provide for expansion to meet increased demand.

The East of England needs to seek ways of accelerating the delivery of those parts of the transport strategy that will deliver the greatest economic benefit to the region. One way to do this is through improved partnerships.

Subject to evaluation of the pilot Regional Transport Boards in the South East and Yorkshire and Humberside, the East of England will establish its own Regional Transport and Infrastructure Board to provide strategic leadership for transport and advocate the region's transport policies and priorities related to this goal. A Regional Transport and Infrastructure Board, when established, will demonstrate strategic leadership, advise on innovative mechanisms for funding and advocate the region's policies and priorities for transport and their links with environmental, social and economic interests. A proposal is also being developed for the creation of a Sustainable Communities and Infrastructure Board. This would play a similar role in relation to goals four, five and six as the Regional Skills and Competitiveness Partnership will play for goals one, two and three. It is proposed that the Regional Transport and Infrastructure Board would lead on goal six, under the guidance of the Sustainable Communities and Infrastructure Board.

For more information on this goal, please contact restransport@eeda.org.uk

⁵⁴ In supporting the regional transport strategy, the economic benefits and case for transport infrastructure will be supported by the outputs of the 'Surface infrastructure of national economic importance (SINEI)', study (Faber Maunsell and Ecotec Research and Consulting, January 2004), and subsequent studies.



‘We are delighted that the regional economic strategy recognises and places such importance on the transport infrastructure in the East of England. This is critical not only to the development of our economy as a whole, but is supportive of the lifestyle we all now expect and enjoy.’

John Bridge OBE, chief executive, Cambridgeshire Chamber of Commerce

GOAL SEVEN: A leading information society

What success will look like

- successful exploitation of e-business opportunities among the region's SMEs
- more people confident and skilled in the use of ICT
- region-wide broadband coverage with level of take up comparable to leading global regions
- global leadership in the development and supply of ICT products and services.

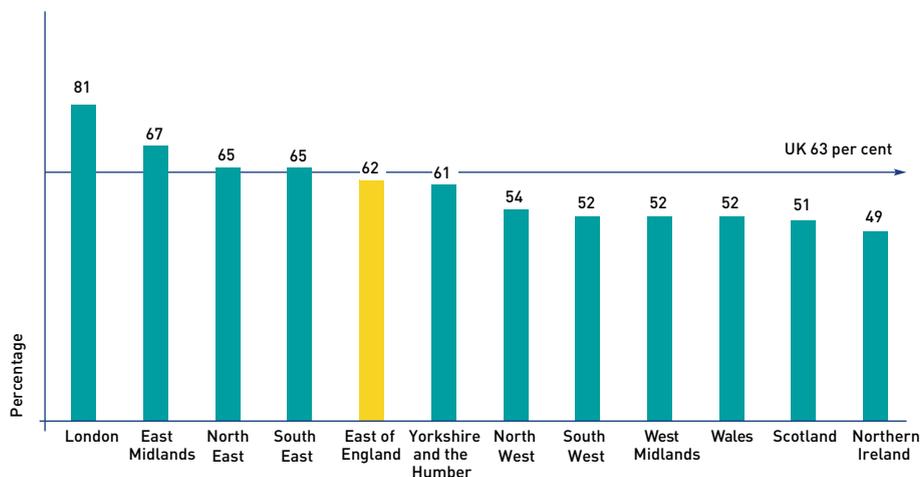
ICT has been the main driver behind the growth of most western economies over the past two decades. Around 66 per cent of the growth in labour productivity in the UK between 1995 and 2000 was in ICT intensive sectors. The main ICT development in recent years has been the growth of broadband as an enabling technology⁵⁵. However, ICT solutions continue to evolve, and current broadband solutions will not necessarily meet the aspirations and needs of our region's businesses. The region needs to be at the forefront of innovating, developing and using globally-competitive products and services based on the latest developments in ICT.

Estimates of the future economic effects of ICT developments vary considerably. One study estimates that the productivity benefits derived from the widespread adoption of broadband could add £21.9 billion to UK GVA by 2015. This puts broadband and related ICTs on the same level of importance as the introduction of electricity in the late nineteenth/early twentieth century⁵⁶. Employment benefits deriving from e-commerce are estimated at three indirect jobs for every direct job created⁵⁷.

Studies show that, in general terms, small businesses are less able and prepared to make use of the benefits of ICT than larger organisations – with 45 per cent of micro-businesses and 69 per cent of small businesses using new technologies, such as having a website or using email compared with 98 per cent of large companies⁵⁸. In view of the increasing number of the workforce employed in small businesses, the level of take-up and use of ICT by SMEs will have a significant effect on the future growth of the region's economy.

Figure 7: UK Businesses with broadband technology 2003

Businesses with ADSL/SDSL leased lines, cable modems and wireless broadbands



Source: Eastern England Regional ICT benchmarking study, 2003

55 Rand Corporation, November 2003

56 'The economic impact of a competitive market for broadband', Centre for Economics and Business Research Ltd, November 2003

57 EU, FAIR Project

58 'Eastern England: Regional ICT Benchmarking Study', Hi Europe for EEDA, 2003



THE ENVIRONMENTAL DIMENSION

Recent research shows that teleworking and other flexible working practices can have a number of positive effects on the environment, even though much of the impact of ICT is at present relatively marginal⁵⁹. In the future, widespread adoption of flexible working practices, as well as increased on line shopping, could help reduce the demand for travel. Should video telephony and video conferencing come into general use, the number of physical business meetings and the need to travel is expected to fall. Furthermore, not needing to keep safety stocks of goods in each store can lead to a reduction in inventory and therefore less wastage if goods remain unsold. In the case of digital media items (music, films, etc) distribution could become purely electronic, avoiding the need for physical materials such as plastics and packaging. Developments in ICT can also result in the production of an electronic version of a product, which would otherwise have consumed more raw materials and energy in its production and distribution.

It is important we do not restrict our ambitions to current ICT products and services, such as ADSL-based services. Looking forward, it is expected that new technological developments will have a major impact on the industry over the next few years. These changes will bring opportunities for SMEs, in particular to upgrade their ICT capabilities, to a level previously enjoyed only by large companies, with the attendant gains in productivity and profitability. More flexible patterns of working will also become possible as systems will increasingly enable collaborative working between staff in different locations.

The overall level of penetration of internet technologies in the East of England is at similar levels to the rest of the UK. However, in the region's rural areas accessibility to high speed connections is lagging significantly behind urban areas. This is causing problems both to existing businesses that are increasingly expected to have access to internet facilities by their customers or suppliers, and also in terms of attracting new business investment into the rural economy.

Where broadband is available in the region, the rate of take-up is above the national average, suggesting that awareness of the benefits of high speed connections is relatively strong. According to a recent study, six out of ten residents in the East of England already use a computer at least twice a week, the second highest rate in the UK. However, the percentage of businesses trading electronically in the region has recently fallen below the UK average. The study also looked at cultural attitudes to the use of new information technologies. This indicated that while management attitudes to technologies in the region are broadly in line with the rest of the country, there are indications that the attitude and skill sets of staff could be a barrier to implementing technology in the future⁶⁰.

Where access is available, ICT infrastructure has the potential to reduce barriers to learning. However, many people do not have the ICT skills to exploit these opportunities. This is especially important for rural areas, where a focus on infrastructure developments with skills initiatives could create new opportunities for rural dwellers to improve their business productivity and access learning initiatives. Increased use of ICT will also provide a means for supporting more flexible working practices that could help address labour shortages and issues related to work-life balance.

Spatial dimension

There is a wide variability within the region of access to internet technologies. To a greater degree than in other English regions, the population of the East of England is distributed in small settlements and sparsely populated areas. This geographic make up has a strong influence on the availability of broadband networks. The urban areas in the region are well-covered, as suppliers are able to connect more households from a single exchange. However, the cost of providing cable and associated infrastructure to the more dispersed smaller settlements is viewed as uneconomic by many suppliers.

BT has announced that it plans to roll out ADSL services to all but the last 565 exchanges, that service around 0.4 per cent of the UK population, by summer 2005. This should mean a wider availability of mass market broadband services across the region, and less need for public sector intervention at this level. However, in the short-term broadband access in rural communities will continue to be a challenge. It is also likely that a small minority of the region's rural population will still not have access to a mass market broadband product despite BT's plans.

⁵⁹ EU-funded study undertaken by Sustel into Sustainable Teleworking available at www.sustel.org

⁶⁰ 'Eastern England: Regional ICT Benchmarking Study', Hi Europe for EEDA, 2003

Support for ICT skills is a region-wide priority, although problems are more marked in deprived communities where ICT skills tend to be lower. Using ICT to deliver more flexible learning opportunities can be of particular benefit to the more remote areas of the region.

In terms of the development of ICT products and services, the East of England hosts a strong ICT business community, including a telecoms research cluster around Adastral Park in Suffolk. This is a major regional and national asset. Further development to strengthen the links between the research community and the private sector could help build a regional ICT sector of international significance.

Regional priorities

The region needs to build on its leadership in the development and use of new and innovative ICT technology and services. We should maximise the ability of enterprises to take advantage of such developments by ensuring that both high speed data connections and innovative services are available throughout the region. It is important for the productivity of the region that businesses make use of these advances as they appear. As high speed access becomes more prevalent, the 'digital divide' will become less about basic network access and more about the divide between those with the necessary skills to use and exploit ICT and those without. The region needs to capitalise on its strengths in software and services, multimedia and other ICT industries to be at the forefront of the development and supply of the next generation of ICT.

Priority one:

promoting the use of network based technologies among businesses, organisations and individuals

Although there is a relatively strong take up of broadband services in the region, more still needs to be done to ensure the benefits of internet technologies are fully understood. This does not just involve promotion of the benefits of the speed and capacity of broadband, but a better understanding of how ICT as a whole can be better exploited by organisations to bring about more innovative working practices.

In the short-term, the benefits of e-commerce, including on line procurement, need to be promoted among SMEs across the region. While the focus should be on SMEs, we should not overlook the voluntary and public sector, as well as larger companies. Productivity gains and the reduced costs that will result from the adoption of new technologies and working practices by the public and voluntary sectors will have a beneficial effect on the regional economy. Furthermore, although most large private sector companies have relatively advanced ICT capabilities, the region's major employers still need to be made aware of the potential inherent in new ways of working and new services so that they can compete effectively with their global rivals. Managers should recognise the need to develop their staff's IT skills. Additionally, established companies should be made aware of the challenges posed by emerging technologies and services to their existing products in a sufficiently timely manner to enable them to react.



The role of research establishments in the regional economy is explored in more detail in goal three



Issues surrounding environmental good practice are explored in goal eight, priority two

Awareness also needs to be raised about the ways in which ICT usage can support flexible working practices and potentially bring about environmental benefits.

The public sector can help promote the use of ICT, through its own practices. This can include adopting new technology and encouraging flexible or teleworking practices among its own staff, as well as using public sector on line procurement to encourage SMEs to use e-business.

Actions

- > raise the awareness of the benefits of ICT and broadband technologies through the use of promotional material and specialist advisors
- > encourage SMEs and the voluntary and community sector in the region to adopt e-commerce and trade on line
- > support the development of mobile and remote working using ICT through the promotion of the teleworking toolkit
- > raise business knowledge about emerging technologies and services, that could represent new risks or benefits to the region's economy.

Priority two:

ensuring that the capacity and coverage of our data communications infrastructure keeps pace with the needs of a knowledge economy

Although ADSL coverage is likely to be much more widely available across the region by 2005, in the short-term, the provision of broadband to the region's most remote rural areas will continue to be a key challenge. While the development and provision of broadband infrastructure will remain primarily the responsibility of the private sector, the public sector has a role to play in stimulating demand and facilitating access to broadband services in remote areas of market failure.

Through bodies such as the the Regional Aggregation Body (RAB) for the East of England, actions will be supported to aggregate public sector demand for broadband at a regional level, thereby offering a more attractive market for infrastructure providers and facilitating better value deals for the public sector. We will also work to ensure that public sector procurement policy results in a growth in infrastructure in target areas, which can then be made available to community groups or service providers. Target areas can be described as those where there is no mass market broadband infrastructure, or where there is low take-up of broadband. This will have the effect of encouraging businesses to locate in more isolated or deprived areas.

In the long-term, the typical ADSL product may not offer the speed and capacity that businesses require to remain competitive. The broadband stakeholders group reported to the UK Government in 2003 that 'demand for bandwidth is likely to continue to increase over the next decade. To meet this demand it will be desirable at some stage to deliver the next generation of broadband services as widely as possible across the UK. To do this will require significant new investment in a range of different technologies slightly ahead of the development of mass market demand.⁶¹ It is therefore important that the region and the UK as a whole is not left behind in supplying higher speed connectivity to businesses and residents. The public sector has a role in piloting innovative leading edge high-bandwidth services, as long as these do not compete with existing private sector offerings.



Further information on creating employment opportunities in deprived areas is contained in goal five, priority two

Actions

- > support and develop initiatives which encourage the progression of broadband access in target areas by supporting community groups and rural internet service providers
- > use opportunities offered by the aggregation of public sector demand and the creation of public sector networks to upgrade broadband infrastructure in target areas
- > encourage dialogue between the public sector and network providers to explore next generation network provision solutions, including the trial of pilot solutions.



More information on skills development and training is covered in goal one

Priority three:

improving the skills and ability of people to make effective use of ICT

As broadband infrastructure becomes more widely available, the key challenge will be to ensure that the region's working population has adequate skills to fully benefit from the opportunities that ICT offers. Actions to improve ICT skills should not be treated in isolation, but closely aligned with efforts to improve basic literacy and numeracy, a prerequisite for ICT training. It should also form part of workforce learning initiatives where appropriate.

Actions to improve ICT skills should focus on specific communities of interest and of place where use of ICT is currently underdeveloped. This could include a focus on those that may not previously have had access to internet technologies in their educational or business background such as older people or parents re-entering the workforce, or those that live in areas where there has previously been limited internet access, such as rural dwellers.

The use of ICT can also widen access to learning, particularly in more remote areas, as it can overcome the physical distance to training and accommodate more flexible learning.

In terms of specialist skills, the region already has a highly qualified ICT skilled workforce in certain areas, and the region needs to continue to develop and promote this expertise nationally and internationally.

Actions

- > support programmes to increase computer literacy among those who have limited experience or take-up of ICT
- > promote e-learning and blended learning initiatives and ICT-based learning communities
- > ensure that e-learning initiatives are supported by adequate infrastructure for both the provider and recipients
- > further develop and promote the region's high level ICT skills base to assist UK companies and encourage inward investment.



Further information on regional key sectors, including the ICT sector, is contained in part three

Priority four:

supporting growth in the supply of network based technologies and the development of digital content

The growth in applications and services delivered over broadband and the 3G network will offer significant revenue opportunities to those companies placed to supply these services. To ensure that the region gains and maintains a competitive advantage over competing regions, it is important to encourage the establishment and growth of companies developing and supplying such services. The region is already well positioned to seize such opportunities, with world-leading companies in a range of IT and telecommunication fields such as 3G networking, e-business, telecoms billing and e-security.

A key factor in promoting the growth in networks will be demand, fuelled by compelling content. In the future, this will be increasingly complemented by the distribution of such material in a purely digital form over data networks. These changes could have a significant effect on the region's growing creative and cultural industries, especially those businesses involved in film animation, multimedia, computer games and software.

Actions

- > develop an understanding of the key opportunities and market needs for ICT companies in the region
- > encourage the development and delivery of content initiatives that will drive forward broadband usage
- > continue the development of a regional strategy to support and develop the region's ICT sector.

Delivering change

The membership of the existing regional ICT group will be extended and will have a formal role to play in prioritising the actions identified under this goal. The group will have formal links with the Regional Skills and Competitiveness Partnership, Science and Industry Council and Sustainable Communities and Infrastructure Board.

Business support and training providers will also play a key role in raising awareness and expertise in the use of ICT.

For more information, please contact resinfosoc@eeda.org.uk



'BT welcomes the regional economic strategy. It is a far-sighted and perceptive analysis, providing a sound foundation for the further development of the East of England. In particular I am delighted to see in goal seven 'a leading information society' recognition of the importance of availability and take up of broadband and information technologies. BT looks forward to working in partnership with regional stakeholders to help deliver the strategy's information technology objectives.'

Peter McCarthy-Ward, regional director, BT

GOAL EIGHT: An exemplar for the efficient use of resources

What success will look like

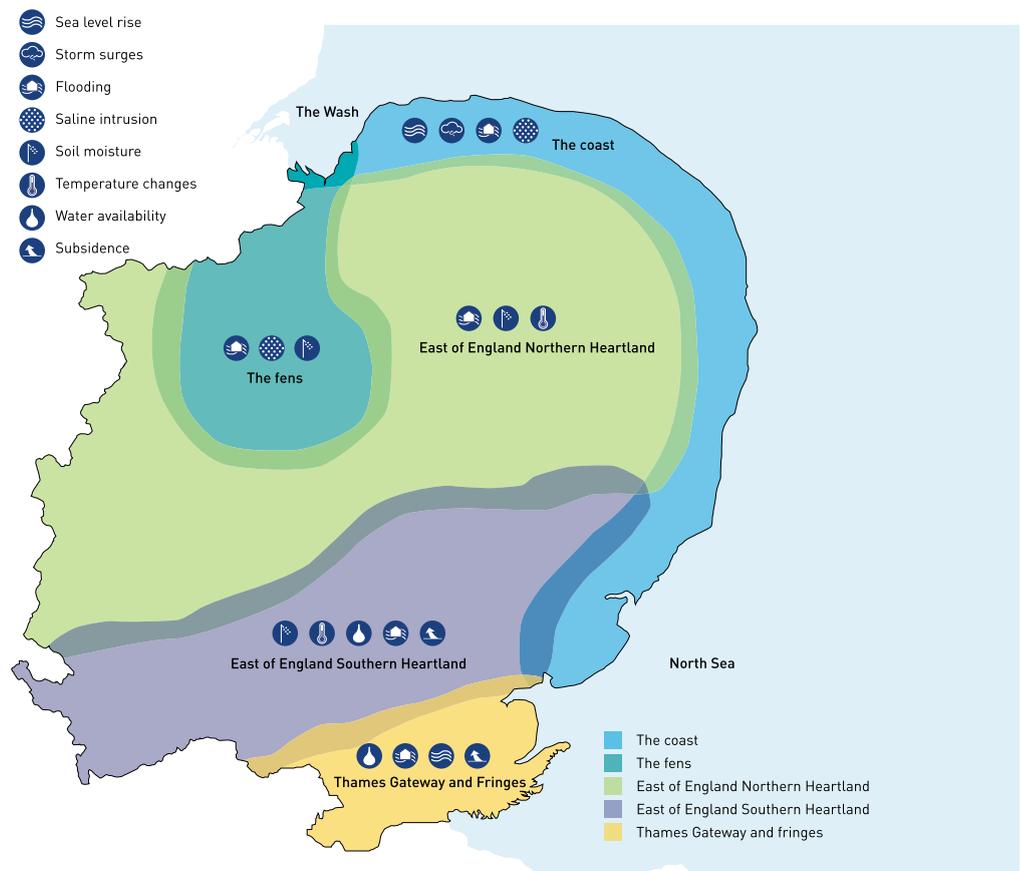
- realise significant improvements in business productivity and environmental quality
- be a centre for sources of renewable energy with a nationally significant growth and expertise in associated businesses
- have a nationally significant cluster of environmental goods and services businesses
- have an international reputation for environmental development and efficient use of resources.

LINK

The broader sustainability agenda and the hierarchy of choices used within the integrated regional strategy is discussed in part one

There is a tension at the centre of our modern economy in that we want more of the products and services our economy offers but less of the associated negative by-products such as pollution or waste. The challenge is to make progress on three fronts – economic development, environmental protection and enhancement and social inclusion - and that progress in one does not undermine progress in either of the other two. It is the role of this strategy as a whole to address this challenge and to frame policy decisions within a more explicit understanding of the impacts on the environment. This goal specifically identifies a number of priorities that will help decouple the relationship between growth in the economy and growth in the use of resources.

Figure 8: Living with climate change in the East of England



There are a number of market and policy drivers affecting the way that people and businesses think about their use of resources and the effect of their actions on the natural environment. These issues are brought sharply into focus in the East of England because of our unique natural environment, the considerable challenge the region faces from climate change, and the rapid growth we are experiencing in the population and the economy. The region needs to respond to the environmental challenges from housing and transport developments and take advantage of the considerable opportunities these developments offer.

The East of England is uniquely positioned to develop environmental technologies and working practices that will have economic and environmental benefits across the region and beyond. Our coastline is key to the country meeting its renewable energy targets through offshore wind generation. We have a strong environmental technologies cluster and more arable land than any other English region, allowing for the development of a grown fuels industry. The challenge of addressing the resource productivity agenda is all the greater for our region which is a major user of energy, producer and net importer of waste, and abstracts more than 2,000 million litres of water per day from ground and water courses.

Through legislation and directives, organisations are required to maintain ever stricter environmental standards and help move towards a low carbon economy. These have been key to stimulating the market and investment in environmental technologies^{62, 63}. Environmental technologies can promote the development of new businesses, the diversification and growth of existing businesses, job creation and sustainable growth by their potential to help modernise our economy, our infrastructure and our production and consumption patterns.

Many businesses are becoming increasingly aware that their customers and investors demand environmental good practice as the norm and that the more efficient use of resources can lead to improved productivity. Resource efficiency, or resource productivity as it is also called, is usually associated with optimising the efficiency of resource inputs into a business to make more with less. This has the effect of improving the organisation's profitability and reducing its impact upon the environment through a reduction in resource depletion, pollution and waste. The inputs into a business are usually considered as being energy, materials and water. Case studies under the Envirowise programme have demonstrated that the programme helps companies save as much as £1,000 per employee and that an investment by a business to address resource efficiency has a usual payback period of twelve months or less⁶⁴. At a regional level, it is estimated that the East of England manufacturing sector alone could save £229 million by implementing best practice techniques in waste minimisation^{65, 66}.

The efficient use of energy and the way in which that energy is generated is the building block of a low carbon economy in the region and the UK. The East of England currently produces very little of the energy it uses, but its proximity to large areas of demand and the potential for offshore and onshore wind generation and biomass for power, heating and transport fuel could make it a centre for 'blown and grown' fuels. The region's long coastline also offers potential for harnessing wave and tidal power in the medium-term. The development of a renewables industry will draw on the established skills base of the region's energy businesses and its supply chain. There are major opportunities to develop these resources as well as emerging low carbon technologies over the next 10-15 years. These are recognised in the adoption of a regional target of 14 per cent of electricity production from renewable energy by 2010⁶⁷.



THE ENVIRONMENTAL DIMENSION

The relationship between the environment and the economy is a complex one and the different aspects of this relationship are addressed in the various goals of this strategy. There are major opportunities for economic growth and regeneration through sector developments in renewable energy and environmental technologies. Resource productivity principles have applications for all sectors of the economy and so have strong links to other goals in the strategy in terms of delivering sustainable economic growth through enterprise and high quality places. It is central to achieving the vision of the region that, as the economy grows, growth is accompanied by increasing levels of resource productivity and is managed to mitigate its negative effects where possible.

- 62 Energy White Paper, 'Our Energy Future - Creating a Low Carbon Economy', February 2003
- 63 UK Government's 'Framework for Sustainable Consumption and Production' which draws on priorities from sustainable development World Summit Johannesburg 2002
- 64 Envirowise is a government agency which provides practical environmental advice for businesses. <http://www.envirowise.gov.uk/>
- 65 Cambridge Econometrics & AEAT (2003) The benefits of greener business: The cost of unproductive use of resources
- 66 This figure represents approximately a 1.72 per cent saving of manufacturing GVA (using regional data from 1998 and national data from 2000).
- 67 Sustainable development framework for the East of England

Climate change and the low carbon economy

Climate change is one of the most significant challenges our region faces. It is predicted that the anticipated rise in temperature across the East of England over the next 50 years will cause sea levels to rise and an increase in extreme weather events, flooding, subsidence and a loss of soil moisture. Many of the changes we are seeing are the result of greenhouse gas emissions, particularly carbon dioxide.

Paramount to the mitigation of greenhouse gas emissions is the creation of a low carbon economy – an economy that functions within the limits of the earth's natural processes to maintain a balance of carbon dioxide in the atmosphere. This limit is agreed to be a level equivalent to a 60 per cent reduction of current emission levels by 2050.

Transition to a low carbon economy does not necessarily require a significant breakthrough in terms of science or new technologies. The application of existing and anticipated technologies such as renewable energy generation and the use of alternative fuels such as gas and hydrogen rather than oil and coal, coupled with energy efficiency measures make the targeted reduction feasible⁶⁸. What is required is a mix of institutional, behavioural, technological, financial and regulatory changes to make energy efficiency and take up of new technologies the norm.

The large amount of waste produced by the region is forecast to rise and the region already imports an additional three million tonnes of waste each year, mainly from London⁶⁸. Much of this waste is currently landfilled, which is inefficient and is damaging to the environment and human health. Within the region there are already a number of programmes working with businesses on resource efficiency, recycling and waste management. These include locally-based projects such as green business clubs, waste exchanges and ReMade Essex. However, there is a lot more to be done especially in helping smaller businesses and organisations across all sectors, with their limited time and resource, to consider their use of resources and their cumulative environmental impact.

Spatial dimension

Efficient use of resources is important to all parts of the region and in all sectors of the economy. Many of the companies involved in supplying the enabling advice or technologies in this area are currently particularly clustered around Peterborough.

The development of the Growth Areas offers significant opportunities for the development of the region's sustainable construction sector. Essex, Bedfordshire and Hertfordshire are net importers of waste, primarily from London. A broad waste sector including waste processors, recyclers, transporters and managers has developed in this area providing a great deal of expertise and the opportunity to address the growing waste problem in the region.

Grown fuels are particularly important growth industries for the region's rural areas. Given the region's expertise in agriculture, forestry and the relatively large amounts of high quality agricultural land, there is a real opportunity for diversification into the production of biomass and biofuels. The production of climate change gases and pollution are a hidden cost not borne by producers and consumers, making government intervention necessary to create a viable market for renewables. To support the economic development of this sector, alongside national policy, it is necessary for regional planning policy and local development documents to encourage rural diversification.

Offshore wind developments are a real opportunity for the regeneration of the region's deprived coastal areas. Wind turbine manufacture, installation, operation and maintenance require skills similar to those that currently exist in the offshore oil and gas sector that is primarily based in a number of the region's coastal towns, particularly Great Yarmouth and Lowestoft.

Regional priorities

The East of England is particularly well placed to lead the way in the efficient use of resources and developing a low carbon economy. The region has a huge potential for growth in renewables, with its diverse and growing environmental goods and services sector, and not least because of the enthusiasm and drive with which it embraces this agenda.

⁶⁸ East of England regional waste management strategy

⁶⁹ Carbon Trust & Imperial College 'Inducing innovation for a low carbon future'

Priority one:**promoting the adoption of resource efficiency and environmental good practice principles**

Resource productivity is a measure of the efficiency by which all parts of the economy use resources, such as energy, water and materials compared to its outputs. It is important in the public, business and household sector and essential to the longer term vision of the sustainable use of all resources.

The 'waste hierarchy' of minimising the use of resources, re-using and recycling them before finally disposing of them as waste, makes both economic and environmental sense and should underpin any organisation's attempt to appraise its use of resources. Many organisations are not aware of the benefits to their businesses, or have problems implementing systems originally intended for larger companies.

There are a number of relevant programmes already operating at a national, regional and sub-regional level⁷⁰. There is a need to join up these activities to develop a co-ordinated programme of delivery and business support in all sectors across the East of England. It is also acknowledged that there is a need to better understand the cumulative effect of the use of resources in the region. Part of this involves analysing the roles of the many relevant programmes as well as the contribution the environmental goods and services sector can make in reducing the use of energy, water and materials.

Actions

- > raise awareness of existing programmes and co-ordinate the delivery of resource productivity advice linked where appropriate to mainstream business support
- > support and encourage the public sector and businesses, particularly SMEs, to take up green procurement and energy efficient practices up to or beyond the regulatory requirements
- > support methods to increase the take up of certified environmental management systems.

Priority two:**capturing the advantages of the renewable energy potential of the region**

To position the East of England as the leading region for the emerging global market in renewable energy the region needs to:

- stimulate the development and deployment of the most advantageous renewable energy systems
- support improvements in skills
- raise awareness and public understanding of renewable energy
- encourage market opportunities for the renewable energy industry to promote the development and growth of renewable energy businesses⁷¹.

Both offshore and onshore wind energy generation are seen as key to the region meeting its renewable energy production targets. In 2003, the Crown Estate designated three areas of shallow water for the development of offshore wind generation, two of which are off the East of England coastline. This demonstrates the geographical advantage the region has in the development of this industry. However, there are barriers still to be overcome if the potential of offshore wind is to be realised. One such barrier is the development of the supply chain for the technology. Onshore wind generation also faces a number of barriers to its development, including planning, public acceptance and supply chain constraints. The region needs to better understand the environmental and economic impacts of various types of renewable energy generation to inform policy development.

The sustainable development toolkit for the East of England

A regional partnership co-ordinated by the sustainable development round table has developed the sustainable development toolkit for the East of England. The toolkit enables the appraisal of regional strategies and projects against the objectives of the East of England sustainable development framework. Undertaking the appraisal as projects and strategies are developed should ensure that the principles of sustainability are integrated into strategy development, programme and project delivery. The toolkit has already been used successfully to appraise a number of regional strategies including the regional waste management strategy and the regional spatial strategy. The sustainable development toolkit is one example of good practice and joint working that will help make the East of England an exemplar region for sustainable development. The sustainable development framework for the East of England, produced in 2001, provides a context for all the regional strategies in the East of England and has been used to test and improve this strategy (see appendix I).

⁷⁰ At a national level the Government has established initiatives such as the Envirowise Programme, the Carbon Trust and the Waste & Resources Action Programme (WRAP) to tackle resource productivity. The Framework for Sustainable Consumption and Production was launched in November 2003.

⁷¹ The Renewable Energy Operational Plan for the East of England

The REWARD programme

At national level a number of regional development agencies, including EEDA, have been working in partnership alongside the Environment Agency to develop the Regional and Welsh Appraisal of Resource Productivity and Development (REWARD) programme. Part of the programme has been the development of a simulation model, the regional economy environment input-output model, to help analyse the effects of economic trends and policies on resources and the environment. Using different economic scenarios the model is able to quantify the environmental inputs and outputs in terms of water and energy use, air pollution and waste production and so inform policy making.

Grown fuels are another key area of activity, particularly given the region's research capabilities and changes to the rural economy including diversification and increasing demand for low carbon fuels. CAP reform is placing greater emphasis on environmental land management and sustainable crop production.

Actions

- > establish an offshore renewables centre at Lowestoft as part of the development of the industry supply chain
- > influence the fiscal and delivery landscape by promoting policies such as biofuel taxation, grants and CAP reform for the benefit of the renewable energy sector
- > assist in the development of sites and markets for economically viable biofuel production and associated technologies.

Priority three:

progressing the development of environmental goods and services businesses

The environmental goods and services sector has the potential to supply goods and services that can help break the historic link between economic growth and environmental degradation and meet the demands of a low carbon economy. The sector is generally regarded as those businesses and organisations supplying goods and services provided to mitigate the environmental impact of business. They do this by designing pollution and waste out of products, processes and services, and cleaning up the outputs of industrial processes. They are also involved in activities directly related to the management of natural resources. The region hosts more than 2,100 businesses, social enterprises and organisations engaged in the environmental goods and services sector, more than any other region in the UK⁷².

There are significant opportunities for the region in waste and energy management, low carbon technologies, reducing our overall resource use and contribution to greenhouse gas emissions, and development of sustainable construction materials and techniques. The ability to develop these opportunities is strongly linked to the region's science and technology R&D capacity and whether academic and research expertise can be channelled into environmental solutions and business opportunities.

Actions

- > ensure the sector maximises the environmental business opportunities available from development in the Growth Areas
- > improve links between the sector and relevant R&D and academic institutions through initiatives such as the centre of sustainable engineering in Peterborough
- > work with neighbouring regions to support the development of new markets for recycling, recovery and alternatives to landfill.



Goal four covers demand side drivers that support the development of environment and energy clusters in the region



Goal six supports the principle of minimising the contribution that transport makes to greenhouse gas emissions

Priority four:**establishing the region as an exemplar of environmentally sustainable development**

The ability to develop the region as an exemplar in environmentally sustainable development rests with the way we deliver business growth, transport infrastructure and homes. The region is already in the spotlight with a strong and growing economy and an area attracting significant development, so there is real opportunity to showcase our ability to develop economically in a sustainable way. We have the potential to achieve this because the East of England is home to many initiatives, organisations and businesses that lead the world in terms of their contribution to environmental protection and enhancement and sustainable development. We have strengths in our innovative people, leading universities and the development of new sustainable technologies.

Partnership working is key to developing a more sustainable region and protecting and enhancing the region's environmental assets. There is a need for the region to work with other regions, the government and other countries to develop our knowledge and understanding further. A key challenge is to fully understand the impacts of our activities upon the environment and our people, whether it is a small locally-based development or a regional or national policy.

Actions

- > raise the profile and awareness of sustainable development and mainstream its principles across public and private bodies
- > support the development of networks that encourage innovation and share international standards of best practice among regional stakeholders and between regions, for sustainable development
- > understand and communicate analysis of the relationship between the environment and the economy to support informed policy making.

Delivering change

Resource productivity is a distinct agenda and differs from the broader sustainability concepts discussed throughout the strategy. Resource productivity provides for a more efficient resource use in businesses and homes and as such is particularly relevant for a regional economic strategy because it contributes to both increased productivity and to sustainability generally. Of particular relevance for delivery are the sustainable construction strategy, the regional waste management strategy and the food and farming strategy. In establishing the region as an exemplar in sustainable development it is important to recognise the context of the regional environment strategy, the sustainable development framework and woodland strategy. At a national level the guiding lights are the joint Defra/DTI framework for Sustainable Consumption and Production and the DTI Energy White Paper.

In the region, Renewables East has been created to support the renewable energy sector and secure the economic benefits, including increased employment and investment, and the development of a secure, competitive and successful renewables market. The East of England Energy Group provides a platform to enable energy companies to work together to stimulate sector growth and act as source of expert advice and guidance to all businesses on energy saving measures.

This goal will be led by a regional steering group, with links to the Regional Skills and Competitiveness Partnership, particularly the Science and Industry Council and the Sustainable Communities and Infrastructure Board.

For more information on this goal, please contact resenvironmental@eeda.org.uk



Goal three, priority two highlights the ways better links between universities, research centres and business will support economic development



Goals one, three and four all prioritise support for sustainable construction in terms of skills, innovation and places

Sectors and clusters

Resource productivity is a principle that can underpin increased efficiency and profitability for business and is therefore important for all parts of the economy. There is specific potential for business growth or diversification into renewable energy production or environmental technologies, for the agriculture, engineering, and waste management industries.



‘The success of the East of England needs to be about more than economic growth. We believe to improve the quality of life for everyone will require investment in our landscapes, our natural environment and our heritage, not as an after thought, but right across the region and as a central element of the overall approach.’

Peter Griffiths, regional director for the East of England National Trust

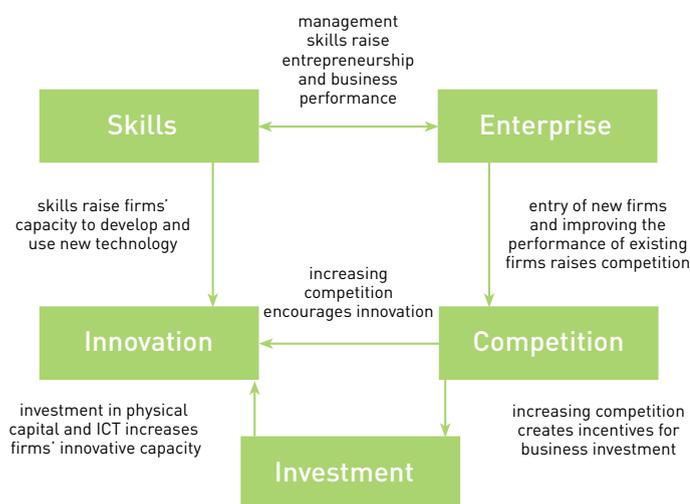
The strategy and the five drivers of productivity

Improving economic performance

The regional economic strategy is about improving the performance of the East of England's economy. The Government's central economic objective is to, 'raise the rate of sustainable growth and achieve rising prosperity and a better quality of life, with economic and employment opportunities for all.' In straightforward terms, the level of economic output produced within a country or region can be expressed as the number of people in employment multiplied by the output each worker produces. Increasing the level of output therefore means getting more people into work and making them more productive.

Making people more productive – increasing productivity – is about improving the performance of the economy in five main areas. These areas, or 'drivers' are: competition, enterprise, innovation, skills and investment⁷³. The main links between the five drivers are indicated in the following diagram.

Important links between the drivers of productivity⁷⁴



Getting more people into work is about ensuring that there are suitable jobs for those that are currently seeking work – the unemployed. It is also about encouraging those people that are currently inactive, but who have the potential to work, to come back into the labour market. Worklessness, particularly in the long-term, is a constraint on economic growth and involves major costs for individuals, households and society. Tackling worklessness, as well as helping to improve economic performance, is about directly improving people's quality of life. In the East of England, employment rates are currently among the highest in the country. The major challenge for this region is to increase participation in the labour market.

The regional response

This strategy sets out the region's response to the need to raise the rate of sustainable economic growth and improve people's quality of life. Each of the goals set out in this strategy address a number of the drivers of productivity but, in simple terms:

- goals one, two and three directly address three of the five productivity drivers – skills, enterprise and innovation
- goals four, five and six are about investment in the region's physical and social infrastructure and in its communities – places, people and transport
- goals seven and eight address specific sectors that will improve the overall competitiveness of the economy and make it more resource efficient – ICT and resource productivity.

As well as addressing the five drivers of productivity, this strategy seeks to raise employment rates and tackle worklessness. Once again, many of the goals play their part but the most important in this respect are goals one, two, four and five – skills, enterprise, places and people.

⁷³ The five 'drivers' of productivity were set out in, 'Productivity in the UK: the evidence and the Government's approach' published alongside the 2000 Pre-Budget Report.

⁷⁴ Based on Figure 2.2 from, 'Devolved decision making: 2 – Meeting the regional economic challenge: increasing regional and local flexibility, HM Treasury, March 2004.

Introduction

This strategy sets out the goals, priorities and actions that apply to all parts of the region or have regional significance. Achieving the vision for the whole region also means acknowledging its diversity in terms of place, people and parts of the economy as well as how the region operates in the national and international arena.

This section firstly looks at some of the distinctive issues relevant at a sub-regional level and emphasises the priorities and the mechanisms important to delivery. Secondly, the way in which the strategy addresses the particular needs of people or communities is brought together under a section on equality and diversity. A number of organisations focus on specific industrial groupings and the third part of this section looks at sections of the economy that have a strong link to the delivery of the regional economic strategy. As well as looking inside the region, we also need to consider the role of the region in national and international terms. This is covered in the final part of this section.

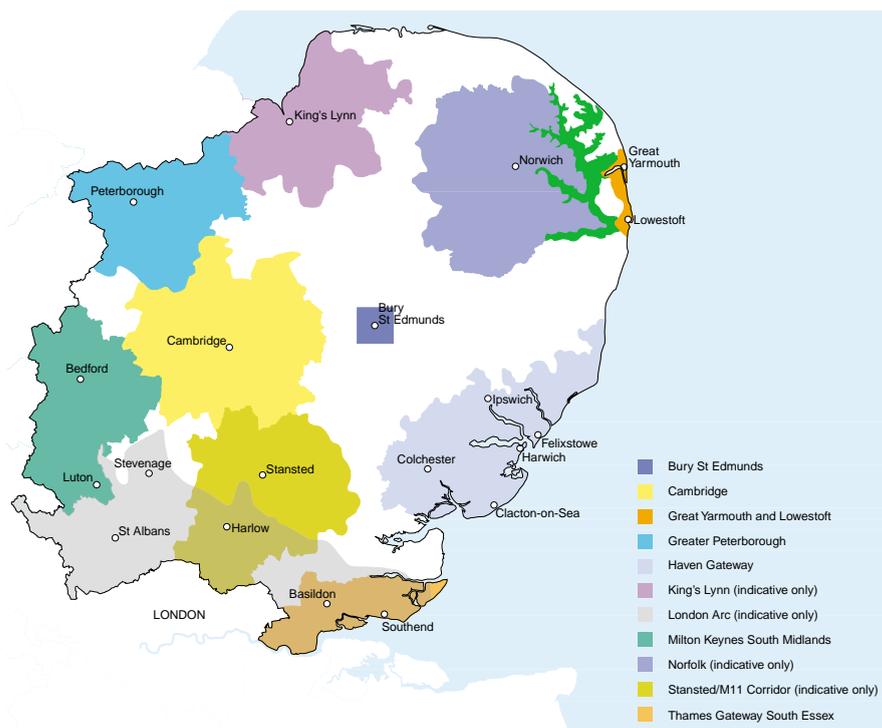
The East of England sub-regions

The East of England is a diverse region. The towns and cities of our region are places to be proud of, from the extensive network of market towns to the ground breaking garden cities and new towns. Though the region contains fewer cities or major conurbations than other parts of the country, the region is characterised by its proximity to London and its regional and sub-regional centres serving a hinterland of market towns, villages and rural populations. Issues of sustainable development, quality design and quality of life are crucial to every single place in the region.

The goals and priorities identified in the regional economic strategy are relevant to the whole of the region or have region-wide significance. In some circumstances however, more specific sub-regional actions are required to reflect the importance of different priorities in different parts of the region or different approaches necessary for delivery.

This section sets out the distinctive issues for the sub-regions in the East of England and gives a framework for the development of future action plans. It draws principally on the draft regional spatial strategy⁷⁵ and a study on economic sub-regions⁷⁶.

Figure 9: The East of England sub-regions



Source: EERA, © ESRI (UK) Ltd, © Ordnance Survey Crown Copyright, © Bartholomew
Sub-regions as in the draft regional spatial strategy, November 2004

⁷⁵ Further information about the sub-regions is available in the draft regional spatial strategy, EERA. All job number projections contained in this section are consistent with the draft regional spatial strategy at the time of going to print.

⁷⁶ 'East of England economic planning sub-regions and planning for clusters' SQW and Land Use Consultants for EEDA, August 2002

Rural areas

Nearly half of the population live in the region's rural areas⁷⁷ and 80 per cent of the land area is characterised as rural. The region contains 17 per cent of England's market towns, which play a vital role as service centres for rural areas. Although the issues facing these areas are worthy of highlighting separately, rural areas are constituent parts of many other sub-regions discussed.

Like the rest of the region, rural areas are extremely diverse, but they can crudely be characterised along north-east/south-west lines. The rural parts of the northern counties of Norfolk, Suffolk and Cambridge generally have lower population levels, higher dependence on traditional land-based industries, poorer infrastructure, ageing populations and lower economic growth. The rural parts of the southern counties of Essex, Hertfordshire and Bedfordshire are affected by their proximity to London and generally have higher population levels, high housing costs, higher levels of economic growth and relatively good infrastructure, although there are still some pockets of deprivation or rural isolation.

The East of England has a rich and diverse natural rural environment containing some of the UK's rarest habitats and species. A wide variety of landscapes characterise the region, ranging from low lying coastlines to large-scale arable farmland, and from extensive lowland heath to rolling landscapes of mixed woodland and hedgerows. While these landscapes span the region, there are some sub-regional areas that have particularly nationally important landscapes. The Broads, designated as a National Park, is one of Europe's most important wetlands. The Chilterns, Dedham Vale, the Norfolk Coast, Suffolk Coasts and Heaths are all areas of outstanding natural beauty, renowned for their biodiversity. In addition, there are a number of other areas, such as the Stour Valley, Thetford Forest, Thames Chase, Marston Vale and Watling Chase which characterise the region's landscape and also provide a wide range of benefits for lifestyle, health, work, leisure and recreation and sustainable development. Some local specialisms such as boat building, leisure boating businesses and part of the region's tourism industry are intrinsically linked to these areas. This highlights the benefits which these assets bring to the region's economy alongside the wider need to conserve their high quality environment for future generations.

The region contains some of the most productive land within the country, with different specialisms dominating different areas. The region provides significant amounts of the country's cereals, sugar beet, pigs and poultry. There is also considerable production of other crops, vegetables and soft fruits as well as flowers. Further along the supply chain, the region is also home to world-class food and drink processing and research establishments. The region's land-based industries also have enormous potential to contribute to the provision of renewable energy and sustainable waste targets.

Achieving sustainable development in rural areas inevitably includes a sustainable and competitive food and farming industry, but also improvements in the diverse and dynamic range of other rural businesses. The continued and accelerated growth in the range of business located within the region's rural areas is needed to provide a balanced approach to sustainable development and to achieve both a living and working countryside. These businesses, such as those concerned with sports and leisure, ICT and other service sector business, have increasingly become part of the rural fabric of the region.

Tourism and hospitality are especially important to the rural economy. The coastline, wetlands and nature reserves of the north and east of the region are particular environmental assets. In other areas tourism is largely based on day visits to places and attractions within easy reach of London, such as the Essex Coast, Cambridge, and places to the south-west of the region such as the Chilterns. The horseracing and equine businesses clustered around Newmarket have the profile and world-class veterinary science to make a significant contribution at a regional level to the recreation and tourism industry and at a local level to business growth.

In order to preserve the living quality of the countryside, there needs to be recognition of the need for support for a working countryside to underpin the future sustainability of the quality of the rural areas. The increase in the number of people wishing to move to rural areas has contributed to the growth in entrepreneurship in the rural economy, but has also emphasised issues of access to affordable housing, infrastructure, services, integrated business support, sustainable business development and appropriate skills and employment. This is particularly the case in some of the more remote areas of the region, where village requirements and priorities need to be taken into account alongside the regeneration of larger conurbations.

⁷⁷ The categorisation of the region's urban and rural areas is subject to on-going work using the new rural-urban definition adopted by government

Areas for development

- address integration and simplification of appropriate access to skills and business support, employment, affordable housing, infrastructure and service provision
- enhance sustainable business growth and productivity within the region's rural areas including a sustainable and competitive food, farming and drink sector. Lagging communities of place and interest require particular consideration
- support the provision of innovative solutions to rural community regeneration
- enhance the economic and social potential of the region's environmental assets
- work with local authorities and communities to enable effective mainstreaming, leadership and management of rural issues in the Growth Areas.

Growth Areas

Thames Gateway South Essex

Thames Gateway South Essex (TGSE) is recognised as a national priority for regeneration and growth. It is part of the wider Thames Gateway area, that also includes East London and North Kent, and collectively forms the largest regeneration project in Europe. TGSE comprises the authorities of Castle Point, Southend-on-Sea, Thurrock and part of Basildon and Rochford. The population of TGSE is around 635,000 concentrated in three main urban areas; almost half that of Essex, and 12 per cent of the East of England. The sub-region forms the largest urban area in the East of England, and its mix of urban and natural environments represent a unique challenge for urban regeneration.

The primary focus for the sub-region's development is achieving major investment and social, economic and environmental regeneration throughout South Essex, improving skills and employment links and employment opportunities, and ensuring transportation links give real and lasting benefits to local communities.

To achieve sustainable, employment-led growth and regeneration in TGSE requires around 55,000 jobs in the period to 2021 as projected in the draft regional spatial strategy. To ensure a balance between housing supply and employment growth, TGSE needs to provide additional homes and improve the design and quality of existing homes and neighbourhoods. Achieving these challenging targets will ensure that TGSE realises existing entrepreneurial potential and maximises its contribution to the regional economy.

TGSE's relatively underperforming economy suffers from a high rate of business failure and a weak skills base. These problems are exacerbated by an inadequate transport infrastructure, the negative perceptions of the natural and built environment, which together deters future investment making the areas problems difficult to overcome. There is a lack of awareness of the special and distinctive character of the River Thames and other environmental assets which could be a strength of the area.

TGSE is generally perceived as having sprawling urban areas of undistinguished design, with out-dated facilities and the poor quality urban fringe inhibits access to the countryside. The focus of regeneration should be to enhance the setting and importance of the River Thames, emphasise the potential of the river frontage and use high quality design to lift the perception of the area.

Areas for development

- improve aspirations and the skills base through better outcomes in schools and through increased participation in further and higher education supported by a university presence for the sub-region particularly in Southend
- focus on the existing and future skills needed by businesses through work-based and lifelong learning initiatives such as the Transport and Logistics Academy in Thurrock
- support employment, entrepreneurship, business growth and inward investment in key sectors through skills development and provision of appropriate employment locations and support service infrastructure
- tackle deprivation and build community cohesion through integrated programmes to increase social capital, community leadership and improve access to services and facilities
- maximise investment in strategic transport infrastructure to address current deficits and meet future requirements including the proposals for the Shellhaven London Gateway and Southend Airport expansion
- develop the Green Grid South Essex to protect, enhance and increase access to environmental assets, and underpin the sustainability of communities and employment areas
- support local delivery vehicles, such as the Southend urban regeneration company, that have the capacity to enable a step change in the quality and speed of delivery.

London–Stansted–Cambridge–Peterborough

Greater Peterborough

This sub-region includes Peterborough, parts of Fenland and Huntingdonshire, as well as some parts outside the East of England in East Northamptonshire, Rutland, South Kesteven and South Holland (in the East Midlands region). The area that lies within the East of England includes priority areas for both regeneration and growth.

Peterborough itself has a population of 156,000 and supports 195,000 jobs. The wider sub-region contains 350,000 people. The sub-region has an economy with a strong representation of traditional sectors, for example engineering and agricultural services, including a concentration of food production in the north of the sub-region. There is also an important cluster of environmental-related businesses, which is a distinct feature of the sub-region's economy. The city has excellent transport access, situated on the East Coast Main Line and is very close to the A1.

Peterborough has undergone major expansion over the last 30 years strengthening the role of the city centre as the service centre for urban and rural areas. There are several major redevelopments proposed for the city centre that will complement its Growth Area status as well as helping address issues of multiple deprivation in neighbouring wards.

Areas for development

- improve higher education institution provision and raise basic skills levels through the delivery of high quality opportunities for learning
- support an improved range of retail, cultural services, and balanced provision of housing and employment opportunities through the City Centre Framework
- promote greater economic interaction with the Cambridge sub-region and widen the scope for complementary economic activity
- address economic underperformance of the rural areas located between major urban centres
- ensure effective community engagement and inclusion to enable economic participation and equality for all
- support business competitiveness and entrepreneurship in particular for those sectors with growth potential, such as the environmental cluster
- support the city centre based urban regeneration company, recognising the geography is being reviewed as part of the regional spatial strategy.

Cambridge

The Cambridge sub-region includes Cambridge and the ring of surrounding market towns of Ely, Chatteris, Huntingdon, St Neots, St Ives, Royston, Saffron Walden, Haverhill and Newmarket. The buoyant Cambridge economy is of great importance to the region and the UK. However, the balance between economic development, the availability of local labour, homes and infrastructure is crucial to prevent the worsening of problems associated with overheating economies. These problems include recruitment difficulties at the top and bottom ends of the employment profile and severe house price inflation with rural villages sometimes filling a dormitory function serving Cambridge.

The sub-region is a global leader in education, research and knowledge-based industry linked to the University of Cambridge, Addenbrooke's Hospital and other independent research centres. However, it currently has limited capacity to absorb the impact of further housing and economic growth.

The recently adopted sub-regional planning strategy and Growth Area designation necessitates the delivery of sustainable communities, ensuring balance and interaction between housing and jobs supported by sustainable transport links. This also includes the supply of high-quality sites and premises for SMEs and facilities to attract and retain larger world-class businesses in the sub-region. The national and international reputation of Cambridge gives it a key role in promoting the region and in further developing its economic links to key locations/sub-regions across the East of England.

Areas for development

- address the skills base requirements and problems of the dual labour market
- reinforce Cambridge's pre-eminent global leadership role in science and technology research and development by enabling and facilitating cluster expansion, particularly that associated with world renowned research institutes
- encourage complementary economic links with other sub-regions to reinforce Cambridge's national and international functions and status
- diversify and raise the performance of the economy of market towns within the sub-region.
- overcome shortages of affordable housing and other infrastructure by establishing high quality sustainable new communities, such as at Northstowe, supported by high quality public transport provision
- support the environmental enhancement of Cambridge and surrounding settlements to maintain their quality and character
- support the Cambridge Infrastructure Partnership as the local delivery mechanism for the sub-region.

Stansted/Harlow

The Stansted/Harlow sub-region includes the local authority areas of Epping Forest, Harlow, Uttlesford, Braintree, parts of East Hertfordshire and Broxbourne. Harlow, Bishop's Stortford and Braintree are the only large towns within the sub-region. The area is heavily influenced by its proximity to London with central London and Docklands being major employment destinations for the sub-region's workforce. Rural villages in the sub-region are primarily dormitories for London workers which can adversely affect the functioning of their local economies.

Stansted Airport is a key transport gateway and a major economic driver for the region as a whole. The aviation white paper proposes a second runway be permitted and indicates that it may be delivered by 2012. Realising the economic and regeneration opportunities of expansion and managing its environmentally sustainable expansion are significant challenges for a range of agencies in this sub-region.

Within the sub-region there is significant localised social and economic deprivation, notably in Harlow and the Upper Lee Valley, which are characterised by lower levels of educational attainment and skills, relatively high levels of unemployment, benefit claimants, and social deprivation. The areas are designated as priority areas for regeneration in the draft regional spatial strategy.

Harlow faces considerable urban renaissance challenges as a former new town, with a need to improve and strengthen the town centre as well as renew its existing housing stock and community infrastructure. However, the town does have the potential to become an important regional centre for business growth through the economic development opportunities afforded by its proximity to London, Stansted Airport and Cambridge, the presence of leading biotechnology companies and its Growth Area designation. Realising these opportunities requires major new transport investment to improve access to employment sites, the M11 and Stansted Airport and regional east to west links.

Areas for development

- work with business and higher education institutions to put in place skills programmes and training to raise skills levels and enable greater access for Harlow/ Lee Valley Corridor area workforce to higher level employment
- support the consolidation and expansion of Harlow's key and growing economic clusters such as biotechnology by reinforcing links with complementary activities in Cambridge, parts of Hertfordshire and London
- support urban renaissance programmes to regenerate Harlow town centre, address deprivation and renew the town's housing stock to improve quality and affordability
- support the diversification of the local rural economy and address the problems of affordable housing
- realise the advantages for business and communities across the region of Stansted Airport as an economic asset, by greatly improved road and rail links
- work with business groups, airport authorities and airlines to establish new routes, including to the United States, that support the competitiveness of existing businesses and enhance the region's attractiveness as a destination for mobile international business
- secure more direct regeneration benefits from Stansted Airport for the priority regeneration areas at Harlow and Lee Valley Corridor through closer inter-agency working, skills and training programmes and enabling affordable and accessible public transport links.

Stevenage

Stevenage is well connected to north to south strategic transport routes - the A1(M) and East Coast Main Line - but relatively poorly served by east to west connections which hamper connections east to Stansted Airport, and to a lesser degree west to Luton Airport and the M1 Corridor. The town has important functions as a retail centre and a transport interchange for the East of England. It is also a priority area for regeneration which reflects a combination of people and place oriented issues. Two wards feature in the top 10 per cent of most deprived wards in the East of England and the town has the highest percentage of households claiming benefit in the region. The town centre and neighbourhood centres suffer from a decaying physical fabric and unattractive public realm.

Despite the regeneration challenges, the Stevenage area is a competitive location for business with a strong and diversified economy of regional importance based on strengths in pharmaceuticals, research and development and aerospace. The town's competitiveness is enhanced by its strategic location between Cambridge and London, with a strong and natural business interaction and shared labour markets. Joint working between the recently established enterprise hubs in Stevenage and Babraham has helped consolidate this.

A consequence of combined regeneration and growth pressures is the mismatch between employment required by local companies and local labour market skills. This can be addressed partly through local skills and education initiatives, such as 'Innovation@Stevenage' and by increasing the supply of housing to support the supply of local skilled labour.

Areas for development

- achieve a closer match between the demand and supply of labour by increasing the supply of affordable housing and introducing training and education measures that improve local access to employment
- establish Stevenage as a focal point for economic growth between London and Cambridge by supporting key economic activities such as biotechnology and research and development
- achieve an urban renaissance in Stevenage that respects its new town status, enhances its image and strengthens the regional role of the town centre
- ensure an adequate supply of high quality business land and premises that meet the needs of the town's diverse economy and can be effectively integrated with existing and new residential communities.

Milton Keynes-South Midlands

Bedford/Kempston

The majority of development in Bedfordshire will be focused on the main urban areas of Bedford/Kempston and the northern part of the Marston Vale. This area, along with Luton, Dunstable and Houghton Regis, will be the key regional centres for the Milton Keynes/South Midlands Growth Area and is expected to accommodate significant numbers of new homes and accompanying jobs growth in the period to 2021.

In order to strengthen the existing role and function of Bedford/Kempston as a regional centre, the revitalisation of Bedford town centre is a key priority. Significant progress has already been made in relation to optimising previously-developed land and buildings for increased housing and mixed use developments. Improving the quality of development, maintaining and improving the environment, and improving town centre safety and security are also central to future developments. Road and rail development in the area would benefit the sub-region by improving links with the wider Growth Area and have wider significance in overcoming the regional deficit in east to west links.

Employment growth in the Bedford area is an essential component of addressing regeneration objectives and in ensuring balanced sustainable development. Physical development of Bedford/Kempston will make a major contribution to the regeneration of the whole Growth Area. The area's future competitiveness can be enhanced through measures to support business start-up and entrepreneurship and make the most of its location within the Oxford-Cambridge Arc. In particular it needs to build its higher education assets such as Cranfield which already has recognised strengths in working with industry.

Areas for development

- enable improved access to employment for disadvantaged communities and groups through targeted skills programmes, comprehensive community regeneration programmes and by creating more cohesive and inclusive communities
- establish Bedford as a location for investment and business activity, through the provision of high quality employment premises across the area for high value knowledge-based industries
- strengthen the role of the town centre by improving the range and quality of retail provision and transport facilities linking it to the revitalisation of the rest of the area including the riverside
- develop cultural and heritage focused tourism in Bedford through enhanced facilities and attractions centred on a cultural quarter near the town centre.

Luton, Dunstable and Houghton Regis

Perceived as three separate settlements and administratively split, Luton, Dunstable and Houghton Regis have become the largest urban area within Bedfordshire and one of the largest in the East of England. The sub-region is designated as a regeneration area, which reflects the need to promote physical regeneration of the existing urban area, stimulate commercial activity and address the infrastructure deficit that has accrued over recent years.

The area is expected to accommodate significant numbers of new homes and jobs in the period up to 2021. To ensure the creation of sustainable communities, balance is needed between housing and job growth. The area is undergoing major economic restructuring with a decline in manufacturing activity, most notably at Vauxhall, and the gradual emergence of newer knowledge-based businesses, such as those at Capability Green. The area's future competitiveness should harness its proximity to London and excellent strategic transport links, including the M1 and Thameslink train services, and its strategic site in the Oxford-Cambridge Arc. In addition London Luton Airport is an important transport gateway for the region and a key local driver of growth that is poised to expand following the aviation white paper.

Renaissance must go hand in hand with regeneration initiatives that embrace the mix of social and cultural diversity in the area and deliver solutions that promote economic participation and secure social inclusion.

Areas for development

- enable improved access to employment for disadvantaged communities and groups through targeted skills programmes, comprehensive community regeneration programmes and by creating more cohesive and inclusive communities
- achieve balanced economic growth across the area through a combination of support for the traditional manufacturing base with support for the development of high value knowledge-based industries
- raise the quality of the urban environment and reinforce the role of town centres in the context of the area's Growth Area status
- work with Luton Airport Operations to support and harness the growth of Luton Airport in order to capture the associated economic benefits for existing business and inward investment within the sub-region.

The region's other sub-regions

Haven Gateway

The Haven Gateway sub-region is of national and regional importance, providing a strategic transport gateway for trade and tourism between the UK, the rest of Europe and elsewhere in the world. The focus of the sub-region is the ports of Felixstowe, Harwich, Ipswich and Mistley, and it includes Tendring District, the Boroughs of Colchester and Ipswich, much of Suffolk Coastal, Babergh and a small part of Mid Suffolk districts.

The area includes both significant regional regeneration priorities and concentrations of deprivation; for example along the Tendring Coast and in parts of Ipswich, as well as important economic opportunities at the gateway ports of Felixstowe and Harwich and the ICT cluster at Adastral Park. There is a concentration of transport and logistics industries linked to the port and maritime related activity. The major expansion planned at both Harwich and Felixstowe will reinforce their roles as key gateways to the sea and as the focus for local regeneration and economic activity.

The sub-region also has expanding tourism and marine leisure industries which are increasingly broadening from traditional coastal resorts to include environmental, historical, cultural and recreational assets. The diverse economies of Ipswich and Colchester host a substantial service sector based on insurance, financial and professional services. Growth in both towns will benefit from the development of existing and proposed academic institutions, including proposals for the Essex University Science Park and a new University Campus Suffolk in the Ipswich Waterfront.

Areas for development

- support the development of higher education provision to serve the Suffolk area and a new further education college in Ipswich
- facilitate the expansion of the ICT cluster at Adastral Park
- deliver sustainable mixed use communities, for example through the Ipswich Area Action Plan and regeneration schemes such as a new visual arts facility in Colchester and the development of Ipswich Waterfront
- develop the economic potential of major settlements and their rural hinterlands through workspace creation and re-use
- enable the sub-region to capture the economic development opportunities arising from current and future port activity at Felixstowe, Harwich and Ipswich
- promote stronger intra-regional links to Stansted Airport and along the Cambridge-Ipswich corridor.

King's Lynn

King's Lynn is the centre of a sub-region that extends beyond the borough of King's Lynn and West Norfolk, encompassing adjoining parts of the counties of Lincolnshire, Cambridgeshire, and parts of the districts of Breckland and North Norfolk, including the towns of Long Sutton, Sutton Bridge, Wisbech, Swaffham and Fakenham. The part that lies within the East of England region includes areas that are a priority for both regeneration and growth.

King's Lynn and its hinterland is a priority regeneration area with high levels of deprivation and low economic performance. King's Lynn is a key service centre with the potential to be the driver for the economic well-being of the sub-region. There is scope for enhancing the role of particular sectors in the economy, including food production and processing, advanced manufacturing, biofuels and renewable energy. The area also has assets in the tourism sector where the attractive and popular North Norfolk coast with its many fine beaches and nature reserves offer the potential for sustainable tourism development.

Areas for development

- improve the provision of locally-based higher education and support training programmes in association with local business
- support the regeneration and renaissance of King's Lynn and reinforce its role as a key service centre, through the redevelopment of brownfield land, a high quality mixed use urban environment and the provision of employment land and business premises
- support local communities to develop solutions and address their own needs particularly in relation to improving employment access for disadvantaged communities.
- promote closer economic links to the Cambridge, Peterborough and Norwich sub-regions to maintain and attract complementary businesses
- improve transport connections to the rest of the region and the East Midlands by both road and rail.

Norwich

The sub-region at present includes the urban centre of Norwich with its surrounding core catchment areas as far as a ring of market towns.

The sub-region combines high levels of deprivation within Norwich and some surrounding rural areas, with a diverse economic base and strong presence of sectors such as biotechnology, food processing, and automotive. It also has a strong network of service-based activities for example in finance, insurance and business services. Norwich is a vibrant and attractive location for business with its strengths in leisure, media, tourism and creative industries. Norwich's reach in terms of retail, historic and heritage attractions is of regional significance. These strengths are supported by its role as a regional centre for education and learning through the University of East Anglia and the Norwich School of Art and Design. Norwich airport performs an important function for local business activity and improving road and rail connections will enhance links to the Cambridge sub-region.

Areas for development

- reinforce the role of Norwich city as a regional centre by supporting its service-based sectors, redeveloping brownfield opportunities and supporting links to its rural hinterland
- strengthen productive interaction between research institutes and business through the availability of business land and premises, for example at Norwich Research Park
- realise the potential of cluster development along the A11 corridor, particularly the biotechnology sector, with links with the Cambridge sub-region
- support the urban renaissance of the city and develop the economic potential of the rural hinterland through workspace creation and re-use
- tackle the issues caused by the concentration of deprivation in Norwich and harness the economic growth potential of its deprived urban neighbourhoods
- facilitate the sustainable expansion of Norwich Airport and work in conjunction with the airport operator on route development options
- establish appropriate sub-regional partnership mechanisms, based upon existing networks and examining the advantages of partnership links to Great Yarmouth and Lowestoft.

Thetford

The town and surrounding area is characterised by high levels of deprivation. The area is intended to provide significant housing, service and employment development because of its status as a key settlement on the A11 corridor, with links to Norwich, Cambridge, Bury St Edmunds and London. The town itself is a key service centre and one of the priorities for sub-region is regeneration of the town centre which will strengthen this role. The town is located within a forest setting on the edge of the Brecks landscape. It has strengths in recreation and leisure in the region and has potential to be a focus of development for the emerging cluster of motorsport/auto engineering industries around the A11 corridor.

Areas for development

- build on Thetford's role as a key service and economic centre on the A11 corridor
- facilitate regeneration of the town centre, while protecting its historic core and natural setting
- develop the economic potential of the rural hinterland through workspace creation and re-use
- develop links to and foster the emerging cluster of motorsport/auto engineering industries focused on the A11 corridor.

Great Yarmouth and Lowestoft

The sub-region is made up of the built-up areas of Great Yarmouth and Lowestoft which encompass parts of both Great Yarmouth Borough and Waveney District.

There have been a number of recent studies of the area which recommend that alongside the development of existing industries, there should be support for diversification into new sectors, in particular exploiting the links with the good quality environment. In addition, there is a need for continued social and physical development of the area with a focus on regeneration and urban renaissance for the two towns as one sub-region.

The sub-region is characterised by severe and persistent levels of deprivation in both Great Yarmouth and Lowestoft. Economic opportunity has traditionally been stifled for a number of reasons, including the relatively low quality urban environment, brownfield development opportunities in need of investment and a remote location which is compounded by poor road and rail connections. The area has established sectors in food processing, energy, transport gateways and tourism. The growth of these industries has significant potential for diversification, thereby broadening the range of business activities to include renewable energy and environmental technologies.

Areas for development

- address basic skills needs and increase local employment rates
- promote an urban renaissance in both towns, improve the quality of the urban environment including the seafront
- develop the tourist potential of the area by policies to increase the quality of the tourism offer and extend the length of the season
- enable the diversification of the economy through the provision of high quality business land and space and regeneration of key brownfield opportunities, such as Lake Lothing
- support the development of the Eastport proposal in Great Yarmouth
- secure transport investment to improve connections from the sub-region to Norwich and Ipswich
- realise opportunities in the environmental energy sector and develop an Offshore Windpower Centre
- support the establishment and effective operation of a urban regeneration company that raises the profile and market confidence in the sub-region and promotes complementary policies and priorities across both towns.

London Arc

The relationship between the East of England and London economies is of high importance to both regions. The links are particularly strong in areas adjacent to the capital. The London Arc wraps around the northern, north-eastern and eastern boundary of London and includes some of the most prosperous and most deprived parts of the region. Areas within the London Arc are affected by their proximity to London in their employment, shopping, leisure, entertainment, and cultural facilities. Many people work in London, but live within the London Arc and commuting levels here are among the highest in the UK.

The area suffers from a major infrastructure deficit, and it must cope not only with the movements within the area, but also the effect of commuting. Major investment in sustainable transport networks is required to address these existing problems, alongside a significant and co-ordinated effort to manage the capacity of the existing networks and deliver a better balance between employment and housing to reduce the need to travel.

The Growth Areas of Milton Keynes-South Midlands, the London-Stansted-Cambridge-Peterborough corridor and Thames Gateway South Essex cut across the London Arc and those areas have been addressed already in this document.

Areas for development

- maintain and improve competitiveness of the London Arc by ensuring its continued attractiveness as a location for business investment in particular for key sectors such as biotechnology and the creative and cultural industries
- ensure efficient use of existing employment land, of previously developed land, and existing buildings which can contribute to renaissance of existing settlements and reduce pressure on greenfield land
- deliver adequate affordable housing to meet the needs of the local housing market, including key workers
- support sustainable patterns of movement by all travel modes within the arc, and in particular for major commuting flows to and from London
- harness the economic strengths of the area as a catalyst for regeneration at locations in or adjacent to the arc.

Sub-regional jobs growth

To achieve sustainable employment led growth and regeneration in the region in the period to 2021 requires levels of jobs growth projected in the draft regional spatial strategy⁷⁸.

Areas	Projected job growth 2001- 2021
Bedfordshire⁷⁹	
Luton/Dunstable/Houghton Regis and Bedford/Kempston/northern Marston Vale	44,400
Rest of Bedfordshire	9,000
Cambridgeshire	
Cambridge Sub-region (part)	70,500
Greater Peterborough Sub-region	21,900
Rest of Cambridgeshire	500
Essex	
Thames Gateway South Essex	55,000
Stansted / M11 Sub-region (part)	31,100
Haven Gateway (part)	20,300
Rest of Essex (including Cambridge Sub-region (part))	9,600
Hertfordshire	
Stansted / M11 Sub-region (part)	8,900
Rest of Hertfordshire	55,800
Norfolk	
Norwich sub-region, Thetford and Great Yarmouth/Lowestoft sub-region (part)	32,700
Kings Lynn sub-region and Rest of Norfolk	9,900
Suffolk	
Great Yarmouth/Lowestoft sub-region (part)	4,700
Haven Gateway (part)	29,400
Rest of Suffolk (including Bury St Edmunds and the Cambridge sub-region (part))	17,800
Region	421,500

⁷⁸ These figures are consistent with those in the draft regional spatial strategy at the time of going to print

⁷⁹ The growth figures for the growth areas in Bedfordshire are subject to further consultation as part of the Milton Keynes South Midlands sub-regional strategy before being finalised in the early part of 2005

Equality and diversity

Actions to promote equality, diversity and inclusion are integrated throughout this strategy. This section highlights and pulls together some of the most important issues and priorities.

Goal one: A skills base that can support a world-class economy

- A broad range of people in the East of England are under-represented in the labour market. This includes older people, people with disabilities, single parents, some black and minority ethnic communities and women. Removing obstacles and barriers and encouraging all individuals to achieve their potential will encourage equity and competitiveness, which will strengthen the regional economy.
- While the strategy identifies the priority to support under-represented communities facing barriers to employment, many people from the most disadvantaged communities in the region are already in employment – but in low pay, low skill and low opportunity jobs. In addition to creating employment opportunities, attention will be given to enhancing the quality of existing jobs and providing well defined routes for all people to access the skills training they need to fulfil their potential.
- Employment and skills support in the region need to be integrated with other activity designed to tackle barriers to employment such as the provision of affordable housing, good quality childcare and access.

Goal two: Growing competitiveness, productivity and entrepreneurship

- Cultural and ethnic diversity is a stimulus to creativity and enterprise creation. Work will be carried out to ensure entrepreneurial aspirations are built on in all groups and communities, particularly among groups that traditionally start-up the least number of new enterprises, such as women. It is also important to ensure mainstream business support is accessible to a wide range of communities and offers quality advice on the full range of business models including social enterprise.
- The region's businesses must tackle discrimination in the workplace, whether on gender, age, disability, ethnicity, faith or sexual orientation. Businesses which engage in discriminatory practices are denying themselves access to the widest pool of talent and not sharing in the benefits a diverse workforce can bring, such as increased staff motivation and access to wider markets.

Goal three: Global leadership in developing and realising innovation in science, technology and research

- This strategy aims to broaden the benefits of the region's strengths in research and development so innovation can play a major part in all sectors of the economy. This includes the voluntary and community sector and social enterprise. Innovation in environmental technologies, housing design and construction techniques plays a particularly important part in community regeneration programmes.
- The social and economic benefits gained from a strong research and development base in the region must lead to improved outcomes in the lives of all people who live and work here.

Goal four: High quality places to work, live and visit

- Ensuring high quality places to live is important to support sustainable economic growth and to create a sense of community pride. Low quality housing and a poor environment are often acute for disadvantaged groups, including home owners unable to release capital for home improvements. However, they are not confined to those on low incomes and can be a characteristic of both rural and urban areas.
- A lack of affordable housing can undermine the sustainability of communities, as people are forced to either travel longer distances to work or move to new areas. Addressing the housing needs of migrant workers, refugees and other socially excluded groups in the region is a key identified area of development.
- Development in the Growth Areas needs to benefit all sections of the community. This includes ensuring equal access to affordable housing, improving access to services for disadvantaged communities, creating healthy places to live and work and building social capital between people and communities.

Goal five: Social exclusion and broad participation in the regional economy

- Tackling social exclusion is an essential prerequisite for sustainable economic growth in order to ensure the benefits of a strong regional economy are felt by all. Embracing diversity has direct benefits for the competitiveness of the region's businesses, while reducing inequality leads to more sustained economic growth.
- The region places a strong emphasis on embedding equality and diversity in a proactive way across all key policies and strategies. However there are some communities that need a particular focus to tackle the social and institutional barriers they face to economic inclusion. The region needs to proactively tackle the disadvantage faced by communities of interest and place across the region, wherever it is found.

Goal six: Making the most from the development of international gateways and national and regional transport corridors

- Access to services, transport and information is key to achieving an inclusive society as many of the most socially excluded people live in communities poorly served by public transport and telecommunications. Improved safe and affordable transport systems providing access to education, training and employment would have a significant impact on deprived communities across the region and make the benefits of economic development accessible to a broader range of communities. This strategy supports innovative local transport solutions that can help improve accessibility for all groups of society and help address isolated communities.
- The economic benefits to be gained from expanding the region's international gateways and national and regional transport corridors must be available to all communities. This includes the creation of new employment and business opportunities.

Goal seven: A leading information society

- ICT infrastructure and usage has the potential to remove barriers to learning and improve the competitiveness of our region's businesses. It is essential that alongside the development of an improved IT infrastructure, there is a focus on the needs of specific communities of interest where awareness and use of ICT is currently under developed and may not be affordable. This includes targeting those that may not previously have accessed internet technologies, such as older people, parents re-entering the workforce, migrant workers and people with disabilities.

Goal eight: An exemplar for the efficient use of resources

- This strategy sets priorities to ensure the efficient use of our resources. It also highlights the need to raise awareness among organisations of the benefits and means by which resources can be re-used and recycled before finally disposing of them as waste. The benefits of expanding these industries must be available to all communities, particularly those deprived communities already engaged in recycling and re-use businesses. In addition, support should be provided for disadvantaged communities to access new business opportunities in the field of renewable energy, including social enterprises.

Sectors and clusters

A sector approach provides a means of segmenting the regional economy in order to focus engagement with businesses, develop policy interventions and undertake strategic planning with stakeholders and the private sector. Sectors are categories of businesses in the same industrial group and can be described as having similar development needs. Many of the region's most important sectors have characteristics normally associated with clusters, meaning they are geographically concentrated and include a tailored supply chain that services the industry.

Identifying key sectors

The process of developing the regional economic strategy has highlighted the importance of certain sectors and classifications of companies that are of growing importance for delivering the region's vision. In addition, since the publication of the last regional economic strategy, we have a better understanding of the dynamics of the region's key sectors, as well as a clearer view of how different organisations can use and work with sectors in complementary ways. Based on this, the following sections set out current thinking on the sectors and clusters that are of most importance to the region.

Delivering the vision and goals of the strategy

A number of industry sectors will be influential in realising the vision and the eight goals set out in this strategy. These sectors will be important in terms of building on the strengths, maximising the opportunities, addressing the weaknesses and embedding the underlying principles identified in the strategy.

Goal three of this strategy identifies the need to build on the region's comparative advantage in research and development.

Sectors of particular importance to this goal are those which currently have an international quality research capacity. Sectors that are already demonstrating research and development intensive activity include the life sciences sector. This involves the East of England's strongest global cluster in biosciences, supported by strong private sector pharmaceutical R&D and active networking notably through the Eastern Region Biotechnology Initiative (ERBI). Increasingly linked to the bioscience sector is the food sector, with large research-intensive food companies represented by Unilever's Colworth Laboratory near Bedford and a range of research institute strengths, such as the Institute of Food Research in Norwich. R&D is also becoming increasingly important in agriculture, particularly where links to research and development in life sciences can be made.

The region is also strong in automotive technology, which can be divided broadly into the automotive industry and motorsport, each with their own dynamics. The automotive sector has important strengths in technology and engineering facilities, with more than 40 per cent of the UK's automotive R&D being carried out in the region. Prominent technology and engineering facilities include those of Ford, Nissan and Lotus, together with the Millbrook Proving Ground and the Material Engineering Research Laboratory. Cranfield and Cambridge University also have particular strengths in automotive engineering. The region's strengths in motorsport are apparent in the UK's 'Motorsport Valley' which extends beyond the East of England to the East Midlands, the West Midlands and the South East.

The construction and built environment sector will be essential to meeting the Growth Areas agenda and built environment priorities as set out in goal

four. The need for social infrastructure as an integral part of sustainable communities highlights the importance of health and social care. More broadly, the modernisation and reform of public services is essential to managing growth in the region.

Tackling problems of deprivation and social exclusion is an integral part of the vision, and is particularly highlighted in goal five. While there are no specific industry sectors that would necessarily help deliver this goal, there is a need to work with alternative approaches to enterprise development through the social enterprise sector. The strategy also highlights the national significance of our transport gateways, and their impact on regional businesses as a whole. The importance of this is signified under goal six and highlights the need to acknowledge this as an important sector for the region. Similarly, a strong ICT sector, particularly in the area of network and services provision, will have an important effect on the ICT capabilities of businesses located in the region, as set out in goal seven.

The need to address the link between economic growth and environmental degradation is fundamental to goal eight. It highlights the need to support the environmental goods and services sector, as well as encouraging market opportunities for the renewable energy industry. The energy sector is supported by two key energy cluster organisations in the region – the East of England Energy Group and Renewables East.

No sectors have been specifically identified in relation to goals one and two of the strategy. That is because these goals are important for all economic sectors.

Additional sectors of regional significance

In addition to those sectors that will be influential in realising the vision and the eight goals set out in this strategy, a number of additional sectors can be identified that are important components of the economy of a leading region. Finance and business services are important in providing access to finance, legal advice and business services for all businesses to grow.

A strong creative and cultural sector, together with tourism, heritage and leisure industries, have an important influence on the quality of life of local communities as well as being economically important.

The sectors of importance in delivering the vision and goals of the strategy and those which are otherwise important for the strength of the regional economy are summarised in the following table.

Goal	Sectors that are important in delivering the vision and the eight goals of the strategy	Sectors that are otherwise important for the strength of the regional economy
1	This goal is linked to all sectors	Finance and business services Creative and cultural industries
2	This goal is linked to all sectors	Tourism, heritage and leisure
3	Life sciences Automotive and motorsport High-technology manufacturing and advanced engineering Food and agriculture	
4	Construction and the built environment Health and social care Public sector modernisation	
5	Social enterprise	
6	Transport gateways	
7	ICT	
8	Energy Environmental goods and services	

Policy implications

The identification of key sectors or priority groupings must be accompanied by a framework for policy and decision making. Interventions will differ according to the aspirations and needs of the sector. The set of interventions is likely to include:

- rollout of a focused innovation centre and enterprise hub programme, centred on the areas of international quality expertise
- strengthening the links between enterprise and the knowledge base, through, for instance, HEIF, R&D grants, spinout and licensing assistance
- supporting networks, skills initiatives and tailored business support packages, focused on needs and issues of certain sectors
- establishing and overseeing international alliances, to ensure the international competitiveness and profile of what the region offers
- participating in UK inter-regional initiatives, where there are sector synergies with other regions.

Revising the sectors

Progress has been made with sector development and their importance for the regional economic strategy is clear. Work is ongoing in this area, refining the criteria for selecting key sectors, and establishing the necessary policy framework that a range of regional partners can work with.



Playing a wider role

The economy of the East of England is inextricably and beneficially linked to the economies of our neighbouring regions and to the national and international economy. Because of this, the region will be more successful in achieving its vision if it collaborates with other regions on specific issues, and if it enhances its role internationally. Central to each of these activities is the need for more effective representation for the East of England and a strong identity for the region.

Working with other regions

With a strong and growing economy, the East of England plays an important role in driving forward UK economic growth, innovation and international competitiveness. The vision for the region sets out the need to build on our strength as a global leader for science and technology, research and development, and our international gateway roles and corridors of national economic importance. These are important not just for the East of England but for the UK as a whole.

UK regions must remain focused on the need to work together to grow the national economy and to reduce disparities within and between regions. That means speeding up the growth of the poorer performing regions, not slowing the growth of those currently growing more strongly. It is not an efficient or sustainable use of UK resources to have some parts of the country with underused people and places, while others are suffering from skills shortages and other effects of overheating economies. These problems occur both at a national level between regions and at a regional level between sub-regional areas. There are already examples of successful cross-regional working and national policy initiatives such as the Northern Way which have important lessons for economic development.

In the East of England, we must continue to work with other regions to ensure our efforts and resources are complementary and achieve best value for the UK and Europe as a whole. The regions in the greater south east in particular have many common strengths and issues to address. The East of England plays an important role in complementing and enhancing the position of London as a world city. The development and health of London has a major effect on the East of England, particularly in those areas of the region closer to London. Combined with the South East, our three regions contribute more than 40 per cent of UK GVA. This greater south east is fundamental to the overall health of the UK economy and makes an important contribution to reducing the productivity gap between the UK and the USA, France and Germany.

There already are many examples of cross-regional working. SEEDA, EMDA and EEDA jointly support the Oxford-Cambridge Arc, a programme to support and promote the unique set of educational, research, business, commercial and governmental resources that exist in the area around and between Oxford and Cambridge. The East of England also collaborates with its partners in the South East and East and West Midlands in the development of the Motorsport Valley, where there is a pool of world-class high-performance engineering and motorsport companies. Collaborative research initiatives include a jointly funded research programme on the higher education sector in the greater

south east, funded by the respective regional assemblies, government offices and regional development agencies. Looking forward, the London 2012 Olympic Bid presents a real opportunity for the regions to work together to support the bid, and if the bid is successful, ensure maximum benefits for the UK as a whole.

Playing a stronger role internationally

Globalisation is a major influencing factor of the future development of the region. The East of England economy operates within an international context and success depends on increased influence both in Europe and on the wider international stage. International links and relationships are important for building better access to new technologies, systems and market opportunities. International trade, foreign direct investment, knowledge transfer and commercialisation of new technology contribute to increasing productivity of the region.

The region will need to strengthen links with other knowledge-based regions around the world to further develop trade, investment and knowledge links and to promote international business activity. International collaboration can also help to progress other agendas important to the East of England, such as: equality and diversity; reducing poverty and social exclusion; regeneration; skills development; culture and tourism; addressing the effects of climate change and the loss of natural resources and biodiversity.

East of England Overseas offices

The **Silicon Valley office** was established in 2002 to encourage US high-tech and biotech companies to invest in the region. It also acts as a point of contact for East of England companies seeking a foothold in the US market.

The **Brussels office** was established to ensure that the region's interests are represented to the EU. It also serves as an information resource for regional partnerships on policy and funding developments at a European level.

Essex County Council has established an **office in the Jiangsu Province of China** working with the China-Britain Business Council.

European policy context

The performance of the whole European economy has a significant effect on the prosperity of the UK and the East of England. Half of the UK's total trade is with other EU member states. Following its enlargement in May, the EU became the largest trading bloc in the world, with close to 460 million people. Being part of this market has the potential to increase the dynamism, competitiveness and innovation of regional businesses.

Increasingly, the East of England is engaging in international markets to do business, benchmark and exchange best practice with partners in the EU. However, international partnerships are not just about business and trade. The region also needs to focus on exchanging knowledge, experience and best practice on a range of development issues.

The EU is also an important source of funding for economic regeneration through the structural funds, R&D budgets or the Common Agricultural Policy (CAP).

Effective engagement internationally requires the East of England to exercise influence on future European policy and maximise the effective use of European funding for the region.

A key driver of European policy is the need to enhance European competitiveness through development of a knowledge-based economy built on innovation and enterprise.

The Lisbon agenda sets the goal for the EU to become 'the most competitive and dynamic knowledge driven economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion.'⁸⁰

European policy directly affects the East of England economy in a number of other ways through:

- helping to create the legal, regulatory and financial conditions to foster an innovation culture
- promoting full employment, social cohesion and sustainable development through the structural funds programme
- influencing rural development through the common agricultural policy and the rural development regulation
- providing a wide range of funding opportunities for research and innovation
- promoting innovative approaches to European-wide problems through the community initiatives.

The region must play an important role in influencing European policy for the benefit of the regional economy. This includes being fully involved in the current debate about the future of the structural funds post 2006, CAP reform and the review of state aid legislation⁸¹.

All these issues have potentially significant implications for the East of England. Future European funding in the region needs to be targeted effectively towards the region's economic priorities, and the East of England needs a co-ordinated and authoritative voice to influence the debate.

⁸⁰ The Lisbon Strategy, European Union Heads of State Government, March 2002

⁸¹ The European Commission published its Third Cohesion Report, setting out proposals for the future of European regional policy and the Structural Funds after 2006 on 18 February 2004

More effective representation

Central to the delivery of our vision is the need for us to be better at making the case for our region, nationally and internationally. To support this, the region needs to develop more sophisticated arguments addressing the specific issues facing the East of England. For example, external funding flowing into the region is often allocated according to criteria which is inflexible to local circumstances. More emphasis needs to be placed on communicating a coherent and cohesive regional view.

Regional identity

Despite being such a diverse and dynamic region, the East of England has not yet developed a strong image and identity. The region has an impressive track record, which is not widely communicated. It is important to tell people our success stories.

The principles of branding are the same for regions as they are for businesses – it is important the region gets its message across, as the East of England is competing with other regions in the UK and internationally for inward investment and tourism.

The East of England needs to be recognised as a successful, vibrant and confident region, which is an excellent place to live, work, visit and invest in.

For the East of England to raise its profile requires continued involvement and support from a wide range of both private and public sector organisations and individuals. The 'East of England – space for ideas' regional branding initiative provides a good basis for this to develop.

Different parts of the region have different strengths and priorities. Any region-wide messages need to have relevance to the sub-regions and likewise local strengths should be utilised by any wider regional promotion.

Creating a strong, distinctive profile for the region that is recognised nationally and internationally will help to support the goals of the regional economic strategy by:

- providing a better platform to influence and lobby on behalf of the region
- attracting new businesses, investment and jobs
- attracting more tourists and visitors.

Marketing needs to be developed with a clear understanding of these objectives, so marketing activity is tailored to the relevant audience and supports the region's vision.



Part four
Delivery

Regional strategies

The East of England continues to mature rapidly as a region. Five years after the first regional economic strategy was produced there are now many additional opportunities for the region to realise its vision, with increasing clarity and collaboration between key players. This part of the strategy explains how the regional economic strategy fits with the other main regional strategies. It goes on to set out how the goals, priorities and actions of this strategy will be delivered at regional and sub-regional level. A final section looks at monitoring and reviewing the strategy.

Greater strategic direction for the region

The region now has greater strategic direction than ever before. There are a broad array of strategies and plans covering many of the region's key sectors and areas of work, for example, the draft regional spatial strategy, the regional environment strategy and the regional social strategy, together with a more robust evidence and research base to underpin them⁸². EERA has championed the development of a number of these strategies and has drawn them together in a longer term framework – the integrated regional strategy.

The integrated regional strategy has five main purposes⁸³:

- to provide a joined-up statement of regional priorities
- to flag any areas in which existing regional strategies are actually or potentially conflicting
- to suggest processes through which tensions between regional strategies might be mitigated and resolved
- to provide an overarching context for the development of regional strategies in the future, building on the current regional sustainable development framework
- to provide a clear statement to central government of priorities for the East of England at a regional level.

82 Research underpinning this and other regional strategies can be found at www.eastofenglandobservatory.org.uk

83 Based on the draft integrated regional strategy, EERA, September 2004. The final strategy is due to be finalised in December 2004.

Draft integrated regional strategy ⁸⁴

Sustainable futures: the integrated regional strategy for the East of England (including the high level objectives set out in the regional sustainable development framework)



⁸⁴ Based on the revised draft of the integrated regional strategy, EERA, November 2004. The final strategy is due to be finalised in December 2004.

Economic and spatial strategies

Statement of synergy between the regional economic strategy and regional spatial strategy

EERA has prepared a regional spatial strategy for the East of England (East of England Plan – the regional spatial strategy) which will guide development in the East of England for at least the next 20 years – covering economic development, housing, the environment, transport, retail and facilities, tourism, sport, recreation and culture, waste development, mineral extraction, and implementation. The regional spatial strategy is due to be published in draft form in December 2004, and will pass through public consultation and public examination stages during 2004/05, leading to approval by the Government in 2006.

EEDA has contributed to preparation of the East of England Plan, particularly in respect of its economic objectives and proposals. The regional spatial strategy's vision and objectives complement the vision and goals of this regional economic strategy. Within its 15 objectives, the regional spatial strategy identifies the need to 'increase prosperity and employment growth to meet identified employment needs of the region, and achieve a more sustainable balance between workers and jobs.' Other objectives recognise the need for environmental protection and enhancement, social inclusion, cultural diversity, regeneration, better use of land, delivering housing needs, and infrastructure development. Based on these objectives the regional spatial strategy aims to achieve a sustainable development approach to the future via an employment-led strategy. Both the regional spatial strategy and this regional economic strategy have been prepared in accordance with the regional sustainable development framework and the emerging integrated regional strategy.

The regional spatial strategy objectives can clearly be linked to the goals and priorities of this regional economic strategy.

- the regional spatial strategy has policies to support economic diversity and business development, including supporting cluster development and the provision of high quality ICT across the region, for both businesses and residents. These spatial policies will greatly assist the implementation of this regional economic strategy
- there is also considerable synergy in the policies being developed for housing, including affordable housing, high quality design, infrastructure development (such as roads, rail, public transport and social facilities), and the regeneration and renaissance of our urban areas
- the two strategies also share the goal of achieving their objectives with care for the environment and sustainable development principles at their very heart; development should be viewed as an opportunity to enhance the environment not as a burden upon it.

This regional economic strategy and the regional spatial strategy propose a clear synergy of policies for the East of England. Working with other regional strategies, EEDA and EERA will jointly pursue the common vision of improving the quality of life of all who live and work in the region, and to be an attractive location for those who wish to visit and invest.

The synergy between the two documents is based on work undertaken to align the draft regional spatial strategy with the regional economic strategy 2001: 'prosperity and opportunity for all'.

This work was developed to give a spatial distribution of job growth required to achieve the regional economic strategy and other spatial policy objectives, such as directing growth to deprived areas in order to facilitate regeneration.

As a result the draft regional spatial strategy proposes total growth of 421,500 jobs across the region for the period 2001 to 2021. The spatial distribution of this growth seeks to enable the most prosperous areas to continue to lead the region's economic progress, while promoting a step-change in employment growth, development and diversification in the region's priority regeneration areas. This regional economic strategy shares that proposition. Part three of this document sets out the job growth required at sub-regional level and the measures that will be implemented to deliver it.

Inevitably there are some areas where this regional economic strategy and the regional spatial strategy are not in total agreement.

- 1 EERA has prepared the regional spatial strategy largely on the basis of the 2001 regional economic strategy. This was predicated on a range of economic growth targets not all of which are specifically carried forward in this development of the regional economic strategy, but EEDA has affirmed its support for the regional spatial strategy's economic and employment targets as critical elements in delivering a sustainable spatial strategy for the region. EEDA particularly supports the aspiration, referred to above, to create 421,500 jobs up to 2021.

2 There is a major policy divergence between the regional economic strategy and the draft regional spatial strategy in relation to airports expansion, notably at Stansted. In the regional spatial strategy EERA has signalled it acknowledges airports can be key economic drivers in both a regional and sub-regional context and that greater connectivity between the East of England and other key markets is important to the economic success of the region. However, EERA has concerns about the social, economic and environmental sustainability of going beyond the maximum use of existing facilities, particularly at Stansted, and has consistently opposed the development of a second runway at Stansted, which features in the Government's aviation white paper.

EEDA has also recognised the significant potential of airports to be key drivers in a regional and sub-regional economic context but has responded more positively to the recent aviation white paper, which sets out the Government's view that a second runway at Stansted should be developed in the national interest. The new regional economic strategy has therefore been drafted on the basis of the aviation white paper. EEDA is, however, also concerned about the social, economic and environmental sustainability issues of further airport expansion and also to ensure the surface access infrastructure to support airport growth is properly taken into account in order to properly capture the social and economic benefits of airports expansion.

EERA proposes an early review of the regional spatial strategy to be triggered by a range of monitoring measures and other contingencies, one of which will be the detailed social, economic and environmental implications of any Stansted second runway, and EEDA will assist EERA with any such review.

3 This regional economic strategy has identified a range of priority sectors of the economy, aiming to promote those areas where action is most needed to ensure future success and regeneration. The regional spatial strategy, as a comprehensive regional spatial strategy, has to propose policy for a wider range of economic sectors. As such it gives greater emphasis to sectors such as retail and services important to, but not at the heart of, the regional economic strategy. However, EEDA recognises the importance of these sectors to the development of a balanced and successful regional economy, and supports EERA's aims in these wider areas.

Overall, notwithstanding the few areas where the objectives of the regional economic strategy and the draft regional spatial strategy differ, there is significant synergy between them and EEDA will support the regional spatial strategy through its public consultation and examination stages.

Delivery partnerships

Delivery at regional level

EEDA has ultimate responsibility for overseeing the implementation of the regional economic strategy, and, believes this is best delivered through cohesive and coherent partnerships of major public, private sector, and voluntary and community agencies, working together with stakeholders/beneficiaries of the strategy. To this end, the regional economic strategy envisages moving toward a position where for every regional economic strategy goal (or set of goals) there is a lead partnership. The lead partnership (which might also be responsible for progressing elements of other regional strategies) will be responsible for:

- developing and performance managing the delivery plan for the goal - outlining priorities and actions to be undertaken by partners
- identifying, agreeing (and where necessary reconciling) the priority implementation targets, outputs and changes to which the delivery plan is directed; and the contribution of individual agencies to those deliverables
- aligning the funding and business planning of core partners in investment plans and indicative regional budgets that progress the delivery plan; and agreeing the priorities against which flexible resources might be deployed
- overseeing and guiding the analysis and interpretation of regional intelligence and research to support the evidence base for delivery planning and performance management
- co-ordinating sub-regional commissioning/delivery management
- identifying innovative, experimental and pilot actions of regional significance

- acting as a regional voice and advocate in discussions with government and other national agencies and developing an inclusive and effective communications strategy to progress the goal.

Broadly speaking two major regional partnerships might be developed to cover the regional economic strategy, with a supporting range of either goal lead partnerships, or customer-focused partnerships.

The emerging Regional Skills and Competitiveness Partnership is proposed to oversee delivery of goals one to three. The Regional Skills and Competitiveness Partnership incorporates both the DfES requirements for the establishment of a Regional Skills Partnership and a lead for goal one, with a Strategic Advisory Board for Business as lead for goal two, and the Science and Industry Council as lead for goal three.

A proposal for a Sustainable Communities and Infrastructure Board is being developed that would play a similar role to the Regional Skills and Competitiveness Partnership for goals four to six. The Sustainable Communities and Infrastructure Board might incorporate both a Community Development Board for prioritisation of community regeneration and social inclusion as a lead for goal five; a Transport and Infrastructure Board as goal lead for goal six; and be supported by the Regional Centre of Excellence for Sustainable Communities and a Growth Areas Board for areas of major change - effectively to ensure positive outcomes on goal four.

Goals seven and eight will be led by regional steering groups, and would have links into both the Regional Skills and Competitiveness Partnership (especially the Science and Industry Council) and the Sustainable Communities and Infrastructure Board.

These proposals will be developed over the early period of the new regional economic strategy, and in the intervening period EEDA will take responsibility for progressing the delivery planning of the strategic goals.

The delivery of the regional economic strategy needs to sit comfortably alongside further evolution of regional governance and strategy implementation arrangements for other regional strategies. To this end the regional economic strategy will support both EERA and GO-East in the development of governance and investment planning arrangements required to 'plan, manage and monitor' the progress of the integrated regional strategy both at executive and at governance levels. EEDA will also seek to ensure that the Regional Skills and Competitiveness Partnership and Sustainable Communities and Infrastructure Board are contributing to the delivery of other regional strategies.

The regional rural delivery framework will underpin the delivery of practical solutions to rural priorities across the region. Strategic responsibility for general rural priorities may rest with a regional board, but since rural is a cross cutting issue other key strategic groups will support delivery on priority issues. For example, a Food and Drink Industry Forum will underpin work in delivery of the food and drink strategy and the sustainable food and farming implementation plan.

Sub-regional economic partnerships in the East of England

- Bedfordshire and Luton Economic Development Partnership
- Essex Prosperity Forum
- Greater Cambridge Partnership
- Greater Peterborough Economic Development Partnership
- Haven Gateway Partnership
- Hertfordshire Prosperity
- Shaping the Future (Norfolk)
- Suffolk Development Agency
- Thames Gateway South Essex Partnership

Delivery at sub-regional level

At sub-regional level, the region can be divided up in many different ways. This strategy identifies sub-regions on a functional economic, rather than administrative, basis. This mirrors the approach taken in the draft regional spatial strategy. In many sub-regions, however, delivery is currently organised on the basis of administrative boundaries. Many of the region's sub-regional economic partnerships are currently county based.

These sub-regional partnerships are agents for economic development and regeneration. They are inclusive and broadly based, bringing together the main economic development agencies and key influencers from the private sector. They were established in response to local needs, and are characterised by strong partnership working, governance and accountability. They are, through their networks, routes to the totality of public, private and community resources needed to realise the strategy's goals and vision at a sub-regional level.

Core functions of sub-regional partnerships include:

- formulating and overseeing sub-regional strategy developments and/or solving sub-regional economic issues
- acting as a policy developer and identifying sub-regional priorities that are aligned with the regional economic strategy
- consulting with and gaining buy-in from major public organisations and private and voluntary sectors in the sub-region
- working with, and developing the capacity of local strategic partnerships and local delivery vehicles in their area
- providing input into data gathering and research, linked to the regional observatory

Sub-regional economic partnerships should take account of this strategy when drawing up or reviewing their own sub-regional strategies and business plans.

Delivery at local level

At local level, the local authority is the statutory lead agency for promoting economic development and regeneration. This is reflected in its key role in developing local strategic partnerships and associated community strategies. There are, of course, a range of other important partners in the design and delivery of economic development and regeneration at the local level. These include the local delivery vehicles (developing urban regeneration companies and urban development corporations) in certain parts of the region, higher and further education institutions, deliverers of business support services and the voluntary and community sector. Many of these organisations are also active at the sub-regional and regional levels.

The delivery of actions to regenerate and improve local economies falls within the remit of these and other agencies. As a regional strategy, it is not appropriate to be prescriptive about action at the local level. In developing strategies and action plans, however, local partners are encouraged to have due regard for the sub-regional and regional context within which they are operating.

Monitoring regional performance

Monitoring and reviewing the regional economic strategy will be a continuous process.

The framework set out in this section:

- is based around the vision and the strategic goals
- seeks to complement other performance frameworks and indicators
- requires the development of a more detailed delivery plan for each goal
- is intended to encourage the continual improvement of policy interventions as a result of experience gained.

Vision, goals and public service agreement targets

The vision and the eight goals set the overall direction of the strategy. Where possible, these have been linked to relevant public service agreement (PSA) targets held by central government departments. The new performance framework for RDAs is based around a similar set of PSA targets, hence they provide a link between the RDA performance framework and the monitoring and review process for the regional economic strategy.

Delivery plans and process indicators

The previous section identified the lead partnerships which will take responsibility for overseeing the delivery of the eight goals. The delivery plan for each goal will include a section on performance monitoring and review. The plans should clearly set out the inputs, outputs and outcomes associated with the delivery of each goal and the timescales and processes by which the outputs and outcomes will be achieved:

Inputs: the resources used to aid delivery

Outputs: the products of the activities being undertaken

Outcomes: the impacts and consequences of the activities being undertaken⁸⁵.

The plans should identify a number of 'process indicators', or milestones, that will measure progress toward the associated outputs and outcomes. The delivery plans should also set out the likely outputs and outcomes from this activity. Actual outcomes are likely to be influenced by the actions of a range of organisations. They are not subject to the control of any single organisation or agency. The tables at the end of this section provide some illustrative outcome indicators for each of the eight goals.

Monitoring, evaluating and reviewing

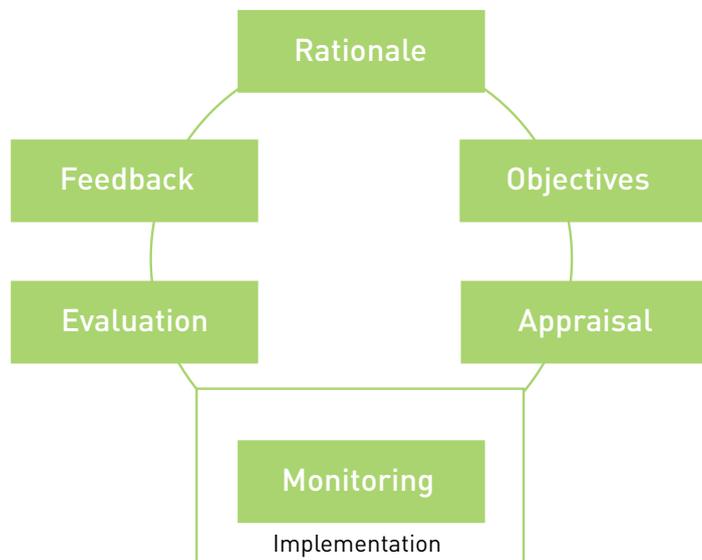
The important elements in monitoring and reviewing the regional economic strategy are around:

- assessing the effectiveness of implementation of the strategy
- evaluating the effectiveness of the strategy in achieving its objectives
- identifying the need for modification of the strategy, providing input to the next review
- identifying those external factors that may have implications for the implementation of the strategy.

This process of monitoring and review must take place at the level of individual goals and at the level of the strategy as a whole.

The monitoring framework should, ideally, encourage the continual improvement of policy interventions as a result of experience gained. This means more than just monitoring progress against process, output and outcome indicators. It is about gaining a better understanding of the effectiveness of policy interventions. The Green Book describes the broad policy cycle, depicted in the diagram below.⁸⁶

Within this framework, the regional economic strategy sets the overall rationale for intervention to improve the performance of the regional economy. Activities and projects are then developed, appraised, implemented and their impacts monitored. If policy interventions are to be continually improved, there must be proper evaluation of their effectiveness and the learning fed back into the policy and strategy making process.



85 Based on, Setting Key Targets for Executive Agencies: A Guide, HM Treasury, Cabinet Office, National Audit Office, HMSO, November 2003

86 The Green Book: Appraisal and evaluation in central government, HM Treasury, 2003

The role of EEDA

The lead partnerships identified in the preceding section have responsibility for the development of delivery plans for each of the eight goals of the strategy. As set out above, these delivery plans must include a section on performance monitoring and review. EEDA is responsible for the overall monitoring and review of the regional economic strategy. The following tables set out a very broad framework against which the performance of the strategy as a whole will be monitored.

The first table identifies the set of overarching PSA targets to which the strategy relates at national level. The tables that follow set out, for each goal, the related PSA targets and a number of suggested outcome indicators. This table will be updated once delivery plans have been completed for each of the eight goals.

Tracking the progress of the regional economy against a small set of outcome indicators may give us a general feel for how the region is developing. Speedy implementation of the recommendations of the Allsopp review of statistics for economic policy making will help in this regard⁸⁷. To gain a better picture, EEDA will undertake to produce a regular, 'state of the region' report. This will provide a broadly based review of the development of the regional economy. The report will form part of the ongoing programme of work for the East of England Observatory and regional partners are invited to contribute to its development.

⁸⁷ Review of Statistics for Economic Policy Making: Final report to the Chancellor of the Exchequer, the Governor of the Bank of England and the National Statistician, Christopher Allsopp, December 2003, HM Treasury.

Goals, PSA targets and regional outcome indicators -

Overarching indicators

Relevant PSA target(s)

Regional outcome indicators

Regional economic performance

Make sustainable improvements in the performance of all English regions by 2008, and over the long-term narrow the gap in growth rates between the regions, demonstrating progress by 2006 (shared by DTI, ODPM and HM Treasury)

- GVA per head (workplace based)
- Household income
- Employment rate

Sustainable development

Promote sustainable development across government and in the UK and internationally, as measured by: the achievement of positive trends in the Government's headline indicators of sustainable development; the UK's progress towards delivering the World Summit on Sustainable Development commitments, notably in the area of sustainable production and consumption, chemicals, biodiversity, oceans, fisheries and agriculture; and global climate change agreements (Defra)

- Regional indicators of sustainable development (Regional quality of life counts)
- Perception of change in quality of life (local authority survey data)

Productivity

Demonstrate further progress by 2008 on the government's long-term objective of raising the rate of UK productivity growth over the economic cycle, and narrowing the gap with our major industrial competitors (shared by DTI and HM Treasury)

- GVA per hour worked
- Employment in knowledge intensive industries

Goals, PSA targets and regional outcome indicators -

Indicators by goal

Relevant PSA target(s)

Regional outcome indicators

Goal one: A skills base that can support a world-class economy

Work with Regional Skills Partnerships (RSPs) to make a full regional contribution to the shared Department for Education and Skills (DfES), Department for Work and Pensions (DWP) and DTI over-arching objective to "attain greater labour market capacity and higher productivity and ensure individuals have the skills they need for employment by raising demand for skills and improving both the acquisition and the effective use of skills at all levels". This reflects various Departments' PSA targets. The contribution will be based on regional economic and skills priorities and will include a contribution to the following target:

Increase the number of adults with the skills required for employability and progression to higher levels of training through: improving the basic skill levels of 2.25 million adults between the launch of Skills for Life in 2001 and 2010, with a milestone of 1.5 million in 2007; and reducing by at least 40 per cent the number of adults in the workforce who lack NVQ2 or equivalent qualifications by 2010. Working towards this, one million adults in the workforce to achieve level 2 between 2003 and 2006 (DfES)

(also see the DWP/HMT employment rate target under Goal 5)

- Adults with basic skills
- Proportion of young people/adults with no qualifications/ with qualifications at NVQ levels 2/3/4
- Amount of public and private investment in workforce development (Regional LSC survey)
- Participation of 18-30 year olds in Higher Education

Goal two: Growing competitiveness, productivity and entrepreneurship

Build an enterprise society in which small firms of all kinds thrive and achieve their potential with an increase in the number of people considering going into business; an improvement in the overall productivity of small firms; and more enterprise in disadvantaged communities (DTI Target)

By 2008, deliver a measurable improvement in the business performance of UK Trade & Investment's international trade customers, with an emphasis on new to export firms; and maintain the UK as the prime location in the EU for foreign direct investment (shared by DTI and Foreign and Commonwealth Office)

Improve the productivity of the tourism, creative and leisure industries by 2008 (DCMS)

Reduce the gap in productivity between the least well performing quartile of rural areas and the English median by 2008, demonstrating progress by 2006, and improve the accessibility of services for rural people (Defra)

Deliver more customer focused, competitive and sustainable farming and food industries (Defra)

- Proportion of people considering going into business
- Self-Employment rates
- Small firm productivity
- Manufacturing exports per head
- Inward investment

Relevant PSA target(s)

Regional outcome indicators

Goal three: Global leadership in developing and realising innovation in science, technology and research

Improve the relative international performance of the UK research base and increase the overall innovation performance of the UK economy, making continued progress to 2008, including through effective knowledge transfer among universities, research institutions and business (DTI)

[also see the DTI and joint DTI/FCO targets under Goal 2]

- Business expenditure on R&D as a proportion of GVA
- Proportion of businesses having introduced new products, services and processes (Community Innovation Survey)
- Number of innovation-active businesses (Community Innovation Survey)
- HE-business interaction: University income from collaborative research and intellectual property (HEFCE survey)

Goal four: High quality places to live and work and visit

Achieve a better balance between housing availability and the demand for housing, including improving affordability, in all English regions while protecting valuable countryside around our towns, cities and in the green belt and ensuring the sustainability of towns and cities (ODPM)

- Ratio of lower quartile house prices to lower quartile earnings

Goal five: Social inclusion and broad participation in the regional economy

Tackle social exclusion and deliver neighbourhood renewal, working with departments to help them meet their PSA floor targets, in particular narrowing the gap in health, education, crime, worklessness, housing and liveability outcomes between the most deprived areas and the rest of England, with measurable improvement by 2010 (ODPM)

Over the three years to Spring 2008, and taking account of the economic cycle: demonstrate progress on increasing the employment rate (shared by DWP and HM Treasury); increase the employment rates of disadvantaged groups (lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications and those living in the Local Authority wards with the poorest initial labour market position); and significantly reduce the difference between the employment rates of the disadvantaged groups and the overall rate (DWP)

- Employment and self-employment rates in deprived areas and among disadvantaged groups
- Benefit claimant rates (key benefits)
- Health inequality (variation in district level life expectancy)
- Worklessness (Labour Force Survey)

Relevant PSA target(s)

Regional outcome indicators

Goal six: Making the most from the development of international gateways and national and regional transport corridors

Indirect links to a number of PSA targets

- Distance travelled per person per year by mode of transport

Goal seven: A leading information society

Indirect links to a number of PSA targets

- Selected indicators from the Regional ICT Benchmarking Survey

Goal eight: An exemplar in the efficient use of resources

To reduce greenhouse gas emissions to 12.5 per cent below 1990 levels in line with our Kyoto commitment and move towards a 20 per cent reduction in carbon dioxide emissions below 1990 levels by 2010, through measures including energy efficiency and renewables (shared by DTI, Defra and DfT)

- Waste production and recycling (household, municipal, industrial and commercial)
- Sustainable consumption and production / decoupling indicators (under development by Defra)



Appendices

Appendix one

The review process

EEDA has adopted an inclusive approach to the review of the regional economic strategy. Stakeholders have been, and continue to be, engaged in a number of ways.

First, an EEDA board strategy committee was established to oversee the review process on behalf of the board. The committee is made up of a number of EEDA board members together with representatives from six regional organisations: the East of England Regional Assembly (EERA), the Community and Voluntary Forum for the Eastern Region (COVER), the Confederation of British Industry (CBI), The Institute of Directors (IOD), the Federation of Small Businesses (FSB) and the East of England Chambers of Commerce

Second, with the support of EERA, EEDA adopted a 'scenario planning' approach to help inform the review. The process was highly participative. It was based around a series of workshops, held across the region. Through these events more than 50 organisations made an active contribution to the content of this document. This work can be viewed as a 'pre-consultation' exercise that informed the development of the strategy.

This approach has generally been regarded by stakeholders as a strength of the review process. A supporting document 'scenario planning: developing a shared understanding of the influences on the economic development of the East of England' is available containing a fuller description of the scenario planning process and its outputs. This, along with other background information, can be found on the East of England Observatory:

www.eastofenglandobservatory.org.uk under the tab marked 'RES Review'.

Third, specific groups have been engaged in more detailed consultation on specific issues of direct relevance to them. For example, the East of England Business Group has provided a focus for engagement with the business community. Sub-regional economic partnerships helped provide a sub-regional view. The Countryside Agency has helped to ensure that the strategy takes account of rural issues. COVER and MENTER, the Black / Minority Ethnic Network for the Eastern Region, have helped us to review this document in relation to equality and diversity issues. Other partners have been engaged on issues of direct relevance to them.

Fourth, there has been consultation on written documents at two stages in the process. The first written consultation document, 'sharing the challenge – playing your part in reviewing the regional economic strategy' sought views on the high level issues that should be taken forward in the revised regional economic strategy. A second consultation document 'progressing a shared vision' sought views on the full draft strategy. This consultation was supported by over 90 meetings held across the region between EEDA and key partners.

In addition, consultants have worked alongside the steering group to undertake a sustainability appraisal and a rural proofing of the strategy. We used the sustainable development toolkit and the rural proofing checklist. This has been an ongoing process throughout the review and has informed the development of this strategy. Written appraisal reports relating to both written consultation documents and for the final strategy are available on the East of England Observatory.

Appendix two

The regional economic strategy and other regional strategies

Strategy	Lead	Publication / status	Time frame	Link
Cultural strategy	Living East	published 2000 - under review - expected publication 2005	2000-2010	goals one, two, four and five
Environment strategy	EERA	2003		goals four, six and eight
European strategy	EERA	2003	2003-2010	links to all, strongest link to part three
Food and drink strategy	EEDA	expected publication February 2005		goals two and three
Food and farming strategy – East of England action plan	GO-East and EEDA	2003	2003-2004	goals two, four and eight
Framework for regional employment and skills action	EEDA	2003	Updated as necessary	goals one, two and five
Health strategy	EERA	under development		goals four and five
Housing strategy	Regional Housing Forum	2003	2003-2006	goals four and five
Integrated regional strategy	EERA	expected publication January 2005		links to all goals
International business strategy	UKTI and EEDA	2004		goals one, two and three
Regional spatial strategy	EERA	public consultation from December 2004	2004-2021	links to all, strongest with goals four and six
Social strategy	EERA	2004		goals one, two and five
South East and Anglia ports strategy		2002	2002-2016	goal six
Sustainable development framework	EERA	2001		all, strongest to goal eight
Sustainable tourism strategy	East of England Tourist Board	2004		goals two and four
Towns and cities strategy (urban renaissance)	EEDA	2003	2003-2020	goals four, five and six
Waste management strategy	EERA	2003	2003-2021	goal eight
Woodland strategy	Forestry Commission	2003	2003-2023	goal eight

Appendix three

Underpinning research reports

The list below shows some of the most important research work undertaken in the region in the past few years. This list however, is not comprehensive. Copies of these and other studies, together with a wealth of further socio-economic and environmental information about the region can be found on the East of England Observatory at: www.eastofenglandobservatory.org.uk

- A Centre of Excellence for Renewable Energy in the East of England**, Douglas Westwood for EEDA: November 2002
- Agriculture and Food Processing Study**: Supporting the production of the regional food and drink strategy, SQW and Cambridge Econometrics for EEDA: November 2003
- Aspects of Social Exclusion in the East of England**, OSEP: May 2003
- Business-led Regeneration of Deprived Areas**: Review of Evidence Base, Centre for Enterprise and Economic Development Research for the Neighbourhood Renewal Unit: 2003
- Business Start-Up Strategy Background Report**, Kingshurst Consulting for EEDA: December 2003
- Community Development Finance in the East of England**, The Guild, Norwich for EEDA: September 2003
- Creative Industries Mapping Study**, DTZ Piedad and City University: November 2002
- Defence and Aerospace Sector in the Eastern Region**, Eastern Aerospace Alliance for EEDA: November 2003
- Disadvantage and Multiple Disadvantage in the East of England**, Institute for Social and Economic Research Essex University and OSEP: January 2004
- Eastern England Regional ICT Benchmarking Study 2003**, Hi Europe for EEDA: 2003
- Economic Planning Sub-Regions and Planning for Clusters**, SQW and Land Use Consultants for EEDA/EERA: July 2002
- EMMAUS Economic Impact Assessment**, Department of Land Economy at University of Cambridge for EMMAUS UK: September 2003
- Environmental Prosperity**: Business and the Environment in the East of England, SQW and Land Use Consultants for EEDA: November 2003
- Ethnic Minorities & the Labour Market PIU Interim Analytical Report**, Cabinet Office PIU: October 2001
- Faith in Action**, Faculty of Social and Political Sciences, University of Cambridge for East of England Faiths Leadership Conference: May 2003
- Health and Social Care and Sustainable Development in the East of England**, Centre for Public Services and the Nuffield Institute for Health: January 2004
- ICT Baseline Sector Mapping**, Novalis for EEDA Finance: November 2002
- Implications of an Ageing Population in the East of England**, Population Ageing Associates for EERA: October 2003
- Ipswich-Cambridge Hi-Tech Corridor Scoping Study**, SQW for EEDA/SDA: October 2003
- Labour Market Analysis for the East of England**: FRESA supporting study, EKOS Consultants for EEDA: November 2002
- Living with Climate Change Research Study**, Hertfordshire County Council for EERA: December 2003
- Local LSC Strategic Area Reviews**, Learning & Skills Council: To be published March 2005
- Making a Living in the Community: mapping the social economy in the Eastern Region**, The Guild: 2002
- Multiple Disadvantage in Employment**, Institute for Economic and Social Research at the University of Essex for EEDA: May 2003
- Overview of Skills Development Opportunities and Training Needs within the Community and Voluntary Sector in the East of England**, COVER: August 2002
- Regional Economic Strategy Sub-Regional Studies**, Bone Wells Associates for EEDA: July 2002
- Social Exclusion in the East of England**, New Policy Institute for OSEP: October 2003
- South East and East of England Air Services Study** (technical report to the main consultation document) 'The future development of air transport in the UK: South East', Department for Transport: February 2000
- Sustainable Development Toolkit for the East of England**, UK Centre for Economic and Environmental Development for EEDA/EERA: Phase 1 October 02 – Jan 03, Phase 2 since June 03
- The Cambridge Phenomenon**: Fulfilling the Potential, Greater Cambridge Partnership (GCP): June 2003
- The Provision of Affordable Housing in the East of England 1996 – 2021**, Cambridge Centre for Housing and Planning Research for EEDA: February 2003
- The REWARD model**: An econometric model to identify the environmental impacts of economic scenarios, Cambridge Econometrics for a partnership of English RDAs (inc. EEDA) and the Environment Agency: February 2002
- Tourism Marketing Study**, Tourism Network – EEDA: February 2004
- Tourism Skills Audit**, Tourism Network – EEDA: August 2002
- Transport Gateways Baseline Sector Mapping**, Anglia Polytechnic University for EEDA Finance: December 2003
- Urban and Rural Prioritisation in the East of England**, DTZ Piedad Consulting for EEDA/EERA/ GO-East: September 2002

Appendix four

Glossary

Acronyms

ADSL	asymmetric digital subscriber line
AONB	area of outstanding natural beauty
CABE	Commission for Architecture and the Built Environment
CAP	Common Agricultural Policy
DCMS	Department for Culture, Media and Sport
Defra	Department for Environment, Food and Rural Affairs
DfES	Department for Education and Skills
DTI	Department of Trade and Industry
EEDA	East of England Development Agency
EERA	East of England Regional Assembly
ESF	European Social Fund
FE	further education
FRESA	framework for regional employment and skills action
GVA	gross value added
HE	higher education
HEI	higher education institute
HEFCE	Higher Education Funding Council for England
ICT	information communications technologies
IMD	index of multiple deprivation
LLP	limited liability partnership
LSC	Learning and Skills Council
NHS	National Health Service
NVQ	national vocational qualification
ODPM	Office of the Deputy Prime Minister
OECD	Organisation for Economic Co-operation and Development
RAB	Regional Aggregation Body
R&D	research and development
RDA	Regional Development Agency
RSCP	Regional Skills and Competitiveness Partnership
RSS	regional spatial strategy
RSP	regional skills partnership
RTS	regional transport strategy
SOC	standard occupational classification
SET	science, engineering and technology
SBS	Small Business Service
SCIB	Sustainable Communities and Infrastructure Board
SDSL	symmetric digital subscriber line
SME	small and medium sized enterprise
TGSE	Thames Gateway South Essex
UDC	urban development corporation
URC	urban regeneration company

Appendix five

Key terms

basic skills

defined by the Basic Skills Agency as 'the ability to read, write and speak in English, and to use mathematics at a level necessary to function at work and in society in general'.

brownfield land

land that has been previously developed.

claimant unemployment

the number of people claiming unemployment-related benefits.

corporate social responsibility

organisations recognising that their activities have a wider impact on the society in which they operate, taking account of the economic, social, environmental and human rights impact of their activities across the world and seeking to achieve benefits by working in partnership with other groups and organisations.

economically active

those who are active in the labour market. Includes the employed and ILO unemployed.

economically inactive

those who are outside working age, such as the retired and schoolchildren, plus those of working age who are not working. Includes both those who want to work, such as the sick and disabled (whether they are looking for work or not) and those who do not, such as students or those looking after their families.

e-learning

training using information and communication technologies.

green infrastructure

green spaces and landscapes within and around built developments considered as an integral part of the design and development process.

ILO unemployed

refers to people who are not employed, want a job, have actively sought work in the past four weeks, and are available to start work within the next two weeks. Those who are currently out of work, but have accepted a job and are waiting to start work within the next two weeks are also included as ILO unemployed.

inward investment

investment in this country by multinational enterprises, also termed foreign direct investment.

knowledge economy

part of the economy which is driven more by knowledge and technology than the traditional factors of capital and labour.

labour force

refers to people who are offering themselves for work, that is those who are currently employed or self-employed, plus the ILO unemployed.

learning communities

a new approach to tackling the problems of those who are socially excluded, who have low or no qualifications living in disadvantaged communities and whose expectations for life are low. Approaches include - encouraging whole families to get involved in children's learning, developing a learning club approach to bring people together, working through sports and culture activities, getting courses put on in local areas and learning champions working in communities.

multiple deprivation

a combination of several forms of deprivation, such as low income, poor housing and unemployment.

productivity

the measure of output per employee per period of time, either per year or per hour worked.

qualifications

NVQ equivalents are used to classify qualifications. NVQ levels 4 and 5 are usually referred to as 'higher level' qualifications - they equate to first degree and higher degree/professional qualifications. NVQ levels 2 and 3 are usually referred to as 'intermediate' qualifications - they equate to five GCSEs at grades A*-C and 2 A-levels respectively. NVQ level 1 and below are referred to as 'lower level' qualifications. This is below GCSE level.

regional development agencies

the nine Government agencies set up in 1999 to co-ordinate regional economic development and regeneration, enable the English regions to improve their relative competitiveness and reduce the imbalances that exist within and between regions.

renewable energy

described by the DTI as the 'term used to describe those energy flows that occur naturally and repeatedly in the environment, eg from the sun, the wind and the oceans, and from plants and the fall of water. It also refers to the energy available from the emerging clean technology of fuel cells, unless the electricity used to charge such fuel cells is sourced from conventional non-renewable sources'.

resource productivity

a measure of the efficiency with which an economy uses energy and materials.

social enterprise

businesses with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community.

social exclusion

the Social Exclusion Unit describes social exclusion as 'a shorthand term for what can happen when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime environments, bad health, and family breakdowns'.

spending review

process to set spending plans and targets for government departments.

sustainable development

defined by the World Commission on Environment and Development as 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs'. The UK Government's four objectives for sustainable development:

- social progress which recognises the needs of everyone;
- effective protection of the environment;
- prudent use of natural resources; and
- maintenance of high and stable levels of economic growth and employment.

Appendix six

Organisations that contributed to the development of the regional economic strategy

This list comprises organisations that submitted a written response to one of the consultation documents, or attended a scenario planning workshop or consultation meeting.

A Recipe for Success Ltd	Centre for Entrepreneurial Learning, University of Cambridge
Addenbrooke's NHS Trust	Chamber Business
Adult Skills Pilot Joint Venture Board	Chartered Institute of Building
Advisory, Conciliation and Arbitration Service	Chelmsford Borough Council
Age Concern Eastern Region	Chilterns AONB Conservation Board
AKD Engineering Ltd	Citizens Advice Bureau
Ambrook Associates	Colchester 2020
Anglia Business Resources	Colchester Borough Council
Anglia Polytechnic University	Colchester Business Enterprise Agency
Anglia Television Ltd	College of West Anglia (The)
Arts & Business East	Community and Voluntary Forum Eastern Region
Arts Council England, East	Community Forests in the Eastern Region
Association of Colleges in the Eastern Region	Community Rural Network East
Association of Town Centre Management East	Confederation of British Industry East of England
Association of Universities in the East of England	Connexions Bedfordshire and Luton
Babergh District Council	Connexions Cambridgeshire and Peterborough
Band and Brown Communications	Connexions Hertfordshire
Bedford Borough Council	Connexions Essex, Southend and Thurrock
Bedford Development Agency	Connexions Norfolk
Bedfordshire and Luton Development Officers Group	Connexions Suffolk
Bedfordshire and Luton Economic Development Partnership	Construction Skills
Bedfordshire and Luton Enterprise Centre	Country Land & Business Association
Bedfordshire and Luton Green Infrastructure Consortium	Countryside Agency (The)
Bedfordshire Chamber of Commerce	CPRE East of England
Bedfordshire County Council	Cranfield University
Bedfordshire Local Strategic Forum	CRed
Bedfordshire Rural Affairs Forum	Crown Estates
BENSCH (Regional Association of Parish & Town Councils)	Dedham Vale (AONB) & Stour Valley Countryside Project
Birds Eye Walls Ltd	Defence Diversification Agency
Braintree College	Defra RDS East
Braintree District Business Council	Department for Culture, Media and Sport
Braintree District Council	Department for Education and Skills
Breckland District Council	Department for Environment, Food and Rural Affairs
Britannia Airways	Department for Transport
British Marine Federation	Department of Health
Broadland District Council	Department of Trade and Industry
Broads Authority	Department of Trade and Industry Broadband Unit
BT	Department of Trade and Industry Innovation Group
BTCV	Design Council
Business Link for Bedfordshire and Luton	Directions Plus
Business Link for Cambridge	East Cambridgeshire District Council
Business Link for Essex	East Hertfordshire District Council
Business Link for Hertfordshire	East Mentoring Forum
Business Link for Norfolk	East of England Association of Civic Trust Societies
Business Link for Suffolk	East of England Biodiversity Forum
Cambridge City Council	East of England Business Group
Cambridge Network	East of England Business Links
Cambridge Regional College	East of England Chamber of Commerce
Cambridgeshire Chamber of Commerce	East of England Churches Network
Cambridgeshire County Council	East of England Consortium
Cambridgeshire Lifelong Learning Partnership	East of England Energy Group
Capital Shopping Centres Plc	East of England Environment Forum
Centre for e-business in Construction	East of England European Partnership, Brussels Office

East of England Faiths Council
East of England Funding Forum
East of England Multimedia Alliance
East of England Museums Libraries Archives Council
East of England Public Health Group
East of England Regional Assembly
East of England Tourist Board
Eastern Association of Enterprise Agencies
Eastern Region Biotech Initiative
EEF East of England
English Heritage
English Heritage Forum
English Nature
English Partnerships
Environment Agency (The)
Epping Forest District Council
Essex Association of Chief Executives
Essex Business Consortium
Essex County Council
Essex Local Government Association
Essex Prosperity Forum
Essex Strategic Authority
European Technology for Business Ltd
Exemplas
Federation of Small Businesses
Fenland District Council
Fenland Strategic Partnership
Food Fen Ltd
Forest Heath District Council
Forestry Commission
Friends of the Earth
GlaxoSmithKline
Government Office for the East of England
Great Glemham Parish Council
Great Yarmouth Borough Council
Greater Cambridge Partnership
Greater Peterborough Economic Development Partnership
Greater Peterborough Investment Agency
Group Lotus Plc
Harlow District Council
Haven Gateway Partnership
Helios Properties Plc
Heritage Lottery Fund, East of England team
Hertfordshire Chamber of Commerce and Industry
Hertfordshire County Council
Hertfordshire County Council Labour Group
Hertfordshire Prosperity
Highways Agency
Home Office
House Builders Federation (The)
Hutchison Ports (UK) Limited
i10
IBC Vehicles Ltd
Institute for Manufacturing, University of Cambridge
Institute of Chartered Accountants in England & Wales (The)
Institute of Directors
Invest East of England
Ipswich Borough Council
Jobcentre Plus
King's Lynn and West Norfolk Borough Council
King's Lynn Regeneration Partnership (The)
Knebworth Estates
Lantra Sector Skills Council
Learning and Skills Council Bedfordshire and Luton
Learning and Skills Council East of England
Learning and Skills Council Essex
Learning and Skills Council Hertfordshire
Learning and Skills Council Norfolk
Learning and Skills Council Suffolk
Legal and General Assurance Society Ltd
Living East
London Development Agency
London Luton Airport Operations Ltd
Lowestoft and Waveney Chamber of Commerce
Lowestoft College
Luton Borough Council
Luton Forum
Luton LAG
Maldon District Council
Marshall Aerospace Ltd
Medilink East
Member of Parliament for Waveney, Mr Bob Blizzard
MENTER, the Black / Minority Ethnic Network for the Eastern Region
Mid Anglia Engineering Employers Association
Mid Bedfordshire District Council
Mid Suffolk District Council
National Trust (The)
NFU - East Anglia Region
Norfolk Chamber of Commerce & Industry
Norfolk Coast Partnership (The)
Norfolk County Council
Norfolk County Council Transport Group
Norfolk Rural Business Advice Service
Norfolk, Suffolk and Cambridgeshire Strategic Health Authority
North Hertfordshire District Council
Norwich and Peterborough Building Society
Norwich City Council
Office of the Deputy Prime Minister
Orion Land and Leisure
Oxford 2 Cambridge Arc
Peterborough City Council
Peterborough City Council's culture and recreation services
Peterborough Environment City Trust
Princes' Trust (The)
Public Agencies Group East (PAGE)
Race Equality Council Bedfordshire

Rail Passengers Committee East of England
Regional Airports Ltd
Regional Environment Protection Advisory Committee
Regional Housing Forum
Regional ICT Strategy Group
Regional Rural Affairs Forum
ReMaDe Essex
Renewables East
Rochford District Council
Royal Institution of Chartered Surveyors
Royal Society for the Protection of Birds
Rural Action East
Rural Development Service East
Science, Engineering, Technology and Mathematics Network (The)
Sea Vision
Sector Skills Development Agency
Shaping the Future (Norfolk)
Shaping the Future (West Norfolk)
SLP Engineering Ltd
Small Business Service East of England
Smye Holland Associates
South Cambridgeshire District Council
South East England Development Agency
South Norfolk District Council
Southend-on-Sea Borough Council
Southern and Eastern Regional Trade Unions Congress
St Edmundsbury Borough Council
St John's Innovation Centre
Stansted Airport Ltd
Star FM
Stevenage Borough Council
Suffolk ACRE
Suffolk Chamber of Commerce
Suffolk Chamber of Commerce Industry & Shipping Incorporated
Suffolk Coast & Heaths AONB
Suffolk Coastal District council
Suffolk College
Suffolk County Council
Suffolk Development Agency
Sustrans
Tastes of Anglia Ltd
Tesco Plc
Thames Gateway South Essex Partnership
Theatre Resource
Three Rivers District Council
Thurrock Council
Tullow Oil Ltd
UK Trade and Investment
Unilever Ice Cream & Frozen Foods Ltd
University of Cambridge
University of East Anglia
University of Essex
University of Hertfordshire
University of Luton
Uttlesford District Council
Vauxhall Motors Ltd
Waveney Chamber of Commerce
Waveney District Council
Waveney Economic Partnership
West Suffolk College
Woodland Trust (The)
Writtle College
Young Men's Christian Association - Watford

If you know anyone who needs this document in another format or language, please contact EEDA
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If you have any questions relating to the regional economic strategy email resinfo@eeda.org.uk

A shared vision: the regional economic strategy was developed by EEDA with the support of a wide range of stakeholders.

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