

Annual Report & Accounts 2001/2002



Delivering a Difference

SEEDA's Mission, Objectives, Role and Values

MISSION

SEEDA's mission is to work with its partners to make the South East of England a World Class Region, achieving sustainable development and enhanced quality of life, as measured by:

- Economic prosperity;
- Environmental quality; and
- Social inclusion – ensuring opportunities and meaningful employment for all.

OBJECTIVES

SEEDA's five statutory objectives under the Regional Development Agencies Act 1998 are:

- To further economic development and regeneration;
- To promote business efficiency, investment and competitiveness;
- To promote employment;
- To enhance the development and application of skills; and
- To contribute to the achievement of sustainable development in the United Kingdom.

ROLE

SEEDA seeks to meet these objectives in the South East by working with partners to:

- Help businesses to create wealth;
- Ensure that all parts of the region perform to their full potential;
- Remove the barriers to higher and sustainable levels of growth and prosperity;
- Develop a skilled workforce capable of meeting the needs of the regional economy both now and in the future;
- Ensure that the benefits of increasing prosperity are socially inclusive;
- Develop sustainable and strategic regeneration and community-led development;
- Ensure that increased prosperity and environmental quality go hand in hand;
- Maximise the contribution that the region makes to the national economy; and
- Promote networks at local, sub-regional, regional and national levels, and internationally with the key knowledge-based economies across the world.

VALUES

SEEDA's values are to:

- Focus on our customers and partners – understanding and responding to their needs;
- Respect and empower our colleagues – harnessing their strengths and experience and valuing their diversity;
- Learn continually – using every opportunity to acquire new skills, knowledge and experience and share it with others;
- Communicate effectively – sharing information and knowledge to the wider benefit of SEEDA and the region;
- Take responsibility – innovating and taking initiative within our areas of competence;
- Minimise bureaucracy – achieving high performance whilst maintaining probity; and
- Create an enjoyable work environment – achieving a reasonable balance between work and home life.

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Basin No.1 at Chatham Maritime, SEEDA's flagship regeneration project and one of the largest Government supported projects outside of London.

3T RPD Limited - a start-up company assisted by SEEDA and flourishing in the Newbury Enterprise Hub. SEEDA's Enterprise Hubs are a focus for Cluster development in leading edge products and technologies, and are increasingly attracting investment by high-tech companies into the region.



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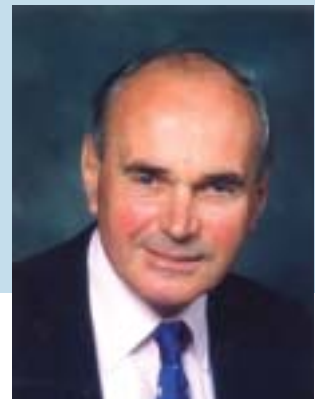
1. Chairman's Review

Chatham Maritime, SEEDA's largest physical development project covering 140 hectares in the heart of the Medway Towns.



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**This is my third and last Review as Chairman of SEEDA.
In December 2002 I will be handing over the reins to my successor.
This Report therefore offers me an opportunity to look back
over the last three years and to pose the question,
*"Has SEEDA made a difference?"***



Allan Willett CMG
Chairman

Wayne Kerr Electronics - SEEDA facilitated a smooth acquisition of this Bognor Regis-based specialist in electronic test and measurement equipment by Microtest Corporation of Taiwan. This enabled 25 local jobs to be safeguarded and should create a further five.



The £605,000 SEEDA-funded development of the White Horse Leisure and Tennis Centre, Abingdon, brings former derelict land back into use.



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During my time as Chairman of SEEDA we will have invested some £250 million on behalf of the region. We have helped to create or safeguard some 24,000 jobs; reclaimed for development some 140 hectares of land; provided 48,000 training places; supported 17,000 small companies; and provided funding for over a quarter of a million square feet of space to incubate new high-tech enterprises.

In addition, we have invested the time of our Board and Executive in influencing decisions of others that impact upon the sustainable economic development of the region. For example, we helped develop a coherent regional view of our transport priorities that has paid dividends in government decisions to invest in specific much needed improvements. There is of course much remaining to be done and we are pleased to support the Regional Assembly as they take this forward through the Regional Transport Strategy.

We were also pleased to advise on the establishment of the region's six Local Learning and Skills Councils and the Business Links and to encourage them to work together in the wider interests of the region. Along with the Government Office for the South East, we have played an important part in helping to develop the position of the region's sub-regional Economic Partnerships as the recognised fora for bringing together business and local government interests at the sub-regional level.

We did not however set out to "create a region" as an end in itself. That said, I believe that the work we have done has helped the region to come together where it is in the common interest of our partners to do so. This has promoted a stronger identity for the region, at least amongst the main stakeholder groups if not at street level. But we have from the start been mindful of the identity, history and strong brand-image of the disparate areas that comprise the South East of England.

When the eight original English Development Agencies were being established, it is no secret that Whitehall saw the South East as the least coherent region and the one where effective working at the regional level was likely to be the hardest to achieve. I believe that we have proved them wrong. We have achieved this through pragmatism and the setting aside of "political" differences in the interests of doing the best for the people we serve. We have come together not by force of a common culture but rather through common interests, challenges, and opportunity. We have now turned perceptions around to the point where the South East is quoted in Government as an exemplar of sound co-operative working at the regional level.

I am not claiming the credit for SEEDA alone, but I hope we have showed leadership alongside the Regional Assembly, Government Office and our many other partners.

Allan Willett CMG (left) with David Shakespeare OBE, Leader of Buckinghamshire County Council and (then) Chairman of the South East England Regional Assembly during Allan's series of visits around the region.

Children enjoying the facilities at the SEEDA-funded Brambles Nursery, Southsea. (Photograph courtesy of Portsmouth City Council).



We have also come a long way in helping to ensure that the South East is better understood by central government. We now, for example, hear Ministers feeding back to us their understanding of the importance of the South East's economy and its role as a transport and investment gateway for the Country as a whole. We also hear them acknowledge the importance of building on success as well as releasing the potential of poorer performing regions. And we hear them recognise that the South East itself has areas of severe deprivation that must be addressed.

We have also lifted the sights of the region in terms of who our real competitors are. The first Regional Economic Strategy took us away from judging our performance against other UK regions, and the complacency that can bring, towards a vision of being one of the top 10 regions in Europe. In our current review of the Strategy, we are taking this further and developing a more sophisticated approach that will enable us to benchmark our performance against the best performing knowledge-based economies worldwide.

No one region abroad offers a template for the South East; all economies have their problems as well as their successes. We need to identify the ingredients of success whilst also learning how best to avoid unwanted impacts on the environment and social cohesion.

At the local level, one measure of our success is the willingness of our local authority and other local partners to work with us. From the start I made it clear that we were not seeking to do their job. Our role was to work with and through them and to add value to what they were already trying to achieve. By the time I leave SEEDA, I will have completed three rounds of visits to the County and Unitary authorities in the region. These visits, which have also provided the opportunity to get together with other local partners, have been invaluable in developing a shared understanding of the priority needs and opportunities of each area and of how SEEDA can best contribute.

From the start we rightly identified the need for us to work with and through the representative organisations of the quarter of a million businesses in the region. Over the period of this report, we further strengthened these relationships in a number of ways. These included establishing a Business Development Committee of the SEEDA Board on which our own "business" Board Members are joined by the leaders of the region's business representative organisations. We also set up a Regional Business Support Board which brings together all the main organisations in the region responsible for providing support for our businesses. Other key initiatives – such as our Sector Groups, Enterprise Hubs and our developing investor development programme – are described in more detail later in this report.

(Left to right) SEEDA Board Member, Barry Camfield; Ron Edwards, Project Leader, WDG; Minister of State for Employment Relations, Industry and the Regions, Alan Johnson MP; SEEDA Chairman, Allan Willett CMG and SEEDA Chief Executive, Anthony Dunnett and Nigel Bourne, Director CBI South East Region at the joint SEEDA and South Eastern Regional TUC (SERTUC) conference entitled 'World Class Working in the South East'.



Secretary of State for Trade and Industry, Patricia Hewitt MP with SEEDA Chairman, Allan Willett CMG at the BMW Group plant in Oxford. SEEDA's Investor Development team worked closely with BMW connecting them to services in and around Oxford.



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Involving Social/Community, Faith and Environmental Partners is also key to providing an inclusive region. I am pleased that SEEDA has played a key role, with partners, in establishing a number of networks, fora and action groups. These have not only sought to understand the issues but also to involve those who have been excluded and to determine and roll-out best practice.

Throughout this process, SEEDA has benefited from close working with the Regional Assembly and the Government Office. On a personal level, I have greatly valued my relationship with David Shakespeare, Chair of the Assembly, and David Saunders who until recently was the Regional Director of the Government Office. Whatever the future has in store in terms of more democratic regional governance, I believe that we have set high standards of co-operation at the regional level.

So, has SEEDA made a difference? That is really for time and others to judge, but I believe we have come a long way in three short years judged against these tests:

- The strength of the partnership working we have helped to develop at local, regional and national levels across the whole spectrum of sustainable economic development;

- Our success in bringing together the best of what we inherited with imaginative new initiatives that, as the figures above show, are already having an impact on the ground; and
- The way in which we have developed a far better understanding of this region's economy and been successful in getting the message across to government that the South East is a national asset that must be nurtured and not taken for granted.

Finally, on behalf of the SEEDA Board may I commend this Report as a record of how we are working with you to achieve our common objectives. Many thanks to all of you who have given so much time and energy to helping us towards our goal of making a difference, and my best wishes for the future.

Allan Willett CMG
Chairman

2. Chief Executive's Review

Hastings and Bexhill - SEEDA has been given responsibility for drawing together and leading a Task Force for the comprehensive regeneration of the area.



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Looking back at our third year of operations, I believe that SEEDA has built a strong reputation for performance, innovation and leadership. Our achievements in each of these fields are founded on excellent working relationships with business and other partners across the region, and we recognise their role in our shared success.



Anthony Dunnett
Chief Executive

SEEDA funding enabled Rycotewood College in Thame, Oxon, to build an advanced composites training centre targeting learning in the Automotive Sector.

SEEDA has 12 active Enterprise Hubs including the North Oxfordshire Enterprise Hub which was launched by Andrew Smith MP (left) and SEEDA Deputy Chairman Professor Clive Booth.



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Performance

Of course, the bottom line for SEEDA is its impact on the ground. Here, I am pleased to report a strong record of delivery in the last year, including the following achievements that are directly attributable to SEEDA-funded activities:

- Over 2,300 jobs created or safeguarded, through Enterprise Hubs and regeneration programmes;
- More than 500 jobs announced as a result of Foreign Direct Investment decisions;
- 8,350 additional learning opportunities, spanning sector skills initiatives, Basic Skills in the workplace and projects to improve the employability of disadvantaged groups;
- 100 new business start-ups, including business incubator tenants, rural businesses and start-ups in our regeneration priority areas.

In addition to these headline achievements, further benefits flowed from more than £150 million of private and public matched funding secured by our investments. Full details of our performance against forecasts for 2001-02 can be found in Section 6.

Innovation

The economy of the South East continues to grow and change rapidly. If we are to harness this dynamism and secure continued economic prosperity for our region, we must continue to pursue new and better solutions. So for us as an agency, performance must be matched by innovation achieved through the imagination, skills, and experience of our people.

Enterprise Hubs have been at the core of SEEDA's thinking on business competitiveness since our earliest days. As our network of Hubs becomes a reality, we can point to substantial successes in terms of business growth, jobs created and new businesses formed and value-added networking opportunities created. The Enterprise Hubs initiative is deservedly attracting national and international award winning recognition as a breakthrough solution, and it is encouraging to note the adoption of this model in other English regions. But it would be foolish and dangerous for the South East to rest on its laurels, and SEEDA has been working with partners including universities and Business Links to develop the concept further. Thanks to sound preparation during the past year, we are now in a position to establish Enterprise Gateways that bring business incubation networks to priority regeneration and rural areas.

SEEDA Chief Executive, Anthony Dunnett (left) with the Minister for Housing, Regeneration and Planning, Lord Falconer of Thoroton QC (centre) and MP for Hastings, Michael Foster, reviewing the regeneration proposals for the Hastings area.

Barham School, near Canterbury, Kent, one of SEEDA's rural projects linking IT with education.



Leadership

Regional Development Agencies (RDAs) are described by Ministers as strategic drivers of regional economic development. If we are to live up to this role, SEEDA must add value by providing leadership and co-ordination in situations where there are no easy solutions.

In the last year, our work in Hastings has shown the value of driving forward a shared vision to secure real commitment and lasting investment. Following the announcement rejecting Hastings Bypass options in July 2001, SEEDA has worked closely with local partners through the Hastings and Bexhill Task Force. Development of a comprehensive regeneration package took place alongside representations to Ministers. As a result, in March of this year I was delighted that Lord Falconer approved the Five Point Plan prepared by the Task Force, committing more than £125 million of Government funding to the programme over the next 10 years. Work is now well under way to deliver new education opportunities, mass market high-speed Internet access and a range of other benefits to transform one of the region's most disadvantaged areas into a model of sustainable regeneration.

Learning and Workforce

We have pioneered new ways of helping to create a workforce that matches the needs of employers and enables individuals to realise their full potential. Key to this has been our work with our partners facilitated by the South East Village in our Guildford Headquarters which draws together, among others, many organisations involved in learning and skills. I am very pleased that the Village has continued to grow. This will stand us in good stead as we lead on the preparation of a "Framework for Regional Employment and Skills Action" (FRESA). We have established the Regional Employment and Skills Forum to take this forward with partners and it is timely that the FRESA will be able to form an integral part of the revised Regional Economic Strategy.

During the year, our work on learning and skills was increasingly integrated with our business and regeneration activities. For example, our work on sector skills development was able to draw heavily on the expertise of our business Sector Groups, and we saw increasing cross-fertilisation between the pilot learning and skills initiatives developed by SEEDA and the projects we have supported through the devolved activities of our local partners. On Basic Skills, our focus has been on developing best practice approaches to training in the workplace. Our strengthened relationship with the South East Trade Union Congress (TUC) and employer groups, especially the Confederation of British Industry (CBI), Institute of Directors (IoD), Chambers of Commerce, Federation of Small Businesses and Engineering Employers Federation, is a further example of the integrated approach we are adopting.

Shanklin, Isle of Wight, one of the market towns selected for SEEDA's support.
(Photograph courtesy of the Southern Tourist Board).



Children from the St Mary's Island primary school at Chatham Maritime assisting local MP, Paul Clark, to bury the SEEDA timecapsule containing a great deal of their work.



Working for our Communities

We have pioneered new approaches to addressing the social, economic and physical needs of our more deprived areas. Our Area Investment Frameworks (AIFs) have for the first time provided a comprehensive tool to identify investment needs in the priority areas for regeneration. The East Kent Spatial Development Company paves the way in the region for a joint venture approach to bringing together public and private sector investment up-front to fund the physical infrastructure necessary to exploit major regeneration opportunities. Quality matters, and I have personally been particularly pleased at the way we have provided leadership across the RDAs in the implementation of the Lord Rogers' Urban Task Force report and the Urban White Paper.

The Thames Gateway is not only a regional priority but also receives special focus nationally. SEEDA has played a full part working with London, Eastern and South East regional partners in the Ministerially led Thames Gateway Strategic Partnership. During the year we agreed with Ministers and Medway Council to work together to bring forward Rochester Riverside. We led on devising an innovation strategy across the whole area and played an active role in developing a co-ordinated approach with our partners across the sustainable economic development agenda.

Our initiatives to promote social inclusion continued to attract a large proportion of our budget with delivery largely devolved through our local partners. We were pleased to continue our support for RAISE (the community and voluntary sector network) to enable it to grow, and to work with them, the Regional Assembly, the Government Office and other partners to produce the South East Social Inclusion Statement. The South East is the first region in the country to make such a move. This commitment to collective action to address the social exclusion problem of the region will underpin SEEDA's contribution to meeting this important challenge.

Restoring the River Dour to its former course at Buckland Paper Mill, Dover, one of SEEDA's Building for Nature projects.



SEEDA Chairman, Allan Willett CMG, with the winner of SEEDA's Sustainable Business Award 2001, Mark Fairbrass, Chairman of The Beacon Press (centre). TV personality Juliet Morris (left) hosted the evening.



Sustainable Development

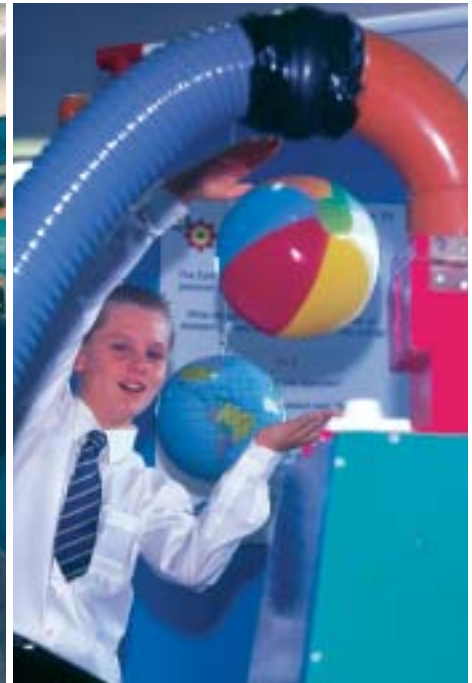
SEEDA contributes to the overarching task of achieving sustainable development in a number of ways. In the last year, we have worked jointly with the Environment Agency to form the South East Water Resources Forum. This brings together representatives from business, public agencies and the voluntary sector to improve our collective understanding and management of the region's water resources. SEEDA also takes particular responsibility for ensuring business engagement in the sustainable development agenda. The first SEEDA Sustainable Business Awards were presented in November 2001, to celebrate and promote best practice among businesses. The event also highlighted the important role being played by Sustainable Business Partnerships and Business Environment Fora in working with businesses across the region.

Europe

Working alongside the Regional Assembly and more local partners, we have helped strengthen the region's voice in Europe. South East England House in Brussels has now been established for two years, and has become a model of close collaboration on a daily basis. During the last year, we led the revision of the Regional Development Plan to achieve a more effective use of the £30 million of European Social Fund allocated to the region annually. We also became a Co-Financing Organisation, deploying European funding in support of shared regional priorities.

Rob Douglas, SEEDA Board Member and Chair of the Surrey Learning and Skills Council (centre right), presenting SEEDA Chief Executive, Anthony Dunnett, with The Investor in People Award.

SEEDA-funded Intech near Winchester delivers science, technology and mathematics learning for children and their parents in a unique and stimulating format.



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Preparing for the Future

During the last year, we have been preparing with our partners for the introduction of the Single Pot, bringing new flexibilities and freedoms in our activities from April 2002. With this came new responsibilities in our reporting arrangements to Government, and in the scrutiny of our role and activities by the Regional Assembly. SEEDA has embraced this agenda with enthusiasm, and we have worked closely with our Government Office, the Assembly and partners across the region to establish appropriate frameworks for reporting and assessing our progress.

Our first Regional Economic Strategy has become a shared point of reference for identifying priorities and setting a framework for action. We are now in the process of reviewing and refreshing that Strategy, and I am grateful to the 3,000 partner representatives that contributed to the consultation events we held earlier this year to kick-start the process. Working together, I know we will bring forward a strategy for sustainable growth that does justice to the region and its potential.

All of our achievements flow from the professionalism and commitment of our staff, steered by our Board Members, and I salute their contribution over the last year. Our recognition as an Investor in People, secured in February, is a practical demonstration of the value we place on achieving business results through a structured approach to people development.

A handwritten signature in black ink, appearing to read 'Anthony Dunnett'.

Anthony Dunnett
Chief Executive

3. Business Review - Our Activities and Achievements

SEEDA's Sittingbourne Enterprise Hub
- supporting the growing Biotech Cluster
that has built up around the area.



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3.1 Helping Businesses to Create Wealth, and Build International Connections

SEEDA has continued to work effectively with partners to achieve four key objectives:

- Accelerate the rate of business formation;
- Enable existing companies to adapt, prosper and grow and facilitate the development of regional programmes to promote business and sector growth and competitiveness;
- Increase international business investment, research and development;
- Improve the provision of business support services to businesses across the region.

The Isle of Wight Enterprise Hub has been named as the centre for a European Virtual Institute for Composites. The Virtual Institute will provide online access to incubation and support services for young companies in the composites sector.

Mark Hoban MP - visiting the Southampton Enterprise Hub with Professor Greg Parker, Technical Director, Mesophotonics.



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Highlights and Achievements in 2001-02

Enterprise Hubs

Enterprise Hubs are SEEDA's model for business and incubation networks. Applying international best practice, they act as catalysts, encouraging innovation and enterprise, and stimulating the start-up and growth of small businesses, including university spin-outs. They provide flexible workspace, access to specialist technology, mentoring and other support services for innovative entrepreneurs in their local communities.

The Enterprise Hub initiative has received tremendous support from the business community and is seen as an exemplar of best practice across the Regional Development Agencies (RDAs). This was demonstrated by securing a One-2-One Best for Business Award which recognises excellence among those helping to foster business success.

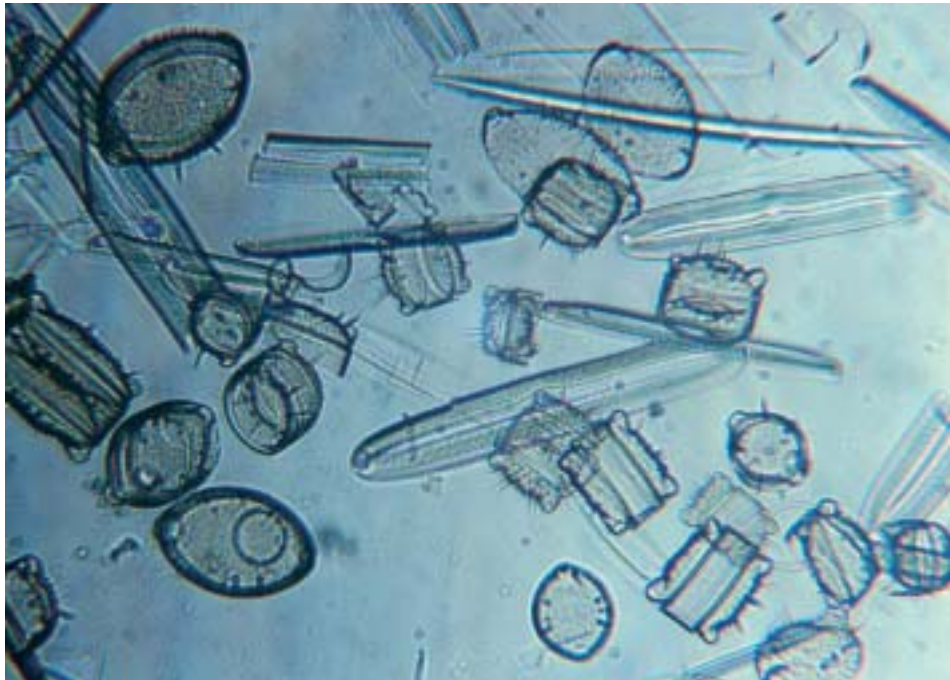
The initiative was also named as the RDA example of European best practice by The European Association of Regional Development Agencies (EURADA) benchmarking project, ahead of 13 other regional initiatives.

To date the initiative has created 243,000 square feet of flexible workspace for high-tech companies and 300 companies have been incubated. There are currently 12 active Hubs with four more at the planning stage.

The first 12 Hubs, with their specialisms, are:

- East Malling – Horticulture, Food Processing, Environment, Biotechnology and Pharmaceuticals;
- Isle of Wight – Composites and Electronics;
- Newbury – Robotics, Telecommunications, and ITC;
- North Oxfordshire – Optoelectronics, Advanced Materials, Automotive and Aerospace, Multimedia Technology and Production;
- Southampton – Photonics, Electronics, Telecommunications, Computing, Media and Creative Industries and Marine Technologies;

Pharma Bio and Healthcare is a key focus sector for SEEDA in the region.



Enterprise Gateways

- Surrey (two Hubs) - Digital Technology, Food and Biotechnology, Information Technology, Media and Creative Industries;
- Sittingbourne – Biotechnology, Life Sciences and Information Communications Technology (ICT);
- Reading – Environmental Technologies, ICT, Materials Science and Life Sciences;
- Solent – Marine, Defence and ICT;
- Milton Keynes – Biotech, Infomatics, ICT and Engineering;
- Brighton – Media and Creative Industries, Advanced Engineering.

SEEDA began planning this exciting new initiative in recognition of the need to provide entrepreneurial opportunities in the highest priority deprived areas within the region. Developed in association with local Business Links, Enterprise Gateways will provide business incubation networks to nurture entrepreneurs and young companies. They will actively focus on groups and areas where entrepreneurship and business skills are low, including not-for-profit businesses and social enterprises.

SEEDA's Marine Sector Group has identified key concerns facing the industry and targeted projects to redress these issues. Current areas of focus include workforce recruitment and development, industry promotion and the development of effective networks.

Chairman of the SEEDA Aerospace and Defence Sector Group, Chris West, (right), and Signor Gualtieri, Vice Chairman of FINPUGLIA (SEEDA equivalent of SE Italy), signing an international Memorandum of Understanding to investigate trading opportunities between the regions.



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Sector Groups

SEEDA's Business Sector Groups continued to engage industry in identifying and addressing barriers to the creation of successful businesses and the development of a skilled workforce.

Each Group has developed a comprehensive work plan for their activities, delivering and promoting projects focusing on key issues affecting their specific sectors. Several projects have required extensive cross-sector and cross-regional border working, especially the development of cluster strategies and the encouragement of lean production in manufacturing industries.

Initial planning took place for two new Sector Groups in Property and Construction, and Environmental Technologies.

Key achievements by SEEDA's Business Sector Groups include:

- *Aerospace and Defence (led by Chris West, Chief Executive of Higar Engineering)*

Leading organisations from the industry have been involved in task forces established to drive forward key priorities including: lean manufacturing, technology transfer, database development, e-business and promoting engineering.

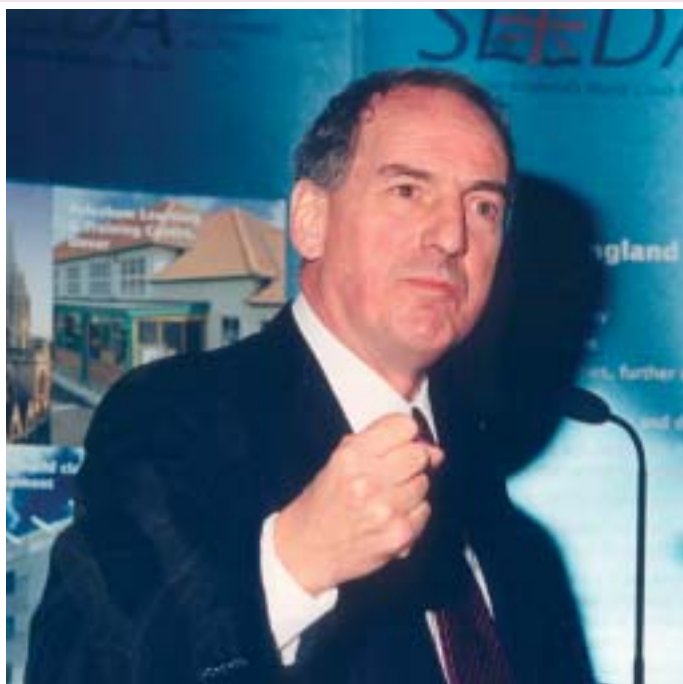
- *Marine Industries (led by Martin Jay CBE DL, Chief Executive of Vosper Thornycroft (UK) Ltd.)*

Major issues identified have included growth of productivity, market access and innovation within the sector. Targeted projects have been defined to focus on three main areas: workforce recruitment and development, industry promotion, and developing effective networks.

- *Pharma Bio and Healthcare (led by Dr Peter Read CBE FRCP, former Chairman of Hoechst Group of Companies in the UK)*

Following a survey of 'wet laboratory' space required in the region during the next five years, a working party was established to decide priorities. An International Task Force was formed, using the brand name SEEBIO, to promote existing Pharma Bio companies and the region as a leading international location for the Sector. A Skills Task Force has been working with training providers to ensure appropriate training and education provision for the industry. Working with the South East Business Links, SEEDA has also supported the region's Bio and Medical networks and activities.

Dr Kim Howells MP, Minister for Consumers and Corporate Affairs, speaking at the SEEDA supported South East Media Forum in Brighton.



Romsey Tourist Information Centre, in Test Valley Borough Council, connects up the SEEDA-funded VISIT service.



- *Technology, Media and Telecoms (led by Mary McAnally, former Managing Director of Meridian Broadcasting)*

A major Media Forum was held in Brighton to engage senior media executives in new developments to enhance their performance. Broadband availability and usage were central issues. SEEDA supported the 'Wired' initiative which includes; Wired Sussex, Wired Wessex, Oxmedianet, Wired Berkshire and Wired Surrey who work with over 1,500 businesses, focused on the fast growing Media Technology Sector. Priorities for the Wired network have been to work with SEEDA to lobby for more extensive Broadband provision and work on improving skills provision for the Media Sector.

- *Tourism (led by Michael Ann OBE DL LLD, former Chairman of South East England Tourist Board)*

Work started on the VISIT project to network all Tourist Information Centres in the South East. VISIT will enhance the performance of the industry by providing businesses and customers with online access to the latest information, including opening times of attractions and availability of accommodation. SEEDA also helped support and enable the plans to merge the region's two Tourist Boards to form one new strategic body in support of tourism throughout the region.

John Crane UK Limited, the acknowledged leader and world's largest designer, manufacturer and supplier of engineered sealing systems, solutions and associated products, received assistance from the Manufacturing Advisory Service (MAS) which is supported by SEEDA.

In its first three months of operation, The Manufacturing Advisory Service (MAS) in the South East, supported by SEEDA, provided assistance to over 400 manufacturing companies.



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Manufacturing

- *Manufacturing Advisory Service (MAS)*

In October 2001, SEEDA awarded a three-year management contract for a Regional Centre for Manufacturing Excellence to the Engineering Employers Federation (EEF) South, who will deliver the service jointly with the South East Business Links.

The regional centre will provide manufacturing Small and Medium Sized Enterprises (SMEs) with practical hands-on support, advice, information and signposting, creating a 'Manufacturing Network' to promote best practice. Other services include site visits, diagnostic analysis, seminars and workshops.

- *Lean Manufacturing Programme*

Building on a highly successful pilot scheme for the Aerospace and Engineering Sectors in the region, the Lean Programme continued this exercise by introducing the programme to six industry sectors and over 300 companies.

The main objectives are:

- A minimum of 10% improvement in productivity per company after the first year;
- A minimum of 50% of the companies involved having improved turnover and profit within two years.

ASUSTeK Computer - one of Taiwan's leading manufacturers and distributors of motherboard systems, has set up its SEEDA-assisted UK marketing and service centre in Milton Keynes. ASUSTeK Computer Inc. reported sales of US\$2.02 billion for the year ending December 2000, an increase of 44.4% on the previous 12 months. The company currently has 2,530 employees worldwide, and depending on sales, is expecting to employ 30 people in the UK.

SEEDA, together with its partners, assisted Scinco, a Seoul-based manufacturer of photo-spectrometers, to find an optimum location in the South East.



Inward Investment

SEEDA has helped partners achieve a healthy amount of investment across the region, with 26 successes secured, creating or safeguarding over 500 jobs. This is a strong performance in view of the dramatic decline in new projects resulting from the slowdown in the US economy.

Notable examples included:

- OCS Checkweigher – a German manufacturer of high-tech machinery, with customers including GlaxoSmithKline and Boots. Initial UK facility is a sales support operation on Oxford Science Park.
- Wayne Kerr Electronics – a Bognor Regis-based specialist in electronic test and measurement equipment was acquired by Microtest Corporation of Taiwan, with SEEDA facilitating a smooth acquisition, enabling the safeguarding of local jobs.
- ASUSTeK Computer Incorporated – one of Taiwan's leading manufacturers and distributors of motherboard systems has set up its UK marketing and service centre in Milton Keynes.
- MedAire – a major US-based provider of global emergency 'telemedicine' to remote locations, established a UK facility at Farnborough.
- TATA Consultancy Services – a large Indian software company is establishing a UK software development centre in Guildford.
- Corel Corporation – this Ottawa-based company develops word-processing software and is to set up a new European HQ and software development facility in Maidenhead.
- Scinco – a Seoul-based manufacturer of photo-spectrometers used for analysis of chemical compounds, aims to move to assembly, and potentially manufacturing, in the UK at Sevenoaks.
- Schneider Form UK – a specialist German injection and die cast mould company with main clients in the automotive industry including Audi and BMW. The UK operation, at Petersfield, will carry out CAD design work for moulding forms used by the motor industry.
- Entrepreneur Expansion Corporation – this Canadian company installs and services ATMs, point of sale terminals and Internet kiosks, and is the second largest operator in the industry in Canada. The initial UK operation is based in Southampton.

TATA Consultancy Services - a large Indian software company is establishing a UK software development centre in Guildford. This is expected to create around 50 new jobs. SEEDA is currently working with the company to help it publicise this investment.



SEEDA's Enterprise Hub Directors - who provide advice and guidance to entrepreneurs. This includes providing better access to technology, research, business support, flexible workspace and early stage finance.



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- La Pizza Company – a UK company run by an Italian family, producing frozen pizza bases. They expanded out of London because of cost and inability to retain staff and located to a redundant food production facility in Midhurst.
- Au Naturel – a Utah, US-based producer of natural vitamins, minerals and herbal products that are sold to health food outlets, who opened a sales and marketing office in Brighton.

In order to publicise the many benefits of the South East as the premier location for international business, SEEDA undertakes a programme of targeted marketing activities. A key aspect of this is representation at overseas trade shows including Comdex in the US and CeBIT in Germany, two of the largest IT shows in the world. During 2001/02 SEEDA's Business and International team took a number of university partners to these two shows to present the research strengths, research and development (R&D) opportunities and technology research capabilities available in the region. SEEDA also headed a delegation of companies from the region to the MIPIM property exhibition in France to source global businesses.

Investor Development

Recognising the importance of supporting existing companies within the South East, SEEDA appointed seven Investor Developer Managers. Each covers a significant sub-region of the South East and they are based in the local offices of sub-regional Economic Partnerships. They will support strategically important companies to help ensure their success and continuing commitment to the region. Regular contact with companies and reporting will provide a valuable temperature check on business opinion in the South East. SEEDA is working closely with all other organisations in the region and nationally who provide support for businesses in the South East in order to avoid duplication and maximum coverage.

3. Business Review - Our Activities and Achievements

Lord Sainsbury, Minister for Science and Innovation (second right), at the launch of the Rapid Product Development Group in Woking. The unique Group, supported by SEEDA, promotes the techniques of super fast product development to industry and education institutions. The giant tennis racket is a model of Dunlop's latest tennis racket, Inferno. The application of Rapid Prototyping techniques to this product halved the normal development time.

SEEDA Chief Executive, Anthony Dunnett, is joined by SEEDA Head of Human Resources Helen Mead (right) and e-skills NTO South East Project Manager Helen Porter, at the signing of the e-skills Employers' Charter.



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3.2 Developing a Skilled Workforce

A skilled, productive and inclusive workforce lies at the very heart of the success of the South East economy. The continued development of skilled individuals is essential for the growth of the knowledge economy and therefore the future economic success of the region. The demand for a highly skilled workforce from our growing high technology businesses is matched by demand for a more effective service sector. Every effort must be made to develop an environment where the importance of learning new skills throughout people's lives is well understood. SEEDA's approach has been to work with partners to catalyse and co-ordinate a culture shift to lifelong learning.

Portsmouth High School student Rachel Bartram (centre) won £1,000 for computer equipment for her school in a competition organised jointly by SEEDA and Young Engineers, the national network of science and technology clubs.



Eleven innovative projects to improve literacy and numeracy in the workplace have benefited from a £1 million drive by SEEDA to improve these skills. Representatives from the 11 projects (below) met to exchange their experiences and knowledge at SEEDA's Basic Skills seminar in Dorking.



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Skills development has to encompass all levels, including the vitally important Basic Skills, if we are to improve productivity, competitiveness, entrepreneurship and our ability to harness new technologies.

SEEDA continued to build on the successes of earlier years, listening to the needs of partners, employers and individuals and drawing on analysis on the current and future labour markets. We focused on:

- Improving literacy and numeracy within the workplace to maximise the potential of all those in work.
- Supporting businesses to acquire first-rate management skills that will help keep them in business, grow and make their businesses more productive.
- Investing in skills development in particular sectors - High Technology/ Engineering/ Electronics, Information Technology, Creative and Media Industry and Pharmaceutical/ Bioscience - to help maintain their competitive advantage and to ensure that they have the necessary skills to seize the challenges that the future will present.

- Promoting effective partnership working within the workplace through employers, trade unions, employees and local communities to ensure that organisations are equipped to deal with change.
- Promoting the importance of learning and raising awareness that learning results in successful career development.

A wide array of partners is involved in the development of skills and employability across the South East and over the last year SEEDA has developed imaginative and effective ways of drawing partners together to help us deliver a complex agenda and to create better linkages between partners.

The Context Programme developed and run by Basingstoke College of Technology with SEEDA funding, works directly with employers and learning organisations and has already delivered Basic Skills training to a significant portion of the local workforce. Safeway plc (shown below) is one of the employers working successfully with Context.

SEEDA supports adult learning initiatives such as the Community Learning Centre in Cowes, Isle of Wight.



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Improving Literacy and Numeracy within the Workplace

One in five adults in the region has Basic Skills needs. The relatively low unemployment rate in the South East means that far more people with Basic Skills needs - unable to read, write and count to the level of an 11 year old - are in work than in other region. SEEDA has recognised the need to work with employers to raise these skills levels to get the very most from individuals and to ensure they are not vulnerable in any downturn in the economy. SEEDA's approach is unique amongst Regional Development Agencies (RDAs). We have secured the positive involvement of employers, both large and small, across the South East who in turn are now recommending the approach to their peers.

The Context Programme run by Basingstoke College of Technology delivered Basic Skills training in workplaces as diverse as Boots Distribution and the Atomic Weapons Establishment. This is a multi-agency programme to improve literacy and numeracy, and introduce many employees to IT for the first time. There are an estimated 8,000 adults in the Basingstoke area whose lack of Basic Skills is impeding their progress and performance at work, and the inclusion of IT learning opportunities has been an incentive to engage employees who were reluctant to admit to Basic Skills needs.

Businesses in the college's local area have been targeted, and training has been marketed to employees through a variety of mechanisms, from a series of roadshows and exhibitions, to chatting to staff in canteens and at vending machines. As a result, 15 tutors have worked with 10 businesses, and training has been provided to 210 employees.

Film production accountancy training at Pinewood Studios funded by SEEDA is developing management expertise in the region to satisfy demand in the Media Sector.



Improving skills at all levels - Oxford-based Business Boffins receive SEEDA funding to provide start-up businesses with real help in their planning.



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Developing World Class Managers

Poor management is a major contributor to productivity loss with one study concluding that it equated to 65% of lost time. Poor management can also lead to businesses going out of business despite sometimes having a good idea and a buoyant market. Meanwhile changes in the organisation of work are increasing the need for management skills across the workforce.

SEEDA piloted a number of innovative approaches that encourage managers to take up new skills, as well as providing material that is needed in more flexible forms. In particular, we have concentrated on developing cost-effective approaches that have fully utilised the technology available and that deliver the skills that are needed when and how the learner wants them. Our e-skills into Business programme, for example, has provided online, low cost, 'anytime anywhere' training that gives staff the skills today that they can put into practice tomorrow.

Business Boffins

SEEDA supported the development of a programme delivering information, advice and support to new and young businesses through their start-up phase. Developed by Business Boffins in partnership with Oxford Brookes University School of Business and a team of advisors made up of accountants, solicitors and banks, the programme mentors fledgling businesses in conjunction with a 40 month programme of fact sheets, modules and templates on all aspects of starting up and running a business.

SEEDA has worked closely with NHS management to deliver ICT and Basic Skills learning through IT Break Into Health; a SEEDA-funded project.



SEEDA Head of Learning & Skills, Kathy Slack (right) with TWR Arrows Chairman, Tom Walkinshaw and College Principal, Judith McIntyre at the formal opening of the SEEDA-funded Rycotewood College's Composites Training Centre in Thame, Oxon.



Investing in Sector Skills

SEEDA has invested in skills and related developments to support the growth of the South East's diverse sector base. SEEDA Sector Groups, National Training Organisations and the emerging Sector Skills Council, and other partners have helped to shape our plans and to focus on the key priorities for the region. Specialist skills centres funded by SEEDA have helped sectors maintain a leading edge in Manufacturing and Engineering and provide a valuable linked resource to the Manufacturing Advisory Service (MAS). SEEDA has been instrumental in helping sectors set up effective networks of employers linked to key professional bodies and has encouraged the development of websites and intranets that keep these groups up to date with latest trends, sources of help and business opportunities. Many of these websites will link into the portals being developed as part of our Wired Region initiative to ensure businesses are connected across sectors as well as within them.

Workforce Development

Our emphasis on the workforce has been strengthened by the work of our Workforce Development Group, now renamed SEEDA's Workforce Social Dialogue Committee, which brings together a powerful mix of players including the regional TUC, the CBI and public and private sector employers. This influential forum, the first of its kind in England, has addressed the wider role of the workforce, ways of enhancing employee participation and inclusiveness and the promotion of work/life balance issues.

We held a major event highlighting good practice in the autumn, and the Group has also addressed issues arising from learning and skills shortfalls, lack of productivity and investment, transport and infrastructure.

Representatives of local Learning and Skills Councils during their tour of the unique South East Village at SEEDA's Guildford Headquarters.



Skills Insight, co-located at SEEDA's HQ, is the Skills Research Unit for South East England and is a central hub for the analysis and dissemination of skills and economic-related intelligence in the South East region. The Unit, funded by SEEDA, aims to provide and communicate regional skills and economic intelligence on critical skills issues constraining the South East economy.



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Working in Partnership

Collaboration with public and private sector partner organisations is pivotal to SEEDA's success in boosting learning and skills. The size of the region and the complexity of the issues mean that there are hundreds of people working in this field. The South East Village within SEEDA brings many of the representative bodies of key partners together under one roof and enables close working on key issues, priorities and joint proposals for action.

We have formed a strong working relationship with the six Local Learning and Skills Councils (LLSCs), a principal provider of learning and skill opportunities. We have forged with them a joint agenda for action, which includes:

- Further developing the quality research and intelligence base;
- Marketing of learning and skills to individuals and employers;
- Addressing Basic Skills needs;
- Retention and achievement of young people;
- Adult development for the workplace;
- Improving the capacity and quality of provider delivery.

These regional priorities are highlighted in each of the LLSCs' local strategic plans and in particular SEEDA's work on Basic Skills sits firmly within each of the LLSCs' Basic Skills strategies. Our strategic approach to the development of the Centres of Vocational Excellence in further education colleges is a continuing example of how SEEDA has worked with the six LLSCs to ensure local delivery meets the sector skills priorities for the region.

SEEDA backed Meridian Broadcasting's week-long spotlight campaign 'Talking Families' presented by TV personalities Fred Dineage and Debbie Thrower, that highlighted families and family learning across the South East. (Photograph courtesy of Meridian Broadcasting).

Framework for Regional Employment and Skills Action (FRESA) and Labour Market Intelligence

Work began in 2001-02 on the development of the South East Framework for Regional Employment and Skills Action (FRESA), with the establishment of the Regional Employment and Skills Forum. Chaired by SEEDA, the Forum has brought together partners from learning, employment and business and has begun to develop a single plan for the region based on valid and accessible labour market intelligence. The FRESA will give a clear focus to what needs to happen to create and maintain a healthy labour market for the South East and will form an integral part of the Regional Economic Strategy (RES).

SEEDA has contributed to developing the region's labour market information and intelligence base with Skills Insight, the region's skills research unit, and the National Training Organisations (NTOs). Skills Insight has introduced a quarterly bulletin with SEEDA ensuring that this is disseminated across organisations in the South East. The Annual Skills Review produced by Skills Insight has been well received and formed the backcloth for a major conference on the changing nature of the labour market.

SEEDA, Skills Insight and Business Strategies Limited have developed a skills forecasting model over the last year, which will be disseminated to sub-regions over the next year for their use.

Promoting Learning

One of the biggest challenges for the region is to demonstrate that learning pays and to capture people's interest. We appointed a Marketing Co-ordinator part funded by the National Institute of Adult and Continuing Education and have run joint marketing activities with other partners. These included, working with the Meridian Broadcasting Charitable Trust and LLSCs to support the development of a series of region-wide television programmes aimed at promoting and stimulating learning within families. This two-day programme alone brought in 3,000 learners into a network of colleges and learning centres across the region.



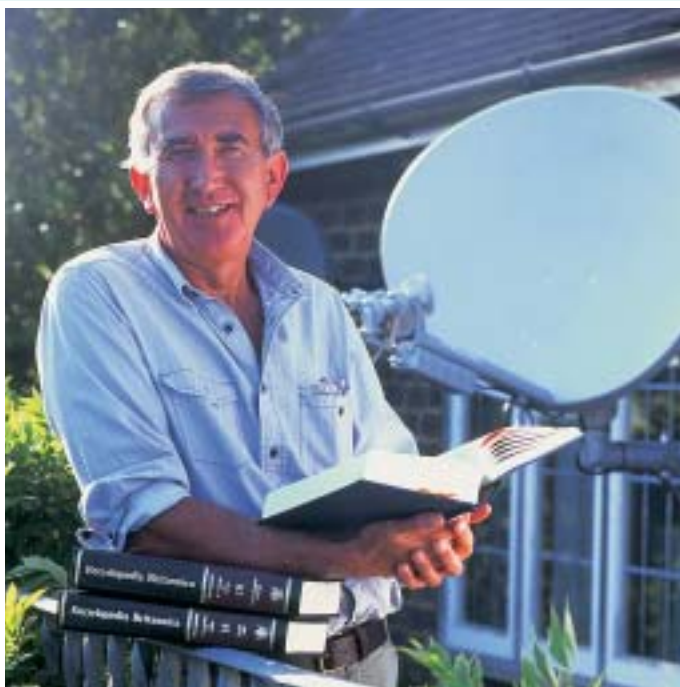
Wired Region

SEEDA's Wired Region project aims to enable businesses and individuals to live and prosper in the rapidly developing global information society and knowledge economy. This is vital for the South East if it is to maintain and improve its economic performance.

Over the last year we undertook an extensive analysis and mapping of Broadband provision and take-up – the first of its kind in the South East – which will underpin plans for the effective roll-out and implementation of high-speed services across the South East. Based on the analysis SEEDA is:

- Helping to promote the uses and benefits of Broadband for businesses and individuals;
- Assisting and facilitating regional, sub-regional and local initiatives aimed at identifying and aggregating demand in a particular geographical location;

SEEDA has begun the roll-out of its 'Broadband programme for remote areas' in Hastings with funding to explore the benefits of Broadband access via satellite. This will provide 50 satellite linkages to key businesses and community locations across Hastings and Rother by September 2002 in those areas which cannot be accessed by ADSL or fibre connections.



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- Liaising with the Office of Government Commerce (OGC) responsible for co-ordinating national Broadband procurement for central government, and with other agencies including the Department of Trade and Industry (DTi) and the office of the e-Envoy to bring a national perspective to SEEDA's programmes;
- Developing and maintaining effective relationships with major telecommunications companies and Internet Service Providers (ISPs).

Work began to address deficiencies identified in the mapping (such as the low level of provision in the east of the region) by the development of a Kent/Sussex coastal super highway and satellite pilots to bring high-speed services to rural areas across the region not covered by terrestrial cable technology.

Following ministerial approval of the Five-Point Regeneration Plan for Hastings, we began working on a set of exciting proposals to make Hastings Britain's first e-town. Plans have been developed for Broadband roll-out and a Broadband demonstration centre and other initiatives to promote the benefits and advantages of high-speed networks to the local community.

We recognised that commercial investment in Broadband infrastructure is linked to demand and demand is driven by content and this leads to work with partners to develop both content and services. In addition to the work in Hastings, pilot projects have included e-business technology for tourism and video conferencing for Enterprise Hubs. We made considerable progress on the development of regional portals for business, learning and the community which will act as signposts to information on the South East and will offer specific Broadband content to encourage demand.

2002 is set to be an exciting year in the development of Broadband technology in the region, as the groundwork laid in the last two years becomes a reality. The South East economy is well placed to continue to benefit from the opportunities created by the application of this exciting new technology. This can only be realised through the close co-operation of the public, private, academic and voluntary sectors.

3. Business Review - Our Activities and Achievements

Hastings – At the heart of the major regeneration Five Point Plan created by the SEEDA-led Task Force. It will transform the town centre buildings and homes, create new university provision, support local businesses, open Broadband Internet access and improve transport links.



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3.3 Regeneration and Renaissance

While the South East has the lowest rate of unemployment in the UK, the absolute number of unemployed stands sixth highest out of the 12 UK regions. There are 119 wards in the region that fall within the 20% most deprived wards in the country. The Regional Economic Strategy (RES) asserts that 'economic disadvantage and social exclusion are characteristics found in both rural and urban areas, and their eradication presents one of the greatest challenges to the region as a whole'.

Chatham Maritime - SEEDA's leading regeneration project in the Medway Towns, has 1.5 kilometres of riverside walks, five restored historic buildings - many now ready for reoccupation, and 80,000 square metres of first class new office accommodation providing workspace for 2,500 people.



As part of its initiatives to support the recovery of the Tourism Sector following the Foot and Mouth crisis, SEEDA has undertaken a major marketing, information and PR campaign co-ordinated through the Tourist Boards designed to attract visitors back to the countryside. (Photograph courtesy of the Isle of Wight Tourist Board).



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Over the past year, SEEDA has been working with partners across the region to stimulate a renaissance in urban and rural areas to tackle social exclusion and deprivation. This has been achieved by targeted investment in the regeneration priority areas in support of improving the physical environment, supporting community development and providing new opportunities for employment.

The main areas of activity have been:

- Partnership Working;
- Social Inclusion and Community Regeneration;
- Housing and Homelessness;
- Making the Most of our Urban Assets – Land Reclamation;
- Urban Renaissance – Sustainable Towns and Cities;
- Rural Renaissance and Economy.

The main drivers influencing SEEDA's work have been:

- The policy framework laid down by the Government in the Urban and Rural White Papers and the New Commitment to Neighbourhood Renewal – A National Strategy and Action Plan;
- The work of the Urban Task Force;
- New arrangements for co-ordinating public expenditure and partnership working in local areas through the development of Local Strategic Partnerships (LSPs);
- The impact of foot and mouth on the region;
- The growing importance of housing to achieving sustainable economic growth;
- The need to plan transitional arrangements to address the progressive closure of legacy programmes over the coming years such as the Single Regeneration Budget (SRB), to be replaced by the Single Pot.

One of SEEDA's priority regeneration areas - the Betteshanger Colliery, within the former Kent Coalfields.



Brighton and Hove, a key regeneration priority area for SEEDA. (Photograph courtesy of the South East England Tourist Board).



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Spatial Priority Areas

The Thames Gateway is the region's principal regeneration priority area and is also of national importance, straddling the South East's boundaries with London and East of England. Good progress has been made working with the London Development Agency (LDA) and East of England Development Agency (EEDA), the Regional Assembly, local area partnerships and Government to co-ordinate activities across the Gateway.

The other regeneration priority areas cover North East Kent (including the former Kent Coalfields, the Thanet towns and Dover), South Kent and the Sussex Coast (including Folkestone, Hastings, Eastbourne, Newhaven, Brighton and Hove, Shoreham and Worthing); the Isle of Wight, Portsmouth and South East Hampshire and Southampton. These priority areas are consistent with the 119 most deprived wards in the region as identified through the Index of Multiple Deprivation. These areas also include a number of towns and cities where an urban renaissance agenda is being promoted (Medway and Brighton and Hove are amongst the Government's 24 Partner Towns and Cities, Reading is the other Partner Town in the region).

The region's rural priority areas include: south and east Kent, eastern East Sussex and the Isle of Wight.

The spatial priorities have shaped and informed SEEDA's investment, with the bulk of SEEDA's programme expenditure going into the spatial priority areas. Region-wide initiatives and programmes have been designed to complement these geographic priorities and to target the pockets of deprivation that occur in the more prosperous parts of the region.

Aerial view of the 4.7 hectare brownfield land site at Frater Gate, Gosport, acquired by SEEDA using its direct development powers.



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Partnership Working

SEEDA's normal presumption will be to achieve delivery through partners unless there is a strong justification for direct intervention. The predominant mechanism for determining future SEEDA funding and support in the priority areas for regeneration will be the preparation of a shared framework for action with partners - Area Investment Frameworks (AIFs). The AIFs will develop comprehensive local investment priorities by the full range of private, public and voluntary sector organisations within the priority areas for regeneration.

During 2001-02, the five pilot AIFs were progressed, and the first AIF was completed in Southampton at the end of 2001. The results of these pilots are being used to develop best practice guidance for use across the region, and will help to inform the work of Local Strategic Partnerships (LSPs).

Devolved Delivery

The lifetime funding for all SRB schemes (to 2006-07) is £348 million, and should lever an additional £900 million. As at March 2002, £213 million SRB funds had been distributed to local partnerships. Looking to the future, and with funding commitments through SRB diminishing, SEEDA initiated a consultation process with local partners on 'Delivering in Partnership in priority regeneration areas'. This set out proposals on how SEEDA can best work with partners to deliver sustainable economic development, building on best practice in SRB partnerships.

At the local level there is a large number of partnerships currently associated with the delivery of initiatives supported by SEEDA. The Agency has been keen to implement a more integrated approach to economic development and regeneration with fewer more broadly based bodies able to prioritise across the full range of SEEDA activities. LSPs will play an important role in the development of this approach.

Aerial view of Hastings and Bexhill, where the SEEDA-led Task Force will tackle the area's severe deprivation - 10% of the region's total.



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All the existing SRB partnerships going on to deliver significant SEEDA funding underwent thorough audits of their systems and procedures to ensure they were operating in line with SEEDA and Government guidance. 50 partnerships were visited and reported upon and the results demonstrated the high quality of systems within the South East partnerships. Good practice examples were identified and any issues arising are being followed up by SEEDA.

Direct Delivery

In parallel with devolved delivery, the Agency has initiated discussions on delivering large capital projects through a limited number of spatial development companies. For example, SEEDA has supported the development of physical intervention joint ventures, such as the East Kent Spatial Development Company that had its inaugural meeting in April 2002. In this, SEEDA has been working with Kent County Council and Thanet to identify key infrastructure shortfalls (electricity, gas, water and drainage) that are constraining business growth in East Kent.

The SEEDA-led Task Force for the regeneration of Hastings and Bexhill, gained firm Government financial commitment following a series of meetings and a visit to the area by Minister for Housing, Regeneration and Planning, Lord Falconer of Thoroton QC. The promise of funds will help to transform the lives of local people - Hastings contains almost 10% of the South East's 119 most deprived wards and more than a quarter of the people of Hastings live in these wards.



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HASTINGS AND BEXHILL TASK FORCE

- *10% of the region's deprivation is situated within the area covered by Hastings Borough Council and Rother District Council.*
- *Following the decision of the Secretary of State not to allow the bypass proposals, SEEDA was given responsibility for drawing together and leading a Task Force for the comprehensive regeneration of Hastings and Bexhill.*
- *After two meetings with the Minister, Lord Falconer approved £125 million of Government funding over 10 years, based on a Five Point Plan put forward by the Task Force:*
 - *Transforming town centre buildings and homes;*
 - *Creating new university provision as part of the expansion of education opportunities;*
 - *Providing business incubation and support for local businesses;*
 - *Opening high-speed Broadband Internet access to citizens and businesses alike;*
 - *Improving transport links into and within the area.*
- *The novelty of this programme is that it is the first time a regeneration programme has been based on a master-planning exercise, followed by a sustainability audit and community consultation;*
- *This is the first time a regeneration programme has revolved around basing the future on new technology.*

Children at the SEEDA assisted St Paul's School Nursery, Paulsgrove, Hampshire. (Photograph courtesy of Portsmouth City Council).



A SEEDA Farm Diversification Grant has been used to further support the development of local meat products. Livestock Farmer, Peter Lingham (centre), who farms on the North Downs in Medway, has converted a redundant dairy parlour to provide a cutting room for meat preparation and a sales area. (Photograph courtesy of the Kent Messenger).



Social Inclusion and Community Regeneration

Social exclusion is defined as 'an inability (of individuals) to participate effectively in economic, social, political and cultural life; alienation and distance from mainstream society' (South East Social Inclusion Statement). During the year, SEEDA and its partners consulted on the South East Social Inclusion Statement. This is an initiative involving seven agencies in the South East, including the Government Office, Regional Assembly, Health Development Agency, Housing Corporation, Social Services Inspectorate, RAISE (the community and voluntary sector network), and SEEDA. It sets out the region's commitment to addressing the problems of exclusion in the region, and future collective actions.

In 2001-02 SEEDA has continued to work with partners across the region to develop and implement comprehensive regeneration programmes in the most deprived parts of the region.

SEEDA met all inherited funding commitments and continued to administer 64 existing Single Regeneration Budget (SRB) schemes under Rounds 1-6. These include in excess of 1,200 individual projects improving the quality of life for people in disadvantaged areas, by building the potential of local people and the physical infrastructure to tackle deprivation. Projects range through the whole spectrum of skills, employment, business development, environmental improvements and the provision of facilities to allow people to access services and benefits that most people in the South East take for granted.

There has been sustained major investment in the four comprehensive regeneration areas of Southampton, Brighton and Hove, Portsmouth and Hastings, with significant spend in other areas such as Thanet and the Isle of Wight. Achievements by partners in 2001-02 through SEEDA funding include:

Wootton Bridge Help Centre, Isle of Wight, one of SEEDA's community regeneration projects helping the promotion of local services and facilities.



Aylesham Health Centre at the heart of the Kent Coalfields, one of SEEDA's major community regeneration initiatives.



- Acquisition of Preston Barracks in Brighton, a key 2.18 hectare brownfield site now undergoing a master planning process;
- Construction started on the £1million plus healthy living centre in Gillingham;
- The expanded Vocational Skills Training Centre at Sheppey College opened;
- The Vines Centre Trust in Rochester and the Furniture Store project on the Isle of Wight continue to be two of the region's successful social enterprises, recycling IT equipment, furniture and white goods;
- The Wootton Bridge Help Centre on the Isle of Wight opened on the 5th November, providing an access point to most areas of the village, for the promotion of local services and facilities;
- Training organised through the East Oxford Action SRB scheme prevented the closure of nine Halal butcher shops. Training courses in four different languages using interpreters saved 28 ethnic minority jobs from a total of 34 jobs saved. Following on, many employees have taken more advanced food hygiene courses further protecting their livelihoods.

The Kent Coalfields programme promotes an integrated approach to regeneration and the value of linking specific coalfield sites to other physical and social regeneration opportunities. Reclamation work at Tilmanstone was completed in June 2001, with the majority of the development land sold, creating 15,000 square metres of new floorspace, 500 new jobs and safeguarding a further 250 jobs.

At Betteshanger, regeneration proposals were published and discussed at a public meeting in August, and full proposals and a master-plan were agreed in January 2002. By the end of the financial year, a former administrative office building had been refurbished and was ready for occupation with half the accommodation pre-let. As a pilot scheme, the building obtains heat and water from a wood pellet renewable energy production facility. This pilot will be assessed to determine whether a similar facility might be used for a larger part of the development.

Freshwater Bay, Isle of Wight. The Isle of Wight is one of the key community regeneration areas targeted by SEEDA. (Photograph courtesy of the Isle of Wight Tourist Board).



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At Snowdown, a Regeneration Forum was established to co-ordinate views of the local community, and a public meeting to discuss SEEDA's regeneration proposals was held in May 2001. A land ownership constraint needs to be overcome in order to progress comprehensive regeneration.

A Fisheries Regeneration Initiative was launched in December 2001 providing up to £1 million of support to the fishing industry and their communities in the South East. Successful schemes were announced in March 2002 in Hastings, Rye and Shoreham.

Housing and Homelessness

The South East is under intense housing pressure, and faces a major challenge if it is to accommodate the projected population and housing growth over the next 10 to 15 years. The Government has set a national target for 60% of all new housing development to be provided on previously developed land and through the conversion of existing buildings. The Regional Economic Strategy (RES) aspires to set a higher level of 65%. Directing investment to brownfield sites and increasing the density of development is proving difficult to achieve in the South East. A key reason is that brownfield sites are often small (typically less than 0.4 hectares) with development constraints and fragmented ownership.

SEEDA sponsored research into homelessness in the South East was launched in March 2002. This signals a raised profile for housing within the Agency as the need for affordable housing, especially for key workers, has been identified as a serious threat to the region's economic well being. In the region, homelessness is as much a characteristic of wealthy areas as of deprived areas, but the research did identify particular regional hotspots in Adur, Brighton and Hove, Crawley, Eastbourne, Gosport, Havant, the Isle of Wight, Oxford, Portsmouth, Reading, Southampton and Tunbridge Wells.

The Fishing Village on St Mary's Island, Chatham Maritime, SEEDA's flagship regeneration project, is one of only three schemes in the UK comprising of over 100 houses with BREEAM EcoHomes rating.

Chairman of Chatham Maritime Trust, Philippa Baron (front left) and St Mary's Island school pupil Victoria West assisting with tree planting at Chatham Maritime as part of SEEDA's community regeneration initiative.



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Specific action undertaken by SEEDA in 2001-02 includes:

- Providing funding support to Isle of Wight and North British Housing Associations to reclaim brownfield sites and premises for housing purposes in Ryde and Gravesend. We also supported private sector developers to bring forward a scheme in Newhaven. These developments would not have taken place without SEEDA's investment.
- Ongoing investment at Chatham Maritime where over 800 homes have now been completed in a joint venture with Countryside Properties as part of a future 2,000 home development on St Mary's Island. The most recent "Fishing Village" phase of the scheme received various design and environmental awards, showcasing that quality construction, environmental responsibility and profitable development can go hand in hand.
- Successfully using its compulsory powers to assemble a large brownfield site for reclamation in Shoreham. Berkeley Homes has been selected as the Agency's preferred development partner to build a new mixed use scheme in line with the latest urban renaissance thinking and will include 205 homes.
- Developing a proposal to establish a Brownfield Land Assembly Trust – as a new corporate venture to acquire, remediate and masterplan packages of small brownfield sites. We will then work in partnership with local authorities, the Housing Corporation, housing associations, contractors and developers to procure new homes, particularly affordable housing, to meet local needs. During the year, SEEDA funded pilot studies and financial appraisals.
- Undertaking studies with the education authorities in Wokingham and with the NHS to identify surplus public sector land to help meet affordable housing for key workers.

The Rainbow Nation was the theme of this year's Cowley Road Carnival, an event co-ordinated by East Oxford Action, a SEEDA-funded regeneration scheme.

The Dockside Outlet Centre at Chatham Maritime, will provide jobs for local people and 70 shops within a restored listed building.



Urban Renaissance – Sustainable Towns and Cities

The Urban White Paper sets out two key challenges for Regional Development Agencies (RDAs):

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

The White Paper also highlights the needs for RDAs to take the lead role in promoting better design and planning and in developing mechanisms for the effective assembly and reclamation of brownfield sites. SEEDA has undertaken over 30 initiatives in response to Lord Rogers' Urban Task Force, the Egan Report and the Urban White Paper (see Box on page 42)

Aerial view of Ropetackle at Shoreham-by-Sea, a SEEDA regeneration initiative, creating a new environment.



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Making the Most of our Urban Assets - Land Reclamation

SEEDA is the region's lead regional agency dealing with the remediation of brownfield land.

In 2001-02, SEEDA invested £21.2 million through its direct development programme, including £8.7 million at Chatham Maritime.

Medway and Kent Thameside have been the focal points of SEEDA's direct regeneration and renaissance activities, principally through Chatham Maritime - SEEDA's largest physical development project covering 140 hectares in the heart of the Medway Towns. The Agency, along with the (then) DTLR also helped put in place a financial package towards the end of the year to ensure Medway Council was in a position to enable the compulsory purchase of 35 hectares of brownfield land at Rochester Riverside to proceed.

Highlights at Chatham Maritime included the start of works on site for the Dockside Shopping Centre, which will provide 70 shops within a restored listed building, the restoration of the Grade II listed Drill Hall, and the refurbishment and re-erection of the Bell Mast (a Scheduled Ancient Monument). 1.5 kilometres of riverside walks were completed and an additional 150 berths added to the Marina.

The Agency has used its direct development powers to acquire 20 hectares of brownfield land within the spatial priority areas. Acquisitions included the former Buckland Paper Mill at Dover; 12.72 hectares of land at Broadmarsh, Havant; and 4.7 hectares of land at Frater Gate, Gosport. These sites will be reclaimed, serviced and development partners selected to develop new buildings to support new and existing businesses in the area.

In the rest of the region, SEEDA was the first RDA to have a Compulsory Purchase Order confirmed. This was for the derelict Ropetackle site in Shoreham. The acquisition will enable SEEDA to carry out a comprehensive programme of remediation and infrastructure works that would not otherwise be possible. Developers Berkeley Homes, have been selected as SEEDA's preferred partner and are working up proposals for 205 new dwellings, offices, community buildings and a new town square.

At the Agency's Shearway Business Park at Folkestone, work started on the first speculative building - the Folkestone Enterprise Centre.

RESPONDING TO THE EGAN REPORT, THE URBAN TASK FORCE AND THE URBAN WHITE PAPER

Over 30 initiatives and actions undertaken by SEEDA in the South East, including:

- *International Housing Design Competition* – 300 expressions of interest with 80 first stage submissions. Eight finalists shortlisted for future use across the South East as experts in design-led, compact, modular, high tech schemes;
- *Home zones* piloted in Shoreham and Medway SEEDA projects;
- Latest phases of Chatham Maritime have won several *awards* including BREEAM EcoHomes rating, shortlisting from RIBA, and an Evening Standard Award;
- SEEDA gained agreement from the Housing Corporation that no large schemes (over 50 houses) will be considered for Government funding unless housing is BREEAM EcoHomes rated and subject to review by the Regional Design Panel;
- SEEDA has invested in the Kent Architecture Centre and is agreeing plans for two more *Architecture Centres* in the region;
- SEEDA has completed a research study to set up a London and South East *Regional Resource Centre* to co-ordinate and improve the delivery of skills training to the professionals across the whole discipline spectrum;
- SEEDA is the *first RDA to complete a Compulsory Purchase Order (CPO)* through to Ministerial consent to assemble the Shoreham Ropetackle site;
- SEEDA has established a *Property and Construction Sector Group* to review the barriers within the industry, looking at specific skills needs, rethinking construction, and driving the design/technology/excellence agendas;
- SEEDA established 'Creating Quality Places' in January 2002, a joint initiative with the Prince's Foundation to advise communities on local master-plan development based on *Enquiry by Design Model*. This will deliver best practice in urban renaissance, setting new benchmarks for good design and project management;
- SEEDA has set up an advisory service with English Nature, *Building for Nature*, to advise developers and communities on *planning in biodiversity* into master-plans and schemes;
- A South East version of an *Urban Regeneration Company (URC)* to be set up by SEEDA as a public/public Executive Delivery Vehicle in Hastings to deliver the £400 million regeneration programme;
- SEEDA launched the Government's *Rethinking Construction* agenda in the regions, and has supported and sponsored a number of events across the South East promoting the programme;
- SEEDA has agreed with the other RDAs to support and manage a national accreditation scheme for professionals to become Specialists in Land Conditions (SiLC) so that they can certify land for inclusion in the national Land Condition Record;
- Full independent report on SEEDA actions is available on the SEEDA website: www.seeda.co.uk.

SEEDA's grant of £16,000 has assisted the towns of Hassocks and Hurstpierpoint in West Sussex in promoting their town shopping map.
(Photograph courtesy of The Argus, Brighton).



The newly built Sedlescombe Village Hall, is part of SEEDA's rural economy and renaissance programme.



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Rural Economy and Renaissance

SEEDA rose to the challenge of Foot and Mouth Disease faced by the Rural Sector during the year, supporting those affected by investing in initiatives that enabled:

- 150 businesses to benefit from financial assistance to help them survive the crisis;
- Specialist business advice and counselling provided through the Business Links;
- A major regional tourism marketing campaign, aimed at encouraging tourists to return to the countryside;
- A Livestock Revival Action Plan.

At the heart of SEEDA's ongoing commitment to the rural community is the Market Towns Initiative. Eleven towns have now been selected, and these are developing Action Plans to develop their roles as key centres of business activity in rural areas.

SEEDA supported the revitalising of rural communities in a number of ways. These included the creation of new rural workspace through bringing redundant buildings back into use. This has enabled farmers across the region to secure an additional source of income as well as providing, for example, new farm bed and breakfast/self catering holiday accommodation and two new nursery schools offering 60 childcare places. Our other activities in rural areas included support for 77 community projects.

Further funding enabled a range of region-wide projects supporting local produce, rural tourism, research studies, and the provision of marketing material to promote the rural economy.

It is vital that our commitment to rural communities should not be marginalised, but should benefit from being integrated within the wider picture. Rural needs will increasingly benefit from closer interaction with our learning and skills and business competitiveness agendas.

3. Business Review - Our Activities and Achievements

Ancient Woodlands in the Chilterns – more of the South East is designated an Area of Outstanding Natural Beauty than in any other region of the UK.
(Photograph courtesy of Buckinghamshire County Council).



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3.4 Taking Forward a Strategy for Sustainable Growth

SEEDA intends that everything we do should be consistent with the principles of the Regional Sustainable Development Framework. These principles inform all our work, and one example is the fact that SEEDA has instituted a sustainability appraisal system based on the Framework, which it applies to all its own activities and the projects of others that it supports. In addition to this, however, SEEDA has carried forward contributions in three particular areas.

The launch of SEEDA's Environmental Technology Sector Group, at SEEDA's headquarters in Guildford.



Speakers at a conference on Renewable Energy, co-funded by SEEDA, experienced first hand a sustainable community energy system in Woking.



Regional Development Fora

The South East Climate Change Partnership adopted a formal membership structure and organisation, following their endorsement of the Business Plan prepared for them in March 2001. The focus of work is to facilitate responses that help the region to adapt to the likely impacts of climate change during this century. A full-time Programme Manager, based with SEEDA, was appointed in October 2001, and an interim Executive Committee formed in November 2001, leading to the first Forum meeting in June 2002, at which a new Executive will be appointed and a work programme will be established.

The South East Water Resources Forum was jointly established by SEEDA and the Environment Agency in September 2001. The Forum brings together representatives of bodies with an interest in water issues from the private, public and voluntary sectors, and will promote better understanding and management of the region's water resources.

As part of its commitment to the South East Renewable Energy Partnership, SEEDA joined with the Government Office and the Regional Assembly in hosting the South East Renewable Energy Conference at Woking. The Conference explored and promoted the opportunities for take-up of renewable energy sources within the South East, and used the leading example set by Woking Borough Council to illustrate what can be achieved. Agreement was also reached with the Carbon Trust to host one of its regional agents within SEEDA as part of the Low Carbon Innovation Programme. The agent's role will be to encourage innovation, research, new processes and practices, and to identify barriers and market failures which are holding back the development of a low carbon economy.

SEEDA has assisted the establishment of the South East Sustainable Business Partnership (SESBP) and now acts as its chair. The Partnership held its first Annual Forum, which included the launch of 'e-generation', a web-based suite of services offering businesses best sustainability practice. Other initiatives pursued during the year include projects to develop markets for waste products and to encourage the introduction of environmental management systems in Small and Medium-Sized companies (SMEs).

One of SEEDA's sustainable development projects, the Stodmarsh National Nature Reserve near Canterbury, is a Special Protection Area, covering 241 hectares of wetland characterised by extensive reedbeds, lakes, the associated bird populations and the wild Connec ponies.

The inaugural meeting of the South East Sustainable Business Partnership (SESBP), at Guildford Borough Council. The SESBP is chaired by SEEDA Board Member, Kit Oliver OBE DL (right front).



Research to Inform the Sustainable Development Agenda

Environmental Economy Study - supported by the Countryside Agency, English Nature and the Environment Agency, SEEDA commissioned a study of the role and scale of environmental activities in the region's economy, including environmental industries, the natural and historic environment, farming and forestry, tourism, film and media. The results of this research indicate that environmental activities already make a significant contribution to employment and wealth creation in the region, and highlight the priorities for SEEDA's involvement in promoting environment-related activities and in identifying new market opportunities for business.

The decision was taken to proceed with the Mass Balance Study, which is a regional study to analyse material and energy flows in the region. In line with parallel national and European Union (EU) projects, this will set a standard in resource flow analysis, ecological foot-printing, environmental accounting, regional modelling, and policy and business applications. A conference on findings will take place in mid-2003.

SEEDA commissioned a South East River Catchment Research Study, in partnership with the Royal Holloway Institute for Environmental Research, to assess the scope for generating economic, social and environmental benefits through improving water management in river catchments. The results of this work will form the basis of a larger study to identify opportunities in catchments across the region.

The Welsh and Regional Economies' Resource Productivity Project (WRERP) aims to develop better understanding of resource productivity in relation to the environment and regional economic strategies. The project will develop a comprehensive environmental economic model on which different scenarios can be run to examine environmental impacts of alternative economic strategies, at national and regional level. This collaborative venture started in 2001-02 and will conclude at the end of March 2003. By the end of the financial year, data on waste had been collected, and data collection for water use, energy and air quality was progressing on schedule; this data will be incorporated in the development of the model, due to start in September 2002.

Jonathon Porritt CBE, Chair of the Sustainable Development Commission, speaking at the SEEDA Sustainable Development Conference, Gatwick.

One of SEEDA's sustainable development programmes - the wood pellet renewable energy boiler supplies the Betteshanger Colliery administration building with heat and hot water.



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Engaging Business in Sustainable Development

The first SEEDA Sustainable Business Awards were presented in November 2001, with the purpose of highlighting and celebrating sustainability best practice among the region's businesses, and to give publicity to the region's six sub-regional Sustainable Business Partnerships (SBPs) / Business Environment Fora (BEFs) as the first contact for businesses

seeking to improve their sustainability performance. The 2001 Awards were an 'Award of Awards' with each sub-region nominating two or three companies which had won awards or otherwise distinguished themselves in sustainability / environmental management.

THE SEEDA SUSTAINABLE BUSINESS AWARDS 2001

Overall winner for the SEEDA Sustainable Business Awards 2001 was The Beacon Press, Uckfield, East Sussex. Beacon Press is a printing company which has become a world leader in environmental printing technology. The company's positive commitment to minimising its environmental impact has not only achieved significant environmental and financial savings, but has become a unique selling point. For Beacon, sustainability has become a way of life.

The Beacon Press was given the award for "their commitment and determination to achieve a sustainable operation, for their continuing efforts to reduce their environmental impact, for their work with local communities, and for setting an excellent example for others to follow".

The Judging Panel faced a very difficult task in choosing a winner from the 14 excellent finalists. In addition to the overall winner, two 'highly commended' awards were given to Independent Insurance Services, Folkestone, Kent; and National Air Traffic Services of Gatwick, West Sussex.

Oxford Science Park - an example of best practice integrating biodiversity into new developments - at the heart of SEEDA's Building for Nature project.

The South East region is home to three international airports with Heathrow and Gatwick accounting for over half of the international air travellers through the UK.



SEEDA established the Building for Nature Project, which aims to incorporate biodiversity into development proposals by researching, developing and promoting best practice. This initiative has wide ranging support from the private, public and voluntary sectors. A full-time Project Officer has been appointed, and advice is available to planners, developers and the construction industry. The Project has identified a number of developments across the region that are being used to provide case studies and flagship examples of excellence in design and implementation.

Sustainable Construction – SEEDA joined with Surrey County Council and the Somerset Trust for Sustainable Development in hosting a seminar promoting the “Rethinking Construction” and sustainability in construction agendas to the planning and development professions. In relation to its own development activities, SEEDA instituted a policy on housing schemes requiring that all homes meet BREEAM EcoHomes rating standards.

Infrastructure

SEEDA continues to place strong emphasis on working with others to identify and address the critical issues of physical infrastructure across the region, alongside comprehensive targeted initiatives to address the particular needs of less economically successful urban and rural communities.

The provision of infrastructure is an essential ingredient of a successful regional economy. Within this, transport is undoubtedly the key issue, and for this reason the existing Regional Economic Strategy (RES) sets out clearly those transport projects and programmes which are essential to dealing with the problems of congestion in the most prosperous parts of the region on the one hand, and enabling the less economically successful areas to perform much more effectively on the other.

While SEEDA is not directly responsible for transport investment decisions, or funding specific schemes, transport is crucial and underpins the achievement of the region's economic development objectives.

The South East of England is the gateway to Europe. It is home to 11 sea ports and has good links to the continent via the Channel Tunnel and Dover – the top passenger port.



SEEDA Chief Executive, Anthony Dunnett (left) joins main speakers Janis Kong OBE, Executive Chairman BAA Heathrow and SEEDA Board Member, and David Jamieson MP, Parliamentary Under Secretary of State for Transport at the 'Delivering the Region's Transport Strategy' conference in Winchester.



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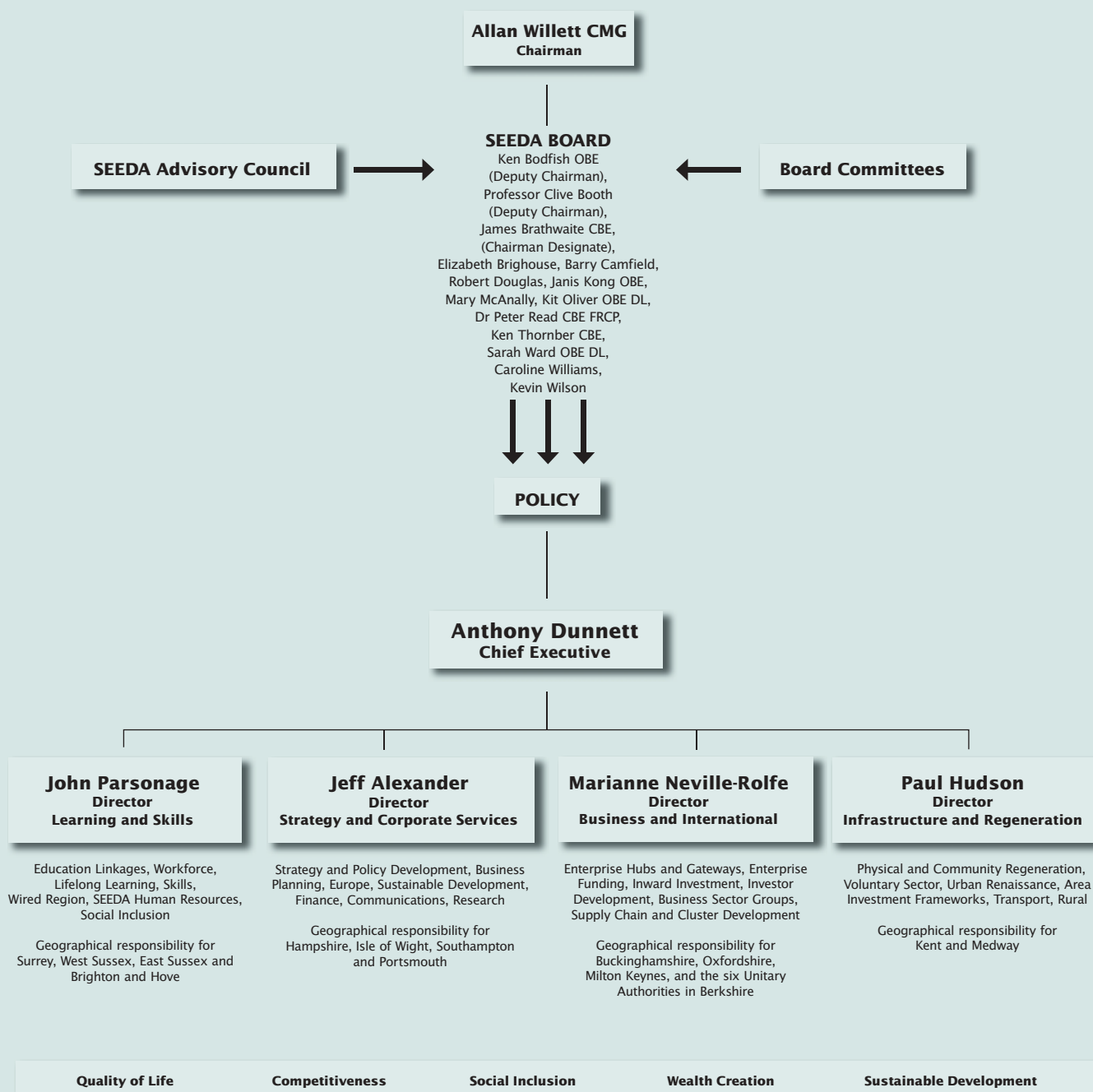
During the year, SEEDA participated in Multi Modal studies for the M25 (ORBIT), South Coast, SWARMMS (London to the South West and Wales), and Thames Valley. Multi Modal studies look at solutions along the most congested corridors in the region, and look at solutions across all modes. SEEDA is represented on the Steering Groups to ensure that the studies adequately reflect the economic priorities for the region.

The South East is the country's international gateway, with Heathrow (just outside the region) and Gatwick as critical hubs for passengers and goods. The Channel Tunnel provides the only rail link with Europe, and a high proportion of Britain's freight and passengers pass through the region's airports and seaports. These are major local economic activities with a contribution to the national economy and trade with Europe. SEEDA is a representative on the South East and Anglian Ports Local Authority Group, and in 2001-02 SEEDA and its partners invited tenders, and let the contract, for the development of a regional ports strategy to enhance the effectiveness of the larger ports and seek synergies from smaller ports working together. SEEDA's Infrastructure Committee also invited presentations by Associated British Ports, Southampton, Dover Harbour Board, and Medway Ports.

SEEDA has supported the development of physical intervention joint ventures, such as the East Kent Spatial Development Company. In this, SEEDA has been working with Kent County Council and Thanet to identify key infrastructure shortfalls (electricity, gas, water and drainage) which are constraining business growth in East Kent. SEEDA and its partners developed the East Kent Spatial Development Company to address the shortfall, with the inaugural meeting held in April 2002. The Hastings and Bexhill Five Point Plan calls for extensive road, rail and infrastructure to enable a comprehensive regeneration strategy to succeed. SEEDA is in discussion with local partners to establish a delivery vehicle to deliver various elements of the package.

4. Board and Corporate Structure

4.1 Organisation Chart



The SEEDA Chairman, Allan Willett CMG

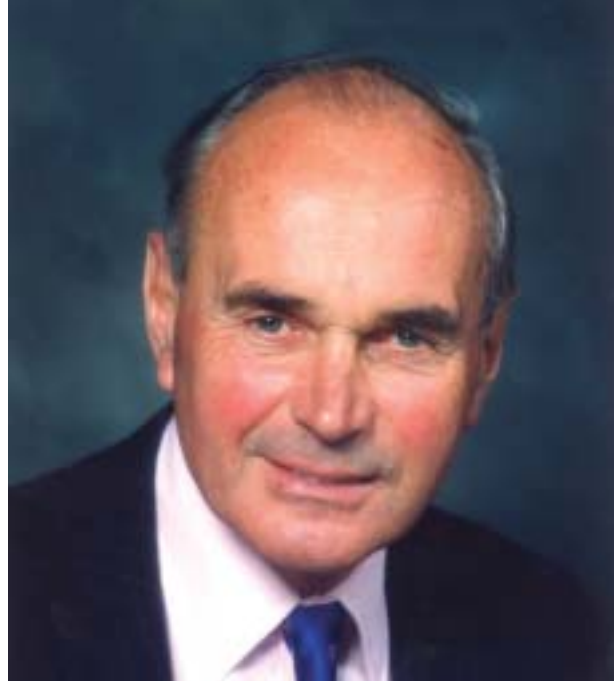
Allan Willett is the Founder, controlling shareholder and non-executive Chairman of British based Willett International Ltd, a world leader in the development, manufacture and marketing of systems providing industry worldwide with solutions for their coding and labelling needs. The Company has more than 1,000 employees in 28 countries worldwide and has twice won the Queen's Award for Export as well as the Financial Times/Nat West Exporter Excellence Award and the Arthur Andersen Global Award for "Going International" – the first British company to receive this honour.

As an investor and specialist in reorganisation, Allan's career has also been associated with assisting private and publicly quoted international companies. This involved working in association with banks to reorganise companies in the packaging, plastics and printing industries based in the UK, Netherlands, Sweden and the USA. A former Deputy Chairman of Rowen and Bowden in Scotland, he was a Vice President of Compac Corporation USA, Chairman of Northampton Machinery Company UK and Group Managing Director of G D Peters Limited UK.

He has a special interest in enterprise and innovation, particularly as they are applied to Small and Medium Sized Enterprises (SMEs) and the growth of global companies. He has worked with the OECD on small and medium sized company development. He is the Founding Chairman of the Centre for Tomorrow's Company.

In the early 1990s, Allan began to hand over the day-to-day control of Willett International and at the same time increase his public sector work. He was the Founding Chairman of the Government's Industrial Development Board for London and the South East. Until the Government appointed him Chairman of SEEDA, he was a Director of Locate in Kent, the East Kent Enterprise Agency and Chairman of the East Kent Forum as well as an Ambassador for Kent.

Allan was appointed a Companion of the Order of St. Michael and St. George (CMG) in the Queen's Birthday Honours List in June 1997 and Lord Lieutenant for Kent in January 2002. He lives with his wife Anne in Chilham near Canterbury, Kent, England.



The SEEDA Board

The SEEDA Board, appointed by the Secretary of State for Trade and Industry, comprises the Chairman and 14 members. The Board is responsible for setting the strategic direction of the Agency and for establishing its policies. With the Chief Executive, the Board ensures that the public funds with which the Agency is trusted are used appropriately to the benefit of the region and deliver value for money in meeting our objectives.

The Board is accountable to the Government and to Parliament. It is also required to give an account of its activities to the South East England Regional Assembly and to consult with the Assembly on the development of the Regional Economic Strategy. SEEDA values this relationship with the Regional Assembly and recognises the Assembly's role as the representative voice of the region.

SEEDA holds a formal record of Members' interests which is available for inspection at our Guildford offices. See page 57 for biographical notes of the Board Members.

SEEDA Board Committees

The SEEDA Board has a series of Board Committees to advise it on key strategic issues. Chaired by a SEEDA Board Member, each Committee draws in experts from across the region who serve in an individual capacity, together with representatives from the Regional Assembly and the Government Office for the South East. The Committees played a full and very valuable role in helping to inform the preparation of the first Regional Economic Strategy in 1999 and subsequent review of the Strategy in 2002.

In April 2000, the Committees were restructured to assist their role in informing and monitoring the implementation of the Strategy. SEEDA has also established an Audit Committee, a Remuneration Committee, a Human Resources Group and an informal panel, 'Future Think', responsible for advising on key economic, social, technological and environmental issues that could have major impact on the region over a 5-15 year time frame. SEEDA, with the Regional Assembly, has also established a Joint Europe Committee.

The Board Committee structure is as follows:

- Business Development
- Infrastructure Committee
- Learning and Workforce Committee
- Regeneration and Communities Committee
- Rural Development Committee
- Sustainable Development Committee
- Workforce and Social Dialogue Committee

The SEEDA Advisory Council

The SEEDA Advisory Council provides a forum for harnessing a wider range of experience and expertise to inform SEEDA's strategic thinking. As well as leading influential figures from business, local government and academia, the Council includes individuals from interests not traditionally involved in the consideration of regional economic development such as the police, and religious leaders.



Anthony Dunnett
Chief Executive



John Parsonage
**Director
Learning and Skills**



Jeff Alexander
**Director
Strategy and Corporate
Services**



Paul Hudson
**Director
Infrastructure and
Regeneration**



Marianne Neville-Rolfe
**Director
Business and
International**



David Tucker
Finance Director



Debbie Catt
**Head of
Communications**



Helen Mead
**Head of Human
Resources**

The SEEDA Executive

The SEEDA Executive comprises four main Divisions as shown on the Organisation Chart (page 50). The Executive Directors are responsible for driving forward the implementation of the relevant elements of the Regional Economic Strategy and for delivering the programmes through which we support the activities of our partners.

SEEDA Executive Directors also have geographical responsibilities, in which they are supported by other staff within the organisation.

The four Executive Directors are:

Jeff Alexander – Director, Strategy and Corporate Services, with geographical responsibility for Hampshire, Isle of Wight, Southampton and Portsmouth;

Paul Hudson – Director, Infrastructure and Regeneration, with geographical responsibility for Kent and Medway;

Marianne Neville-Rolfe – Director, Business and International, with geographical responsibility for the six unitary authorities in Berkshire, Buckinghamshire, Oxfordshire and Milton Keynes;

John Parsonage – Director, Learning and Skills, with geographical responsibility for Surrey, West Sussex, East Sussex and Brighton and Hove.

SEEDA's Employment Policies and Service Standards

IIP Achievement

SEEDA achieved 'Investor in People' (IIP) status in February 2002. This is a significant achievement and SEEDA values the award. This programme aims to improve the performance and success rate of organisations by helping them to harness the true potential of their employees, based on four principles of commitment, planning, action and evaluation.

SEEDA sees IIP as a framework to achieve best practice in terms of people management, and has put in place a range of processes in respect of business planning, performance management, learning and development.

Looking at the region as a whole, SEEDA recognises the strategic importance of IIP standards in helping to improve the productivity of the region's workforce through skills, learning and the active involvement of the workforce in the company of the future. The standard is backed by the UK's main business organisations and employees, Confederation of British Industry (CBI), Trade Union Congress (TUC) and Institute of Directors (IoD), and in the South East Region, a range of large and small organisations hold IIP status.

Equal Opportunities

SEEDA wholly supports the principle of equal opportunities in employment and opposes all forms of unlawful or unfair discrimination on grounds of gender, colour, marital status, race, nationality or ethnic/national origin, religion, sexual orientation, disability, membership of a trade union or atypical working arrangements. To this end, SEEDA adheres to the requirements of the Codes of Practice issued by the Equal Opportunities Commission and Commission for Racial Equality as well as the requirements of the Race Relations Act 1976, Sex Discrimination Act 1986, Disability Discrimination Act 1995, and Part-time Workers' Regulations 2000.

SEEDA has also taken on board the general duties set out in the Race Relations (Amendment) Act 2000 which came into force on 1st April 2001 to tackle racial discrimination, promote equality of opportunity and promote good race relations. SEEDA monitors its workforce for ethnic origin and, during the year 2001-02, 6.3% of its staff identified themselves as being of ethnic minority origin. This compares with an ethnic minority population of 1.8% in Guildford, where SEEDA's headquarters is located, and 2.8% in Surrey (source: 1991 Census Survey County Report). Throughout the whole of the South East there is an ethnic minority population of 3.3% (source: Estimates of the Population by Ethnic Group and Area of Residence, 1999, Great Britain, Office for National Statistics). Along with the other RDAs, SEEDA has contributed to government consultation on implementation of the Act and will comply with specific duties for public sector bodies to:

- Prepare and publish a Race Equality Scheme which states the functions and policies assessed as being relevant to the general duty to promote race equality and sets out arrangements for meeting the duty; and
- Monitor existing staff and applicants for jobs, promotion, and training by their racial group.

Our policy on Equal Opportunities and our Race Equality Scheme is available on our website (www.seeda.co.uk).

e-skills Employers' Charter

The e-skills Employers' Charter is a national scheme, produced by the e-skills National Training Organisation, designed to address the fact that more than one million trained IT professionals will be needed in the next five years. Without UK-wide industry action to address the need for IT professionals, the UK's position as a world leader in IT will be threatened. SEEDA signed the 'e-skills Employers' Charter' in November 2001, making a commitment that, as an employer of IT staff, we would take action to work with National Training Organisations to identify potential for recruiting people into IT, work to avoid any negative image that IT may have, and work to find ways to offer quality work-experience placements which are a good way for people to find whether they are suited to IT jobs.

SEEDA was one of the first public sector organisations to sign up to the e-skills Employers' Charter.

Service Standards

SEEDA is committed to best practice standards of working in all areas. This includes high standards of clear, well written English. All SEEDA employees receive training in customer service and are familiar with SEEDA's published service standards.

SEEDA employees make every effort to answer telephone calls as quickly as possible. SEEDA's service standards state that all written requests for information are responded to within 10 working days of receipt unless the sender has set a different timescale for response. Where written correspondence requires a more substantial or complex answer, a response is sent within five days of receipt informing the writer of this and giving an indication of when the response can be expected. SEEDA has a post-logging system in place which demonstrates that this standard is adhered to.

5. The SEEDA Board



Allan Willett CMG
Chairman



Ken Bodfish OBE
Deputy Chairman



Professor Clive Booth
Deputy Chairman



James Brathwaite CBE
Chairman Designate



Elizabeth Brighthouse



Barry Camfield



Robert Douglas



Janis Kong OBE



Mary McAnally



Kit Oliver OBE DL



Dr Peter Read CBE FRCP



Ken Thornber CBE



Sarah Ward OBE DL



Caroline Williams



Kevin Wilson

Ken Bodfish OBE
Deputy Chairman

Ken Bodfish is the Leader of Brighton and Hove City Council. He Chairs the UK Delegation to the European Union's Committee of the Regions and is a Vice President of the Committee. As Chair of the Local Government Association's European and International Executive he is the lead spokesperson for English local government on these matters. He is a former Chairman of Sussex Police Authority and is currently a Member. He has extensive local government experience serving previously on East Sussex County Council and Preston Borough Council in Lancashire. He was also a Member of the Board to the Central Lancashire Development Corporation (appointed by the Secretary of State) and is a member of the academic staff of The Open University.

Professor Clive Booth
Deputy Chairman

Professor Clive Booth is Chairman of the Teacher Training Agency, the Central Police Training and Development Authority, the Pay Review Body for Nurses and the multi-media education information company ECCTIS Ltd. He is also a Senior Education Advisor to the British Council and a Consultant to the World Bank and Council of Europe. He is the Chairman of the Oxfordshire Lifelong Learning Partnership and an Editorial Board Member of the Oxford Review of Education. He was Vice-Chancellor of Oxford Brookes University (1986-97), Vice Chairman of the UK Committee of Vice-Chancellors and Principals (1992-95) and Director of Business Link Heart of England (1996-98).

James Brathwaite CBE
Chairman Designate

Jim Brathwaite is Chief Executive of XL Entertainment, a media rights and holding company based in Chichester, which he founded in 1997. In 1996 he became Britain's first Black CEO of a publicly quoted company when he floated Epic Interactive Media. Mr Brathwaite became a Director of Sussex TEC Ltd in April 1993 and was elected to the board of Sussex Enterprise in 1995. He was the founding Chair of Business Link Sussex and is a founding Director of 'Wired Sussex'. He is also a member of the National Small Business Council, Treasurer of the Caribbean Advisory Group at the Foreign and Commonwealth Office and a member of the Government's Export Advisory Committee for the 'Americas'. Mr Brathwaite is the current Chair of the Arundel Festival and was a former Governor of Brighton & Hove 6th Form College and is a former member of the Council of the University of Sussex. He was appointed Commander of the Order

of the British Empire in the Queen's New Year's Honours List 2000. He holds no other Ministerial appointments and is not involved in any political activities.

Elizabeth Brighouse

Liz Brighouse is Director of the Oxfordshire Council for Voluntary Action and in this role has been involved in setting up many voluntary/community groups in Oxfordshire. In addition, over the past 11 years she has been involved in community work in the Perm Region of the Russian Federation, encouraging the engagement of citizens in the development of services within a framework of local democracy. Liz was involved in the setting up of the South East Regional Network for the Voluntary Sector (RAISE). She was actively involved in the Prince's Trust for 13 years and served on the National Network Development Committee and has served as a non-executive Director of the Radcliffe Infirmary NHS Trust and a founding Trustee of the Thames Valley Partnership for Safer Communities. She is on the Board of the Milton Keynes, Oxfordshire and Buckinghamshire Learning and Skills Council, has been a school governor for many years and in June 2001 was elected as a Labour Councillor to represent the Wood Farm area of Oxford on Oxfordshire County Council. Mrs Brighouse holds no other Ministerial appointments.

Barry Camfield

Barry Camfield has been Assistant General Secretary of the Transport and General Workers Union (T&G) since 2000. The T&G is Britain's largest general union, which represents some 850,000 members. Mr Camfield has been employed at the T&G since 1975. He has held industrial, education, organising and administrative posts, and was promoted to the senior position of T&G Regional Secretary for its largest region (London, South East & East Anglia) in 1995, with over 200,000 members. He is currently a member of the TUC General Council and attends the Annual Trades Union Congress. He was previously Vice President of the Southern and Eastern Regional Council of the TUC, a long serving member of its Executive Committee and Chair of its Economic Task Group. Mr Camfield is a member of the Kent and Medway Learning and Skills Council, where he represents SEEDA's interests. Mr Camfield has been a SEEDA Board Member since its foundation. He was an Executive Committee Member of the London Labour Party throughout the 1990s, and continues to attend the Annual Labour Party Conference as a T&G delegate.

5. The SEEDA Board

Robert Douglas

Rob Douglas is a Business Consultant specialising in strategy and senior executive development. In 2000 he was appointed by the Secretary of State as Chair of the Surrey Learning & Skills Council. Until the end of 1999, he worked for the Royal Dutch/Shell Group where he held a number of senior finance and general management positions including Chief Executive of two major European subsidiaries (Belgium and Italy). His final post was Vice-President, Mergers and Acquisitions for the Global Exploration and Production Business based in The Hague. Before joining Shell in 1980, Mr Douglas worked for the Inland Revenue. He was an external adviser to the 1999 UNDP Human Development Report and is a Member of the Board of the Surrey Economic Partnership and a Governor of Cleves School in Oatlands.

Janis Kong OBE

Janis Kong is Executive Chairman of Heathrow Airport and was Managing Director of BAA Gatwick from 1997 until October 2001, employed by BAA (formerly the British Airports Authority) since 1973. She has held a wide variety of management posts within the company which was privatised in 1989. Her roles have included General Manager at Heathrow's Terminal 4 and Operations Director at Gatwick. Janis is a member of the BAA Group Executive Committee. She was the Chair of Southampton Airport until taking up her current position. Mrs Kong has received an Honorary Doctorate of the Open University and is a Non Executive Director of Portmeirion Holdings. She was awarded her OBE in 2002 for services to transport and Regional Development in South East England.

Mary McAnally

Mary McAnally, from June 1996 to April 2002, was Managing Director of Meridian Broadcasting Ltd. which holds the ITV franchise for the South and South East of England and is part of Granada Ltd. Mary began her career at BBC Television joining Thames Television as a founder member of the This is Your Life production team. In 1989 Mary became the Head of Features at Thames Television. In 1992 she joined Meridian Broadcasting as their first Controller of Regional Programmes and in 1996 she was appointed Managing Director and Director of Programmes at Meridian Broadcasting – her title changed to Managing Director in 1997. Her awards include the Freedom of Information Media Award, New York Festivals Award, San Francisco Gold Award, BMA Gold Award and Glenfiddich Food Writers Award. Mary was a government appointed Member of the National Consumer Council from November 1987 to September 1997. She is a Fellow of the Royal Society of Arts and of the

Royal Television Society. She currently chairs the Technology Media and Telecoms Sector Group for SEEDA and is an appointed Member of the DCMS's South East England Cultural Consortium. Mary is a Member of the Government's Advisory Committee on Advertising. She undertakes no political activities.

Kit Oliver OBE DL

Kit Oliver is a Member of Mole Valley District Council and was Chair of the Council 1997-1998. Trained as an Economic Geographer, she is now a financial consultant. A leader on environmental matters, she initiated and chairs an Environmental Business Award, a partnership between business and local government. Having worked as a volunteer supporting families for many years, she founded the charity Family Line - Surrey in 1994. She remains its Chairman and also chairs the Surrey Parenting Education Strategy Group. She is a Member of a Surrey Panel working with Youth and Crime Prevention and is a Deputy Lieutenant in the County of Surrey. Kit was awarded her OBE in 2000 for services to business and the environment in Surrey.

Dr Peter Read CBE FRCP

Dr Peter Read is the Former Chairman of Hoechst Group of Companies in the UK, including pharmaceuticals, chemicals and agriculture. Medically qualified, Peter has spent most of his professional and business life in industry, initially in clinical research. He is a past President of the Association of the British Pharmaceutical Industry, a past Chairman of the Centre for Medicines Research International and a former Member of the Council of The Chemical Industries Association. Peter's current appointments include Non Executive Director of Celltech Group plc and the Vernalis Group plc. Peter is married with a married daughter and son. He is also active in local charities including the Lord's Taverners. Peter has been awarded the CBE for services to the Pharmaceutical Industry and is a Fellow of the Royal College of Physicians and the Faculty of Pharmaceutical Medicine.

Ken Thornber CBE

Ken Thornber is Conservative Leader of Hampshire County Council. He is also Vice Chair of the County Councils Network and a member of the Local Government Association Transport Executive. Past employment includes senior executive positions with Philips Electronics Group, and Unilever, followed by a spell as a management consultant to industry, commerce, local government and latterly, the National Health Service. Other posts held include Vice Chair of Hampshire and Isle of Wight Police Authority and Chair of Hampshire Ambulance Service NHS Trust. Mr Thornber was appointed Commander of the Order of the British Empire in the Queen's New Year's Honours List 1995. He holds no other Ministerial appointments.

Sarah Ward OBE DL

Sarah Ward runs an eight hundred acre family farming business at Horton Kirby in Kent. She was a Countryside Commissioner from 1991-1998 with special responsibility for Areas of Outstanding Natural Beauty and now chairs the Joint Advisory Committee for the Kent Downs. She was on the Central Executive Council of the Women's Food and Farming Union from 1983-1991 and is an Associate of the Royal Agricultural Society. She is a Member of the MAFF Plants and Seeds Tribunal (unpaid) and is on the Heritage Lottery Fund Committee for England (appointed 1999). She was a Member of Kent County Council from 1991-1997 and served as Chairman of the Environment Committee. Sarah was awarded an OBE in 1998 for services to the countryside and appointed a Deputy Lieutenant for the County of Kent in May 2001.

Caroline Williams

Caroline Williams is a Solicitor who acts as a consultant and business adviser particularly to small and medium sized owner managed and entrepreneurial companies. For 20 years she was a partner with Blake Lapthorn, ending as Managing Partner of a business with over 400 staff in three locations in the South East and London. She acts as a Non Executive Director for a number of companies and until recently was Chairman of the Board of the University of Portsmouth. She is also a Member of the Southern Regional Council of the CBI and Chairman of Common Purpose for Portsmouth and South East Hampshire.

Kevin Wilson

Kevin Wilson is the former Leader of Milton Keynes Council and was first elected to Milton Keynes Council in 1978. He is also a Member of LGA Social Affairs and Health Committee and Chair of the LGA's Urban Commission. He is former Chair of the South East Regional Forum and served previously as Chair of the Technical Services, Finance, Policy & Resources, and Community Services Committees at Milton Keynes. He has served as a Member of the Woughton Parish Council since 1983. He serves on the Early Years National Training Organisation and Chairs the LGA led Social Services Workforce Task Group.

6. Outputs Summary Table

Pollinating and examining apple trees at SEEDA's East Malling Enterprise Hub. The Hub is situated at the heart of the world-famous research organisation, Horticulture Research International and offers particular expertise in the fields of Food, Health and Environmental Sectors.



Consultation events for the Regional Economic Strategy were held throughout the region and 409 written responses were received. The RES Consultation website also received over 6,000 hits in four months. (Left to right) Chairman of Hampshire Economic Partnership, Jennifer Miller; Chairman of the Isle of Wight Partnership, Danny Fisher; SEEDA Chairman, Allan Willett CMG and SEEDA Chief Executive, Anthony Dunnett, at the Hampshire and Isle of Wight RES event.



Tier 3 Milestones - Net Outputs 2001-2002

Milestone	Forecast	Outturn
Jobs created / safeguarded	1182	2341 ¹
Jobs announced through Foreign Direct Investment decisions	2310 ²	531 ³
Brownfield Land (Hectares)	29.34	15.4 ⁴
Learning Opportunities (over 30 hours)	2887	2770
Learning Opportunities (3-30 hours)	-	5587 ⁵
Business Start-Ups	75	100

Explanatory Note

With effect from 1 April 2002, all RDAs have adopted a revised process for forecasting and reporting outputs, based on harmonised definitions of outputs across all RDA activities. They form part of a performance management framework agreed with Government comprising three tiers:

- Tier 1 – long term objectives, consistent with RDAs' statutory purposes;
- Tier 2 – regional outcomes, reflecting progress by the region as a whole;
- Tier 3 – milestones, measuring the immediate outputs achieved by RDAs' own activities.

The key features of outputs reported at Tier 3 are as follows:

- Outputs are collected for all projects approved by SEEDA or a predecessor body for which a contract was signed by 31 March 2002;
- Indirect outputs have been excluded;
- Allowance has been made for deadweight, displacement, leakage and multipliers at the regional level;
- Outputs have been scaled to reflect the specific contribution of SEEDA alongside other sources of public funding.

For these reasons, output figures prepared against the new definitions are not comparable with output figures given in previous Annual Reports. Output forecasts for 2001-02 (published in SEEDA's current Corporate Plan) are therefore included to provide a basis for assessing SEEDA's performance.

¹ Includes 167 jobs created / saved following Foreign Direct Investment decisions in previous years (not included in forecast);

² Measurement basis changed after publication of forecasts. Revised forecast is 1250 jobs;

³ Underperformance against revised forecast reflects effects of US downturn, especially in ICT;

⁴ three projects totalling 14 hectares, which were originally forecast for completion in 2001-02, will now complete in 2002-03. This excludes 10 hectares that SEEDA reclaimed through the National Coalfields Programme funded by English Partnerships;

⁵ Additional measure of short duration training opportunities reflects emphasis given to regional priorities such as Basic Skills, motivating learning and employability initiatives.

7. South East England Development Agency Summary Financial Statement

Summary Foreword

The summary financial statement is only a summary of information in the South East England Development Agency's financial statements and does not contain sufficient information to allow a full understanding of the results and state of affairs of the Agency. For further information the full annual financial statements should be consulted. These are available from the SEEDA Finance Department, Cross Lanes, Guildford GU1 1YA.

This summary financial statement has been prepared in accordance with the Companies Act 1985 Section 251 and the Companies (Summary Financial Statement) Regulations 1995 (SI 1995/2092) and was signed by Anthony Dunnett, the Chief Executive and Accounting Officer, on 15th July 2002.

Principal Activities

During the year, the Agency's principal activities were as follows:

- To further the economic development and the regeneration of the South East;
- To promote business efficiency, investment and competitiveness;
- To promote employment;
- To enhance the development and application of skills relevant to employment;
- Contribute to the achievement of sustainable development.

Business Review

SEEDA is actively involved in the implementation of the Regional Economic Strategy (RES), published in 1999, including accountability plans to develop world class Learning and Skills, Environment, Business, Transport, Rural Economy, Communities and Urban Renaissance for the South East region. The Regional Economic Strategy and the accountability plans determine current and future activities for the Agency. A review of the 1999 Regional Economic Strategy will be undertaken in 2002. For the financial year 2001 – 2002 SEEDA made no deficit or surplus.

Future Developments

SEEDA will continue to deliver the objectives as set out in the RES and accountability plans. The introduction of Single Pot funding will provide more flexibility in the way resources are used to achieve the output and outcome targets that are to be agreed with Government. SEEDA will continue to work very closely with our partners in developing strategies and delivering individual projects for economic progress of the region.

Post Balance Sheet Events

SEEDA has formed a company East Kent Spatial Development Ltd, in partnership with several Local Authorities in Kent in order to maximise regeneration opportunities in East Kent. The company has been approved by the Secretary of State. It is 80% owned by SEEDA and is limited by guarantee.

With effect from 1st April 2002, the Agency inherited financial responsibility for the Regional Selective Assistance (RSA) programme from the Government Office. Current assets and liabilities were transferred to the Agency on that date. Net assets / liabilities transferred will be brought to account in 2002/2003.

Additionally with effect from the 1st April 2002, the Agency ceased to have financial responsibility for the Rapid Response Fund (RRF). Responsibility for the administration of this fund transferred to Jobcentre Plus. As at 31st March 2002, there were no current assets or liabilities.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR TO 31 MARCH 2002

	2002	2001
	£'000	£'000
Income		
Government and other grants released	88,156	71,231
Proceeds from disposal of assets	5,800	8,890
Other income	1,784	554
TOTAL INCOME	95,740	80,675
Expenditure		
Book Value of assets sold and written off	9,427	12,255
Administrative costs	10,825	8,863
Government grants paid	75,841	59,931
TOTAL EXPENDITURE	96,093	81,049
Operating deficit	(353)	(374)
Interest received	376	395
Notional cost of capital	2,627	(2,184)
Deficit for the period on ordinary activities	(2,604)	(2,163)
Taxation	(23)	(21)
Deficit for the period after taxation	(2,627)	(2,184)
Reversal of notional cost of capital	2,627	2,184
SURPLUS FOR THE PERIOD CARRIED FORWARD	0	0

Emoluments of Board Members

Name	Position	Aggregate Emoluments 2002 £	Aggregate Emoluments 2001 £	Date of Appointment	Date Contract Expires
Allan Willett CMG	Chairman	54,598	53,240	14.12.98	13.12.02
Ken Bodfish OBE	Deputy Chairman	14,838	14,406	06.01.99	13.12.03
Prof. Clive Booth	Deputy Chairman	14,838	14,406	14.12.98	13.12.04
Jim Baker	Board Member	5,255	7,203	14.12.98	Expired
Barry Camfield	Board Member	7,419	7,203	14.12.98	13.12.03
Bryan Davies	Board Member	5,255	7,203	14.12.98	Expired
Janis Kong OBE	Board Member	7,419	7,203	14.12.98	13.12.04
Mary McAnally	Board Member	7,419	3,001	01.11.00	31.10.03
Russ Nathan CBE	Board Member	5,255	7,203	14.12.98	Expired
Winifred Oliver OBE DL	Board Member	7,419	7,203	14.12.98	13.12.02
Dr. Peter Read CBE FRCP	Board Member	7,419	3,001	01.11.00	31.10.03
David Rogers	Board Member	5,255	7,203	14.12.98	Expired
Sarah Ward OBE DL	Board Member	7,419	7,203	14.12.98	13.12.02
Caroline Williams	Board Member	7,419	7,203	14.12.98	13.12.02
Kevin Wilson	Board Member	7,419	7,203	14.12.98	13.12.02
Robert Douglas	Board Member	2,164	-	14.12.01	13.12.04
Ken Thornber CBE	Board Member	2,164	-	14.12.01	13.12.04
Elizabeth Brighthouse	Board Member	2,164	-	14.12.01	13.12.04
James Brathwaite CBE	Board Member	2,164	-	14.12.01	13.12.04

Emoluments of Chief Executive and Executive Directors

Name	Position	Age	Salary & Bonus 2002 £	Benefits & Pension 2002 £	Aggregate Emoluments 2001 £
Anthony Dunnett	Chief Executive	49	124,516	24,421	141,915
Jeff Alexander	Director of Strategy and Corporate Services	46	68,536	16,574	81,807
Paul Hudson	Director of Infrastructure and Regeneration	55	76,200	18,886	92,397
Marianne Neville-Rolfe	Director of Business and International	57	78,558	13,163	29,256
John Parsonage	Director of Learning and Skills	54	73,188	16,040	82,191

Anthony Dunnett is on a fixed-term contract and Executive Directors are on permanent contracts. The Chief Executive's contract states that he is not entitled to any compensation or redundancy on loss of office. The Chief Executive is not a Member of PCSPS. His contract entitles him to a payment at a rate which is equivalent to the PCSPS employer's contribution. The Chief Executive bonus has to be agreed by the Department of Trade and Industry (DTI). The maximum bonus he could receive in 2001/2002 was 10% of salary. All other SEEDA staff, including Executive Directors are covered by the annual pay remit approved by the DTI and the Treasury. Bonuses are determined following reviews based on individuals' performance against agreed objectives and competencies. The maximum amount payable for 2001/2002 was 6%. Marianne Neville-Rolfe is on a four year secondment to SEEDA from the DTI and Jeff Alexander joined the PCSPS in 1978. The main benefit in kind receivable by the Chief Executive and Directors is the provision of a lease car, (each makes a contribution to the leasing costs to reflect personal use).

BALANCE SHEET AS AT 31 MARCH 2002

	2002	2001
	£'000	£'000
Fixed Assets		
Tangible operating assets	972	909
Investment assets	5	28
Long Term loans	419	544
	1,396	1,481
Current Assets		
Stock of development assets	46,376	34,715
Debtors	16,549	7,338
Cash at bank and in hand	379	2,059
	63,304	44,112
Creditors: Amounts falling due within one year	15,655	8,932
Net Current Assets	47,649	35,180
Total Assets Less All Liabilities	49,045	36,661
Provisions For Liabilities And Charges	-	-
Reserves		
Government Grant Reserve	48,822	36,336
Inward Investment Reserve	223	325
	49,045	36,661

The certificate and report of the Comptroller and Auditor General on the full financial statements for the year ended 31 March 2002 was unqualified and did not contain a statement made under either section 237 (2) of the Companies Act 1985 (accounting records or returns inadequate or accounts not agreeing with records or returns) or section 237 (3) (failure to obtain necessary information and explanations).

Anthony Dunnett
Chief Executive / Accounting Officer
15th July 2002

The Certificate and Report of the Comptroller and Auditor General to The Houses of Parliament and South East England Development Agency

I have examined the summary financial statement of the South East England Development Agency, comprising a summary Foreword, a summary Income and Expenditure Account, a summary Balance Sheet and details on Board Members and the Chief Executive and Director's emoluments, which have been prepared in the form and on the basis set out in the summary foreword.

Respective responsibilities of the Agency, Chief Executive and Auditor

The Agency and Chief Executive are responsible for preparing the summary financial statements. My responsibility is to report to you my opinion on its presentation and consistency with the full financial statements and foreword.

I read the other information contained in the Annual Report and consider whether it is consistent with the summary financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

The maintenance and integrity of SEEDA's web site is the responsibility of the Accounting Officer; the work carried out by the auditors did not involve consideration of these matters and accordingly the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

Basis of Opinion

I conducted my work in accordance with Bulletin 1999/6 "The auditors statement on the summary financial statements" issued by the Auditing Practices Board for use in the United Kingdom.

Opinion

In my opinion the summary financial statement are consistent with the full financial statements and Annual Report of the South East England Development Agency for the year ended 31st March 2002 and have been properly prepared on the basis set out in the summary foreword to the summary financial statements.

John Bourn MP
Comptroller and Auditor General
July 2002

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

8. The South East Region - Local Authority Boundaries



SEEDA's Mission, Objectives, Role and Values

MISSION

SEEDA's mission is to work with its partners to make the South East of England a World Class Region, achieving sustainable development and enhanced quality of life, as measured by:

- Economic prosperity;
- Environmental quality; and
- Social inclusion – ensuring opportunities and meaningful employment for all.

OBJECTIVES

SEEDA's five statutory objectives under the Regional Development Agencies Act 1998 are:

- To further economic development and regeneration;
- To promote business efficiency, investment and competitiveness;
- To promote employment;
- To enhance the development and application of skills; and
- To contribute to the achievement of sustainable development in the United Kingdom.

ROLE

SEEDA seeks to meet these objectives in the South East by working with partners to:

- Help businesses to create wealth;
- Ensure that all parts of the region perform to their full potential;
- Remove the barriers to higher and sustainable levels of growth and prosperity;
- Develop a skilled workforce capable of meeting the needs of the regional economy both now and in the future;
- Ensure that the benefits of increasing prosperity are socially inclusive;
- Develop sustainable and strategic regeneration and community-led development;
- Ensure that increased prosperity and environmental quality go hand in hand;
- Maximise the contribution that the region makes to the national economy; and
- Promote networks at local, sub-regional, regional and national levels, and internationally with the key knowledge-based economies across the world.

VALUES

SEEDA's values are to:

- Focus on our customers and partners – understanding and responding to their needs;
- Respect and empower our colleagues – harnessing their strengths and experience and valuing their diversity;
- Learn continually – using every opportunity to acquire new skills, knowledge and experience and share it with others;
- Communicate effectively – sharing information and knowledge to the wider benefit of SEEDA and the region;
- Take responsibility – innovating and taking initiative within our areas of competence;
- Minimise bureaucracy – achieving high performance whilst maintaining probity; and
- Create an enjoyable work environment – achieving a reasonable balance between work and home life.

SEEDA's partners who have co-located to SEEDA's Guildford Headquarters:

Association of South East Colleges (AoSEC)

Groundwork

Higher Education South East (HESE)

Jobcentre Plus

Learning & Skills Development Agency

National Training Organisation South East Regional Hub (five NTOs)

New Opportunities Fund

Regional Action and Involvement South East (RAISE)

Skills Insight

Small Business Service (SBS)

South East Chambers of Commerce

South East England Regional Assembly

Trade Partners UK





South East England Development Agency

Key Offices:

SEEDA Headquarters

Cross Lanes, Guildford,
Surrey, GU1 1YA, England

Tel: +44 (0)1483 484 200 Fax: +44 (0)1483 484 247

Email: info@seeda.co.uk Web: www.seeda.co.uk

Chatham Maritime Office

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

Tel: +44 (0)1634 899 900 Fax: +44 (0)1634 899 901

SEEDA is also represented with its partners in Brussels

Brussels Office

South East England House, 35 Square de Meeus,
1000 Brussels, Belgium

Tel: 00 322 504 0720 Fax: 00 322 504 0722