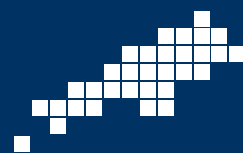




What next

Our plans for the three years 2008-11



South West RDA

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www.southwestrda.org.uk/corporateplan

Cover image: Tamar Science Park, Plymouth
This page: Kynance Cove, Cornwall

An Introduction

The RDA leads the development of a sustainable economy in South West England, investing to unlock the region's business potential.

Our Corporate Plan sets out what we are going to do to meet this aim and what our priorities will be over the next three years. The Plan has been endorsed by Government.

Our economy in the South West is not as productive as it could be and, with turbulence in the financial markets, the long period of steady economic growth is probably coming to an end. Climate change, population growth and globalisation – trading and competing across the world – are major issues for the future of our economy.

Given these challenges, our core strategy is focused on:

- Creating the conditions for productivity-led growth.
- Developing a low-carbon economy.
- Creating successful places – particularly the places we identify in this plan as priorities.

We will concentrate our efforts and our investments where they will have the most impact on the region's economy. Sustainable development and creating economic opportunities for all are important themes that will be applied across our key areas of work.

Business is at the heart of wealth creation. We need businesses in the South West to be profitable, competitive and ready for what lies ahead. Our businesses rely on the skills in our communities and the resources provided by the environment. So we also need to make sure that our communities are strong and inclusive and that we operate within environmental limits.

"This ambitious Corporate Plan shows our determination to lead the South West economy through changing times. We look forward to working alongside our many partners to make these plans real for the region's businesses and communities."

Jane Henderson
Chief Executive



Our Context

The Regional Development Agency is a business-led organisation, created by Government to improve the economic performance of South West England. Our plans are based on four key things: existing regional strategies, the state of the economy, what Government expects of us, and available funds.

Existing and agreed regional economic and spatial strategies

The RDA's plans are focussed on achieving the goals and aspirations described in the Regional Economic Strategy (RES) within the framework of the emerging Regional Spatial Strategy (RSS). You can read both of these on the RDA's website at www.southwestrda.org.uk

The direction that we expect the economy to take in the future

The region's economic activity needs to shift towards businesses that rely on knowledge, innovation and skills to drive their success. This will increase the productivity of our economy.

The RDA has a national lead on domestic tourism, culture and media activities; we also lead the region's response to the 2012 Games.

What we are asked to do by Government

The RDA's plans are defined in the first instance by the role and responsibilities that Government expects us to perform. These include providing strategic leadership; investing to support business, employment and competitiveness; responding rapidly to opportunities and challenges; strengthening links with local areas and subregions, working better with partners and stakeholders and improving accountability.

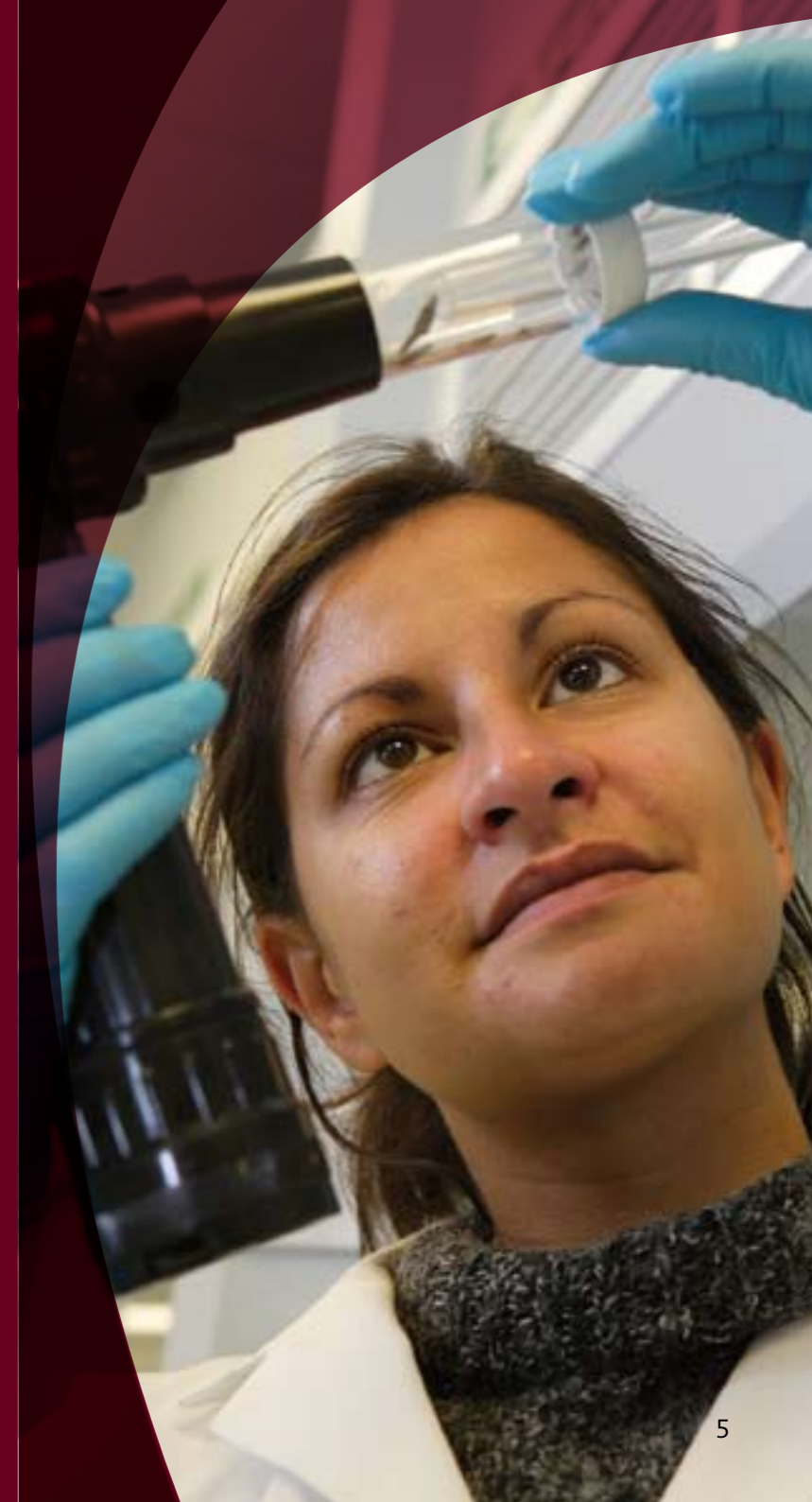
Along with other public sector bodies, the RDA seeks to promote equality of opportunity and will work towards the elimination of discrimination.

The Government has described, in the Sub-National Review of Economic Development and Regeneration (SNR), a range of reforms that means significant changes in the role of the RDA and our delivery partners. The SNR will change both what we do and how we operate. It will also encourage all partners in the region to work more closely together to deliver the economy we need.

Our existing financial commitments and funds we expect to receive from Government over the next three years

We will be directly investing nearly £600m over the next three years to help shape the region's future economy. Once a further £230m from the European programmes we manage is counted, our influence is likely to extend to almost £850 million worth of investment in the region's economy during the next three years. Nevertheless, as we invest less than 1% of the public expenditure available in the region, it is vital that we prioritise and align our investments with others.

There is little the RDA can change in the short-term. Much of what we will do in the next two years is already planned and committed. This reflects the long-term nature of our investment decisions. The strategic choices and decisions that we make now will influence regional economic performance and development three years or more ahead, rather than in the immediate future.



Our Strategy

Our analysis of the context in which we operate has led us to agree with partners what we should do over the next three years, and where and how we should do it.

This context combines the strategic role and guidance given to us by Government with a comprehensive understanding of the economic opportunities and challenges facing the South West region.

As an RDA, we intend to pursue a strategy to achieve the right kind of economic growth for South West England; this means growth which:

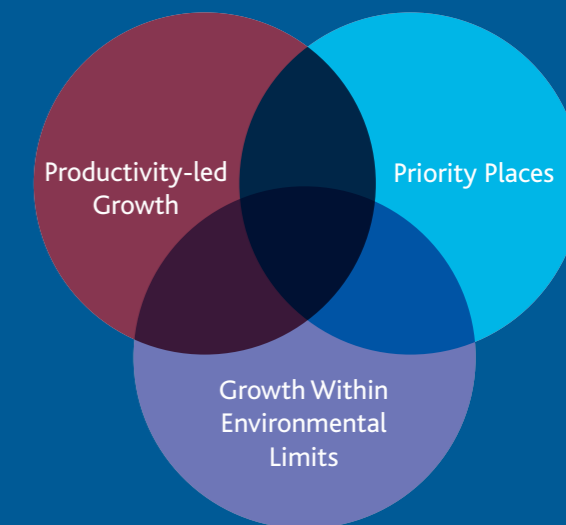
- Is productivity-led.
- Is within environmental limits.
- Takes into account the needs and opportunities of key places in the region.

**A net zero-carbon Corporate Plan
In order to show leadership for a low-carbon economy in the region, the South West RDA will continue to reduce the carbon impact of its investments year-on-year and, by 2013, the net carbon impact of our annual investment portfolio will be zero.**

Therefore, we plan to focus our effort and investment over the next three to five years on:

- **Creating the conditions for productivity-led growth** – we believe that we can make the most sustainable difference to the region’s economy by investing to unlock the region’s business potential and drive up productivity.
- **Developing a low-carbon economy** – we believe we have an important role in helping the region’s economy prepare for the implications and business opportunities that climate change will bring.
- **Creating successful places** – to make a difference we must concentrate our efforts in particular places rather than spread the jam too thinly. We will help key places in the region develop so that they are ready to accommodate growth, maximise business opportunities, adapt to change in the future and be an important focus for sustainable development across the whole region.

And to make sure that the RDA is equipped to really make a difference in each of these areas, we will work hard to improve our own effectiveness and efficiency as an organisation.



Productivity-led growth

To drive up productivity, we will focus on people's skills, innovation, the environment, enterprise and transport and communications infrastructure.

Productivity-led growth

For us, productivity-led growth is a vital building block of a sustainable economy. It:

- Means growing the economy by improving the efficiency with which valuable and limited resources are used.
- Is driven by investment in new and better technologies, improved infrastructure and connectivity and economically valuable skills.
- Demands that people have opportunities to equip themselves with suitable skills, and that their skills are put to good and efficient use.
- Supports a more resilient and competitive economy and jobs over the long-term.

We will look to measure improvements in productivity-led growth by continuing the gradual improvement in South West productivity as measured by Gross Value Added (GVA)/hour relative to UK average.



Image: St Pauls, Bristol

Growth within environmental limits

To reduce our own and the region's carbon footprint, we are going to work to make our overall annual interventions zero carbon by 2013.

Growth within environmental limits

For us, pursuing growth within environmental limits acknowledges that economic growth which relies only on using more of the environment's resources is not sustainable.

- It is to our advantage that we create an economy which respects those limits and operates within them.
- If we do so, we will be creating an efficient, resilient region which is prepared for the future.
- We can't afford to wait to make these changes.

We will look to measure improvements in growth within environmental limits by reducing the region's contribution of greenhouse gas emissions (GHG) relative to GVA as measured by tonnes of GHG per £'000 of GVA.

Image: Taunton Genesis Centre, Taunton, Somerset



Successful places

To make key places in the region more productive, sustainable and efficient so that they are ready to grow, change and unlock business potential, we will focus more of our effort and investment in specific places.

Priority places

Our choice is based on evidence and analysis of where RDA intervention is likely to have the greatest impact for the region. As a result, the RDA's priority places over the next three years will be:

- **Bristol and the West of England** – because of the size of its economy, which is of national and regional significance, the concentration of key companies, and because it contains significant areas of deprivation.
- **Plymouth, Swindon, Exeter, Bournemouth/Poole, Gloucester/Cheltenham, and Taunton** – because they have economies that are of significance beyond their administrative boundaries, and offer the opportunity to influence and accommodate sub-regional growth.
- **Torbay, Camborne, Pool, Redruth and the key Cornish Towns, and the 'Northern Peninsula' (North Cornwall, North Devon, West Somerset)** – because they have economies that are in particular need of support and development to achieve their potential.

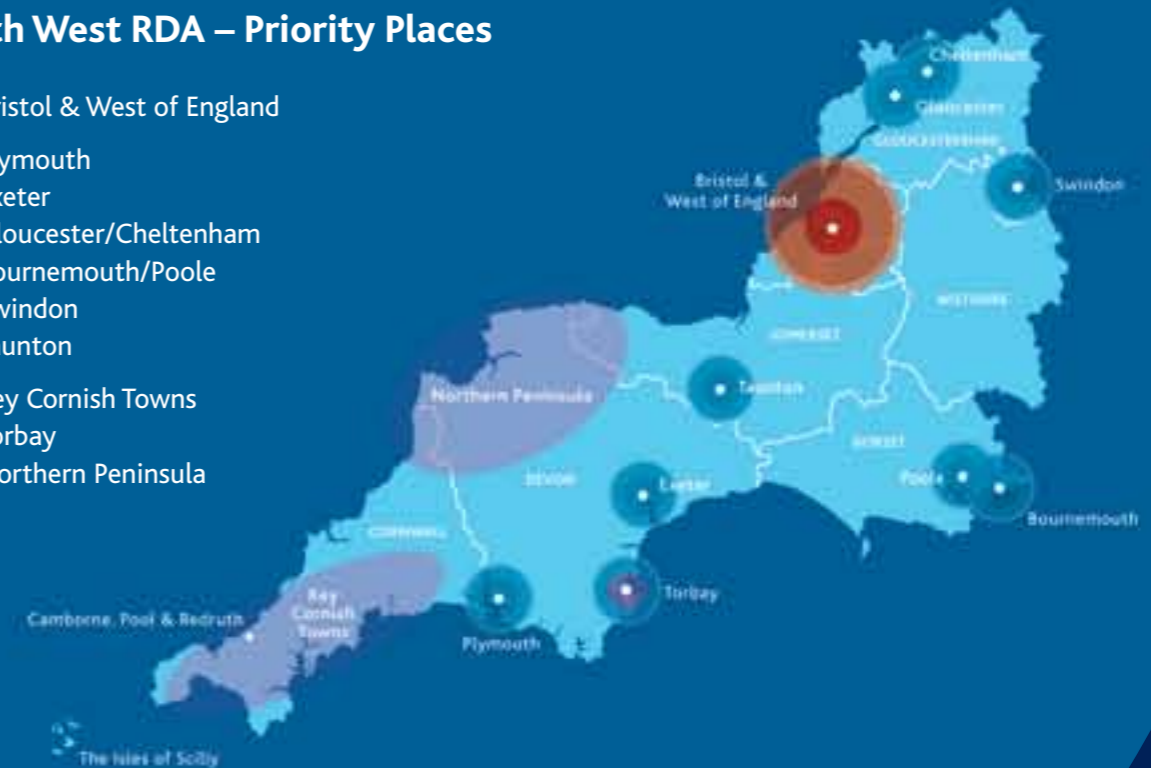
Our approach in other places, including rural areas

Many of our projects and programmes will support economic development across the whole region – both rural and urban. Prime examples are managing Business Link contracts to deliver business support across South West England, marketing the region to potential investors, leading the Regional Skills Partnership, supporting key business and industry sectors and promoting the environment as a business opportunity.

We will look to measure the success of our investments in priority places by improving the rankings of priority places as measured by the fDI's magazine European Cities and Regions of the Future index.

South West RDA – Priority Places

- Bristol & West of England
- Plymouth
Exeter
Gloucester/Cheltenham
Bournemouth/Poole
Swindon
Taunton
- Key Cornish Towns
Torbay
Northern Peninsula



Our Key Areas of Work



To address the challenges of our core strategy, the most important things that the RDA will do in the next three years will be:

- Providing vision, direction and leadership on the region's economy.
- Supporting business and encouraging enterprise.
- Enabling the development of a low-carbon, resource-efficient economy.
- Encouraging science and innovation.
- Helping people acquire the skills the economy needs.
- Planning for growth and creating successful places.
- Enabling the development of the region's communications infrastructure.



Image: Goonhilly Satellite Earth Station, Cornwall

Vision, direction and leadership

Setting direction and showing strong leadership towards a sustainable, low-carbon economy is one of the most important things that the RDA will do in the next three years and beyond.

We will lead the development of a sustainable economy in South West England, and we will need to:

- Maintain a broad, strategic view of the region and its economy – spotting trends and opportunities and adjusting strategic direction accordingly.
- Keep developing our role as the trusted and authoritative source of intelligence on the economy of the region, and as a champion of sustainable development.
- Help prepare the region and its businesses for a low-carbon, resource-efficient economy.
- Be respected for our ability to bring regional partners together – public and private, local authorities and key sectors, social purpose organisations, non-governmental organisations and employers – stimulating debate and regional decision making.
- Market and promote the region to new investors and markets.
- Represent the region's interests to the Government and beyond – raising its profile, visibility and influence with policy and decision makers.
- Be able to respond effectively to economic 'shocks' and changing economic circumstances.

Measuring success

- **Strategy and delivery are more closely aligned, so that we and our partners are pursuing consistent strategies for South West England.**
- **Smooth transition and implementation of the Sub-National Review of Economic Development and Regeneration.**
- **Increased profile, reputation and influence for South West England with decision makers in the UK and beyond.**
- **Stronger relationships with key delivery partners and bodies including local authorities.**

Supporting business and encouraging enterprise

Encouraging new enterprise and business growth will help to generate lasting improvements in productivity and more sustainable prosperity.

We will engage with three 'market segments' of business:

- **Strategic Businesses** – that are strategically important to the region, key sectors or places.
- **Growth Businesses** – offering the greatest opportunity to unlock potential and generate low-carbon, productivity-led economic growth.
- **Small and Medium-sized Enterprises** – accessing support services through the Business Link network.

We will give specific focus to our key sectors (advanced engineering, ICT, marine, food and drink, tourism, creative industries, environmental technologies and bio-medical), while recognising the growing importance of high value sectors such as business and financial services.

Recognising the increasingly global nature of the UK economy, the RDA will increase its focus on attracting and retaining foreign direct investment. We will work with UK Trade and Investment to improve the region's export performance and encourage international collaboration between regional companies, academic institutions, trade-organisations.

Business Link will be the main source of business support, offering a high-quality, inclusive service across the region.

Measuring success

- **Better understanding of business needs.**
- **Businesses provided with access to a set of business support products that address their needs.**



Image: Caddsdow EMC Centre, near Bideford

Developing a low-carbon economy

The RDA is well placed to drive the transformation towards a low-carbon, resource-efficient economy in South West England.

We intend to focus on a number of critical areas:

- **Resource efficiency** – developing our regional lead role on the Business Resource Efficiency programmes, working closely with Business Link to deliver a business support service that is coordinated and widely available.
- **Energy** – further developing low-carbon energy supply and security focussing on renewable energy technologies, and influencing the delivery of critical strategic projects and infrastructure in the region.
- **Waste** – supporting the development of waste recovery technologies and the growth of regional waste markets, linking this business sector and strategic waste authorities.
- **Regional leadership** – investing in an innovative research programme to explore how the region must adapt in the face of climate change, and to help deliver the UK's 15% renewable energy target by 2020, and potential new carbon reduction target of 80% by 2050.

Measuring success

- **South West England established as a leading international region for achieving economic growth within environmental limits, and in the development and commercial application of technologies.**
- **Increased investment in measures that support the transition to a low-carbon economy.**
- **Annual net zero-carbon investment portfolio by 2013.**



We have an opportunity to make a real difference in this area. For instance, we might invest significantly in Environmental Technologies.

This would mean working aggressively to make South West England a leading region for green industries and services. There is a large and growing global market and we have real opportunities in renewable energy, waste management, and sustainable construction and transport systems.

The key will be to encourage and support the commercialisation of new technologies – building on world-class research institutions and emerging clusters of 'green' businesses.

In this way we can promote new business models and net technologies that address the challenges of climate change and deliver jobs and investment for South West England.

Image: Tolvaddon Energy Business Park, Camborne, Cornwall

Science and innovation

The take-up by business of science and technology and new production techniques is key to supporting economic growth by increasing productivity. Innovation is also a pre-requisite for developing a low-carbon economy.

The RDA understands the importance to the future economy of increasing collaboration between higher education and business – in skills and learning, research and knowledge transfer. In particular, we will be working with the South West Science and Industry Council and higher education institutions.

The RDA is committed to:

- Increasing the take-up of science and technology by South West England companies, working with the National Technology Strategy Board to ensure regional and national initiatives work side-by-side.
- Improving the innovation offer to businesses and how the Agency's investments can support business innovation.
- Working to make sure that our science park and incubator investments make a real contribution to the growth of high-value, knowledge-based business in the South West.
- Encouraging a low-carbon economy that is based on the take-up of science and technology.

Measuring success

- **Increased understanding of the productivity benefits that innovation and creativity can bring.**
- **Increased use of knowledge, creativity, science and technology by business.**

We have an opportunity to effect real change in this area. For instance, we might invest significantly in a marine science cluster.

Building on a rich legacy of research, especially in Plymouth, we have the opportunity to support a major expansion of marine science – as a contributor to biotechnologies, to environmental industries and to food production.

We will need to build stronger partnerships between academic institutions, innovative businesses and the public sector to exploit the potential and ensure that new science and technology can be brought to market quickly. We may also need to create streamlined institutions that can compete with the best research centres worldwide.

Image: Nanosight, Salisbury, Wiltshire



People and skills

Skills – particularly economically valuable skills – are a critical driver of a productive economy. Developing new skills, and putting people's skills to productive use, are both a challenge and an opportunity for South West England.

Through our leadership of the Regional Skills Partnership, the RDA encourages an approach to skills development that delivers to employers' needs – making the link between productivity, skills and employability.

Current priorities are: improving leadership and management skills; developing enterprise skills for all; developing the skills to increase individual innovation and creativity; improving learning and teaching of STEM (Science, Technology, Engineering and Maths) subjects and ensuring that the needs of the region and key sectors in particular, are addressed at technical and higher level.

We will also encourage the growth of private and social businesses within disadvantaged groups in priority places, and with Third Sector networks.

Measuring success

- **More people gaining economically valuable skills and more businesses with the access to the skills they require.**
- **Greater clarity and direction to regional education and skills activity.**
- **More people participating in the economic life of the region.**



We can help drive change by, for instance, investing in skills for 21st century leaders.

In order to maintain global competitiveness, we need to create and attract the very best business leaders and managers. The most successful businesses are led by people with the awareness, ambition, flexibility and entrepreneurial spirit. Increasingly, these attributes need to be underpinned by a commitment to a low-carbon economy.

We can pilot creative approaches for building genuine 21st century leadership skills into the mainstream education and training agenda, thus helping equip young people with the knowledge, attitudes and skills to deal with new demands and uncertainty.

Image: Fifteen Restaurant, Cornwall

Creating successful places

Effective planning to create successful places is key to achieving quality, sustainable growth in South West England, and ensuring that improved economic performance goes hand-in-hand with tackling disadvantage.

The RDA will contribute to the delivery of sustainable economic growth, where new homes and good quality jobs are delivered hand-in-hand. In particular, we see a key role for the RDA in supporting Local Authorities to plan for, and deliver, sustainable communities – including the timely provision of the infrastructure and skills required to meet the long-term delivery challenge.

Our activity will focus on:

- Working across the region (with key stakeholders) to ensure strategic support – this will also include regional solutions to local delivery.
- Working at an operational level with local partners to support capacity to deliver, to develop common approaches to growth and to share best practice.
- Working to overcome barriers to achieving high-quality economic growth within the region.
- Operating the Regional Infrastructure Fund (RIF) as a means of removing barriers to delivery, and of providing the infrastructure that is needed to support high rates of housing and employment growth in the region.

Measuring success

- **Successful and sustainable priority places.**



We have an opportunity to bring about real change in this area. For instance we will invest significantly in South Bristol.

This would mean supporting the development of South Bristol – both the existing communities and the planned new settlements on the outskirts of the city.

If this is done in an integrated way, and at scale, it will unlock all the investment necessary to make the area a hub of sustainable development, delivering low-carbon solutions to public transport, new homes and business opportunity.

The wider South Bristol offers the single biggest opportunity for quality development in the region and could boost Bristol's aspiration to be a truly international city. And it could be a test bed for ideas and implementation – inspiring other developments right across South West England.

Image: The Crown Hotel, Lynton, North Devon

The region's communications infrastructure

Connectivity and movement to, and within, our main urban centres are acknowledged by business and economists alike as major factors in a strong and productive economy.

Reliable and resilient access routes are particularly important due to our unique geography and the peripheral nature of parts of the region. Our main priorities will be:

- To improve the reliability of long distance rail services to London, Birmingham and Heathrow.
- To influence investment in the strategic road network.
- To improve connectivity to the region's main airports and reduce their impact on the environment.
- To support the region's main port to improve connections with key markets.

A world-class information and telecommunications infrastructure must become a hallmark of a low-carbon regional economy, where growth is driven by productivity gains and resource efficiency. Although South West England already demonstrates the highest level of residential broadband take-up in the UK, regions in other parts of the world enjoy far superior broadband speeds.

Measuring success

- **Improved connectivity to key national and international markets.**
- **Faster delivery of sustainable transport improvements in our priority places.**



We have an opportunity to effect real change in this area. For instance, we might invest significantly in Next Generation Digital Networks.

We know that strong connections to markets drive up productivity and we know that we need to increase bandwidth to keep pace with global competitors. We will work with Government, the IT industry and other partners to deliver the quantum leap in our digital infrastructure by incentivising the rapid installation of fibre.

To achieve this we will ensure that all our future developments include high-speed optical fibre as standard.

Image: Weston Antennas

A More Efficient and Effective RDA

The RDA will have to rise to many new challenges over the next three years. We will need to change and adapt to the new responsibilities and expectations we anticipate under the SNR. And we must continue to improve our performance while becoming more effective and efficient in all that we do.

We intend to make sure our staff grow with the skills they need to respond to these new demands. The future will be less about project management and direct delivery and more about managing relationships, influencing change and understanding the needs of business and the bigger picture about our regional economy. We will also need more knowledge and expertise around the many challenges of sustainable 'one-planet' living so that these principles can be built into all our activities and investments.

Delivery

With this new strategic role and understanding, we understand and support the need for delivery to be carried out in different ways and at the most appropriate level – local, sub-regional or regional. We will work supportively with our partners at these different levels to ensure that the region has the right people with the right skills to do the work most effectively.

Understanding what works

As a strategic organisation which seeks to lead, to influence and to understand the economy, we will want to share all that we learn about what works and what doesn't in terms of generating greater sustainable economic prosperity. We will get better at understanding the economic impact of our many investments by building in the recommendations of the National Impact Evaluation Framework, as well as the learning from our own evaluation studies, into our decision-making processes. Again, we will be keen to share all this learning with our partners.

Image: Between Lyme Regis and Exeter, South Devon

Measuring success

- Staff equipped to adapt to meet the challenges and opportunities facing the RDA in its outward-facing and broader strategic roles.
- Smooth integration of the work of the Regional Assembly and transfer of relevant staff into the RDA (dependent on outcome of SNR).
- Greater understanding of the impact of our investment decisions and 'what works'.
- European Regional Development Fund and European Rural Development Programme (England) managed and delivered successfully.
- Improvement in our overall assessment and in particular in our 'capacity' rating in the next cycle of RDAs Independent Performance Assessment.
- Equality of opportunity and elimination of discrimination.

Measuring Performance

We are aiming to make South West England an even better place to live and do business in. We are also aiming to make the RDA more efficient and effective. We will be measuring our performance closely.

Overarching regional growth objectives (UK Government)



Example to increase sustainably the trend rate of growth (measured as GVA per head) in comparison with the region's trend growth over the most recent full economic cycle.

Overarching regional indicators (UK Government)



Example research and development expenditure as a proportion of GVA, in the region.

Corporate objectives (South West RDA)



Example to reduce the region's contribution of greenhouse gas emissions (GHG) relative to GVA as measured by tonnes of GHG per £'000 of GVA.

Corporate outcomes and output indicators (South West RDA)



Example businesses provided with access to a set of business support 'products' that meet their needs. Businesses created and/or attracted to the region.

Thank you for your interest in our Corporate Plan.

A full version is available from www.southwestrda.org.uk/corporateplan

More copies of this document are available from corporateplan@southwestrda.org.uk



We can provide translated versions upon request.

We can also make this document available in large print and on audio tape.

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