

Poverty & Inclusion and the role of SEEDA

As a contribution to the South East England Regional Assembly Select Committee examination of social exclusion this paper sets out the role of SEEDA in respect of reducing social exclusion in the region.

SEEDA's role as an agency.

SEEDA has five statutory purposes:

- To further economic development and regeneration
- To promote business efficiency, investment and competitiveness
- To promote employment
- To enhance development and application of skill relevant to employment
- To contribute to sustainable development

SEEDA's role is regional and strategic. It identifies where there has been market failure in economic development and regeneration, and commissions and invests in strategic regional and sub-regional activities to address this. SEEDA catalyses the investment of other agencies, to address barriers to economic prosperity. SEEDA has a regional co-ordination and leadership role.

As required by its statutory purposes, it has taken the lead in developing the Regional Economic Strategy (RES) for the South East. Achieving the objectives of the RES requires action by many partners, as well as an appropriate response from national policies and programmes to the region's needs.

SEEDA aims to make effective use of limited funds available through the Single Programme and seeks to work with other partners and agencies to provide Strategic Added Value (SAV), not duplicating what is properly the role and remit of other agencies.

RDA Tasking Framework

The RDA Tasking Framework, agreed nationally with central government departments, requires SEEDA to show in its Corporate Plan for 2005-08, how, in support of its statutory role and responsibilities, it will address the priorities identified in the RES for the region and contribute to the delivery of the Governments PSA targets on Regional Economic Performance, Sustainable Development and Productivity and through these to the delivery of a range of other PSA targets.

As coordinator of the RES, and through our relationships with local partners, SEEDA is in a natural position to lead and coordinate discussions with partners and to influence the design and delivery of government policy and programmes through working with Departments. SEEDA is increasingly active in non-project activities that do not produce traditional outputs but which nonetheless produce measurable impact. Strategic Added Value (SAV) is a key part of SEEDA's contribution to PSA delivery.

In the Tasking Framework for the RDAs, the PSAs relevant to tackling poverty and inclusion include the following:(see Annex 1 for full PSA descriptions):

- Employment – increase the employment rates of disadvantaged groups (lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications and those living in the Local Authority wards with the poorest initial labour market position).
- Enterprise – Build more enterprise in disadvantaged areas.
- Neighbourhood Renewal – Tackle social exclusion and deliver neighbourhood renewal, working with Departments to help them meet their PSA floor targets, in particular narrowing the gap in health, education, crime, worklessness, housing and liveability outcomes between the most deprived areas and the rest of England, with measurable improvement by 2010 (ODPM Target).
- Skills – Increase the number of adults with the skills required for employability and progression to higher levels of training.
- Sustainable communities – achieve a better balance between housing availability and the demand for housing, including improving affordability.
- Voluntary & Community Sector – Increase voluntary and community sector engagement, especially amongst those at risk of social exclusion (Home Office Target)

SEEDA's role in relation to tackling poverty and exclusion.

Sustainable development is the central theme of the RES. While the SEEDA corporate plan and its delivery has a central focus on building a sustainable economy, it does not neglect the social and environmental pillars of the sustainability agenda. SEEDA firmly believes that social inclusion, as well as environmental quality, are part of economic success, with real costs to pay for failure to secure them.

SEEDA's Corporate Plan 2005-08 states that:

We give high priority to working in partnership to secure real and lasting change to benefit the most deprived communities, particularly those that are among the most deprived 20% in the country. We will work to align strategies and funding from all the relevant partners and agencies, to develop and resource a sustainable route out of exclusion for these communities.

Corporate Plan Objectives in relation to tackling poverty and exclusion

SEEDA's Corporate Plan sets out SEEDA's contribution to delivering the Regional Economic Strategy. It has three key objectives, which all have relevance to delivering positive impact for excluded individuals and communities:

Objective 1 – Strategic influencing

SEEDA's contribution to delivering the RES comes as much from its success in exerting strategic leadership and influencing partners and policies as it does from its own directly delivered programmes

Therefore SEEDA's contribution to tackling poverty and inclusion can be through:

- Influencing policy and strategy, at the regional, national and European level in support of the region and our objectives.
- Developing partnership at the regional level to deliver results – mobilising stakeholders
- Building an evidence base
- Promoting best practice

Influencing policy and practice

SEEDA has worked collaboratively with government departments, and with regional partners to influence policy and its regional implementation. Good examples of this are:

- SEEDA has recognized the part the voluntary and community sector play in economic development, as an economic sector and as a key part of building sustainable communities. This is reflected by working at the national level with key government departments: the HO, DTI, DFES, DCMS, ODPM. Working with the RDA VCS working group, led by the LDA, in planning for the end of SRB and the residual issues for the VCS. SEEDA Board met with Fiona McTaggart, the then Home Office Minister for Race, the voluntary and community sector and civil renewal, in June 2004 to discuss the implications for the region of the end of SRB, and the reform agenda facing the sector. At a regional level, this has been illustrated by our ongoing support for RAISE, as a strategic partner and with funding to ensure organizational capacity to meet the demands of regional policy. Similarly, we are a key supporter of an effective mechanism for the BME communities in the region. SEEDA has been an active member of the Change Up/DEFRA Infrastructure consortium to develop regional policy and devolution of funding
- Harnessing diversity in the region is an important way to build capacity in the workforce and release the economic benefits of untapped markets. Developing an effective Race Equality Scheme and with an Equalities Scheme planned for June 2006, SEEDA is committed to providing leadership in delivery of equal opportunities and influencing, through our commitments, our partners. SEEDA worked closely with the Home Office and the LDA and EMDA to develop a toolkit for community cohesion, enhancing national and regional knowledge and skills to deliver Equality Impact Assessments to support the Race Equality Scheme
- Building knowledge and capacity within the deprived communities to build an entrepreneurial culture. SEEDA has worked with a range of national, regional and local partners to develop policy. SEEDA is currently working with SBS and the CDFAs to develop the post Phoenix fund within the region. To guide our thinking we have created a new Social Investment partnership of the regions CDFIs, with a joint post with the CDFAs to move things forward, we are working with NEF on innovative research to identify business sectors and their contribution to local economies, and SEEDA has recently assumed lead responsibility for Enterprise – there is an active forward plan to address including the development of Local Enterprise Growth Initiative (LEGI). The

aims of which are to increase total entrepreneurial activity, support the sustainable growth, and reduce the failure, of locally owned businesses and to attract inward investment and franchising in deprived areas.

- The revision of the Regional Economic Strategy will provide a key opportunity for discussion on economic inclusion. Current plans will enable discussion across the consultation events with a key event on 7th September

Developing partnerships

SEEDA has been keen to identify and support strategic partnerships to deliver change in the region. Good examples of this would be:

- SEEDA has jointly supported financially the development of SIPSE, to coordinate regional action to address the most deprived parts of the region, and integrate knowledge between the partners
- National, regional and local partners have a growing interest in the role of Social Enterprise, as a business model, as a loci of community economic development, a pathway for employment and a potential deliverer of public services. SEEDA took a lead in bringing all those involved at a strategic level in social enterprise in the region, together to develop a regional strategy and a voice for the region. The resulting strategy has ownership from all the partners, and collaborative working towards an independent voice for the region
- Building social capital to underpin regeneration effort has been a key aim of working with the emerging SEEFF and the Shaftesbury Society
- Increasing employability for offenders in the region and reducing crime have been the key aims of the EXODUS partnership. SEEDA took forward a partnership with the regions, and London's Prison and Probation Services to deliver new European funding opportunity.
- SEEDA was a founding partner to the regional Funders Forum, which brings together mainstream funders of the VCS to identify how as individual funders and collectively funders can work more effectively together and improve accessibility to funding for excluded groups

Building the evidence base

Developing a robust regional evidence base on which to clarify policy and implementation is key to taking forward the economic inclusion policy area. SEEDA has been keen to invest in research and organizational capacity to build regional intelligence:

- Through ESF Co financing programme research to increase knowledge of discrimination in the labour market has been undertaken by some of the regions universities. Forward plan is to build collaboration between the universities and key partners to access information and disseminate best practice
- SEEDA has supported the University of Surrey's initiative – Centre of Research into the Older Worker (CROW) – to increase knowledge of the potential for the older worker in the regions economy. CROW has fed into

national research with the DWP and into regional strategic planning ie; the South East Plan

- SEEDA has worked closely with the DTI Social Enterprise unit, SBS and with Oxford University and the regional social enterprise partnership in separate pieces of work to understand the scale and potential of social enterprise in the region. Current work through EQUAL and with the 3rd Angle transnational partnership will provide action research in the propensity for social enterprise to deliver public services in regeneration, culture and housing

Promoting best practice

SEEDA has a key role with its partners to promote best practice to increase understanding and potential to address economic inclusion. Some examples of SEEDA's work has been to:

- Develop sectoral guides for the Social Enterprise Partnership, the regions Registered Social Landlords and the Cultural Consortium on social enterprise. Rural and regeneration guides are planned for the coming year
- Encouraging more women into entrepreneurship is a key role for SEEDA, and case studies have been produced to promote at events in the region. Slough Enterprise Gateway is leading the Enterprise Gateway network in delivering opportunities for women from ethnic minorities

Objective 2 – Sustainable economic growth

To help drive up productivity as the basis for wealth creation, supporting innovation and enterprise.

Relevant to the inclusion agenda, Government has asked the RDAs to take new action in amongst other things:

- managing the regions business links serving small businesses
- supporting the soci-economic vitality of rural areas
- leading on the development of enterprise in deprived areas and with diverse communities
- increase the numbers of largely female owned businesses, with specific reference to ethnic minority women

This builds upon action already required to :

- promote CSR, and the benefits for SME's and local communities
- Increase the levels of social enterprise

In the Corporate Plan SEEDA plans to benefit all businesses, but there are specific actions geared to:

- The most deprived areas

- Hard to reach and excluded groups across the region
- Developing the social economy
- The rural economy and land based sector

Increasingly international diversity of the workforce across the whole of the region is welcomed as an economic strength. It is also understood that improving skills for innovation and enterprise at all levels is fundamental to achieving the regions objectives for productivity and for raising incomes and helping disadvantaged groups into jobs.

In partnership with Business Links, SEEDA is growing a network of Enterprise Gateways. To date 8 have been established with the aim of setting up 12 more by the end of 2007 creating a network of services to support entrepreneurs covering at least 50 per cent of the most deprived wards, and many rural areas. The Gateways will provide the base for reaching, with tailored, in depth help, hard to reach entrepreneurs, targeting in particular social enterprises, women and the BME communities. SEEDA's commitment to the Gateways includes plans to invest significantly in quality flexible and affordable workspace, which the market is not providing. Increasingly as the Gateways come on stream they have a strong community identity and positioned to meet community needs in developing entrepreneurial solutions. It is too early to demonstrate the impact but current research from NEF is showing some positive outcomes

Objective 3 – Sustainable Communities

To help build economic, social and environmental sustainability, into all our communities, through creating quality places and area-focused regeneration.

Quality places are a vital asset for economic success and community well-being. Run down and degraded environments are the main barriers to economic and neighbourhood revival in the most deprived areas. SEEDA is focussing on skills development, design and town centre improvement, through a range of initiatives under the umbrella of South East Excellence, the brand name for the Regional Centre of Excellence created as a result of the Urban White Paper. The SEE Regeneration Network, which SEEDA has jointly supported with GOSE, in particular will provide support to anyone involved in regeneration and neighbourhood renewal activities in the region by facilitating the development of interactive cross-sector working, harnessing learning in community regeneration, designed to improve the quality of life in local communities.

Addressing financial exclusion, across the board from personal banking to business loans, is an area of work which SEEDA has invested policy work in identifying the barriers to finance for high risk businesses which is now coming to some fruition, through the regional Social Investment Task force, which mirrors the national group, and is now working with GOSE and the Legal Services Commission to build a Community Banking partnership and strategy. The group are commissioning research to understand better the problems in the region and with plans to work with HMT to release funding to support action

SEEDA also has a priority for Area Focused Regeneration and this priority represents a strategy to deliver a sustained and measurable improvement in economic prosperity and inclusion across the region. Contributions for this priority will come from all SEEDA's programmes, the region wide programmes under other priorities have a clear mission to ensure that excluded groups and communities are targeted and reached. The coastal towns initiative and the growth areas activities are closely integrated with the programmes under this priority.

Faced with the ending of the Single Regeneration Budget (SRB) SEEDA reviewed its relationships with sub-regional and local areas in order to see how best to realise the Regional Economic Strategy (RES). To prioritise spend on economic development and regeneration issues, SEEDA has developed the concept of an investment tool – the Area Investment Framework (AIF). The tool is used by the sub-regional partnerships as a planning tool in future investment.

There are currently 10 sub-regional areas using the AIF approach:

- South East Hampshire (Portsmouth, Havant, Gosport, Fareham)
- Southampton Unitary
- Isle of Wight
- Coastal West Sussex (Adur, Arun, Worthing, Chichester)
- Brighton and Hove and Adur District
- East Sussex (Lewes, Wealden, Eastbourne, Rother)
- Hastings
- North Kent (Gravesham, Dartford, Medway, Swale)
- Channel Corridor (Maidstone, Ashford, Shepway)
- East Kent (Thanet, Canterbury, Dover)

The sub-regional partnerships have continued to evolve, sensitive to local issues and driven by local cross-sector partnerships, and are beginning to build mainstream programmes into the planning to meet shared regeneration objectives in the priority regeneration areas. There is specific and growing evidence of mainstreaming commitment among our core partners in sub-regional development: the local authorities, Learning & Skills Councils (LSCs) and Business Links. SEEDA is now working to bring Primary Care Trusts and JobCentre Plus into this process. There is increased emphasis in joining up vertically and horizontally with other partnerships working to tackle regeneration economic development and social exclusion: Local Strategic Partnerships (LSPs), Local Area Agreements (LAAs). Sub-regional work is not a default replacement for SRB. Although the development of the sub-regions has taken on board lessons from the SRB programme it is a wider and more strategic concept.

SEEDA is assisting SRB partnerships with exit strategies and encouraging close working between AIF partnerships and SRB Partnerships, as the SRB programme nationally draws to a close in 2006.

SEEDA will also support the use of AIF principles, (including some SEEDA investment into partner priorities) to address the significant pockets of deprivation outside the AIF areas, working with and through the relevant Economic Partnerships. This process has already started in the Thames Valley, Oxfordshire and Milton

Keynes, where partners are committing to plans on a comparable basis to the AIF process.

Under the VCS PSA target the Government aims to increase the proportion of public services which are delivered by voluntary and community organisations, and to increase the extent to which communities and community groups influence decisions by statutory agencies and contribute to the design of policies and programmes. As SEEDA's actions can contribute, directly and indirectly, to both of these, especially in disadvantaged areas and in relation to regeneration, SEEDA will report on the extent to which their activities contribute to each aspect of the PSA target on a quantitative and qualitative basis as part of their contribution to SAV. The Local Community Sector Taskforce, which includes representatives of the VCS, the RDAs and Government, will recommend to Ministers a measurement framework in this area, including a timescale for implementation which takes full account of system implications. In addition there is a need for regeneration projects to invest in community organisations to enable communities to influence local regeneration decisions. Furthermore, to minimise the impact of the wind-down of SRB on the VCS, SEEDA will continue to work closely with the VCS in a number of areas throughout the 2004 Spending Review period, including by developing regional Compacts with the VCS.

Working to support the development of business like approaches within the VCS, and the development of social enterprise are key contributions SEEDA is making regionally, and locally through the Business Links, the Enterprise Gateways, the Social Enterprise County partnerships, the local Change Up DEFRA infrastructure consortia and the Local Regional Productivity Alliances. Joining up activity, promoting the agenda, influencing partners and creating new opportunities are essential to bring demonstrable change in the areas of deprivation

Areas of policy significance identified in Social Inclusion Statement most relevant to SEEDA:

Ensuring healthy local economies – with sufficient infrastructure, affordable housing, accessible transport, care services, access to learning and to recreational and cultural facilities. In growth areas ensuring that the benefits of growth should not exclude existing communities nor that renewal of areas of disadvantage should displace problems to other communities.

Improving educational attainment and skills – with an emphasis on basic and key skills, early years interventions, family learning services and successful school-to-work transitions.

Increasing entrepreneurship and enterprise in deprived areas – through the encouragement of start-ups, micro business, self employment and social enterprise – and an emphasis on instruments and investments that will overcome barriers and strengthen business skills.

Response to the Questions raised in the issues paper:

- The Social Inclusion statement is in need of updating, national and regional policy and the responsibilities of implementation have significantly changed and need to be reflected in a strong position statement
- The Social Inclusion Partnership potentially provides a useful vehicle for clarity of the task for the region, for integrating understanding and knowledge of the contribution each of the key players makes in addressing social exclusion/inclusion, and for taking forward some collective action to align strategies and policies, and address the needs of some excluded groups at a regional level, with some local benefits identified. The individual members of the partnership retain a responsibility to deliver the PSAs assigned to them to deliver social and economic improvement
- There is not yet an agreed methodology to measure progress against set targets, and future strategies and policies need to reflect clear measurement, and contingency to meet with changes impacting significantly on these measures
- The revision of the RES offers a timely opportunity to address economic inclusion and the social issues related to the economy. This requires active participation by all partners in developing regional thinking, and identifying the catalysts for improvement
- SEEDA is committed to collaborating with partners to bring coherence to partnerships and action to deliver economic improvement, and to build leadership within local communities and with those serving the communities to effect change.
- Complexity in partnerships has been a feature of regeneration and economic development for the last decade. Clarity of partnership and function, and alignment of partnerships working to bring improvement to areas of disadvantage is an essential. SEEDA welcomed the move away from Area Based Initiatives (ABIs) but there is evidence of more programmes and delivery mechanisms emerging. Simplicity and clarity bring strength to this agenda
- There is evidence of working together, but there needs to be some evaluation of the depth of the effectiveness
- All the Social Inclusion Partnership South East (SIPSE) agencies are committed to working with the VCS at a regional and local level, and SEEDA's perception of the work of others, and delivery of the Corporate Plan, is that progress has been made

- **Annex 1 PSA Full Descriptions**

Public Service Agreements	Description
Employment	over the three years to Spring 2008, and taking account of the economic cycle: demonstrate progress on increasing the employment rate; increase the employment rates of disadvantaged groups (lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications and those living in the Local Authority wards with the poorest initial labour market position); and significantly reduce the difference between the employment rates of the disadvantaged groups and the overall rate (DWP Target); overall employment rate element is shared with Treasury.
Enterprise	Build an enterprise society in which small firms of all kinds thrive and achieve their potential with an increase in the number of people considering going into business; and improvement in the overall productivity of small firms; and more enterprise in disadvantaged areas.
Neighbourhood Renewal	Tackle social exclusion and deliver neighbourhood renewal, working with Departments to help them meet their PSA floor targets, in particular narrowing the gap in health, education, crime, worklessness, housing and liveability outcomes between the most deprived areas and the rest of England, with measurable improvement by 2010 (ODPM Target).
Skills	Increase the number of adults with the skills required for employability and progression to higher levels of training through: improving the basic skill levels of 2.25 million adults between the launch of Skills for Life in 2001 and 2010, with a milestone of 1.5 million in 2007; and reducing by at least 40% the number of adults in the workforce who lack NVQ2 or equivalent qualifications by 2010. Working towards this, one million adults in the workforce to achieve level 2 between 2003 and 2006 (DfES Target).
Sustainable communities	achieve a better balance between housing availability and the demand for housing, including improving affordability, in all English regions while protecting valuable countryside around our towns, cities and in the green belt and the sustainability of towns and cities (ODPM Target)
Voluntary & Community Sector	Increase voluntary and community sector engagement, especially amongst those at risk of social exclusion (Home Office Target)