

## Spreading opportunity, realising potential

A recent survey by the Global Entrepreneurship Monitor showed people from ethnic minorities living in the West are more likely to start their own business than their indigenous counterparts. The survey, which looked at entrepreneurial activity in 37 countries, found that Africans, and people of African descent, are five times more likely to want to start their own businesses than their white counterparts. Asian people, meanwhile, are twice as likely to start their own firm, and people from the Caribbean three times as likely to set up on their own. But, the hurdles faced by ethnic minorities in realising their goals as entrepreneurs can be extremely high. For example, some ethnic minorities face a tougher time securing funds to get their enterprises off the ground.

A joint initiative between De Montfort University (DMU) and the East Midlands Development Agency (emda), the Centre for Research on Ethnic Minority Entrepreneurship (Crème), is looking to find out how barriers to ethnic minority business success can be overcome.

Ian Harrison, Head of Economic Development at emda, is concerned about the lack of research on the subject of ethnic



Photography: Andy Weekes

minority business, not least because of the potential these businesses have to drive the UK economy. 'Our interest is an economic one,' he says. 'It's an issue of both being economically inclusive and of ensuring that our economy is still competitive, particularly with cities such as Leicester where in 10 to 15 years it is likely that there will be no majority population.'

'Historically, mainstream support hasn't reached ethnic minority businesses very well and it appears there are some questions around the financing of minority businesses,' he said. 'Again, maybe it's down to the awareness, either of banks and businesses of each other and how they practise.'

Through research, close collaboration with local, national and international partners, and working strategically with ethnic business leaders on issues of improving policy and practice towards ethnic minority entrepreneurs, Crème will help increase our understanding of the economic potential of our minority communities.

More information about Crème can be found at [www.creme-dmu.org.uk](http://www.creme-dmu.org.uk).

## A capital enterprise

In November, Chancellor of the Exchequer Gordon Brown announced the winners of the Enterprising Britain competition, a contest to find the 2005 British Capital of Enterprise. The competition recognised the towns and cities in the UK that have done most to foster a culture of entrepreneurship and are driving forward best practice in their support for enterprise.

At a national conference to kick off Enterprise week, winning capitals from Scotland, Wales and Northern Ireland showed delegates the work they were doing to drive growth and

investment. From England, nine regional capitals of enterprise were chosen by the nine RDAs after hard fought contests in their regions.

Regional winners were South Tyneside, Leeds, Blackburn, Shrewsbury, Sherwood Energy Village in Ollerton, North Suffolk, Hatton Garden, Slough, and Exeter.

A national judging panel will now consider each of the 12 hopeful entrants and crown one Britain's Capital of Enterprise 2005 next spring.

### News in brief ↓

#### Driving growth the Northern Way

A new growth plan for the North was launched in September as One NorthEast, Yorkshire Forward and the Northwest Regional Development Agency unveiled their proposals to exploit the potential of eight city regions to drive growth in the wider North. Welcomed with £50m of funding by Deputy Prime Minister John Prescott, the Northern Way will show how regions working together can achieve more than the sum of their parts.

#### Results that count

Across the board, RDAs reported good progress in July when they announced their annual results for 2003/2004 against the targets set for them by central Government. Last year, 90,000 people, as many as live in Burnley, Worcester or Eastbourne, found secure employment with help from the RDAs. On businesses created, brownfield land brought back into use, opportunities for people to learn new skills and investment brought into deprived areas, RDAs exceeded their targets.

#### New Chairs take the helm

Bryan Jackson, UK Head of Toyota, becomes Chair of the East Midlands Development Agency to replace long standing Chair Derek Mapp, the last of the original RDA Chairs to be in post. In London, Mayor of London, Ken Livingstone appointed Mary Reilly as the new Chair of the London Development Agency following Honor Chapman's appointment as Chair of London's Centre for Regeneration Excellence. Juliet Williams, Chair of the South West RDA, has taken over as lead chair from Bryan Gray of the Northwest RDA.



## New challenges to meet

Welcome to the second edition of RDA Roundup, which comes at an exciting time for the Regional Development Agencies. The Chancellor's Comprehensive Spending Review set out new responsibilities for the RDAs and we are working hard to make sure we have the capacity to deliver.

As always, our approach is to find regional solutions to regional problems. We look forward to applying this principle in new areas. Our new responsibilities for the Business Link network will help ensure decisions about business support are taken as close as possible to the businesses they affect. Our extended remit for the economic development of rural areas will mean urban and rural support can be considered as parts of a greater regional whole, to the benefit of all.

RDAs will take forward the Lambert review of Business-University collaboration. To create successful start-ups, good ideas need to be linked with appropriate sources of funding and innovative thinking needs to be steered by sound business judgment. At the watershed between the public and private sectors, RDAs will be pivotal to the creation of new companies in a knowledge economy.

Of course, if new companies are to survive and thrive they need skilled employees. RDAs will continue to improve the alignment between the needs of employers and the learning opportunities available. Even closer relationships will be forged with Learning and Skills Councils and regional assemblies through Regional Skills Partnerships.

Naturally, a close relationship with Central Government Departments will underpin all this work, which is why staff at Yorkshire Forward were delighted to receive Jacqui Smith, Minister of State for Industry and the Regions and Deputy Minister for Women in November. The Minister met female entrepreneurs from across the Yorkshire and Humber region and learnt first hand about the challenges they face. While this newsletter is no substitute for such personal experience, I hope it gives a flavour of what RDAs have achieved in the last four months. As ever, we welcome your feedback.

Juliet Williams, Chair of Chairs, England's RDAs  
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## Driving growth the northern way

A strategy to unlock the economic potential of the north and bridge the £29 billion output gap between the north and the rest of the UK has been launched by the three Northern RDAs.

Entitled the Northern Way, the strategy will be led by One North-East, Yorkshire Forward, and the Northwest Regional Development Agency. It is based on the simple premise that with 14.3 m people living in the North – a larger population than the combined populations of Greece and Ireland – the North can be established as an area of exceptional opportunity and superb quality of life by 2025.

Underpinning the ambitions of the Northern Way is the philosophy of city-orientated growth. Eight 'city-regions' – where most businesses are located and where most people work – have been identified as economic powerhouses. The eight city-regions house 90% of the North's population and more than 90% of its economic activity and current economic assets.

The city-regions are home to 338,000 businesses and include Manchester, Leeds, Liverpool/Merseyside, Tyne and Wear, Sheffield and the less densely populated areas of Central Lancashire, Hull and Humber Ports and Tees Valley.

Many of these areas have already seen impressive regeneration improvements – Leeds is the country's fastest growing city; Sheffield, Manchester and Newcastle have all achieved dramatic city centre transformations, and while Manchester hosted the Commonwealth Games, traditional rival Liverpool will be European Capital of Culture in 2008. Hull and Humber Ports, already the busiest ports in the UK, are identified for further investment.

The Northern Way lays out a growth strategy to maximise the assets of these city-regions. It also acknowledges the quality and extent of the countryside in the North. Last year the three northern regions saw the largest increases in populations of woodland birds in England – a good indicator of the state of wildlife and habitats generally. Many people working in the cities are living in rural areas and RDA support for business services in the countryside is making the links between urban and rural even stronger.

Cross-regional work is also underway further south with the East Midlands Development Agency and Advantage West Midlands producing Smart Growth; the Midlands Way to drive forward development.

## Gateway growth

By 2016, London's population is expected to grow by the equivalent of six cities the size of Cambridge.

This creates a huge need for new homes and jobs. A revitalised east London and the Thames Gateway area, stretching from Tower Bridge through east London out to the Thames estuary, can be a major home for this growth.

As one of the largest landowners in the area – owning more than 600 acres of land – the London Development Agency is taking a prime role in developing the Thames Gateway in line with the principles of the Sustainable Communities Plan.

Working closely with public and private partners, the LDA has published a framework for the area that sets out how 91,000 new homes, open spaces, infrastructure and supporting services could be built in the area by 2016. Over £2 billion of investment is expected in the region with 230,000 new jobs to be created.

The scale of the project makes the Thames Gateway comparable to building a new town. The LDA are working to ensure appropriate housing, education and training are incorporated into the ongoing strategy.



## Building a better environment

Building work has begun in Taunton, where the South West Regional Development Agency has approved funding of more than £1 million to help build the region's first sustainable construction centre.

The centre will promote sustainable construction to both the public and industry through fun and interactive exhibitions and events, as well as offering training courses and a foundation degree in sustainable construction. The centre is expected to attract 10,000 visitors a year through its demonstration, information and advice services.

Leading sustainable architects Architype have designed the centre, which will be constructed using materials from a variety of renewable sources, such as straw, timber, earth



and clay. The single storey building will comprise several 'pavilions', along with a water pavilion, which will allow visitors to see how rainwater can be recycled.

The pavilions will contain seminar rooms and lecture theatres with exhibition space promoting the very latest in sustainable technology. Visitors will be able to participate in practical demonstrations of sustainable construction, finding out for example how fired clay blocks are made.

Gordon Woodend, South West RDA head of operations for Somerset, said: 'Since its inception the RDA has encouraged private and public bodies to use 'green' construction techniques, as indeed the RDA strives to do in all its operations. This means supporting the use of renewable energy sources, improving recycling facilities and using local labour for construction, all in the name of protecting the region's environment.'

## Mulch to write home about

A Black Country company that recycles pallets and wood has secured £1.2m from regional development agency Advantage West Midlands to help with a massive expansion project. West Bromwich Pallets will receive the funding to create a specialist wood recycling plant, which will enable the company to effectively double its workforce to 100. The company takes unwanted wood – which would otherwise be sent to landfill sites – and mulches it, turning it into products which can be used as surfacing for children's playgrounds, landscaping, equestrian arenas and bedding.

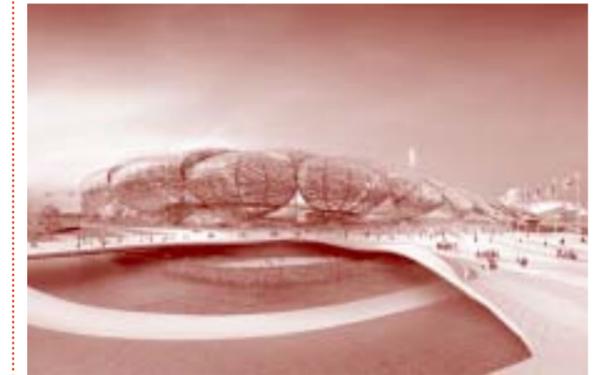
## Green olympics

With the London 2012 bid in the hands of the International Olympic Committee, excitement is starting to build across the country.

And while sporting excellence is the first and foremost concern of the luminaries who will decide who will host the games, the London Development Agency is keen to press home the environmental credentials of the bid.

London 2012 would be the key catalyst to the most significant urban and environmental regeneration ever seen in London, and presents an unrivalled opportunity to demonstrate the practical application of the principles of environmental responsibility.

All of the planned construction for London 2012 would be in keeping with the latest environmental and IOC thinking, based on sustainability and realistic scale for Games venues. All of London's new permanent venues would have post-Games use and the rejuvenated Lea Valley would become an environmental showpiece. Plans would contribute renewable energy to local communities, improve air and water quality, and increase accessible open space and biodiversity. The environmental legacy would underpin wider community benefits and demonstrate the vital link between environmental quality, sporting provision and healthy living.



With the UK economy under ever-increasing pressure from developing giants such as India and China, our future economic success depends on high-quality, innovative products and improved productivity. But, despite an increase in the UK productivity rate last year, Britain still lagged 13 percentage points behind the G7 average.



## Broadcast's broad appeal

An important route to productivity improvements is the roll-out of broadband. Large bandwidth connections enable both urban and rural-based British businesses to compete efficiently and effectively in the world economy. A recent PriceWaterhouse Coopers report for the European Union highlighted investment in ICT as one of the most critical factors in increasing productivity across the continent.

With broadband coverage set to hit 99.4% of the UK by next summer, the country has been taking important strides in the right direction. RDAs are taking a lead, with Advantage West Midlands recently celebrating the achievement of 100% broadband coverage in their region. The RDAs are taking responsibility for connecting the remaining 100,000 people around the UK who have been deemed commercially unviable by the industry. With their partners in the public and private sector, RDAs are working hard to fulfil Tony Blair's promise to end the digital divide and ensure anyone in Britain who wants a broadband connection will have one by 2008.

RDA representation on the government advisory body – the Broadband Stakeholders Group – is also ensuring that the issue of affordability is tackled. Not only do broadband connection charges need to be kept down, but low-income households need opportunities to access a PC and the education to help them use it effectively.

Time and technology wait for no-one and RDAs are planning ahead to ensure Britain is well-placed in the economy of the future and meets the challenge of the next generation of broadband networks that will process at up to 100 times current speeds.



It is a challenge recognised by new e-commerce minister Mike O'Brien who said, 'Substantial progress has been made over the last three years in developing the UK Broadband market. [However] the increasingly sophisticated use of broadband is the key to further improving UK business productivity and competitiveness.'



The current Structural Fund programmes draw to a close at the end of 2006 and the debate on what will follow for 2007–13 has been ongoing for some considerable time. The Enlargement of the EU, to include 25 Member States (rising to 27 in 2007), presents an unprecedented challenge for the competitiveness and internal cohesion of the Union and has been the driving force behind the reform of the funds, both in terms of their affordability and their practical operation.

The RDAs are fully engaged with the debate on the future of the funds and we are looking at this issue from the perspective of effective regional policy, economic growth, increased competitiveness and productivity. We believe that the funds should strongly support the

## Leading the Lisbon agenda

RDAs are hoping that changes to EU structural funds will help the UK in its mission to drive up productivity.

Lisbon aim of making the EU the most competitive, knowledge-driven economy by 2010. In submissions to both the UK Government and the European Commission, RDAs – led by the East Midlands Development Agency – have called for the future funds to operate within the framework of the Regional Economic Strategies, to be far more flexible, substantially simplified and fully coherent with domestic policies and funding at a regional level.

The final outcome of the policy and budgetary negotiations between member states is a long way off, but the RDAs will continue to proactively engage in discussions to influence the negotiation process and the final shape and operation of the future funds.

### ↓ Project ACCESS

Officially approved in July by the Northwest Regional Development Agency, Project ACCESS is a groundbreaking programme to provide broadband to businesses and members of the public throughout the counties of Cumbria and North Lancashire.

The project is a UK first, designed to enable broadband coverage in areas that would otherwise be unable to receive the technology. The £20m project will include the creation of a high-speed network to be used by both the public and private sectors.

Access to fast, reliable and affordable internet connections is a major issue for rural businesses wanting to survive and prosper in an increasingly competitive marketplace. Project ACCESS is already reducing costs and improving the way people do business throughout Cumbria. This technological milestone is set to continue to speed up its benefits to the local economy.

## Medway expansion

Europe's largest regeneration project – the Thames Gateway – received a massive boost in October as £47.5 million spending plans to expand Universities at Medway were unveiled.

Based at the South East England Development Agency's (SEEDA's) flagship site Chatham Maritime, the Universities at Medway development will play a key role in providing the skills and learning opportunities needed to create thriving and sustainable communities in the Thames Gateway.

The expanded campus, currently used by University of Greenwich will be used by other Universities and see student numbers rise at the site from



2,700 to 6,000 by the year 2010. The Office of the Deputy Prime Minister (ODPM) has contributed £15m while the South East England Development Agency (SEEDA) has granted a further £8.6m to the project. Other funding partners are Medway Council, Mid Kent College, the University of Kent, and the Higher Education Funding Council for England (HEFCE).

## Easier access to European Social Fund

A co-ordinated working relationship between EEDA, the Learning and Skills Council and the regional Jobcentre Plus is delivering £22.5million of European Social Fund (ESF) money to develop skills among the unemployed and economically inactive across the region.

Thanks to a new co-financing scheme, skills providers can bid directly to an intermediary organisation like EEDA for funding rather than trying to deal with European bodies. In September EEDA were able to announce new money to fund more than 35 regional research and development projects between now and July 2007.

The European Social Fund is available to many different types of organisation – from professional training companies to charities, further education institutions, voluntary organisations and other legal entities.



ESF money goes towards helping those most in need of employment opportunity, and a recent survey found that it was having positive effects in the UK. The survey covered the latter half of 2002 and found the likelihood of ESF beneficiaries being in work increased from 37% on entry to the programme to 47% on leaving it.

EEDA's Deputy Chair Sal Brinton said 'The ESF money will provide practical new and useful skills for people in the East of England, whether they are looking for new employment or want to improve their skills for their current job.'

## Back to school to get on

The 'Get On North East campaign' is aimed at helping people of all ages improve their literacy and numeracy.

When Jim Gribbin took early retirement from his job as a computer programmer at British Steel he wanted to offer his IT knowledge to his local primary school in Norton. He was told he needed at least Level 2 qualifications in maths and English.

Undeterred, Jim found free tutoring at the learndirect centre in nearby Stockton and was able to pass with flying colours... 95% on both tests. Jim is now employed by the school as a Higher Level IT Teaching Assistant.

The Get on campaign is part of the Skills for Life programme aimed at tackling basic skills shortages. A recent survey found that up to seven million adults in England have literacy skills below those expected of an average 11 year old. Even more have a problem with numeracy.

Alan Clarke, Chief Executive of One North East said, 'Jim should be an inspiration to many other people. He is passing on his extensive knowledge to the workforce of tomorrow and showing it is never too late to learn and improve your skills.'



## Planning for a digital future

Yorkshire Forward recently brought top representatives from the ICT industry such as Cisco, HP and Microsoft together with employers and skills agencies to discuss the impact of radical technology changes over the next five years.

Through a new report entitled "Digital:Futures – the skills debate", the RDA is hoping to foster widespread and sustained discussion to help shape future regional and national policy.

The Digital Futures Conference was an innovative step to look at the future needs of the regional economy. Industry speakers and employers alike emphasised the need to speed up the introduction of new industry-based ICT qualifications and to integrate employability skills in training.

Other strong themes to emerge included the impact of up and coming GRID technologies (making many small computers behave like one large computer); and the trend for ICT to become a utility.

Yorkshire Forward has already invested £2.8m in developing high-level ICT industry led training, and in pioneering new just-in-time learning opportunities to meet future expectations.

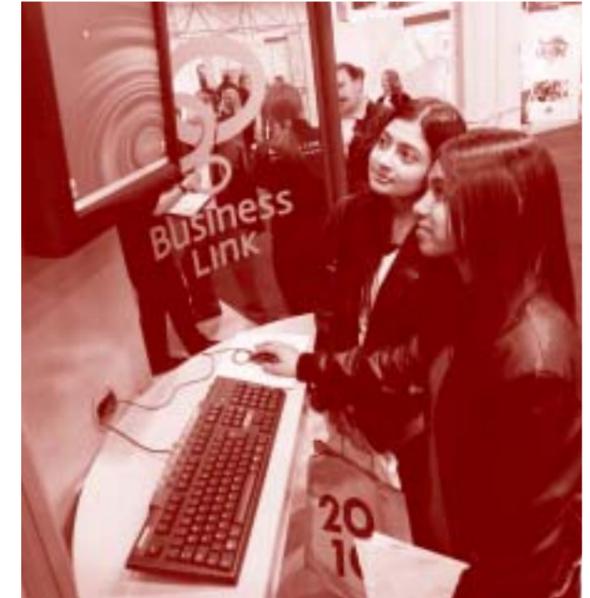
The Digital:Futures discussion paper is available on the Yorkshire Forward website.

## Business support changes

Changes are on the way for Business Support from April next year as RDAs take responsibility for the delivery of Business Link Services. Business Links across the country will increasingly move towards information, brokerage and diagnostic services and will provide the main route through which small businesses can locate and access the solutions they need to start up and grow. The Business Link service will also provide a single point of access to the rules and regulations business people need to have at hand.

A prime responsibility of the RDAs is to increase the productivity of businesses in their region. With greater responsibility for Business Link, the RDAs will be better positioned to develop the services in a way that is more responsive to the needs of the businesses in their region.

By combining regional management with a national brand developed in partnership between the Small Business Service and all the RDAs, Business Link will benefit from the right balance of regional understanding and national economies of scale.



## Boost for social enterprise

Together with the Local Investment Fund (LIF) and Finance South East (FSE), SEEDA has launched the South East Community Loan Fund to boost the competitiveness of social enterprises in the region as well as small and medium enterprises working in disadvantaged communities. Thanet-based social enterprise, the Focus to Work Trust, is the inaugural recipient of funding.

Focus to Work provides training, mentoring, work experience and job finding services for all types of disadvantaged people including those with learning difficulties. The funding will be used for the continued conversion of a former derelict grade 2 listed building facing the harbour area that will house office accommodation, a restaurant and the creation of a training suite.

SEEDA's Lead for Social Enterprise, Kate Annison said, 'The Focus to Work Trust has demonstrated tremendous energy and enthusiasm for its plans to drive up skills in a

disadvantaged community and successfully place clients in local jobs. In fact, the restaurant alone is projected to create 38 new jobs and eight trainee placements over the next four years.'



## Celebrities back enterprise

High-profile celebrities Linda Barker, James Cracknell, Gabby Logan and Philippa Forrester took part in four simultaneous Enterprise Week launches in Yorkshire and Humber last month. A total of more than 100 events were staged across the region over the seven days with the aim of encouraging people to view starting their own business as a viable career option. The biggest was at the Doncaster Dome where, with the support of Yorkshire Forward, approximately 3,000 local secondary school pupils gathered for an innovative mixture of visual, drama and motivational activities.