

2 Our ambitions

2.1 Our vision

The regional spatial strategy (RSS) sets out a vision that by 2021 the East of England will be realising its economic potential and providing a high quality of life for its people, including by meeting their housing needs in sustainable inclusive communities. At the same time it will reduce its impact on climate change and the environment, such as through savings in energy and water use and by strengthening its stock of environmental assets.

The vision set out in the regional economic strategy (RES) is for the region to be:

- internationally competitive with a global reputation for innovation and business growth
- a region that harnesses and develops the talents and creativity of all
- at the forefront of the low-carbon and resource-efficient economy.

This Implementation Plan outlines the key activities over the short to medium term that need to be undertaken to support the longer-term visions of the two strategies.

2.2 Ambitions and performance

The targets in the RES and RSS are uniquely aligned. This was made possible by the ‘joint-modelling’ approach embodied in the East of England Forecasting Model, a model that comprises data and forecasts for housing, demography and the economy, disaggregated by district authority and industrial sectors for the economy. The model was used to develop the headline regional targets in the RES – consistent with the scale and distribution of housing allocations in the East of England Plan.

Figure 3 sets out our current performance against the headline ambitions in the RES and RSS. It also forecasts our likely performance against the targets, assuming no additional interventions and setting out the scale of the delivery challenge in meeting RES and RSS targets. The projections are based on past trends and take account of current interventions insofar as they have impacted on recent performance.

The projections demonstrate that it will be challenging to achieve all regional headline ambitions based on existing activity. It can be seen that most targets have become more challenging since the onset of the economic downturn in 2008, particularly the productivity and jobs and housing growth targets. Significant additional intervention is therefore required to achieve the ambitions of the RES and RSS. The East of England Implementation Plan programmes aim to produce a significant uplift in regional performance, such that regional ambitions are achieved.

Figure 3: Headline targets of the RES and RSS

	Headline Target	Current Performance	Trajectory	
Productivity: gross valued added (GVA) per capita	2.3 per cent real growth per annum, 2008-2031	1.9 per cent real growth per annum 2001-2008 (and projected growth of minus 4.2 per cent in 2009)	1.6 per cent real growth per annum, 2008-2031, broken down as follows: 2008-10: -2.2 per cent growth per annum	Based on forecasts from the East of England Forecasting Model, Autumn 2009

	Headline Target	Current Performance	Trajectory	
			2010-31: 2.0 per cent growth per annum	
Productivity: GVA per employee	2.1 per cent real growth per annum, 2008-2031	1.8 per cent real growth per annum 2001-2008 (and projected growth of minus 2.3 per cent in 2009)	1.7 per cent real growth per annum, 2008-2031, broken down as follows: 2008-10: 0.3 per cent growth per annum 2010-31: 1.9 per cent growth per annum	Based on forecasts from the East of England Forecasting Model, Autumn 2009
Employment Rate for 16-74 Year Olds	70 per cent by 2031	67.7 per cent in 2008 (and projection of 66.6 per cent in 2009)	68.3 per cent by 2031	Based on forecasts from the East of England Forecasting Model, Autumn 2009
Adult Skills	At least 40 per cent qualified to level 4 and above by 2020 68 per cent qualified to level 3 and above by 2020 At least 90 per cent qualified to level 2 and above by 2020	27.8 per cent qualified to level 4 and above in 2008 46.5 per cent qualified to level 3 and above in 2008 67.6 per cent qualified to level 2 and above in 2008	38 per cent qualified to level 4 and above by 2020 55 per cent qualified to level 3 and above by 2020 75 per cent qualified to level 2 and above by 2020.	Based on rates of improvement from 2001 to 2008, Annual Population Survey
Earnings Inequality ⁽¹⁾	Lower quartile earnings at 60 per cent of average earnings by 2031	Lower quartile earnings at 56.7 per cent of average earnings in 2009	No trajectory available	Annual Survey of Hours and Earnings
Greenhouse Gas Emissions	CO ₂ emissions that are 60 per cent lower than their 1990 level by 2031 – equivalent to a 2.25 per cent annual average reduction between 2005 and 2031	CO ₂ emissions fell at an average annual rate of 1.31 per cent between 2005 and 2007	Average annual reduction of 0.61 per cent between 2005 and 2031	Based on forecasts from the REEIO model (Cambridge Econometrics, 2008)

1 Average earnings relates to *gross* earnings. Hence, future changes to the tax system, eg more progressive taxes that would narrow the gap between *net* average earnings and lower quartile earnings, would not affect the outcome in relation to the target.

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	Headline Target	Current Performance	Trajectory	
Water Consumption: All Housing ⁽²⁾	Domestic Water Consumption at 120 litres per head per day (l/h/d) by 2030/31	Domestic Water Consumption at 153 l/h/d in 2008/09	Domestic Water Consumption at 144 l/h/d by 2030/31	Environment Agency: derived from Water Companies' Water Resource Management Plans, 2009
Housing: Net Dwelling Completions	508,000 net additions to the total housing stock 2001/02-2020/01 – equivalent to average annual net dwelling completions of 25,400	179,500 net additions to the total housing stock 2001/02-2008/09, equivalent to average annual net dwelling completions of 22,400	No trajectory available ⁽³⁾ . Meeting the target would require a significant uplift on annual completion rates at 27,400 per annum throughout 2008/09-2020/21	Based on data from the East of England Annual Monitoring Report 2009/10
Housing: Affordable Housing Completions	35 per cent of housing coming forward through planning permissions granted after the publication of the East of England Plan (May 2008) to be affordable	Affordable housing completions as a percentage of total completions rose from 10.4 per cent in 2001/02 to 25.6 per cent in 2008/09	No trajectory available. Performance would require a significant uplift on past performance	Based on data from the East of England Annual Monitoring Report 2009/10
Job Growth	Net increase of 452,000 jobs 2001-2021	Net increase of 171,200 jobs 2001-2008 (and an estimated net reduction of 33,700 jobs in 2009)	Net increase of 360,500 jobs 2001-2021	Based on forecasts from the East of England Forecasting Model

2 No data are available to forecast domestic water consumption in new build housing (RSS Target is for domestic water consumption to reduce consumption to 115 l/h/d). Water companies provide an estimate of per capita consumption (PCC) in new homes completed in each year, but this only relates to housing built in that year. New build housing in previous years is included within a category for all metered properties. As such it is almost impossible to disaggregate the PCC of new homes built in previous years from all the other types of metered properties. There is also very little data currently reported on the actual level of water efficiency being achieved by new homes.

3 Trajectories showing local authority expected completions up to 2021 will be published in the East of England Plan Annual Monitoring Report in March 2010.