



Performance Scrutiny Committee Thursday, 22 September 2016

ADDENDA

3. Minutes (Pages 1 - 4)

To approve the minutes of the meeting held on 13 September 2016 (**PSC3**) and to receive information arising from them.

5. Q1 Corporate Performance (Pages 5 - 12)

10.10

This paper provides details of performance for quarter one 2016-17 for Performance Scrutiny Committee to consider before making comments to Council. The report is required so that the Cabinet can monitor the performance of the Council in key service areas and be assured that progress is being made to improve areas where performance is below the expected level.

The Committee is RECOMMENDED to note and discuss the performance reported in the dashboards and to make any comments necessary for escalation to Cabinet before 18 October.

8. Oxfordshire Local Enterprise Partnership (OxLEP) Annual Report (Pages 13 - 34)

12.00

Report by Chief Executive, OxLEP (PSC8). The document reflects the work undertaken by the Oxfordshire Local Enterprise Partnership over the period 2015 – 2016. This will be the first Report covering the company's activity since incorporation.

The committee is RECOMMENDED to note the Annual Report Draft 2015/16.

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PERFORMANCE SCRUTINY COMMITTEE

MINUTES of the meeting held on Tuesday, 13 September 2016 commencing at 2.00 pm and finishing at 4.30 pm

Present:

Voting Members: Councillor Liz Brighthouse OBE – in the Chair

Councillor John Christie (In place of Councillor John Sanders)
Councillor Sam Coates
Councillor Yvonne Constance OBE
Councillor Janet Godden
Councillor Mark Gray
Councillor Patrick Greene
Councillor Jenny Hannaby
Councillor Steve Harrod (Deputy Chairman)
Councillor Stewart Lilly
Councillor Michael Waive (In place of Councillor Charles Mathew)

Other Members in Attendance:

Councillor Richard Webber
Councillor Alison Rooke
Councillor Nick Hards
Councillor Anne Purse
Councillor Mark Cherry
Councillor Laura Price
Councillor John Howson
Councillor Mark Gray
Councillor Pete Handley
Councillor Jean Fooks
David Williams
Councillor John Tanner
Councillor James Mills (for Agenda Item 5)

Officers:

Lorna Baxter, Chief Finance Officer; Peter Clark, County Director; Simon Furlong, Assistant Chief Fire Officer; Bev Hindle, Acting Director of Environment & Economy; John Jackson, Director of Adult Social Services; Jim Leivers, Director for Children's Services; Jonathan McWilliam, Director of Public Health, Maggie Scott, Chief Policy Officer; John Courouble, Sue Whitehead and Steven Jones (Corporate Services)

The Scrutiny Committee considered the matters, reports and recommendations contained or referred to in the agenda for the meeting and agreed as set out below. Copies of the agenda and reports are attached to the signed Minutes.

35/16 APOLOGIES FOR ABSENCE AND TEMPORARY APPOINTMENTS

(Agenda No. 1)

Apologies were received from Councillor Mathew (Councillor Waine substituting) and Councillor John Sanders (Councillor Christie substituting).

36/16 DECLARATIONS OF INTEREST - GUIDANCE NOTE ON BACK PAGE OF THE AGENDA

(Agenda No. 2)

Councillor Mills sought to declare an interest but the Chairman confirmed that he was speaking as an invited councillor and no declaration was required.

Councillor Constance indicated that she was a member of Vale of White Horse District Council. The County Director clarified that membership of a District Council did not constitute a disclosable pecuniary interest.

37/16 MINUTES

(Agenda No. 3)

The Minutes of the meetings held on 12 and 24 May 2016 were approved and signed as a correct record.

38/16 PETITIONS AND PUBLIC ADDRESS

(Agenda No. 4)

The following requests to address the Committee had been agreed by the Chairman:

Richard Webber	Leader, Liberal Democrat Group and Councillor for Sutton Courtenay & Marcham
Alison Rooke	Abingdon East
Nick Hards	Didcot West
Anne Purse	Wheatley
Mark Cherry	Banbury Calthorpe
Laura Price	Witney South and Central
John Howson	St Margaret's
Mark Gray	Benson & Cholsey
Pete Handley	Carterton South & West
Jean Fooks	Wolvercote & Summertown
David Williams	Leader of the Green Group, and Councillor for Iffley Fields & St Mary's
John Tanner	Isis
Neville Harris*	Didcot Ladygrove
James Mills	Witney West & Bampton

* Did not speak

39/16 REPORTS INTO THE FUTURE OF LOCAL GOVERNMENT IN OXFORDSHIRE

(Agenda No. 5)

Performance Scrutiny Committee had before them the outcome of the two reports into the future of local government in Oxfordshire, in order to make recommendations to Cabinet regarding the next steps in response to them. All members of the Council had been invited to speak.

In the light of comments from a number of County Councillors and following presentations from representatives of Grant Thornton and the County Director the Committee considered the two reports and discussed the following issues:

- The importance of focusing on the needs of the residents of Oxfordshire and people who use Council services, not the needs of institutions.
- The areas of agreement in the two reports; that the status quo is not acceptable and that unitary government is the way forward.
- The need to have an open public debate around the best option in order to reach a position to put to Government.
- The risk that a pattern of smaller unitaries would not deliver the same scale of savings, and that individual areas, in particular Oxford City, could be rendered financially unviable due to their high levels of need and low levels of income.
- The need for joined-up planning of growth, land use, housing, and infrastructure for the county's functional economic area through a structure plan - noting for example that the Oxfordshire knowledge spine currently encompasses part of four separate district areas and therefore local plans.
- The irrational situation and poor perception created when districts and counties are making conflicting budget decisions.
- The importance of parishes and town councils as part of the local devolution offer.
- What evidence of local agreement is required by the Government in order to give a proposal the 'green light' and what change the new Prime Minister and Cabinet have brought to this agenda.
- The views of government on whether an elected Mayor was a requirement or not.
- How the Boundary Committee would operate to determine the number and apportionment of Councillors in a new unitary.
- How a multi-unitary option would function through a Combined Authority, including the lack of any clear precedent for delegating responsibilities for services to children, education, and families and schools.
- The importance of working together with the other Councils for the benefit of residents and stakeholders to create that broad consensus required by government
- The potential lack of visibility and accountability of a Combined Authority in a multi-unitary scenario.
- The decisions to be made by any new authority in relation to council tax, reserves and assets.

- Whether it is reasonable to argue that a unitary county would be too large given that the proposed Combined Authority in a multi-unitary scenario would cover just as large an area.
- The benefits and risks of the options and how Option 6 could address the need for the single unitary option to demonstrate local working and empowerment. The committee recognised that more work would be needed on the detail of Option 6.

Following discussion it was proposed by Councillor Harrod, seconded by Councillor Greene and by a show of hands it was:

AGREED: (by 8 votes for, with 2 against and 1 abstention) that Performance Scrutiny welcomes the report put forward by Grant Thornton. In light of the savings potential coupled with the localism inherent in the proposal that supports local democracy, the Performance Scrutiny Committee recommends that Cabinet directs officers to investigate thoroughly the proposal put forward by Grant Thornton as Option 6, including the detail of what powers could be delegated, such as setting of local precepts.

Furthermore, Cabinet should make every effort to present Option 6 as a viable alternative to the District and City Councils, with a view to working with stakeholders to present a broad consensus to Government in order to move forward the process of transforming local government in Oxfordshire, for the benefit of local residents and people who use services.

..... in the Chair

Date of signing 2016

PERFORMANCE SCRUTINY– 22nd September 2016

BUSINESS MANAGEMENT AND MONITORING REPORT QUARTER 1 2016-17

Report by Corporate Services

Introduction: additional information – financial performance

1. The following tables provide financial performance information in support of the Quarter 1 2016-17 Business Management and Monitoring Report.
2. This is based on the last Financial Monitoring report that went to Cabinet on 18 July 2016, which reported on the May 2016 position (rather than Q1).

September 2016

Report by: Ian Dyson, Assistant Chief Finance Officer (Assurance)

Contact Officer: Steven Jones, Policy & Performance Officer
steven.fairhurstjones@oxfordshire.gov.uk, 07932 318 890

SOCIAL AND COMMUNITY SERVICES

Success Indicator		Target	Position at end May 2016	On Target?	Notes
Financial Performance Page 6	Actual expenditure for Adult Social Care and Joint Commissioning is in line with the latest agreed budget	< 2.0% of net budget	+0.7m or +0.4%	Yes	
	Actual expenditure Fire and Rescue, Emergency Planning and Community Safety is in line with the latest agreed budget	<2.0% of net budget	-£0.3m or - 1.1%	Yes	
	Actual Pooled Budget Reserves (as at 31 March 2017)	-	£1.4m		
	Other Directorate Reserves (as at 31 March 2017)	-	£0.7m		
	Number of 2016/17 budget virements requested requiring Council approval as they were a change in policy	-	None		
	Planned savings for 2016/17 assumed in the MTFP have been achieved	100% achieved			* Corporate position reported to Cabinet

CHILDREN EDUCATION & FAMILIES

Success Indicator		Target	Position at end May 2016	On Target?	Notes
Financial Performance	Actual expenditure for Education & Early Intervention is in line with the latest agreed budget	< 2.0% of net budget	+0.8m or +3.6%	No	Home to school transport is forecasting £1m overspend which is partly offset by other underspends in Education & Early Intervention
	Actual expenditure for Children's Social Care is in line with the latest agreed budget	<2.0% of net budget	+3.0m or +4.2%	No	The forecast overspend includes £2m on placements and £0.9m on asylum seekers.
	Actual expenditure Children, Education & Families Central costs is in line with the latest agreed budget	<2.0% of net budget	£0m or 0%	Yes	
	School Reserves (as at 31 March 2017)	-	£20.7m		
	Directorate Reserves (as at 31 March 2017)	-	£2.1m		
	Number of 2016/17 budget virements requested requiring Council approval as they were a change in policy	-	None		
	Planned savings for 2016/17 assumed in the MTFP have been achieved	100% achieved			* Corporate position reported to Cabinet

ENVIRONMENT & ECONOMY

Success Indicator		Target	Position at end of May 2016	On Target?	Notes
Financial Performance	Actual expenditure for Strategy and Infrastructure is in line with the latest agreed budget	< 2.0% of net budget	0% or £0m	Yes	
	Actual expenditure for Commercial Services is in line with the latest agreed budget	<2.0% of net budget	0% or £0m	Yes	
	Actual expenditure for Oxfordshire Customer Services is in line with the latest agreed budget	< 2.0% of net budget	+6.0% or +£1.2m	No	Income from schools is lower than expected £0.6m. ICT is forecasting £0.6m overspend due to rationalisation savings not being fully realised.
	Directorate Reserves (as at 31 March 2017)	-	£5.3m		
	Number of 2016/17 budget virements requested requiring Council approval as they were larger than £0.500m or a change in policy	-	None		
	Planned savings for 2016/17 assumed in the MTFP have been achieved	100% achieved			* Corporate savings position was reported to Cabinet

PUBLIC HEALTH

Success Indicator		Target	Position at end May 2016	On Target?	Notes
6 Financial Performance	Actual expenditure is in line with the latest agreed budget	< 2.0% of gross budget	0% or 0m	Yes	Funded by a ring fenced grant which is £32.1m for 2016/17.
	Actual Directorate Reserves (as at 31 March 2017)	-	£1.1m		Public Health reserve to hold unspent ring fenced grant for future Public Health projects.
	Number of 2016/17 budget virements requested requiring Council approval as they were a change in policy	-	None		
	Planned savings for 2016/17 assumed in the MTFP have been achieved	n/a			* Corporate savings position reported to Cabinet

CORPORATE SERVICES

Success Indicator		Target	Position at end May 2016	On Target	Notes
0 Financial Performance	Actual expenditure is in line with the latest agreed budget	< 2.0% of net budget	+£0.1m or +0.7%	Yes	
	Actual Directorate Reserves (as at 31 March 2017)	-	£1.1m		Includes £0.4m Registration service reserves and £0.6m held to fund future County Council elections
	Number of 2016/17 budget virements requested requiring Council approval as they were a change in policy	-	None		
	Planned savings for 2016/17 assumed in the MTFP have been achieved	100% achieved			* Corporate savings position reported to Cabinet

* The Financial Monitoring report for May 2016 was presented to Cabinet on 18 July 2016. The report incorporates Business Strategy savings that were agreed by Council in February 2016 and previous years. At this early stage of the year, at least 89% of the planned savings are expected to be delivered. Progress against delivery of savings will be monitored on a regular basis by the Delivery Board and action taken where savings are not expected to be achieved. A further update will be provided to Cabinet in October.

CORPORATE

Success Indicator	Target	Based on position at end May 2016	On Target?	Notes
Actual expenditure for the Council is in line with the latest agreed budget	< 2.0% of net budget	+£5.4m or +1.3%	Yes	
Cross Directorate Reserves (as at 31 March 2017)	-	£13.2m		
Corporate Reserves (as at 31 March 2017)	-	£2.9m		Efficiency Reserve
Capital Reserves (as at 31 March 2017)	-	£33.9m		
Page 11 Cash Flow Reserves (as at 31 March 2017)	-	£8.4m		Being used to manage the cash flow implications of the variations to the Medium Term Financial Plan.
General balances as a proportion of the original gross budget (£798m for 2016/17)	-	£15.6m or 2.0%		
Total reserves as a proportion of the original gross budget (£798m for 2016/17)	-	£96.6m or 12.1%		
Capital programme use of resources compared to programme agreed in February 2016	90%	92%		
Capital programme expenditure realisation rate		-2%		The actual expenditure is negative as accruals raised at the end of 2015/16 are still to be realised in 2016/17. The committed spend is forecast to be 44% at this early stage.

CORPORATE (continued)

Success Indicator	Target	Based on position at end May 2016	On Target?	Notes
Year to date debtor invoices outstanding – General	33 days			Information not yet available
Year to date debtor invoices outstanding - Social Care Clients	62 days			Information not yet available
Percentage of debtor invoices cleared in 90 days	97%			Information not yet available
Treasury Management Indicators – Average Interest Rate achieved (In - House) compared to Treasury Management Budgeted Rate	0.70%			Information not yet available
Treasury Management Indicators – Average Annualised Return Achieved compared to Benchmark Rate (*) (Pooled Fund)	2.03%			Information not yet available

(*) Composite of 7 Day LIBID, 7 Day LIBID + 50BPS, BofA Merrill Lynch 1-10 Year Non-Gilt Index & BofA Merrill Lynch Euro High Yield ex Financials Index (GBP Hedged), IPD Other Balanced Property Funds index.

Performance Scrutiny Committee

22 September 2016

OXFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP ANNUAL REPORT 15/16

Report by Chief Executive, Oxfordshire Local Enterprise Partnership

Introduction

1. The attached draft document reflects the work undertaken by the Oxfordshire Local Enterprise Partnership over the period 2015 – 2016. This will be the first Report covering the company's activity since incorporation.

Background

2. The Annual report is presented in four sections. The first part (pages 1 to 5) describes the company activity, lists the Board members and also defines the operating geography. The narrative is consistent with the SEP 2016 ambition, builds on the published 2011 – 2015 annual review and reflects the approach taken in the OxLEP Business Plan 2016 -19 draft.
3. The second section from pages 5 to 7 focusses on strategic influence, strategy development and governance, and gives a snapshot of the key milestones reached up to and during the financial year. OxLEPs relationships with the local authorities and the Oxfordshire Growth Board are set out in an infographic.
4. The third section from page 8 then goes into detail about the key achievements for 2015 to 2016 under each of the four thematic programmes:
 - People
 - Place
 - Enterprise
 - Connectivity.
5. The narrative is accompanied by tables setting out the specific Actions and Outcomes, and case studies to provide illustration.
6. The final section from page 19 gives a snapshot of the investment programme, Oxfordshire's' economic performance, and some narrative looking forward to 2016/17.

Next Steps

7. Some information required to complete the programme activity and outcome tables is still awaited and will be completed during September. Once finalised, the Annual Report 2015/16 will be branded and illustrated appropriately.

RECOMMENDATION

8. **The committee is RECOMMENDED to note the Annual Report Draft 2015/16.**

LEAD / CONTACT OFFICER

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OXFORDSHIRE LOCAL ENTERPRISE PARTNERSHIP LTD

Annual Report 2015 – 2016 (Draft)

*“By 2030
Oxfordshire will be
recognised as a
vibrant,
sustainable,
inclusive, world
leading economy,
driven by
innovation,
enterprise and
research
excellence”*

Chief Executive's Foreword

I am always impressed with the range and quality of innovative businesses which operate within the county and which themselves contribute to the vibrancy of the places we live. I am delighted therefore to present our first annual report following incorporation in March 2015. Our focus remains squarely on creating the conditions within which our economy can grow, our people have the skills they need to benefit from that growth, communities have access to quality housing and employment space, business can grow dynamically and connectivity is a reality whether by road, rail, public transport or digital.

Our approach has seen significant investment made into all four of our Strategic Economic Plan priority areas and these are beginning to have demonstrable impact. Through our strengthened engagement with the wider business community we better understand the pressures and constraints they face and initiatives such as our Oxfordshire Business Support Programme, Investment and skills teams engagement we can tailor support package's to help meet their growth ambitions.

In the last 12 months we have moved into a delivery phase, where the funding secured in the last two years is being delivered on the ground. Oxfordshire is demonstrating its local, national and international impact in all we do and the priority through this next phase is to ensure our communities and businesses continue to benefit from these opportunities. That's why over the year we have redoubled our efforts to work with schools and colleges, to raise aspiration and indeed achievement. In partnership with the Business community our O2i Skills Team and the Careers Enterprise Company we have focused attention on supporting the links between Businesses and Schools to shape our future workforce.

It is fair to say that the progress made over the last 12 months, indeed the last 3 years would not have been possible without the continued commitment and dedication of the Board, our LA partners and particularly the Economy and Skills Team of the County Council who from April 2016 were seconded into the company. Thank you therefore to everyone who has contributed to Oxfordshire's success to date.

As we move into the 2016/17 operational year it is worth reflecting that only through strong leadership, collaborative working and shared goals can we continue to be the catalyst for a dynamic economic growth programme. The delivery task ahead is challenging but one that we relish and approach with confidence.

Nigel Tipple
Chief Executive

What is the Oxfordshire Local Enterprise Partnership?

Oxfordshire Local Enterprise Partnership (OXLEP) is a business led strategic body with members and stakeholders from the business community, further/higher education, local authorities, and other sectors. By working with these partners, OXLEP plays a central role in determining local economic priorities and undertakes activities to drive forward sustainable economic growth and create new jobs across the county.

OxLEP's Board members

Nigel Tipple, Chief Executive, OxLEP
Adrian Shooter, Chair ([stepped down October 15](#))
Jeremy Long, Chair ([joined March 16](#))
Ian Wenman, Deputy Chair
Cllr Ian Hudspeth, Oxfordshire County Council
Cllr Matthew Barber, Vale of White Horse District Council
Bob Bradley, Chamber of Commerce,
Margaret Coles, Federation of Small Businesses.
Cllr John Cotton, South Oxfordshire District Council
Sally Dicketts, Activate Learning
Alistair Fitt, Oxford Brookes university
Andrew Harrison, Science Vale Oxford UK,
Adrian Lockwood, Oxfordshire Skills Board
Cllr Barry Norton, West Oxfordshire District Council
Cllr Bob Price, Oxford City Council
Phillip Shadbolt, Bicester Vision
Richard Venables, Oxford Strategic Partnership
Ian Walmsley, University of Oxford
Cllr Barry Wood, Cherwell District Council

(To be accompanied by photos)

The OXLEP area

Oxfordshire is home to some of the UK's principal resources for high quality, knowledge-based,

economic growth. These include, *inter alia*:

- the University of Oxford, which is among the top 5 in the world on every key indicator (both teaching and research), and according to every league table. Oxford University has had over 50 Nobel Prize winners, more than most countries, and total external research has increased every year for the last 10 years, reaching £523m in 2014/15
- Oxford Brookes University, which is among the best of the newer universities nationally and consistently ranks within the top 10 universities in the UK for income from intellectual property, reflecting the strong impact of its research
- a unique grouping of 'big science' and other research facilities, primarily in Science Vale in the south of Oxfordshire, including the Culham Centre for Fusion Energy and – at Harwell – the Science and Technology Facilities Council (STFC) Rutherford Appleton Laboratory; Diamond Light Source, the national synchrotron facility; the ISIS Pulsed Neutron Source; the Central Laser facility; the UK Space Gateway, including the Satellite Applications Catapult Centre; the European Space Agency; and the Medical Research Council's facilities
- some outstanding and fast-growing businesses with names that are increasingly recognised around the world, ranging from newer companies like Adaptimmune and Immunocore to more established ones like Sophos, Williams F1, Oxford Instruments and Blackwell and global brands such as BMW, Unipart and Oxford University Press
- the growth momentum linked to Science Vale Oxford, two Enterprise Zones (covering the Didcot, Harwell and Milton Park areas), two Garden Towns (Bicester and Didcot) and an increasing supply of specialist science and business parks and incubator space (for example, at Begbroke, Bicester Business Park, Harwell Science and innovation Campus, Milton Park, and Oxford Science Park)
- Improving access to long term risk capital, particularly due to the establishment during 2015 of two major new funds: Oxford Sciences Innovation, a joint venture between Oxford University and ISIS to invest £320m in science and technology based spin outs from Oxfordshire's research facilities; and the Woodford Patient Capital fund, which raised £890m at launch and which is based in Oxfordshire.
- an enviable location – which is close to both a booming world city (in terms of London) and a major global hub airport (Heathrow); and is an integral part of the UK's Golden Triangle (defined around Cambridge, London and Oxford).

Fig 1. Oxfordshire's Strategic Economic Assets



Oxfordshire’s built and natural environment has played a major part in the county’s economic and social development and it will continue to be a vital part of its future. Many of Oxfordshire’s towns and villages are attractive and vibrant places in which to live, work and relax. The county’s natural capital - including its land, soils, air, water, animals and plants – is distinctively rich and diverse. And its urban and rural heritage is outstanding. The county’s residents, businesses and other organisations – wherever they are located - all benefit economically, socially and culturally from these assets.

Strategic influence, strategy development and governance

Since OxLEP was endorsed by government in 2011 it has been at the forefront of driving growth, collaboration and investment to further enhance Oxfordshire’s economy. The key milestones of our journey from 2011 to 2015 are illustrated below.

Fig 2: Key milestones 2011 to 2015

2011	2012	2013	2014	2015
<ul style="list-style-type: none"> •OxLEP formed •OxLEP board in place and governance processes approved •Skills Board set up 	<ul style="list-style-type: none"> •£9.1m Growing Places Fund launched •Initial growth plan developed •£10m Pinch Point funding awarded •Science Vale Enterprise Zone approved 	<ul style="list-style-type: none"> •CEO appointed •City Deal negotiations start •LGF 1 negotiations commence •OxLEP allocated £19.3m EU ESI Funds •£2m Business Support awarded 	<ul style="list-style-type: none"> •£55.6m City Deal agreed •1st Strategic Economic Plan launched •£108.8m LGF deal agreed •ESI Fund Plan agreed 	<ul style="list-style-type: none"> • £9.9m Local Growth Fund agreed •OxLEP incorporated •2nd Enterprise Zone awarded in Didcot •LGF 1 schemes move into delivery phase

Our Board has continued to grow and develop during the year and sustains strong relationships with Oxfordshire’s local authorities and the Oxfordshire Growth Board as demonstrated below. The working arrangements have strengthened our collaborative approach and provide an integrated range of services and functions (statutory and non-statutory) to support sustainable economic growth. These services and functions dovetail to support the delivery of the Strategic Economic Plan for Oxfordshire, a widely-owned ‘economic route map’ for our county.

Fig 3: Relationship between the OxLEP and Oxfordshire Growth Boards



More information about the continued development of our Board is included in our Business Plan 2016/19.

Strategic Economic Plan 2016

Our initial Strategic Economic Plan published in 2014 built on the narrative we developed as part of the City Deal – that the Oxfordshire economy has the greatest potential of any location in the UK to deliver world leading technology and business innovation, building on academic research. In January 2016 we decided to update our SEP so that it:

- reflects new evidence and insight that has become available over the last two years
- embraces a number of investment plans and strategies that have been completed (or are ongoing) within the county, relating (for example) to skills, innovation, culture & heritage and the environment
- acknowledges the changing wider context for Oxfordshire’s economic well-being – and particularly, the far greater global economic uncertainty that is likely to define the next five years, including in relation to the outcome of the referendum on the UK’s membership of the EU
- responds to substantial engagement from the county’s businesses, universities, research institutions, local authorities, voluntary and community sectors, and many of its residents
- anticipates that the process of devolution will progress substantially over the months/years ahead.

We continue to focus our activities around four Thematic Programme areas:

People

Objective: deliver and attract specialist and flexible skills at all levels, across all sectors, as required by our businesses, with full, inclusive employment and fulfilling jobs.

Oxfordshire’s people are the county’s principal resource in supporting the next phase of economic growth: they are versatile, adaptable, highly skilled and in great demand. Employers, however, are struggling to recruit the people they need with the skills that they require against a backdrop of close to full employment.

O2i “Opportunities to inspire”/Careers Enterprise company

In July 2015, O2i Opportunities to Inspire successfully bid to deliver the Careers and Enterprise Company’s flagship programme the Enterprise Adviser Network in Oxfordshire. The programme began in September 2015 with the recruitment of an Enterprise Co-ordinator, with responsibility for the recruitment of Enterprise Advisers. Enterprise Advisers (EAs) are volunteers drawn from businesses who work directly with a school’s leadership team to develop effective employer engagement plans.

Following the successful development of the O2i website, by the end March 2016, 26 Enterprise Advisers had been recruited and 19 schools had been engaged. This programme supports strategic priorities SP2 & SP4 in the Skills Strategy which begin to address the challenge to ensure our young people are better able to access top quality careers information and guidance that it aligned to our growth sectors, including increasing the number of apprenticeships.

Case Study

DIDCOT GIRLS' SCHOOL – “A Business Breakfast with a Twist”

Aims:

To open up the school as a welcoming space to the local, Didcot business community.

To engage students with local employers, and to provide a platform for students to build presenting and leadership skills while exhibiting to employers

Didcot Girls' School's Enterprise Adviser invited his networks and the local business community to a networking event hosted inside DGS. The whole student body was set the task of developing a business idea in groups – a project they worked on with their tutor groups in school for weeks prior to the event. The winning team received business mentoring for their project, hosted by Didcot Railway Centre

On the day itself, the students hosted the event and pitched their business ideas. One student who pitched her wish to find work experience in the aerospace engineering industry was approached by a young, female engineer working for a space systems organisation and received career mentoring and gained valuable insights and inspiration.

Oxfordshire Apprenticeships

Our 'City Deal' provided renewed focus on the skills agenda and its vital role in supporting innovation led growth. Oxfordshire Apprenticeships led the development of a transformative package of measures agreed in January 2014 to deliver stronger collaborative working arrangements between the public, private and education sectors including increased apprenticeship opportunities for young people and grants for employers to support them to take on apprentices.

In 2015/16 Oxfordshire Apprenticeships a number of Apprenticeship campaigns including the commissioning of nine external projects to deliver a suite of innovative activities that support growth in apprenticeship delivery.

During the year the team interacted with 794 employers, providing information to support the employment of Apprentices.

The announcement by Government on 15th August 2015 to introduce an apprenticeship levy for businesses with an annual salary cost of £3m and above (based on average salary costs locally this will impact firms with c100 employees and above – around 500 companies in total across OxLEP) may help increase the number of companies taking on apprentices. The OA team reviewed this emerging policy developed a series of activities that increased awareness of this new, mandatory levy.

Oxfordshire Work Experience

Oxfordshire Work Experience supports schools, colleges and employers with work experience in Oxfordshire. The team continues to provide extensive support for schools/colleges and make it as easy as possible for employers to get involved. 30 schools currently participate in Oxfordshire and the team supported over 5000 student placements in the 2015/16 academic year.



Place

Objective: Provide the quality environment and choice of homes needed to support growth and capitalise upon the exceptional quality of life, vibrant economy and the dynamic urban and rural communities of our county.

Oxfordshire benefits from a **high quality built and natural environment**, which has evolved and changed over centuries. A significant part of the built environment in Oxford, the market towns and villages are precious and should be conserved, but by no means is the entire built environment either attractive or fit for future purpose.

The overall priority for Oxfordshire’s ‘places’ is to plan simultaneously for both jobs and housing growth, putting in place the infrastructure required for both, whilst also protecting and where possible enhancing environmental quality and ensuring our communities are accessible and inclusive.

The detailed priorities in relation to place can be summarised under four main headings:

- Place-making, including housing delivery and affordability (including implementation of the CCHTIP)
- Supporting the implementation of the SEEIP
- Support for the development plan system
- Dealing with infrastructure constraints

Support through the implementation of the Strategic Environmental and Economic Investment Plan will include:-

- Growing the green economy in Oxfordshire
- Enhancing the quality and resilience of urban areas
- Improving management of land to reduce flood risk, enhance water resources, and promote biodiversity
- Promoting and enabling access to the countryside
- Engaging people in the environment and enabling more sustainable lifestyles.

Our key achievements are:

Place Activity	Outcome
Commenced contracting and delivery our LGF schemes	Oxfordshire Flood Risk Management Scheme commenced design including Northway upstream storage.
Launch of the SEEIP in December 2015	Local and regional press and media interest. Investment Plan used to inform the SEP refresh
Tom Fleming Creative Consultancy commissioned to develop the CCHTIP	CCHTIP development on-going during 2015/16, launch event expected summer 2016
Supported the local planning authorities in the development of Local Plans	Input to the Local Plan process via The Growth Board and Officer working Group

Agreed Community Employment Plans on Westgate and Barton developments

Plans in place for both developments including local labour and apprenticeship agreements.

Enterprise

Objective: Encourage innovation led growth, underpinned by Oxfordshire’s strengths in University research and development, business collaboration and supply chain potential.

Oxfordshire is remarkable for the **range of business sectors and scientific disciplines** in which there is real strength and depth.

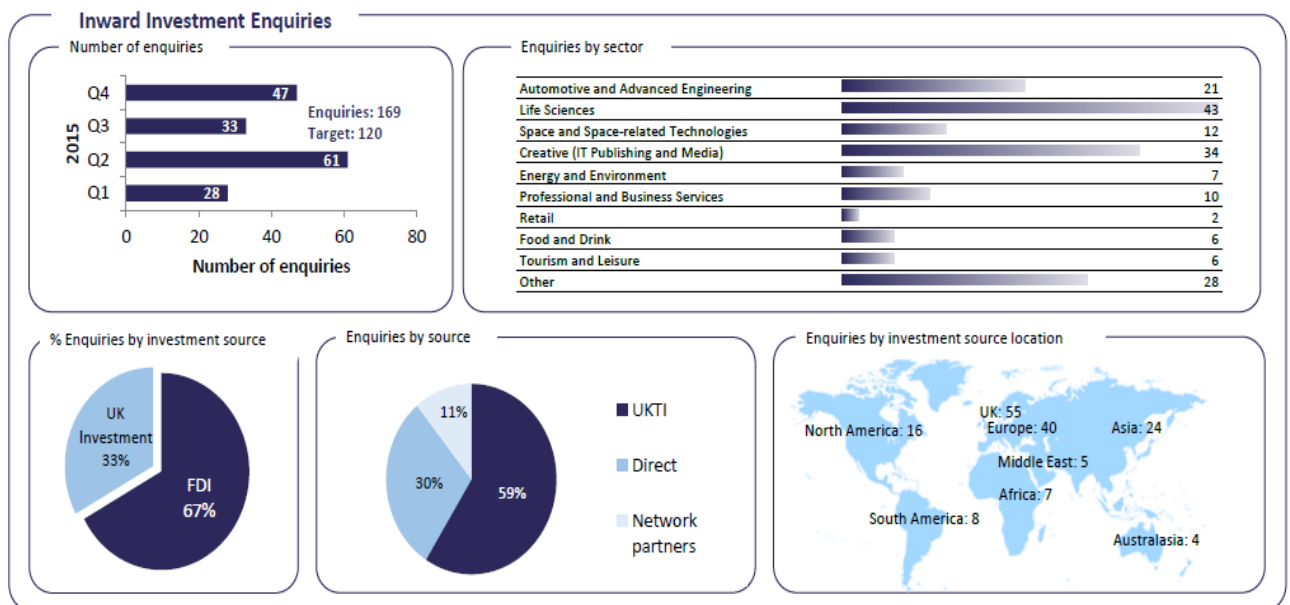
The county has some outstanding success stories in business formation and growth – particularly in science and technology-based sectors. It has globally significant strengths in five areas, all of which have huge growth potential: automotive & motorsport, creative & digital, electronics & sensors, life sciences and space technologies (see below); and these have been a particular focus for inward investment. Oxfordshire also has an internationally renowned grouping of universities and research institutions which are increasingly focused on local commercialisation of their R&D, and on building links with Oxfordshire businesses

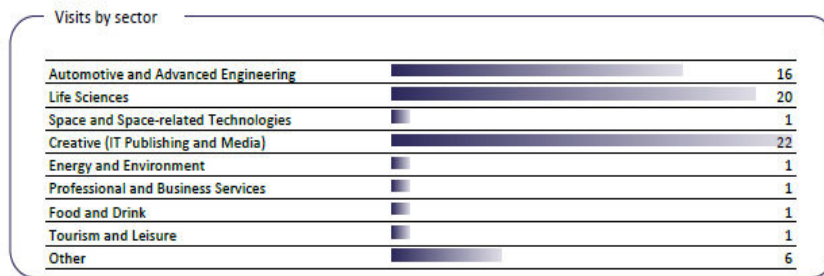
Invest in Oxfordshire is OxLEP’s inward investment service, providing confidential and tailored assistance to grow and bring businesses to Oxfordshire. The team supports existing companies to grow in the area and helps potential investors, both from other parts of the UK and overseas, to make informed decisions about locating to the county. The team partners UKTI (now the Dept for International Trade) , the Government’s national inward investment arm to drive growth into Oxfordshire.

2015/16 Annual Report



Enquiries, Successes and Account Management dashboard





Other activity

Events attended: 50

Company visits: 8

Intermediary visits: 7

All successes captured in Oxfordshire**

Successes by investment source location



Jobs created and safeguarded by sector

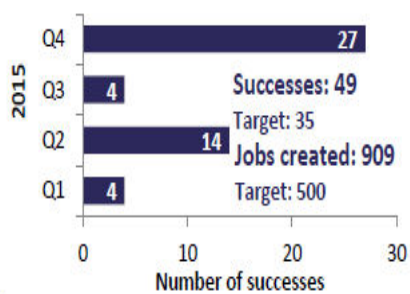
Sector	Successes	Jobs created
Automotive and Advanced Engineering	10	463
Life Sciences	21	250
Space and Space-related Technologies	27	118
Creative (IT Publishing and Media)	15	91
Energy and Environment	3	35
Professional and Business Services	6	59
Retail	3	250
Food and Drink	4	44
Tourism and Leisure	5	281
Other	12	97

Successes: 106 Jobs created and safeguarded: 1,688

** All iIO involved, UKTI involved and non-involved successes captured excluding ISFB

Involved successes and job creations

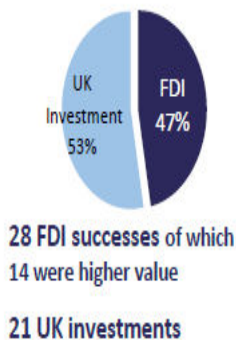
Number of successes



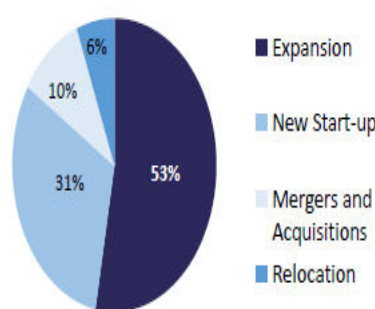
Jobs created and safeguarded by sector

Sector	Successes	Jobs created
Automotive and Advanced Engineering	5	354
Life Sciences	16	110
Space and Space-related Technologies	4	54
Creative (IT Publishing and Media)	9	42
Energy and Environment	1	5
Professional and Business Services	4	59
Food and Drink	2	44
Tourism and Leisure	3	203
Other	5	38

% Jobs by investment source



% jobs created/safeguarded by project type



Successes by investment source location



*iIO involved and/or UKTI involved successes

Case Study – Prodrive

Prodrive is a world leading motorsport and technology business operating in the motorsport, automotive, aerospace, defence and marine sectors and is headquartered in Banbury. The company's advanced technology division, which originated from its motorsports engineering expertise, now also serves the road automotive market in addition to defence, aerospace and marine industries. From the company's laboratory, Prodrive is developing the next generation of power electronics for electric and electric hybrid vehicles, including an efficient high voltage multiport DC-DC converter.

Working together with the Cherwell District Council, the Invest Team assisted Prodrive to expand and relocate to new larger premises in Banbury in April 2015. Their new, modern, purpose built facility is prominently located on the M40 and has 110,000 sq. ft. of manufacturing space. This expansion has safeguarded 290 local jobs and we have also assisted the company to make an LGF funding application for further local expansion.

Oxfordshire Business Support (OBS) is the Growth Hub for Oxfordshire provided through the Oxfordshire Local Enterprise Partnership (OxLEP) and supports the vision to support economic growth up to 2031 as outlined in the Strategic Economic Plan.

Its aim is to simplify the business support landscape and help individuals and businesses to easily connect to the plethora of business support that is often available - but not easily located. It has access to a network of area and sector specialists, business advisors/ mentors who advise on the latest support available and offers a range of workshops and courses designed to support business growth.

Oxfordshire Innovation Support for Business (ISfB) Programme

The £2m Innovation Support for Business Programme (ISfB) which is part of Oxfordshire Business Support was funded through the Lancaster University's Regional Growth Funded Wave 2 Growth Hub programme. The programme formally ended in 15/16, having achieved, or in most cases exceeded its targets.

OXFORDSHIRE BUSINESS SUPPORT 2015/16

WHAT IS OBS?

SUPPORTED BY THE DEPARTMENT OF BUSINESS INNOVATION AND SKILLS
(BIS)

DURING 2015/2016

OBS HAS **THREE** MAIN ELEMENTS



A TAILORED TRIAGE AND DIAGNOSTIC SERVICE VIA THE OBS WEB PORTAL AND HELPLINE

SPECIALIST ADVICE AND GUIDANCE NETWORK NAVIGATORS



ENCOURAGING START-UPS, GROWTH AND INNOVATION WITH A RANGE OF LOCAL PRODUCTS AND SERVICES

THE NETWORK NAVIGATOR SCHEME COMPRISES **8 SECTOR EXPERTS**

REPRESENTING THE KEY GROWTH SECTORS FOR OXFORDSHIRE

- CRYOGENICS
- DIGITAL, MEDIA & PUBLISHING
- LIFE SCIENCES
- SPACE & SATELLITE APPLICATIONS
- SOCIAL ENTERPRISES
- LOW CARBON
- SME SUPPORT
- INVESTMENT

WHO HAS IT SUPPORTED AND WHAT HAVE THEY ACHIEVED?

THE **FOCAL POINT**



FOR ALL NEW AND EXISTING BUSINESSES WANTING TO **ACCESS SUPPORT** ACROSS OXFORDSHIRE

THE TARGET GROUP FOR **SUPPORT** ARE THOSE SMES THAT WANT TO **START UP, GROW AND INNOVATE** BUT IT ALSO HAS A **HELPLINE** TO SIGNPOST ANY BUSINESS TO RELEVANT SUPPORT THAT IS **AVAILABLE**



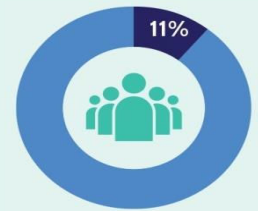
*692 SUPPORTED COMPRISED OF 270 VIA TRIAGE AND 422 VIA NETWORK NAVIGATORS

201 REFERRALS TO NATIONAL PROGRAMMES

NEW WEB USERS 923 PER MONTH



WHAT HAS BEEN THE IMPACT?



OVER 1 IN 10 BUSINESSES (11%) HAVE CREATED JOBS ALREADY (26% EXPECT TO DO SO)



OVER 1 IN 7 BUSINESSES (16%) HAVE INCREASED TURNOVER (42% EXPECT TO DO SO)

ADDITIONALITY OF **55%** FOR TURNOVER

28% FOR JOBS

 **76%** SATISFIED OR VERY SATISFIED (INCREASED FROM 70% THE PREVIOUS YEAR)

 **78%** LIKELY OR VERY LIKELY TO RECOMMEND THE SERVICE

Case Study
Imago

“We were fortunate to recently use the Oxfordshire Innovation Support Voucher scheme for some valuable and business critical training. The scheme is very straightforward to use and has a wide range of training providers. Our specific needs were in the area of social media and presentation skills. We are a relatively small company and would have been unable to proceed with the training had we not been granted access to this fabulous scheme!

We have received 2 full days of training using a terrific local provider. Our Sales people are now skilled up and whilst we cannot put a tangible figure on the benefit to our business, this training has without question, enabled our people. In the longer term, we expect to improve our sales pipeline as a result”.

Connectivity

Objective: Allow people to move freely, connect easily and provide the services, environment and facilities needed by a dynamic, growing and dispersed economy.

Despite being well connected in terms of proximity to the national transport infrastructure, roads within Oxfordshire and the major routes beyond the county such as the M40, A34 and A40, all suffer from congestion. Oxfordshire County Council’s Congestion Report (2014/15) shows a steady increase in average journey times across Oxford city and an increase in congestion across the county. This is partly the result of high housing costs in the county forcing people to commute long distances to work.

Improvements to broadband have allowed more people to work from home and get connected, but challenges persist with historical under investment in infrastructure, coupled with a growth in population which are not sustainable.

Our key achievements are:

Activity	Outcome
<p>Commenced and delivered City Deal/Pinch Point schemes</p>	<ul style="list-style-type: none"> • Hinksey Hill Roundabout – completed • Kennington Roundabout – completed • Hinksey Hill North/South Improvements – completed • Access to Harwell Link Phase 1 – commenced • Hagbourne Hill – commenced • Featherbed Lane – commenced • Milton Interchange – commenced • Chiltern Slips North/South – commenced

<p>Commenced contracting and delivery of our LGF schemes</p>	<ul style="list-style-type: none"> • Oxfordshire flood Risk management Scheme – commenced • Headington Phase 1 and Eastern Arc – commenced • Science Vale Cycling Improvements - commenced • Didcot Station Car Park Expansion – commenced • Oxpen’s Redevelopment - commenced

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OxLEP Investment Programme 2015 -2020

	People	Place	Enterprise	Connectivity
City Deal £55.6m government grant + £1,216m supporting investment	£1.5m for the Oxfordshire Experience for Work - Apprenticeship programme leveraging £24m employer contribution £0.45m to support Apprenticeship grants	Accelerate delivery of 7,500 new homes by 2018	Innovation Support for Business (ISfB) £7m Invest in 4 new Innovation/incubation Centres £67.5 m at Begbroke, Culham, Harwell and the Churchil Campus oxford.	£97.1m Investment in Oxford Science Transit, Northern Gateway Infrastructure and Access to our Enterprise Zone
Local Growth Fund – Round 1 £108.56 government grant + £96.54 supporting investment Local Growth Fund Round 2 £9.84m government grant + £593.54 supporting investment	£7.9m for the Oxford Centre for Technology & Innovation £5.9m for the Advanced Engineering Skills Centre £0.58m into the Activate Care Suite - Training Facility	£90.4 m for the Oxford flood risk /Northway Management Scheme	£6.5m for a new Centre for Applied Superconductivity. £0.95m to support Business Growth through the OBS Programme £452m investment in the Northern Gateway Innovation Area £150m into the Oxpens Business District including Infrastructure	£40m for the Oxford science Transit Ph 2 Programme £23m in the Didcote Station Car Park Expansion £4.9m Science Vale Cycle Network £12.5m into the Headington Ph 1 & Eastern Arc project
Growing Places Fund £9.05m government grant + £7.38 supporting investment		£150,000 to support an Enterprise Zone Project Manager	£320,000 to help small businesses grow	£7,732,500 for a range of transport access and superfast broadband projects
Pinch Point Funding £10m government grant + £11.52 supporting investment				Milton Interchange £ 10,625m and Chiltern Slips £10,883m

	People	Place	Enterprise	Connectivity
European Structural Investment Fund €22.7m	€9.4m for life-long learning, workforce skills and social inclusion activities	€3.4m for rural	€9.9 for business support activities, innovation, social enterprise and access to finance	N/A

Looking forward to 2016/17...

2016 – 2017 will no doubt be a busy year for us as we press on with delivering our existing growth programme, whilst maximising additional investment opportunities into the area.

We will also be negotiating our Local Growth Fund 3 submission with government having submitted an ambitious £382m programme across 37 programmes which will leverage in an additional c£1.4bn from partners.

Post EU referendum, and with the Chancellors recent announcement on the future of the current 2014-2020 European Structural Investment Funds programme we will endeavour to contract as much of our €22.7m ESIF programme as is possible before the Autumn Statement deadline, and ensure that any residual funds not able to meet the deadline will be used to support Oxfordshire residents and businesses once more clarity emerges.

We will implement the strategic priorities agreed in our Strategic Environment Economic Investment Plan; The Creative, Cultural, Heritage and Tourism Investment Plan, and the Innovation and Skills Strategies.

Board governance will be further strengthened by recruiting new board members and by the inclusion of a range of associated ‘sub-groups’ covering our main priority areas that will ensure our focus on delivery is maintained.

Building on the public consultation exercise as part of the refresh of our Strategic Economic Plan, we will continue to engage with businesses, organisations and residents to make sure that we work together for the benefit of Oxfordshire.

Above all, we will maintain a strategic overview, helping to prioritise investment decisions and maximising the opportunities presented to us, founded on strong and robust evidence.

“By 2030, Oxfordshire will be recognised as a vibrant, sustainable, inclusive, world leading economy, driven by innovation, enterprise and research excellence”.

Financials

Income and Expenditure for 2015/16 – Financial Position Year ending 31st March 2016.

OxLEP Ltd receives grant funding to support its day-to-day core activity from government and income from specific capital/revenue projects as well as management fees applied to programme delivery. The Company (incorporated in March 2015) is supported by Oxfordshire County Council as Accountable body and is responsible for managing the major capital investment programmes on our behalf.

The financial information below was presented to, and approved by, our Finance and Audit Committee on the 26th July 2016 and the main Board on the 5th September 2016. The accounts represent our first year of incorporated operation and therefore show our core operating costs only.

Income and Expenditure Account – Year ended March 2016

Income	(£)	Expenditure	(£)
Government Grant	500,000	Staff Related Costs	316,612
		Contracted Services	169,561
Restricted Grant Income	112,850	Office/admin Costs	53,550
		Consultancy/Legal & Professional Services	73,127
Total Income	612,850	Total Income	612,850

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