

CABINET – 20 SEPTEMBER 2016

Strategic Economic Plan Refresh

Report by Acting Director for Environment & Economy

Introduction

1. In 2013, central government required Local Enterprise Partnerships (LEP) to develop multi-year Strategic Economic Plans (SEP).
2. Oxfordshire's Local Enterprise Partnership, OxLEP, published its SEP *Driving Economic Growth Through Innovation* in March 2014.
3. In order to reflect progress in delivering the objectives of the original SEP and the development of associated detailed plans, address changes in the purpose of the plan and align better with changing economic circumstances, OxLEP have undertaken a SEP "refresh".
4. OxLEP have also sought to generate wider engagement with the development of the refreshed SEP than was possible in 2014/15 due to the tight timetable set by central government.
5. Following a series of development workshops, OxLEP published a draft plan in April 2016 for public and stakeholder consultation. OxLEP have now published a revised draft for formal consideration by Oxfordshire's local authorities, the Skills Board, the Growth Board and final decision making by the Local Enterprise Partnership itself.
6. This report introduces the refreshed SEP for comment and invites Cabinet to endorse the document ahead of final agreement by OxLEP.

Introducing the Refreshed Strategic Economic Plan

7. The purpose of Local Enterprise Partnerships is to "*provide the clear vision and strategic leadership to derive sustainable private sector-led growth and job creation in their area*" (Local Growth: Realising Every Place's Potential; BIS, 2010).
8. LEPs are expected to produce and maintain an up to date Strategic Economic Plan in order to: steer funding bids for economic development, skills and infrastructure projects; to set a shared vision for inward investment and local growth; and to act as a prospectus for the county.
9. The current SEP established a growth vision for Oxfordshire:

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

10. The plan is founded on four thematic objectives to support the delivery of that vision:
 - (i) Innovative Enterprise
 - (ii) Innovative People
 - (iii) Innovative Place
 - (iv) Innovative Connectivity
11. While the revised SEP has retained the vision and the four programme themes, it is intended that the refreshed document:
 - (a) Has a greater focus on medium term priorities and very much less emphasis on ‘projects’
 - (b) Is shorter – with an emphasis on the strategy (not the details of delivery)
 - (c) Is clearer – particularly in explaining the relationships with other processes, especially the primacy of strategic planning.
12. The revised SEP seeks to embrace a number of investment plans and strategies that have been completed (or are on-going) within the county for skills, innovation, creative, cultural, heritage and tourism sectors, and the environment.
13. The document sets out a profile of Oxfordshire’s economy today, including key assets, opportunities and challenges, before moving on to provide more detail around the four programmes themes and how the priorities to 2020 will be met by utilising (for example) Oxfordshire’s £19.3m European Structural Investment Fund allocation alongside funding streams currently in negotiation including next round Local Growth Fund.
14. The SEP refresh sets out the relationships to the separate but related work of the statutory Oxfordshire Growth Board and the development of Local Plans by planning authorities. This is particularly relevant to the housing requirement and employment projections developed for local planning authorities for the purpose of informing Local Plans through the Strategic Housing Market Assessment (SHMA) process.
15. In order to be working from a consistent evidence base with local planning authorities, the SEP incorporates the housing and employment projections developed in the SHMA. However, as stated by local planning authorities, the SHMA was commissioned and accepted by them and its conclusions are a planning matter for each council to consider through its local plan preparation, not for OxLEP to establish or revise through the SEP.

Consultation

16. 262 responses were made to the consultation. The 228 individual responses were heavily slanted towards concern around the appropriateness of the economic growth and housing projections which underpin the SEP and on the public accountability of the LEP, given the consideration to which the SEP is given in the Local Plan process.
17. Local authority and Growth Board responses sought a stronger narrative on the changing nature of the economy, a clarification of the SEP's purpose and specificity in its objectives, an acknowledgement of the challenge of meeting extending housing needs and a recognition of development beyond the knowledge spine. These comments have largely been addressed in the second draft.
18. The development workshops and extended consultation period have sought to engage a wide audience and in this context it is disappointing that limited responses were received from the business community potentially reflecting the continuing difficulty in engaging a disparate and busy audience. Subsequent engagement has been undertaken to address this gap.
19. A full report on the SEP consultation is available on the LEPs website at www.oxfordshirelep.org.uk.

OCC Input

20. OCC has been represented in the development process at Deputy Director level through membership of the steering group that oversaw the revision process. Technical engagement at officer level has also been extensive.
21. Local authority leaders were formally engaged through the Growth Board which reviewed the draft in May 2015 and OCC submitted a formal response to the consultation.
22. Finally, OCC is represented by the Leader who sits as a member of the LEP Board which will have final approval of the plan in October/November 2016.
23. The decision to agree the revised SEP is for the LEP board where OCC is represented by the leader and there is no formal requirement for the SEP to be agreed by local authorities.
24. However, the SEP plays a number of important roles within the county of particular relevance to the County Council:
 - Firstly, while not a statutory plan, the SEP has been given weight in policy matters such as Local Plans and to some extent the Local Transport Plan, which are statutory plans in themselves;

- Secondly, it is a proven platform for funding the capital programme and therefore has a considerable impact on OCC's ability to deliver infrastructure;
- Finally, beyond the capital programme, the SEP is a key mechanism to drive the delivery of the "*strong and thriving economy*" objectives in the OCC Corporate Plan, justifying the Council's ongoing support and investment in the LEP.

25. In order to give the Council a formal opportunity to consider and comment, Cabinet is asked to consider the SEP as set out in Appendix 1.

Financial and Staff Implications

26. There are no financial or staffing implications arising directly from the recommendations in this report.

Equalities Implications

27. There are no equalities implications arising directly from the recommendations in this report. Any resultant plans and activity for OCC if proposed and agreed will be assessed through the SCIA process where appropriate.

RECOMMENDATION

28. **The Cabinet is RECOMMENDED to endorse the revised SEP as set out in Appendix 1.**

BEV HINDLE
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Annex: Refreshing Oxfordshire's Strategic Economic Plan

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