



Oxfordshire LEP Strategic Economic Plan

Executive Summary

Economic Growth Through Innovation

Long-term plan for our region

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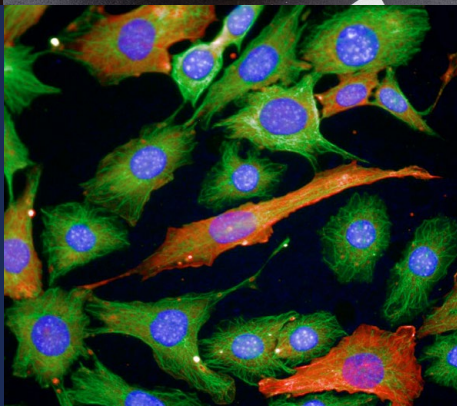


Talented individuals are also typically highly mobile... Boston and Oxford are both synonymous with higher education, but relatively few graduates stay there after graduating...
The Economist Intelligence Unit, 2012



This Government has set about fostering local enterprise by creating the conditions for businesses to thrive and our Enterprise Zones are one of the best ways places like Oxford can entice new companies to their area.
Communities Secretary Eric Pickles

Car manufacturing is a vital engine for growth. ... Our industrial strategy is a key part of the Government's economic plan and we're helping to drive the car industry further and faster with over £4bn of investment.
Prime Minister David Cameron



Introduction

Our Strategic Economic Plan

Oxfordshire's potential is huge. Our county could hardly be in a better location - close to the world's greatest capital city, sitting at the western axis of the UK's 'Golden Triangle' of innovation intensive economic potential with Cambridge and London - a knowledge rich cluster set to rival its few world competitors.

Already a successful economy, Oxfordshire is regularly cited amongst the top 10% of Local Enterprise Partnerships (LEPs) nationally. However we operate in a globally competitive arena where historic and continued success cannot be taken for granted.

Our Strategic Economic Plan (SEP) focuses on our unique economic assets and seeks to drive investment in our sectors and locations of greatest economic return and potential. It sets out our ambition for Oxfordshire to 2030 – to drive accelerated economic growth to meet the needs of our science and knowledge rich economy.

We aim to increase business growth and productivity supported by accelerated housing delivery, better integrated transport, and a better qualified workforce underpinned by a quality of place that few locations can offer.



Oxfordshire Today

Oxfordshire Local Enterprise Partnership brings together business, the universities, colleges, research facilities and local authorities in the area: Oxford City Council, Cherwell District Council, South Oxfordshire District Council, Vale of White Horse District Council, West Oxfordshire District Council and Oxfordshire County Council. Together the area is home to 660,800 residents.

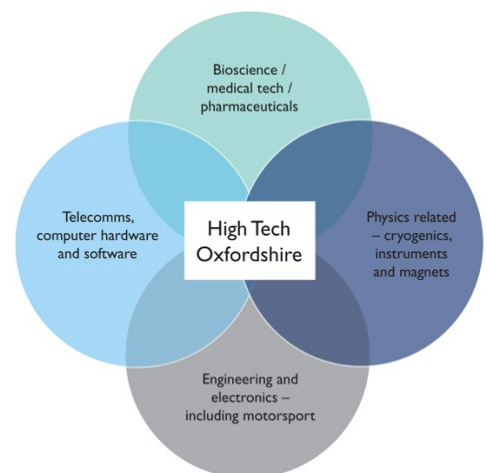
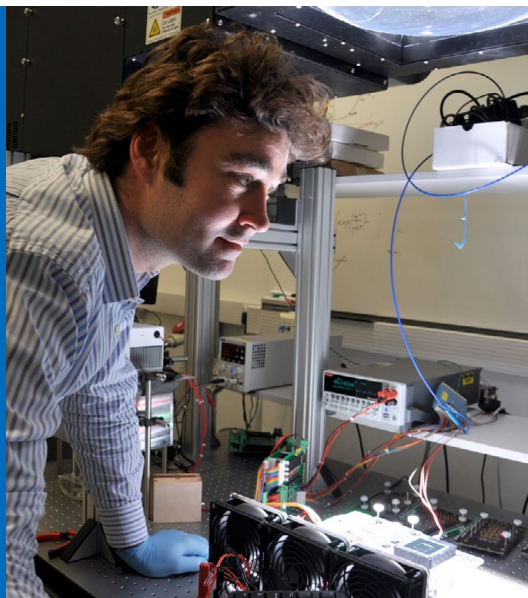
Oxfordshire is asset rich – the University of Oxford is amongst the best in the world, Oxford Brookes University is a top-performing new university, and the Defence Academy provides post-graduate education to the tri-services from home and abroad. Our universities and science institutes are pre-eminent in UK technology transfer. Together with Oxford’s global profile this provides an outstanding environment for inward investment and businesses to spin out and grow in high quality business locations across the region: Oxford’s science parks, Bicester, Science Vale, the Enterprise Zone, and beyond.

This globally renowned academia supports a unique grouping of ‘big science’ and other research facilities including the UK Atomic Energy Authority Culham Centre for Fusion Energy; the Science and Technology Facilities Council (STFC) Rutherford Appleton Laboratory; Diamond Light Source, the national synchrotron facility; the Medical Research Council’s facilities at Harwell; and the Satellite Applications Catapult Centre.

These assets provide huge opportunities and resources to drive high tech business growth. They have supported the development of many high tech firms that now form an Oxfordshire technology cluster with outstanding strengths in four overlapping industries:

- Bioscience/medical tech/ pharmaceuticals
- Physics related specialisms including cryogenics (Europe’s largest cluster), instruments and magnets
- Engineering and electronics, including motorsport
- Telecoms and computer hardware and software

‘Oxfordshire is among the top five Technology Innovation Ecosystems in the world, with 1,500 high tech firms employing around 43,000 people’



Oxford is a global brand, known the world over for its academic excellence and historical significance. Oxfordshire and the UK's 'Golden Triangle', competes with Silicon Valley and San Francisco, Boston and Massachusetts, and greater Shanghai. The area is amongst the top five Technology Innovation Ecosystems in the world, home to an impressive knowledge-intensive cluster, with 1,500 high tech firms employing around 43,000 people.

It is estimated that Oxfordshire's visitor and cultural economy contributes approximately £3.1bn to the local economy. Oxfordshire benefits from three Areas of Outstanding Natural Beauty – the Cotswolds, North Wessex Downs and the Chilterns, with the City of Oxford flanked by Greenbelt.

Our Strengths

Oxfordshire is one of the best-performing and most innovative areas in England and has unique assets to support growth in the national economy:



Innovative Enterprise

Global brand for academic excellence

Significant strengths in six of the 'eight great technologies'

Net contributor to the Exchequer

Top five Technology Innovation Ecosystems in the world

International leader in the advanced engineering and manufacturing sector

Largest concentration of multi-million science research facilities in Europe

Over 85,000 new jobs projected to 2030

Internationally significant Life Sciences sector

Strong international inward investment offer and pipeline

Harwell Oxford at the heart of the growing international space cluster



Innovative People

Higher than average high skilled workforce

Lowest Job Seeker Allowance claimant count of all LEPs

Above trend apprenticeship delivery

Higher than national average economic activity rates



Innovative Place

Major tourist destination with a growing visitor and cultural economy

At the western axis of the UK's 'golden triangle' – Oxford-London-Cambridge

Attractive urban and rural housing and communities near Areas of Outstanding Natural Beauty

A high quality of life that attracts knowledge rich business investment



Innovative Connectivity

Strategically located at the heart of the UK road and rail network

Ease of access to the two largest cities in the UK

Within an hour of Heathrow Airport with access to global markets

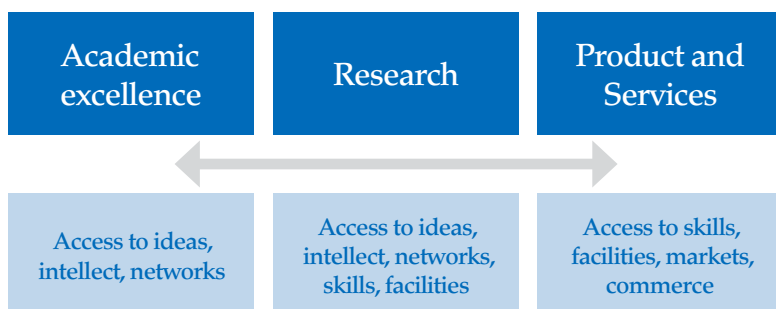
Our Opportunities

Oxfordshire is an epicentre of technology clusters, university research programmes and high-technology businesses. The **close proximity of these economic assets** provides major opportunities to expand university and business interaction. Closer links between academic research excellence and entrepreneurs can **stimulate significant business spin-outs and growth opportunities** for the existing business base, by converting knowledge to wealth.

Oxfordshire is uniquely placed by having significant presence and potential in sectors that are poised for growth. The Government has identified ‘eight great technologies’: big data, space, robotics, synthetic biology, regenerative medicine, advanced materials, agricultural technologies, and energy storage. **Oxfordshire has a strong and growing capability in the first six ‘great technologies’**

Oxfordshire has significant opportunities for economic growth based on the commercialisation of world class academia, unrivalled ‘big science’ and quality of life second to none – and a shared innovation led growth narrative.

Growth in Oxfordshire will significantly contribute to economic prosperity on a national scale, with increased growth leading to increased GVA, productivity and additional income to the Exchequer.



Innovative Enterprise

Internationally unique proximity of technology clusters, university research programmes and high-technology businesses to stimulate significant business spin-outs and growth opportunities

UK expertise in innovation based technologies and new approaches to green (environmental) and blue (water use) management with significant growth potential



Innovative People

Retention of graduates within the local economy both as employees, and as new business owners

Maximise the levers of growth to offer a range of employment opportunities to all who are able to participate in our labour market

High value, higher paid employment opportunities



Innovative Place

Economic assets attractive to the international labour force that has a choice of where to work

A globally renowned visitor and cultural economy



Innovative Connectivity

Maximise the opportunity presented by around £40 million investment in enhanced broadband connectivity

Over £500 million rail investment to unlock growth

£716 million highways investment to unlock growth and better connect the county

Around 85,000 planned housing growth

Our Challenges

The Oxfordshire Innovation Engine Report commissioned by Science Oxfordshire showed that though Oxfordshire has a strong economy, growth between 1997 and 2011 was an estimated £500 million lower than would have been expected given its potential to turn scientific research into business opportunities. There are multiple reasons for this, and a number of inter-linked factors and challenges need to be addressed for the LEP to realise its growth ambitions.



Innovative Enterprise

Low new business formation and growth in the number of businesses

Knowledge economy currently relies on fragmented and informal collaborative networks

Poor accessibility between investment locations and university/knowledge clusters

Lack of suitable business start-up, incubation, grow-on premises and research / collaboration facilities

Complex business support schemes

Shortage of early stage investment for new businesses and start-ups



Innovative People

Mismatch of skills with current and projected employment

Labour market competition - retaining graduate talent

A 'tight' labour market with pockets of unemployment

Low growth in working age population projections and rapidly ageing population

Increasing the attractiveness of apprenticeships as a viable career option



Innovative Place

Low housing affordability

Four major flood incidents in past decade impacting on businesses and communities

Reliance on private sector land owners to bring forward development

Geographically constrained Oxford city



Innovative Connectivity

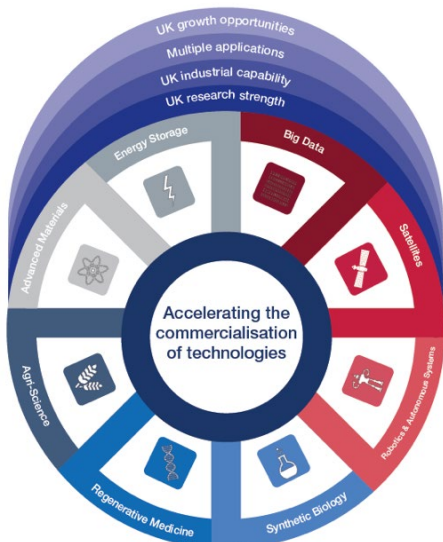
Slow or indirect international connections compared to our competitors

Key arterial connections at capacity

Limited connectivity within Oxfordshire: infrastructure that doesn't match new travel patterns

Exploiting the investment and resilience of super-fast Broadband

The UK Government's 'eight great technologies'



‘going forward we envisage needing many more engineers and technicians to support our future Fusion technology roadmap which includes developing centres of excellence in remote handling, materials testing and other specialist areas... at present the single greatest risk to CCFE is the lack of skilled technicians’

Culham Centre for Fusion Energy

Oxfordshire’s business base is static and is listed in the **lowest quarter for new business formations** when compared to other LEP areas. Employers report that empty job vacancies are impacting on their business due to a **lack of applicants with the required skills**, qualifications or experience particularly in the advanced manufacturing/motorsport industries.

There are **insufficient people with the right intermediate level skills** flowing through into Science Technology Engineering and Mathematics (STEM) occupations. Whilst STEM businesses account for 18.6% (approximately 60,000 employees) of our business base, the **Skills Funding Agency fund less than 1,500 individual learning aims per annum**.

Although Oxfordshire is a relatively wealthy, there remains **twelve areas that fall into the category of 20% most deprived** in the country, mostly in Oxford, Cherwell and the Vale of White Horse. Young people who do not obtain five GCSEs at A*-C are seven times more likely to be not in education, employment or training (NEET) at 17 than those who achieve this level, thus stifling their potential.

Many of Oxfordshire’s industries are **competing in an international market**, and are contingent on fast and convenient connections to the international forum.

Retaining graduates from Oxford University is also highly competitive on an international scale. The county is ideally located in close proximity to the global city of London and Heathrow International Airport, although **connections remain slow compared to many competitors**.

Our knowledge economy currently relies on **fragmented and informal collaborative networks** and there is **limited access to resilient and fast Broadband** across the county. Our information and exchange networks and hubs **need greater focus, connectivity, scale and reach** across the region. The **current road and rail connections are poor across the key areas of Bicester, Oxford and Science Vale** and this is reducing the physical connections between and across these investment locations. These connectivity issues are further constrained through **capacity constraints exacerbated by high levels of in-commuting**.



The Harwell Science and Innovation Campus

Lack of space is a major limitation to the Oxfordshire economy, particularly for expanding businesses and start-ups. It also restricts housing supply, particularly in Oxford, which drives up house prices and limits the attractiveness and diversity of labour supply in the county. Despite the 85,000 new homes planned in Oxfordshire over the next 15 years, **local housing is at the limit of affordability** for many who live and work here.

Flooding constraints

The past decade has seen four major flood incidents occur in Oxfordshire impacting on businesses and communities. The long term economic success of Oxfordshire will depend on being able to grow and stay open for business. The emerging Oxford Flood Risk Management Strategy (OFRMS) is a critical piece of enabling infrastructure that will keep the City's key transport links clear, businesses open and a workforce able to concentrate on work rather than the recovery of their property from flood damage. It will also conserve and enhance Oxford's special environment and provide a greater draw for visitors. Floods in the Oxford area are lengthy, typically seven to nine days.



Impact of flooding on transport links – flooding of the railway line north of Old Abingdon Road. July 2013.



'The UK is the heart of MINI production – thanks to the experience, competence and strong commitment of all our employees.'

Harald Krueger, BMW Group board member for production

Oxfordshire's Strategic Economic Vision to 2030

Our Vision

Focussing on the overarching theme of *Driving Economic Growth through Innovation* and recognising our opportunities and challenges, the Oxfordshire vision is:

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

In achieving our vision we foresee an economy based on the continual cross-fertilisation of ideas, investment and application. This will take place within an entirely permissive business environment, and which is fully integrated with and supportive of its natural environment.

In order to achieve our Vision, we will need to focus our energy and investment to capitalise on our opportunities, and address our challenges.

Our City Deal provides the immediate impetus for delivery in the short term, and will be complemented by our Strategic Economic Plan to further accelerate delivery to 2020 initially, and to 2030 in the longer term.

Objectives

Our ambition is to create the conditions that make Oxfordshire the location of choice for the world's leading science, research and technology businesses.

In order to achieve this we have developed four key themes based on identification of Oxfordshire's opportunities and

challenges. These themes are underpinned by specific objectives that are achievable and measurable. Through our interventions and delivery plan, we have the opportunity to fulfil the objectives and drive economic growth across Oxfordshire, growing the UK economy as a whole.

The objectives reflect our priorities for economic growth to 2030, focusing limited government resources on areas of greatest economic impact. They are based on four themes:



Innovative Enterprise

Innovation-led growth is at the heart of our strategy, underpinned by the strength of our University research and development capacity, business collaboration and supply chain potential.



Innovative People

Delivering and attracting specialist and flexible skills at all levels, across all sectors, as required by our businesses, with full, inclusive employment and fulfilling jobs.



Innovative Place

Providing both the quality environment and choice of homes needed to support growth whilst capitalising upon the exceptional quality of life, vibrant economy and the dynamic urban and rural communities of our county.



Innovative Connectivity

Allowing people to move freely, connect easily and providing the services, environment and facilities needed by a dynamic, growing and dispersed economy.

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

The Oxfordshire Knowledge Spine

The Strategic Economic Plan prioritises interventions in key locations, specifically along the ‘**Oxfordshire Knowledge Spine**’. The Knowledge Spine runs through the centre of the county with the three key areas for growth potential in population, employment and housing at Bicester, Oxford City and Science Vale Oxford.

- **Science Vale Oxford** - where we will build on its extensive research infrastructure and the designation of Harwell as the home of the national Satellite Applications ‘Catapult’ and the European Space Agency.
- **Bicester** - where we will support significant increases in employment growth through infrastructure improvements and land availability.
- **Oxford** - where we will continue to invest in developing the critical infrastructure necessary to realise the full potential of its world-class education, research and innovation that underpins our growth.

The projects identified in this Economic Plan for delivering growth focus on the connectivity of the Knowledge Spine that will link the key hubs to the wider transport network locally, nationally and internationally. In this way, growth in the Knowledge Spine will drive benefits throughout the whole economy of Oxfordshire, the south east region, and nationally.

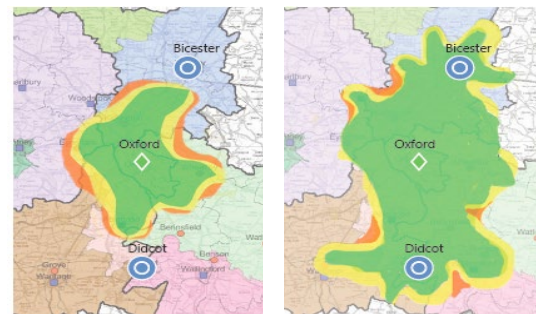
As this growth is critical to the future of Oxfordshire and the ability to add to the national GVA in real terms attracting international business, this is the focus of our strategy for this Strategic Economic Plan.



Map provided by kind permission of Oxfordshire County Council

The Oxfordshire Knowledge Spine

As such, the investment for the Strategic Economic Plan, builds on this potential to seek to release the maximum economic growth for the UK as possible. This will have significant indirect jobs growth across the county as a whole in the supply chain industries.



30 Minute Public Transport travel time within Oxfordshire knowledge spine, before and after City Deal/Local Growth Fund investment in infrastructure

Our Programme for Growth

Our aim is to create the conditions that make Oxfordshire the location of choice for the world's leading science and technology businesses. Crucial to realising that aim is investor confidence: a commitment to ensuring that our networks and infrastructure are fit for purpose is central to creating that confidence which will build on Oxfordshire's natural advantage as a world leading centre of knowledge and innovation.

Our City Deal provides the immediate impetus for delivery in the short term. Aligned to City Deal, our European Structural and Investment Fund (ESIF) plan sets out our proposals for the use of the approximately £20 million European funds, which have been earmarked for Oxfordshire for the 2014-2020 period. Our ESIF delivery is designed to boost our ability to innovate, support business growth and job creation, and provide opportunities for residents throughout the county to participate in our high skills, high quality labour market, including measures specifically targeted on our rural areas.

Our Local Growth Fund (LGF) bid through our Strategic Economic Plan will further shape our future, creating the conditions necessary to underpin our long-term economic success, focusing limited government resources on areas of greatest economic impact, which will permeate economic growth across the whole of the county.

Our programme for growth will deliver:

- Gross Value Added uplift of £1 billion at constant prices representing 30% uplift on current projections
- 80,000 new jobs by 2031 (a 1% increase per annum) compared to 0.8% per annum achieved between 2001 and 2011
- A minimum of 20 new international investments per year
- 85,600 new homes by 2031
- A minimum of £410 million private sector investment
- £125 million flood alleviation scheme
- Superfast (25mb/s +) and Ultrafast (100mb/s+) broadband speeds across the county that support innovative knowledge rich businesses and communities
- Deliver a c£716 million programme of transport infrastructure improvements
- An increase in the amount of Skills Funding Agency funding that supports our STEM sectors increase by 15%
- An increased proportion of the working age population qualified to level 2 and above to 90%
- An additional 1150 apprenticeships for young people in our priority and growth sectors
- Growth in Oxfordshire's Green Economy and Natural Capital



Innovative Enterprise

- Grow Oxfordshire's world-class technology clusters leading to a GVA uplift of £1bn to 2030.
- Achieve a more balanced economy through fostering a dynamic private sector and new business start-ups, creating at least 80,000 new jobs by 2031.
- Capitalise on the global reputation of Oxfordshire's knowledge base translating academic and research excellence into wealth generation for all our residents.
- Fulfil our potential as an internationally renowned business, academic and research centre to attract a minimum of 20 new international investments per year.

Our Local Growth Fund Offer

A world leading science and technology cluster, including the UK's synchrotron facility, the Medical Research Council and the European Space Agency the Science Vale Oxford Enterprise Zone

Proximity of major research facilities to the Universities is unique in Europe and possibly worldwide¹

Through the SEP and Local Growth Fund, Oxfordshire will maximise the world-class assets in the area and encourage more commercialisation from research.

We will develop, and unite behind the 'Oxford' brand as a recognised global leader in innovation. This will ensure those outside the region receive clear messages about our offer, and are able to easily access the people and networks that they need.

One of only three economies contributing positively to the Exchequer

A growing number of environmental and land based bodies and initiatives making important contributions through research and demonstration, such as the Earth Trust's work on ash die-back, and the Trust for Oxfordshire's Environment.

Around £8.6m European Regional Development Funds aligned to innovation led growth

15 month Oxfordshire Innovation Support Program pilot. OISP is a tailored business support programme which will bring together a network of existing provision, amplify and enhance existing services to businesses and plug gaps with bespoke programmes in order to promote innovation based growth

Our Local Growth Fund Ask

Dedicated support from UKTI to promote Oxford's global reputation.

A strategic long term commitment from the Technology Strategy Board to deliver support to growing technology businesses

DEFRA and DECC to direct investment resources through the Growth Fund programme to enable a more integrated and innovative use of natural resources aligned to growth.

Work with Oxfordshire to realise potential through the locating research centres of excellence alongside our academia

Commitment to build upon our Innovation Support Programme beyond 2015



Innovative People

- Increase the working age population qualified to level 2 and above to 90%.
- Increase the amount of Skills Funding Agency that supports STEM sectors by 15%.
- Deliver 1,150 more apprenticeships for young people in our priority growth sectors.
- Retain our business and graduate talent.

Our Local Growth Fund Offer

The research capacity and engagement of our globally renowned Universities.

A culturally diverse, highly skilled, innovative population that embraces knowledge

c£8.6m European Social Funds aligned to improving socio-economic inclusion, improved skills and better employment.

Build on the strong base of skills, knowledge and experience of existing Oxfordshire VCFS (voluntary, community and faith sector) to support the development of social and environmentally-orientated enterprises targeted on social and employment issues such as ageing, worklessness and NEETs

Increase the working age population qualified to level 2 and above to 90%.

Increase the amount of Skills Funding Agency funding that support STEM sectors by 15%.

Deliver 1,150 more apprenticeships for young people in our priority growth sectors.

Retain graduate talent to drive growth.

Our Local Growth Fund Ask

Increased local autonomy over education funding and skills funding agency investments aligned to our growth needs.

Employability embedded at the heart of the education curriculum at all levels.

Ability to influence greater levels of business engagement with schools.

Ability to ensure better alignment between services to up-skill and train people, especially those most marginalised into realistic job opportunities – focus on sectors of current and projected labour shortages.

More flexibility in the apprenticeship system to encourage employers to take on apprenticeships



Innovative Place

- Provide accessible housing that is affordable for the people who work in Oxfordshire and the people with skills needed to meet current and forecast employer needs.
- Provide housing that makes innovative use of blue and green infrastructure.
- Provide 85,600 new homes by 2031.

Our Local Growth Fund Offer

Commit to use the Oxfordshire Strategic Housing Market Assessment and agreed Oxfordshire Statement of Cooperation to meet any additional housing demand required to align strategies for housing to the economic potential of the county

Local planning authorities are developing schedules for levying a Community Infrastructure Levy – and regularly review housing completions against plans.

Local authorities will review policy and practices on building regulations to ensure they do not create unnecessary bureaucracy

Work in partnership with Government to prioritise measures to address housing affordability across the county and in the city

The Local Growth Deal bid from Oxfordshire will include proposals to:

- Deliver a further 1,095 homes on the Oxpens and Blackbird Leys sites within 10 years as part of a 3,000 home programme within the city beginning on site in 2015; and
- Oxford City Council will bring forward the Oxpens site for comprehensive redevelopment by 2015 to include a minimum of 300 residential units, together with office, leisure and other employment uses

Work in partnership with Government and LAs to implement a system to calculate and enforce residual land value rather than hope values.

Aligned local resources to deliver a coordinated approach to S106 and to facilitate innovative sustainable design that improves the attractiveness of housing offer

LA's to work with the Environment Agency and partners to identify up to 50% of resources required to deliver Oxford Flood Risk Management Strategy (£125 million indicative cost)

Develop local initiatives to help pump prime delivery of infrastructure to enable accelerated development

Our Local Growth Fund Ask

Raise the Oxford City Housing Revenue Account debt cap by £121m over 10 years. As a first installment the Growth Fund proposals will include a bid of £30m in 2015/16 and £30m in 2016/17

Work with LEP and LAs to enable LPAs to enforce true residual land value rather than hope values.

HCA to buy land to act as a test bed for innovation in building and design (e.g. competition to deliver sustainable design at lower build cost to enable to be sold at lower prices due to savings achieved)

Government departments to work with Oxfordshire partners to release strategically important land for development e.g. MOD at Craven Hill and British Rail Board at Oxpens

Increased flexibility to enable LPAs to implement CPO or equivalent powers to achieve a more proactive approach to combating slow delivery and land banking

Legislate to prevent land being held in option agreements virtually for perpetuity without development taking place

Given the scale of development planned we would welcome early and strategic engagement with utilities forward planning processes resulting in a better integrated approach to development

Develop initiatives that encourage a widening of the market housing model e.g. HCA Build to Rent scheme

Provide finance to enable Oxfordshire LEP to help pump prime delivery of infrastructure for accelerated developments including blue and green infrastructure

Commitment of up to 50% support the Environment Agency's Oxford Flood Risk Management Strategy to alleviate flood risk



Innovative Connectivity

- Improve accessibility of international connections through direct rail connections from The Knowledge Spine to national hubs and airports and reduced congestion on strategic highway links, particularly the A34.
- Reduce the distance and barriers between our core economic areas across the Knowledge Spine through providing a minimum level of public transport services of 4 per hour and maximum journey time of 30 minutes.
- Increase the capacity and improve the efficiency and resilience of our local transport network by reducing congestion on key highway links.
- Spread the benefits of transport investment across wider Oxfordshire.
- Deliver superfast (25mb/s +) and Ultrafast (100mb/s+) broadband speeds across the county that support innovative knowledge rich businesses and communities
- Increase connectivity between people and the quality natural environment to develop integrated
- sustainable transport routes linking communities, economic centres and the natural environment

Our Local Growth Fund Offer

Deliver a c£716m integrated transport improvement programme across Oxfordshire offering new, direct strategic public transport connections.

Work with DfT & TSB Transport Catapult to test bed smarter network management.

A rights of way network providing strategic opportunities to develop integrated sustainable transport routes linking communities, economic centres and the natural environment.

£20m contribution to East-West rail western section

Improve accessibility of international connections through direct rail connections from The Knowledge Spine to national hubs and airports and reduced congestion on strategic highway links, particularly the A34.

We will deliver a maximum journey time of 30 minutes across the Knowledge Spine, with a minimum frequency of public transport services of 4 per hour

Explore the development of a revolving investment fund that supports development of key infrastructure

We will deliver a c£40m broadband investment programme

Continued support to test bed new technology and approaches including data, transport systems and 5G mobile technology

Our Local Growth Fund Ask

£200m contribution to delivery our integrated transport improvement programme across Oxfordshire

Flexibility in the allocation of funding to support targeted project delivery.

Support for revolving investment fund to deliver key infrastructure.

Accelerate the A34 Highways Agency Route Based Strategy incorporating County led development work that identifies our strategic network investments for the period 2015-2020 period.

Early delivery of the Western Rail Access to Heathrow scheme (WRAtH)

Governance, Management and Collaboration

Governance

The LEP's role is to set strategic priorities and direction for the Oxfordshire economy as articulated in this Strategic Economic Plan.

As well as sitting on the LEP local authorities will come together as a new Growth Board to deliver the key local authority functions needed to achieve priorities as set out in this document. This will include marshalling resources to support the necessary infrastructure for growth across housing, transport and skills.

Oxfordshire Growth Board

The Growth Board will formally function as a joint statutory committee enabling local authority powers and functions to be vested within a democratically accountable structure. The Oxfordshire Growth Board will include all Oxfordshire local authorities within the Oxfordshire LEP area, namely:

- Cherwell District Council
- Oxford City Council
- Oxfordshire County Council
- South Oxfordshire District Council
- Vale of the White Horse District Council
- West Oxfordshire District Council

The Oxfordshire Growth Board will bring together and subsume existing Spatial Planning and Infrastructure Partnership (SPIP) and Local Transport Board (LTB) functions. The Board will play a key role in ensuring delivery of the Oxfordshire City Deal, the Strategic Economic Plan and Local Transport Board priorities within agreed

government timescales, including specific project priorities, plans and programmes; and to represent the interests of the constituent authorities when taking these investment decisions.

A Joint Statutory Committee is an established governance model for joint arrangements between two or more local authorities. The power to establish these is conferred on local authorities by section 101 of the Local Government Act 1972 and such a committee can exercise any functions delegated by the authorities in membership.

Membership

The Oxfordshire Growth Board will be composed of the Leaders of each of the Oxfordshire local authorities, each of whom will have one vote. The Chairman and Vice-Chairman will rotate among local authority leaders.

The Growth Board will also have non-voting co-optee members from each of:

- Oxford University.
- Oxford Brookes University.
- Oxfordshire Local Enterprise Partnership.
- STFC, Harwell/UKAEA, Culham.

In addition, to ensure good links between the LEP and Growth Board, the Chairman of the Growth Board will be appointed as one of two LEP Vice-Chairmen.

Terms of Reference

The Terms of Reference for the Oxfordshire Growth Board are currently being developed but it is envisaged that these will include:

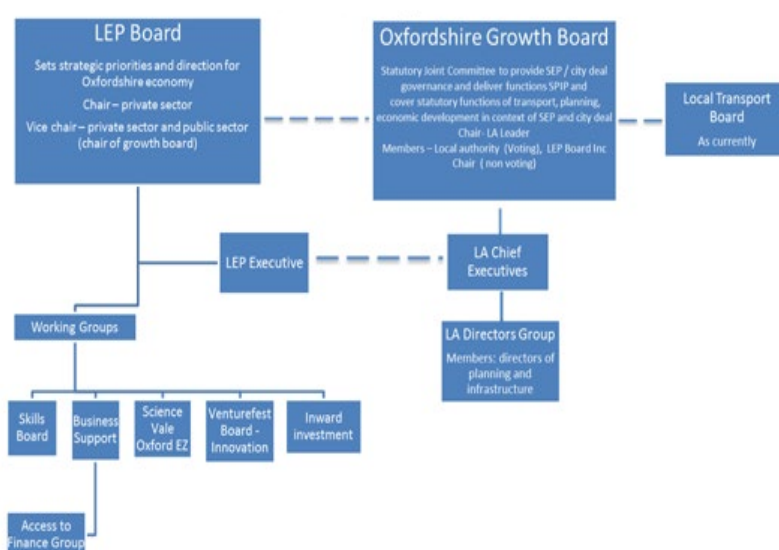
- Approve and monitor the implementation of a detailed work programme as laid out in the City Deal and Strategic Economic Plan and any future Growth Deals or other programmes as agreed.
- LTB Objectives (see existing terms of reference - and to be subject to the Growth Board accepting the discipline of the DfT approved Assurance Framework for prioritising schemes and making investment decisions).
- SPIP Objectives (see existing terms of reference)

Local Transport Board

The LTB will retain responsibility for the delivery of the existing prioritised programmes in accordance with Department of Transport (DfT) guidance. In the future, with the transport funding allocations included within the Local Growth Fund, the Local Transport Board (LTB) will be aligned with the Oxfordshire Growth Board. The timing of the transition will be dependent on the Growth Board accepting the discipline of the DfT approved Assurance Framework for prioritising schemes and making investment decisions. The objectives of the LTB, which will be included in the Terms of Reference of the Growth Board, are:

- Responsibility for ensuring value for money is achieved.
- Identifying a prioritised list of investments within the available budget.
- Making decisions on individual scheme approval, investment decisions and release of funding, including scrutiny of individual scheme business cases.
- Monitoring progress of scheme delivery and spend, acting on project/ programme evaluation.
- Actively managing the devolved budget and programme to respond to changed circumstance [scheme slippage, scheme alteration, cost increases etc.].

The LTB Assurance Framework, agreed with the Department for Transport, will be embedded with the future Oxfordshire Growth Board post 2015. The governance, prioritisation, value for money assessment, monitoring and evaluation procedures will be as set out in our refreshed Transport & Infrastructure Assurance Framework. Collaboration with other Local Enterprise Partnerships



Strategic Economic Plan: Oxfordshire LEP/LA Architecture

Evaluation

Delivery

All partners are committed to working on a collaborative basis and will ensure that their technical resources work closely, as part of the Oxfordshire Growth Board, with the common objective of delivering the unified vision for the Oxfordshire economy. The Growth Board will be tasked with taking forward the growth ambitions of the Strategic Economic Plan, City Deal, the Local Transport Board, the Spatial Planning & Infrastructure Partnership, the LNP and the LEP through the Strategic Economic Plan.

The Growth Board will involve County Council, City Council, District Councils, the Universities and partner agencies contributing, sharing and seconding resources as appropriate to lead efforts for growing the knowledge based economy in Oxfordshire. This will formulate and proceed to deliver the SEP Implementation Plan and the Local Enterprise Partnership economic narrative for raising the profile of the location for inward investment and growth. It is anticipated that the Growth Board will facilitate co-location of identified staff working on the implementation of the SEP, City Deal and ESIF programmes, as well as seconding specific staff developing the bespoke themed programme proposals.

The Implementation Plan will follow sound programme management principles. The LEP will develop its operational plan for SEP delivery identifying;

- Programmes
- Projects
- Outcomes
- Variants and mitigation

The operational plan will identify lead officers responsible for delivery, with on-going monthly operating updates with the LEP Board receiving quarterly operating reports.

The Growth Board will monitor the programmes on a themed basis reflecting the priorities of the LEP's Strategic Economic Plan. There will be a designated lead officer within each partner organisation responsible for delivery within their remit or locality. We will use our programmes to report the totality of the SEP, City Deal and ESIF programmes, showing what contributions are made from each partner and monitor it against the implementation plans.

Where funds are available for specific programmes they will be managed by the Lead Partner responsible for the programme, e.g. through the Local Transport Board for the transport programme. Where funds require prioritisation within the overall SEP programme, they will be held by the Local Enterprise Partnership Accounting Body until such time as the prioritisation is agreed.

Each Lead Partner will act as a sub-Accounting Body in respect of SEP programmes in their locality or themed area, and they will report to the Local Enterprise Partnership Accounting Body for overall SEP reporting.

The Local Enterprise Partnership as a the lead partner in the SEP is already committed to the use a significant proportion of the revenue stream from the retained business rates in the Science Vale Oxford Enterprise Zone to finance the infrastructure investment secured through City Deal. It is worth noting that some of our programmes are already being co-funded from this programme which demonstrates partner ownership, commitment and support

Managing risk

Oxfordshire's risk management will follow standard, well proven protocols found throughout public authorities and in the delivery and management of Growth Board responsibilities, involving two dimensions. Firstly, we will establish a risk register, identifying and categorising risks in different parts of the programme, and setting out mitigations which will be built into programme design. This will be established in detail during the process of final negotiation of our programme with Government, and will be regularly reviewed and updated as the programme progresses.

The second key component will be strategic oversight of programme risks and responses by the LEP board, which will receive at a

minimum a detailed annual risk report, setting out the extent to which identified risks have come to pass and responses, along with identification of emerging threats and evolving responses. In the interim, the board will receive monthly summary reports to highlight any issues of concern. The programme's designated risk management officer to be appointed will be responsible for categorising risks using a standard traffic light system on a continuing basis. Each board meeting will receive a risk update:

- 'green' on programme – simply listed
- 'amber' risks accompanied by a brief narrative of nature and responses
- 'red' risks accompanied by a detailed narrative and, as necessary, included in the Board agenda for discussion

At the outset, the Oxfordshire programme should have no red risks at all, these being dealt with as part of the programme design and implementation process. Amber risks (defined by the combination of probability and potential impact) may be acceptable but will be subject to management attention from the outset. Green programmes will be subject to routine monitoring against identified indicators identified in the operational plan to mitigate any potential future impact.

At this stage in our preparation of our SIF, the following are the main areas we foresee potential risks. These will be further assessed and categorised during negotiations and programme preparation, and subject to action as necessary.

Overlapping geographies

Oxfordshire has six Local Authority (Cherwell, Oxford City, South Oxfordshire, Vale of White Horse, West Oxfordshire and Oxfordshire) areas. Of these Cherwell sits within both OLEP and SEMLEP geographies. This overlapping geography could present delivery and compliance issues if not effectively managed, and therefore both LEPs have worked collaboratively to develop new arrangements to effectively mitigate any risks that may arise as a result of this overlap. Importantly, the new arrangements are designed to ensure clarity for businesses and individuals – a single front door, irrespective of which LEP is providing funding and support.

The Oxfordshire risk register

Impact 

	Low	Medium	High
Low	Green	Amber	Amber
Medium	Green	Amber	Red
High	Amber	Red	Red

Note: The table includes a 'Probability' axis on the left with a downward arrow, indicating that risk levels increase as probability increases.

Evaluation and Monitoring

Our proposed investments can be classified as a series of key deliverables. Using proven benefits management techniques we have extracted a range of benefits that the deliverables will bring to Oxfordshire. Those benefits have been mapped to provide a picture of how they lead to the outcomes of economic growth to which we aspire.

Progress towards success will be monitored through the use of appropriately identified performance indicators for each benefit and outcome, phased according to predicted delivery and realisation. Monitoring in this way will provide early warning of any potential unsuccessful outcome, which will allow mitigating action to be taken.



This Government has set about fostering local enterprise by creating the conditions for businesses to thrive and our Enterprise Zones are one of the best ways places like Oxford can entice new companies to their area.

*Communities Secretary
Eric Pickles*

City Deal implementation provides us with a learning opportunity, through the evaluation of the impact of different policies on the overall outcomes. We will develop an evaluation strategy with our commercial and academic partners to establish which elements of Strategic Economic Plan work well and why they are successful. This will involve the analysis of specific initiatives, with early realisation of benefit and outcome, as opposed to overall evaluation of the whole Strategic Economic Plan programme.

Tracking the outcomes of our proposed investments is the key tool to understanding the extent of the success of the Strategic Economic Plan.

Our proposed investments can be classified as a series of key deliverables. Using proven benefits management techniques we have extracted a range of benefits that the deliverables will bring to Oxfordshire. Those benefits have been mapped to provide a picture of how they lead to the outcomes of economic growth to which we aspire.



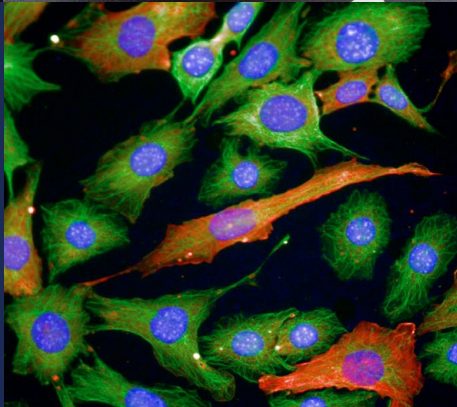


Talented individuals are also typically highly mobile... Boston and Oxford are both synonymous with higher education, but relatively few graduates stay there after graduating...
The Economist Intelligence Unit, 2012



This Government has set about fostering local enterprise by creating the conditions for businesses to thrive and our Enterprise Zones are one of the best ways places like Oxford can entice new companies to their area.
Communities Secretary Eric Pickles

Car manufacturing is a vital engine for growth. ... Our industrial strategy is a key part of the Government's economic plan and we're helping to drive the car industry further and faster with over £4bn of investment.
Prime Minister David Cameron



**For more information about Oxfordshire's
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