

OXFORDSHIRE GROWTH DEAL

The Oxfordshire Growth Deal aims to drive economic growth through innovation to meet the needs of the area's science and knowledge-rich economy, and to place Oxfordshire at the forefront of the UK's global innovation ambitions. Building on the successful Oxfordshire City Deal, announced in January 2014, the Deal seeks to drive investment in key sectors – including life sciences, electronics, telecoms and IT – by strengthening the business-critical infrastructure around the Oxfordshire 'Knowledge Spine' stretching from Bicester in the north through Oxford City centre to Science Vale Enterprise Zone in the south of the county.

The Growth Deal, subject to a satisfactory conclusion of the funding agreement, will bring together local, national and private funding as well as new freedoms and flexibilities to focus on four key priority areas as identified in the LEP's Strategic Economic Plan:

- **Innovative Connectivity** – allowing people and knowledge to move freely along the 'Knowledge Spine' and around the county by improving physical (transport) and service (broadband) connectivity
- **Innovative Place** - providing the quality environment needed to support growth
- **Innovative Enterprise** – building on the strength of Oxfordshire's university and industry research and development capacity to develop business collaboration and supply chain potential.
- **Innovative People** – delivering and attracting specialist skills at all levels and across sectors to meet business need

The Oxfordshire LEP has secured **£108.5m from the Government's Local Growth Fund to support economic growth in the area – with £9.2m of new funding confirmed for 2015/16 and £53.7m for 2016/17 to 2021.** This includes:

- As part of the Government's ongoing commitment to the Oxfordshire LEP a provisional award of a further £35.0m of funding for projects starting in 2016 and beyond; and
- £10.6m of funding which the Government has previously committed as part of Local Growth Deal funding to the area.

This substantial investment from Government will **bring forward at least £100m of additional investment from local partners and the private sector. Combined together this will create a total new investment package of £208.5m for the Oxfordshire LEP.**

By 2021, this Deal will create at least 6,000 jobs and allow 4,000 homes to be built.

The Oxfordshire Local Enterprise Partnership brings together local business leaders, business representation organisations (including the FSB and the Chamber of Commerce), Oxfordshire further and higher education institutions, together with Oxfordshire County Council, Oxford City Council and the districts of South Oxfordshire, West Oxfordshire, Vale of the White Horse, and Cherwell.

Summary of Oxfordshire Growth Deal projects and funding

This Growth Deal brings together different funding streams designed to support local growth, and with a share of the new Local Growth Fund, gives local partners the backing to focus on local priorities

LEP Local Growth Fund breakdown (£m)			
	2015/6	2016 onwards	Total
Local Growth Fund award	9.2	53.7	62.9
Previously committed funding	6.5	4.1	10.6
Provisional allocation to projects starting in 2016/17 and beyond	-	35.0	35.0
Total	15.7	92.8	108.5

These totals exclude match funding for European Social Fund (ESF) skills activities. The total amount of ESF skills activity LEPs have planned in their draft strategies over the 7 year programme is currently just over 1 billion euros. Actual skills ESF match will be used on the basis of the skills activity which is delivered at LEP level according to their final strategies

The Oxfordshire Local Enterprise Partnership and Central Government have agreed to co-invest in the following jointly-agreed priorities:

- **Headington Phase 1 & Eastern Arc Transport Improvements** - a package of junction and local road improvements to support growth in the Headington area of Oxford - a centre for medical research and the location of the bio-escalator at Oxford University Old Road campus, which was part-funded via the Oxford City Deal.
- **Oxfordshire Flood Risk Management Scheme and Upstream Flood Storage at Northway** - a comprehensive package of measures to mitigate the risks of damage to homes, businesses and transport connections caused by excessive flooding.
- **Centre for Applied Superconductivity** - a new centre of innovation to coordinate the interaction between key industry players, Oxford University, cryogenics companies, and end users (including SMEs) on the Harwell campus and at the Culham Centre for Fusion Research Campus.
- **Science Vale Cycle Network improvements** - a sustainable transport scheme providing greater connectivity between Science Vale and the newly improved Didcot station by bike.
- **Oxfordshire Centre for Technology and Innovation** - development of a Technology and Innovation Training Centre in Oxford to address skills shortages across engineering, electrical, design, and emerging technologies.
- **Didcot Station Car Park Expansion (Foxhall Rd)** - packages of measures for car park expansion including construction of a deck access car park on the existing Foxhall Road car park. Part of the expansion and improvement of Didcot station as a key gateway to Science Vale high tech cluster and the Enterprise Zone.
- **Bicester London Road – Level Crossing** - a pedestrian / cycle crossing to provide sustainable access into Bicester town centre, required for the more intensive train service as part of the East West Rail project.

Government has agreed provisional allocations for the following projects starting 16/17 and beyond:

- **Advanced Engineering and Technology Skills Centre** - a collaboration with Abingdon and Witney college, the centre will address local, regional and national skills shortages in Science Technology Engineering and Maths subject areas by supplying skilled technicians at Harwell Oxford and elsewhere in Oxfordshire; and deploying the unique expertise and facilities available at and around Harwell Oxford as a learning resource for the rest of the UK, Europe and the world.
- **Oxford Science Transit Scheme** - Local Growth Fund support will be used to expand the integrated public transport system along the Knowledge Spine, delivering major enhancements to the A40 strategic route between Oxford, Northern Gateway and Witney and connecting centres of innovation and economic growth with Oxfordshire's universities.

Local flexibility over Growth Deal programme: The Government recognises the significant steps that the Oxfordshire LEP have taken to deliver a successful and achievable Local Growth Deal and that the programme agreed in this Growth Deal represents a step up in the ambition of, and therefore expectations on, the LEP. The LEP will be expected to drive the delivery of all the projects in the Deal document and to achieve this the Government will disburse funds to the LEP quarterly in advance – with any changes to projects agreed each quarter. The Cities & Local Growth Unit will work closely with the LEP to resolve any outstanding concerns that will allow the Oxfordshire LEP to achieve increased flexibility ahead of the first payments in April 2015.

The Growth Deal does not amount to an endorsement of everything in the submitted strategic Economic Plan. Local development decisions for specific proposals must go through the normal planning process and be guided by local plans taking into account all material considerations.

Funding for projects starting in 2016/17 will be subject to conditions that Government will discuss with the LEP over the next few weeks and months, along with establishing the best timetable for the project, taking into account practicalities and affordability.

The Government commits to opening discussions with the LEP right away on its priorities for the next round of Growth Deals.

The Oxfordshire Growth Deal

The investment secured by the Deal will be focused on four key areas to deliver transformative growth:

Innovative Connectivity: the Deal will allow people and knowledge to move freely along the 'Knowledge Spine' and around the county by improving physical (transport) and service (broadband) connectivity. The transport package includes significant investment into the Headington area of Oxford, providing enhanced connectivity to Oxford's medical, science and research cluster — and also includes a provisional allocation towards Phase 2 of the transformational Science Transit integrated transport scheme. This major scheme will enhance the A40 strategic route between Oxford, Witney and the Northern Gateway innovation area, enabling the delivery of homes and jobs across West Oxfordshire, supporting innovative growth while promoting sustainability.

Together with a package of sustainable transport interventions and enhancements at key growth and modal hubs, these measures will improve access to key employment and research centres, and improve local public and sustainable transport connectivity.

The Deal will also see local partners taking steps to improve service (broadband) connectivity.

Oxfordshire LEP commitments	Central Government commitments
<ul style="list-style-type: none"> • Invest £4.3m in Headington Phase 1 & Eastern Arc Transport Improvements • Invest £0.4m in Science Vale Cycle Network improvements • Invest £13.5m in the Didcot Station Car Park Expansion (Foxhall Rd) • Invest £2.3m in the Bicester London Road Level Crossing • Invest £5m in the Oxford Science Transit Phase 2 Scheme starting in 2017/18 • Progress on the development and delivery of the priority transport schemes identified by the Oxfordshire Local Transport Body that are fundable within available pre-allocated Local Growth Fund resources. • LEP and Oxford City Council will commit to boosting SME voucher take-up as part of the Superconnected Cities Programme. • Support extension of superfast broadband coverage to 90% of UK premises by 2016, via existing broadband projects, the LEP will 	<ul style="list-style-type: none"> • Invest £8.2m in Headington Phase 1 & Eastern Arc Transport Improvements (£1.0m 2015/16) • Invest £4.5m in Science Vale Cycle Network improvements (£0.8m 2015/16) • Invest £9.5m in the Didcot Station Car Park Expansion (Foxhall Rd) (£0.6m 2015/16) • Invest £1.3m in Bicester London Road Level Crossing (£0.8 2015/16) • Provisionally allocate £35m to the Oxford Science Transit Phase 2 pipeline project, starting in 2017/18. • The Government is committed to the construction of a new rail link from the Great Western Main Line east of Slough to London Heathrow Airport (Terminal 5) to enhance access to Heathrow airport from Thames Valley and the West. Investment is subject to a satisfactory business case and the conclusion of a satisfactory agreement with partners including the aviation industry at London Heathrow Airport. Construction is programmed to commence during Control Period 5 (2014-19). Network Rail's provisional programme is to start construction in April 2017 with completion by December 2021 • The Department for Transport and Network Rail commit to more proactive engagement of the Local Enterprise Partnership in the long-term rail planning process (e.g. Route Studies) and in rail franchise

<p>commit to work with local partners and BT to support delivery.</p> <ul style="list-style-type: none"> • To support extension of superfast broadband coverage to 95% of UK premises by 2017, the Oxfordshire LEP will also work with local partners to help ensure match funding is in place for the next round of projects. 	<p>specification through targeted local engagement of the Local Enterprise Partnership as part of an enhanced consultation process. The Department for Transport also commits to encourage bidders for franchises to identify and take into account the priorities of Local Enterprise Partnerships and other key local stakeholders as part of the franchising process, and will also encourage Train Operating Companies to continue with, and enhance where possible, their engagement with LEPs as key local stakeholders.</p> <ul style="list-style-type: none"> • The Highways Agency commits to developing a more proactive and collaborative approaches to promoting national and local growth and commits to continue building strong relationships and working arrangements with Local Enterprise Partnerships and the Local Enterprise Partnership Network, in the same way as with Local and Combined Authorities and the Local Government Association. Through its Route Strategies, the Highways Agency will engage the Local Enterprise Partnership in better understanding the challenges and opportunities associated with the network and to develop evidence based long-term plans to bring about much needed local economic growth and development, and commits to providing each Local Enterprise Partnership with a named contact, generally the relevant regional director. The Highways Agency commits to forming a Growth and Economic Development Group to support Local Enterprise Partnerships at a national and sub-national level, and a draft license published on 23rd June 2014 for the new Highway Agency company includes a requirement to co-operate, which will underpin the arrangements described above.
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Innovative Place: the Deal will provide the quality environment needed to support growth. The Deal includes substantial measures to reduce the risk of flooding, including, investment in delivery of the Oxford Flood Risk Management Strategy (OFRMS), a critical piece of enabling infrastructure that will keep key transport links clear, businesses open and a workforce able to concentrate on work rather than the recovery of their property from flood damage. Looking to the future, the Government Property Unit will work with the LEP to examine the potential for land held by Government departments and/or Government owned companies to be released for development.

Oxfordshire LEP commitments	Central Government commitments
<ul style="list-style-type: none"> • Invest £62.5m in the delivery of the Oxfordshire Flooding Risk Management Scheme, working closely with the Environment Agency. • Invest an additional £1.3m in a smaller flood relief 	<ul style="list-style-type: none"> • Invest £25.9m in the Oxfordshire Flooding Risk Management Scheme (£1.0m 2015/16) • Invest an additional £0.6m

<p>scheme in Oxford City, the upstream flood storage project at Northway.</p> <ul style="list-style-type: none"> The LEP and local planning authorities commit to working together to deliver the housing provided for in Local Plans. The LEP recognises the potential role it can play in supporting local planning authorities to deliver growth through local plans. Given the position on local plan-making in the area and the challenges relating to effective strategic cross boundary working, the LEP commits to supporting the five local planning authorities in its area to ensure they positively engage with the Duty to Cooperate to deliver strategic planning priorities and update their local plans in accordance with the timetable submitted as part of the LEP monitoring framework. 	<p>(2015/16) in a smaller flood relief scheme in Oxford City, the upstream flood storage project at Northway.</p> <ul style="list-style-type: none"> The Government Property Unit (GPU) will engage with the LEP to examine the potential to release government land and property to promote local economic growth and / or housing development.
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Innovative Enterprise: The Deal will build on the strength of Oxfordshire’s university and industry research and development capacity to develop business collaboration and supply chain potential. In particular, the Government will invest in a new Applied Centre for Superconductivity, subject to a strengthened business case being produced with an emphasis on managing down the risks to the project. The new innovation centre will coordinate the interaction between key industry players, Oxford University, cryogenics companies, and end users (including small and medium sized enterprises) on the Harwell campus at Science Vale and at the Culham Centre for Fusion Research Campus, capitalising on the global reputation of Oxfordshire’s knowledge base and translating academic and research excellence into business growth, wealth generation and inward investment.

The Growth Deal also includes revenue funding to strengthen the Oxfordshire Growth Hub.

Oxfordshire LEP commitments	Central Government commitments
<ul style="list-style-type: none"> Invest £2m in a new Applied Centre for Superconductivity. Provide £740,000 of public and private match funding in 2015/16 to support the development and delivery of the local Growth Hub. Provide a clear model for coordinating and simplifying business support so that it joins up national, local, public and private support and creates a seamless customer experience for businesses, which makes it easy for them to get the right support at the right time. 	<ul style="list-style-type: none"> Invest £4.5m (£0.9m 2015/16) in a new Applied Centre for Superconductivity, subject to the production of a comprehensive risk management plan as part of a worked up business case. Provide £250,000 funding to the LEP for Growth Hub business support coordination, subject to the Growth Hub meeting minimum conditions that reflect the position agreed by the Government review on business support and services. UKTI will commit to effectively communicating its strategic priorities to LEPs and where possible help them access relevant opportunities. UKTI has doubled the number of Partnership Managers to 16. This will ensure that UKTI can work more closely with LEPs and help build their capability to secure more inward investment.

	<ul style="list-style-type: none"> The Technology Strategy Board recognises the important and valuable role that LEPs are playing in promoting and supporting innovation, and is committed to developing strong and effective relationships with LEPs both individually and collectively to build on this. The Technology Strategy Board is committed to supporting LEPs in developing the emerging Growth Hubs and in exploring how LEPs can help drive up local business awareness and engagement in Technology Strategy Board programmes and initiatives.
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Innovative People: The Deal will deliver and attract specialist skills at all levels and across sectors to meet business need and tackle unemployment. Local partners and Government will co-invest in two new skills centres to tackle science, technology, engineering and maths shortages, in order to help develop a ‘world class’ Oxfordshire skills and learning eco-system that is better able to support the local growth ambition, world class sectors and communities.

Improving skills levels is a key factor in stimulating local growth and taking advantage of new economic opportunities. Government is committed to ensuring that adult skills provision is increasingly responsive to the needs of business, supports local economic growth and jobs.

The LEP will work with Government to improve the quality of education facilities to drive growth in Science Technology Engineering and Maths apprenticeships.

Oxfordshire LEP commitments	Central Government commitments
<ul style="list-style-type: none"> Invest £3.4m in a new Oxfordshire Centre for Technology and Innovation. Invest £1.9m in a new Advanced Engineering and Technology Skills Centre. Deliver 45 direct jobs across these two projects. Align £8m European Social Funds to improving socio-economic inclusion, improved skills and better employment. The Government expects the Oxfordshire LEP to open up new jobs associated with the Local Growth Fund to local unemployed and long-term unemployed people working closely with local and national back to work initiatives. This would be part of a wider expectation that local areas use the Social Value Act, drawing on best practice across local councils and central expertise in 	<ul style="list-style-type: none"> Invest £4.5m (£3.5m 2015/16) in a new Oxfordshire Centre for Technology and Innovation. Provisionally allocate £4m to a new Advanced Engineering and Technology Skills Centre, with build starting in 2016/17. Government commits to working with the Oxfordshire Local Enterprise Partnership to help ensure that local employer priorities are fed into the operations of the new NCS providers in Oxfordshire. Government, through the Skills Funding Agency, will support the process to ensure that provision meets local priorities and that increasing responsiveness is delivered through a three-pronged approach:

<p>maximising social value.</p> <p>Local Enterprise Partnerships are well-positioned to enhance the current Careers Information, Advice and Guidance offer by influencing the shape of provision so that it meets the needs of the local economy. Moreover, they have the ability to link employers with education providers; can have strategic influence over skills supply; and have the ability to coordinate local services towards a shared goal. To achieve this, the Oxfordshire LEP will:</p> <p>Facilitate stronger linkage between education providers and local businesses, through the creation of ‘Opportunities to Inspire’ part-funded through the Oxfordshire City Deal. We will also work with relevant local stakeholders to communicate our priorities and align our offer to the National Careers Service (NCS) providers ahead of the new service’s roll-out in October 2014 in order to augment the service.</p> <ul style="list-style-type: none"> • Consider skills implications as part of decision taking on growth strategies. • Clearly articulate and evidence their skills priorities in the light of strategic national and local growth opportunities and communicate them to the FE and skills sector. • Positively engage the FE and skills sector in key strategic partnerships via the Oxfordshire Skills Board. • Recognise where the private sector has a responsibility to invest in skills provision and work with business and the skills system to realise that investment 	<ul style="list-style-type: none"> ○ Procurement of new provision: LEPs will be involved throughout the process and providers’ track records against LEP requirements will be considered as part of this assessment. ○ Accountability: Providers will be required through their funding agreements with the Agency to explain to LEPs details of their provision and planning and we are testing ways in which they can be most effectively held to account for being responsive to local economic priorities. The Skills Funding Agency is trialling Skills Incentives Pilots from 2014/15 in Stoke and Staffordshire, the North East and West of England, designed to explore the mechanisms through which providers will account to LEPs for delivery. ○ Allocations and Intervention: In future years providers’ records in delivering to LEP requirements will be taken into account when setting allocations and triggering interventions. From 2015/16 the Skills Funding Agency will take into account the outcomes of the Skills Incentive Pilots in Stoke and Staffordshire, the North East and West of England, in making allocations to those providers in scope; subject to evaluation of the pilots, these mechanisms will be rolled out to other LEPs in future years. <ul style="list-style-type: none"> • Government will set out revised information for LEPs on how they can take advantage of this approach and options for seeking advice if provision is not responsive to their needs. The Skills Funding Agency will publish information during summer 2014 on how LEPs can influence the use of all skills budgets in their localities, and the steps they can take if they are dissatisfied with the pattern of delivery. • Government will seek to improve the provision of skills data for LEPs and will develop and publish new reports that will quantify and assess responsiveness to local skills needs. In the summer of 2014 the Skills Funding Agency will provide all LEPs with a data set that updates them on the provision delivered in their areas.
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As part of the deal, the LEP will:

- **Strengthen governance** by implementing and consolidating their Joint Committee arrangements, streamlining their sub-groups, and putting in place codified, transparent arrangements to ensure continuous Board refreshment. The LEP will work with the constituent local authorities to review and strengthen the supporting local authority partnership arrangements
- **Ensure implementation and demonstrate success**, by accepting the funding agreement, and by tracking progress against milestones and agreed core metrics and outcomes in line with a monitoring and evaluation framework. This will include agreeing monitoring metrics and reporting arrangements with the Government by September 2014. The LEP will also produce an evaluation plan for the projects contained in the Deal before April 2015.
- **Communicate the ongoing outputs and outcomes of the Deal to the local community and stakeholders** by publishing the Growth Deal and reporting regularly, and publically, on their progress to implement the strategy, ensuring that local people understand how Government money is being spent via the Growth Deal, and what the benefits are for them and the area. The Cities and Local Growth Unit will continue to work with the LEPs on communications activities, and help make the links with other Government communications teams.
- **Ensure value for money** by developing robust processes that will guide local decision-making. This will include agreeing an assurance framework with the Government by September 2014, building on existing local and national frameworks

Funding for projects starting in 2016/17 will be subject to conditions that Government will discuss with the LEP over the next few weeks and months, along with establishing the best timetable for the project, taking into account practicalities and affordability.

The Government commits to opening discussions with the LEP right away on its priorities for the next round of Growth Deals.