

LOCAL ENTERPRISE PARTNERSHIP

Report by Director for Environment and Economy

Context

1. The purpose of this paper is to provide members with an update on the work of the Oxfordshire Local Enterprise Partnership.
2. The Oxfordshire Local Enterprise Partnership was established at the beginning of 2011. The initial basis for the Partnership was developed in response to an initial invitation from Government. Ministerial approval for the Partnership was received in March 2011, making it one of the first Partnerships to be established in the Country.
3. A review of the governance and working arrangements was undertaken towards the end of 2011. This reviewed the Partnership's progress during the set up phase and enabled changes to be put forward that reflected experience. It also enabled the implications of an enhanced role for the Partnership to be taken into account: an enhanced role arising out of further Government initiatives.
4. Revised governance and working arrangements were agreed by the partners and came into effect from May 2012. At the same time the Chairmanship of the Partnership passed from Martin Dare-Edwards to Adrian Shooter.
5. The primary aim of the Partnership is to support the creation of more private sector jobs in Oxfordshire. It provides leadership in encouraging enterprise in the Oxfordshire economy, helping to create more sustainable, value-adding jobs and removing barriers that inhibit growth.
6. A key consideration right from the establishment of the Partnership has been the importance of ensuring that it adds value, that it does not duplicate existing activity, and that its activities are prioritised.
7. It is a partnership between the business community and local government that operates as an unincorporated association. The governance structure comprises an Executive Board, Programme Sub-groups and the Forum. The Executive Board is responsible for preparing an annual business plan on behalf of the Partnership and for ensuring that its agreed priorities are taken forward.

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8. The Forum is a group of senior business leaders in Oxfordshire that meet with the Chairman and Vice Chairman at least twice a year. The Forum provides the opportunity for business leaders to influence the strategic direction of the Enterprise Partnership over time. In addition the Chairman of the Partnership is committed to meeting with the Leaders of all the Local Authorities on a regular basis.
9. Secretariat and administrative support for meetings of the Partnership is provided by County Council staff. A broad range of partners are involved in the detailed work associated with the work priorities of the Partnership.

The Executive Board

10. One of the key changes introduced with the new governance and working arrangements was to strengthen the accountability of individuals nominated to the Executive Board. Executive Board members comprises representatives from the business sector, the education sector and the public sector.
11. Business sector representatives are a combination of nominations from business-led partnerships in the major areas of economic growth – Bicester, Oxford (and environs) and Science Vale UK – and nominations by representative business organisations – such as the CBI, IoD, Federation of Small Businesses.
12. The Oxfordshire economy benefits substantially from the investment made by the Colleges and Universities in supporting and fostering an enterprise culture. It is on this basis that the Executive Board has representatives from Oxford University, Oxford Brookes University and Oxford/Cherwell Valley College.
13. Public sector representation on the Executive Board comprises the Leader of Oxfordshire County Council and two nominees made by the District Council Leaders. The latter are currently the Leader of South Oxfordshire District Council (in her role as Chairman of the Spatial Planning and Infrastructure Partnership) and the Leader of Oxford City Council.
14. Each Board member is expected to
 - a) Attend a minimum of 80% of Board meetings per annum
 - b) Act as a champion for one (or more) of the Partnership's priority areas of work – 'the programme'
 - c) Communicate with and represent the collective interests of the programme on which they are leading

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- d) Act as a conduit for the flow of information to/from the Executive Board about their programme.
15. Appointments to the Executive Board are made on a non-executive basis. The Chairman and Vice-Chairman of the Executive Board are elected by their peers. Voting is on the basis of 'one member, one vote' with the Chairman holding the casting vote.
16. The working relationship between the Enterprise Partnership and the Spatial Planning and Infrastructure Partnership has been strengthened under the new governance and working relationships – with the Chairman of each being a member of the other Partnership and a protocol setting out in greater detail the working relationship.
17. The new governance and working arrangements also strengthen the link with the skills agenda, with the Chairman of the Oxfordshire Skills Board a member of the Executive Board.

Core Funding

18. In September 2012 the Government announced that Enterprise Partnerships will receive core funding of £250,000 per annum for the remainder of this Parliament. This additional resource will enable the Partnership to push ahead with its core areas of work.
19. Details of the funding are still emerging from Government and the Executive Board is still considering how it will allocate this funding. The Government guidance is clear that it sees the core funding to be in addition to existing levels of support provided by the private and public sectors. It is also clear that the nature of the Partnership should not be fundamentally changed as a consequence of the availability of core funding.

Work Priorities

20. The Executive Board has prioritised its activities centred around a discrete number of work streams, each of which is led by a 'champion' who is a Board member:

Skills	Adrian Lockwood
Innovation	Ian Walmsley
Inward Investment	Nicholas Grant
Business Support	Phil Shadbolt
Access to Finance	Ian Wenman
Infrastructure	Adrian Shooter
Broadband and Digital	Margaret Coles

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21. Each champion is responsible for defining the scope of the work stream and for pulling together partners (from both [private and public sector) to work on identifying the actions that need to be taken forward.

Investing in the Oxfordshire Economy

22. The Government has set out an important role for the Enterprise Partnership in helping identify investment priorities and in allocating funds.
23. The stronger working relationship between the Enterprise Partnership and the Spatial Planning and Infrastructure Partnership is enabling progress to be made towards having a single, prioritised, list of strategic infrastructure requirements. Arriving at a single prioritised list will help ensure consistency of approach in the allocation of the funds available to support the Oxfordshire economy
24. The Enterprise Partnership was awarded £8m as part of the Government's Growing Places Fund. The Partnership has used this to set up a 'revolving fund': allocating monies to deliver infrastructure that enables economic growth to take place and then recovering the initial investment so as to enable the funds to be recycled and a further investment to be made elsewhere in Oxfordshire.
25. In order to administer the Growing Places Fund the Enterprise Partnership has established an Infrastructure Funding Sub-Group. Through this the Partnership invites proposals to be submitted for consideration. Proposals are independently checked and assessed prior to being considered by the Sub-Group. The County Council is the accountable body on behalf of the Partnership for the Growing Places Fund: a requirement for the Fund being that the monies are public sector funds.
26. The initial call for proposals led to the Partnership allocating funds to 3 projects that will support economic growth in and around the Milton Park and Harwell Science Park campuses. The Partnership has recently issued a call for further proposals to be put forward for consideration.
27. The Enterprise Partnership was successful in securing Enterprise Zone status for parts of Milton Park and Harwell. A key benefit of the Enterprise Zone is the fact that Government has guaranteed that any growth in the business rates (arising out of economic growth) is fully retained within Oxfordshire for the benefit of the Oxfordshire economy.
28. The scale of the growth planned within the Enterprise Zone is such that the funds retained within the Oxfordshire economy could be in the order of £150-200m over the next 20 years. The Enterprise Partnership is working closely with Science Vale UK to ensure that the potential of the Enterprise Zone is realised. To that end the Enterprise Partnership has prioritised use of the funds generated by the Enterprise Zone to invest in the infrastructure needed to enable its potential to be realised. However ultimately the funds generated

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by the success of the Enterprise Zone will bring benefits across the whole of the Oxfordshire economy.

29. The Partnership has also been championing investment in infrastructure elsewhere in Oxfordshire with Highways Agency funding (matched in part by the County Council) secured to deliver further improvements at M40 Junction 9. A bid to Government in support of the 'super connected city' bid for Oxford has been submitted in partnership with the City and County Councils – an announcement on this is expected as part of the Government's autumn statement.
30. The Government has announced that in future it will devolve the allocation of funding for local transport 'major' schemes to Local Transport Board. Until now the allocation of funds for these schemes – typically in excess of £5m – has been made by the Department for Transport in response to proposals submitted by Local Transport Authorities.
31. Under the new arrangements Local Transport Boards will be established to allocate a sum of money identified for the local area. The Board will be a partnership between the Local Transport Authority (the County Council), the Enterprise Partnership and potentially a number of other partners. Proposals for the governance arrangements for Local Transport Boards have to be submitted to the Government by the end of the calendar year.
32. The Enterprise Partnership, along with the City Council and County Council has been invited to come forward with a proposal for a second-wave 'city-region deal'. The prospectus issued by Government identifies 5 tests that any proposal must focus on:
 - Reducing regulation, creating well functioning markets and promote an enabling environment for business and boost private sector growth and investment
 - Strong governance across the functional economic area, so that decisions necessary for the growth of the area as a whole can be taken quickly and effectively
 - The ability to harness significantly greater private sector input, expertise and resources
 - The political commitment and readiness to put resources into delivering the deal
 - Driving efficiency in the use of public money in the area and doing more with less.
33. Discussions are at an initial stage and are currently focused on identifying the potential theme that might underpin a proposal from Oxfordshire. Deadline for the submission of an Expression of Interest is 15 January 2013.

The Committee is invited to note the progress being made by the Local Enterprise Partnership