

To: Council
Date: 1 October 2018
Report of: Economic Development Manager
Title of Report: Partnership Update Report – Oxfordshire Local Enterprise Partnership

Summary and recommendations	
Purpose of report:	To provide members with an update on the progress and impact of the Oxfordshire Local Enterprise Partnership.
Key decision:	No
Executive Board Member with responsibility:	Cllr Susan Brown
Corporate Priority:	Vibrant and Sustainable Economy
Policy Framework:	Oxford Economic Growth Strategy
Recommendation(s): That the Committee resolves to:	
1. The Council is invited to comment and note the report.	

Appendices
None

Introduction and background

1. Established in March 2011, the Oxfordshire Local Enterprise Partnership Ltd (OxLEP) is responsible for facilitating the strategic development of the Oxfordshire economy and is now well established as the primary partnership promoting economic growth. CEO, Nigel Tipple leads a team of staff who work closely with a network of business, further and higher education representatives, and Economic Development officers.

2. Jeremy Long was appointed as Board Chair in March 2016. He is currently CEO for Europe of the Hong-Kong headquartered international railway and property group MTR Corporation, and has played a role in positioning the importance of Oxford Station thus far. Cllr Susan Brown is the City Council’s LEP Board member, alongside the other council leaders across the county. Peter Nolan of Oxford BioMedica recently joined the LEP Board and also chairs the Oxford Economic Growth Board (OSP sub-group), providing a direct link between the

city's interests and the wider LEP area. Peter replaced Richard Venables of VSL&P in late 2017. Phil Southall, Managing Director of the Oxford Bus Company, and Penny Rinta-Suksi, Partner at Blake Morgan also Oxford based members of the Board covering transport issues and programmes.

3. City Council Officers are involved in a range of OXLEP partnerships and OxLEP colleagues are involved in many city/district partnerships. There is ongoing officer involvement and engagement with the LEP through various officers and teams including CMT, Regeneration and Economy, Planning, Environmental Sustainability, and Welfare Reform. LEP related partnerships that have involved city council officers over the last twelve months include;
 - a) The Local Industrial Strategy Steering Group (see below)
 - b) Oxfordshire Skills Board on delivery of the Oxfordshire Skills Strategy
 - c) Oxfordshire European Structural Investment Funds Committee (see below)
 - d) Joint Oxfordshire Business Support Group - Collaborating on the provision and resourcing of local business support that meets local business needs.
4. The LEP is also involved in supporting the following partnership groups;
 - a) The Oxford-Cambridge Corridor
 - b) The Oxfordshire Growth Board
 - c) The Oxford Strategic Partnership
 - d) The Oxford Economic Growth Board
 - e) Smart Oxford Board.
5. The LEP's various sub-groups involving a range of board members and stakeholders include Skills, Innovation, Business support, Programme delivery, Transport, Visitor Economy, Environment and sustainability, and Enterprise Zones.

Achievements

6. OxLEP has worked to ensure Oxfordshire is recognised by government and local stakeholders, as having of the most innovative and resilient economies in the UK. With a GVA of £23billion per annum, they state the county is one of only three net contributors to the Exchequer.
7. Together with partners including the Oxfordshire Growth Board, OxLEP has helped to secure around £600 million-worth of central government and European funds for the Oxfordshire economy. Around £142.5m was secured for Oxfordshire through the Local Growth Fund 1, 2 and 3 funded projects include; the OFAS, Oxpens, Oxford Station, Northern Gateway and Osney Mead, with around £12m awarded to the city in the third round in 2017.
8. SWM also ranked OXLEP first for climate change/low carbon commitment against ESIF allocations and fifth for its commitment to climate change adaptation, mitigation and the low carbon economy. The LEP is currently in the process of developing the Oxfordshire Energy Strategy, to be aligned to both the UK Industrial Strategy and the Clean Growth Strategy.

9. In the Oxfordshire LEP area there were 93 successful FDI projects in 2017-18. Through these investments 1,315 new jobs were created and 403 jobs safeguarded. In addition, the LEP attracted 5 'multi-region' FDI projects. The figures are a 122% increase from the previous year. Whilst the numbers are inflated by growth at Westgate and Bicester Village, there was still a significant increase without them. 53% of new projects located within Oxford City.
10. Local Industrial Strategy (LIS): Arising from the Housing and Growth Deal, which OxLEP played a role in securing, Oxfordshire is one of three alongside Manchester and Birmingham invited to create government backed local industrial strategies in conjunction with central government and local partners. City Council Officers have been closely working with the LIS steering group. The Oxfordshire LIS will set out an ambitious plan improve productivity, tackle the UK's 'Grand Challenges' identified in the National strategy, and develop future industries. The stated vision is to 'become a top three global innovation ecosystem by 2040'. The LIS will identify priority interventions alongside an investment prospectus aimed at a broad audience of stakeholders and investors, to help them understand how they can contribute to the delivery of the overarching vision for Oxfordshire's industrial development over the next twenty years. The completed strategy, agreed with Government, is expected by December 2018.
11. European Structural and Investment Funds: OxLEP is locally administering this €19.3m programme from 2014-2020, led by MHCLG. Launched in 2018, Innovation Support for Business is a £5.2m programme run in Oxfordshire by OxLEP Business to support eligible start-ups as well as small and medium enterprises (SMEs). Finance for the programme has been provided by the European Regional Development Fund (ERDF) with match funding from our local partners. It will enable improved access to experts and collaborate with research institutes to commercialise new ideas and introduce new innovations to businesses. OxLEP is delivering the ISfB programme with partners from the University of Oxford, Cherwell District Council, Oxford City Council, and Oxford University Hospitals NHS Foundation Trust.
12. Existing programmes involving Oxford City Council include the £3.2m 'OxFutures' Low Carbon Economy Programme, £586K community grant European Social Funds to boost employability skills and Building Better Opportunities (£734K) in conjunction with Lottery Funds focussing on supporting those not in training education or employment (NEETs). The LEP played a role in securing these through its ESIF strategy and administering the ESIF process at a local level alongside central government.
13. A range of other areas of joint working that have achieved traction with government and local partners include;
 - a) Coordination with local councils on the Housing and Growth Deal
 - b) Influencing Government on a range of strategic issues in conjunction with the councils, such as the National Infrastructure Commission's work on the Oxford to Cambridge Growth Corridor.

- c) Collaborating on foreign, direct and inward investment attraction, and trade promotion activity with OxLEP. A China Investment and Trade Prospectus is due to be developed to direct and manage demand from this key growth market
 - d) Working on a shared approach to business engagement with council officers, to retain and create jobs, including a programme of employer meetings and a range of business forum events
 - e) Skills Strategy development and partnership working to deliver Community Employment Plans related to major local investments
 - f) Conducting research where required, including an impending review of the feasibility of further developing the business visitor economy and enhanced conference venue provision, by developing new or enhancing use of existing assets.
14. **Funding:** As indicated above, a key role of the LEP is securing and distributing resources for delivery of the Strategic Economic Plan through a variety of means as highlighted above. In this role, OxLEP is widely acknowledged to have been successful since its launch. A brief summary of its track record is below;
- a. £55.5m through the City Deal in 2014.
 - b. a €19.3m ESIF funds being successfully allocated locally
 - c. Contribution to the negotiation of a £215 million Oxfordshire Growth Deal
 - d. Key capital schemes in receipt of a range of funding since 2014 include
 - i. Northern Gateway -£6M
 - ii. Oxpens - £3.5M
 - iii. Osney Mead - £6.2m
 - iv. Oxford Station - £5.1m
 - v. £15.2m go towards two innovation centres based at Oxford University: the Begbroke Innovation Accelerator at Begbroke Science Park (Cherwell) and the Oxford BioEscalator at the University's Old Road Campus.
 - vi. £26M towards the Western Flood Relief Channel and £0.6m Flood containment at Northway.
 - vii. Access to Headington - £8.2m.
 - viii. Centre for Applied Superconductivity - £4.5m
 - ix. Oxfordshire Centre for Technology and Innovation - £4.5m
 - x. Science Transit (Oxon wide) £35m.
15. **Overall Impact:** OxLEP monitors and reports its impact to the OxLEP Board through a quarterly Operating Plan and [Annual Report](#), formally launched 25th September 2018. Members are also encouraged to view the report for more detail. In general terms, the LEP's work is now characterised by strategy, influence, coordination and delivery of programmes that directly or indirectly enable productivity growth, job creation/safeguarding/attraction, and an improved environment for business. Overall there has been an increase of around 43,000 jobs from 2012-2016, close to half of the 85,000 projected to 2031. The LEP's report highlights the influence they have had across skills and careers, business support, capital and revenue funded programmes and in guiding the strategic direction for Oxfordshire's economy.
16. **Partnership Function:** The LEP, alongside officers generally makes a consistent collective effort to work in partnership with business, local authorities,

education and other stakeholders, in what is relatively a complex environment. City council officers are working to help ensure this partnership continues to function well in the city's interests.

Financial Implications

17. The City Council has not been required to make a direct annual budget contribution to the LEP, but there is a significant amount of resource in kind through member and staff time for attending meetings, coordination and communication of decisions, and matching existing staff costs of European Funded programmes related to business support. There are no additional financial implications as a direct result of this report

Legal Implications

18. There are no legal implications at present.

Level of risk

N/A.

Equalities impact

N/A.

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Background reading: OxLEP Annual Report - <https://www.oxfordshirelep.com/sites/default/files/uploads/44360%20Annual%20Report%202017-2018%20WEB.pdf>

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