Agenda Item 15a



To: Council

Date: 27th January 2025

Report of: Carolyn Ploszynski, Head of Regeneration &

Economy

Title of Report: Partnership Update – Oxfordshire Local Enterprise

Partnership

Summary and recommendations

Purpose of report: To provide members with an update on the work of

Oxfordshire Local Enterprise Partnership (OXLEP).

Key decision: No

Cabinet Member: Cllr Hollingsworth, Cabinet Member for Business, Culture

and an Inclusive Economy

Corporate Priority: Fostering an Inclusive Economy

Policy Framework: Oxford Economic Strategy, Oxfordshire Strategic

Economic Plan

Recommendation(s):

1. The Council is invited to comment and note the report.

Appendices		
Appendix 1	Oxfordshire Strategic Economic Plan, Dec 2023	
Appendix 2	Oxfordshire Strategic Economic Plan, Sept 2024	
Appendix 3	OxLEP Impact 24/25 Supporting Information	

Introduction and background

1. Oxfordshire Local Enterprise Partnership Ltd (OxLEP) is the over-arching local partnership promoting economic growth and shaping the strategic direction of the Oxfordshire economy. Chief Executive, Nigel Tipple leads a team of staff who work closely with a network of business representatives, further and higher education representatives, state secondary schools/colleges and Economic Development officers. OxLEP are a key stakeholder supporting the Oxfordshire 'Whole System'

- (Local Authorities and Public Health) and also are members of the Future Oxfordshire Partnership.
- 2. Cllr Susan Brown is the City Council's OxLEP Board member, alongside the other council leaders across the county. Peter Nolan, formerly of Oxford Biomedica sits on the OxLEP Board and also chairs the Oxford Economic Growth Board (a subgroup of Oxford Strategic Partnership, on both of which Cllr Susan Brown also sits), providing a direct link between the city's interests and the wider OxLEP area. Officers are involved in a range of OxLEP partnerships, and OxLEP colleagues are involved in many city and district partnerships. There is ongoing officer involvement through Directors, Regeneration & Economy, Planning, Sustainability and Welfare Reform. OxLEP's current (pre-transition, integration to County Council) Governance and Reporting Structure is included in Appendix 3.
- 3. Council expects a partnership update on OxLEP every year. The last update to Council was on 20 March 2023. This paper includes key headlines of outputs and outcomes from OxLEP (in **Appendix3**), while also summarising key points about OxLEP's transition into Oxfordshire County Council and the development of the Strategic Economic Plan, both of which are exceptional activities this year.

OxLEP Review-Transition & Integration:

- 4. HMG published the outcome of the LEP review in March 2022. Government has since encouraged the integration of LEPs and their business boards into Mayoral Combined Authorities and County Deals, where these exist. At the time of writing OxLEP staff informed us that only 6 of 38 LEPs nationally remain to be integrated into Local Authorities, Oxfordshire being one of them.
- 5. April 2024 saw HMG formally end its support for Local Enterprise Partnerships with core functions being transferred to upper tier authorities, in Oxfordshire's case that being Oxfordshire County Council. Government still expects the following LEP functions carried out under previous LEP funding agreements to now be exercised by upper tier local authorities:
- Business representation Business Voice
- Strategic economic planning
- Delivery of government programmes. In Oxfordshire these are: Growth Hub funded via Department of Business & Trade (DBT); Careers Hub funded by OxLEP co-investment with Department of Education; managing strong DBT investment pipeline for Oxfordshire (no funds received)
- 6. OxLEP thus transferred the required Economic Functions and adopted Governance changes on 1 April 2024. The County Council's OxLEP Transition Plan is underway and it has three distinct phases of transition: Change of control and transfer of Functions by 31 March 2024; Alignment by 30 September 2024; and Final Alignment by 31 March 2025.

Phase 1 took effect from April 2024 with OxLEP becoming incorporated as a TECKAL company with County as Owner. More information and guidance on Teckal can be found on GOV.UK: Alternative delivery models explained.

7. Phase 2 'Alignment by 30 September 2024' is currently being undertaken with business plans being taken to the County Council's October Cabinet meeting where they will propose both business plans as well as a corresponding gold,

silver, bronze set of delivery options. Existing funding to OxLEP is variable with durations of either until March 2025 or March 2026. The budgeting arrangements will directly inform the Oxfordshire Strategic Economic Plan and its associated delivery plan.

- 8. Phase 3 'Final Alignment by 31 March 2025' will complete the integration of OxLEP into the County Council Economic Development function, following the agreement of governance, budgeting and delivery arrangements post-October County Council Cabinet.
- 9. In November 2024, The County Council's OxLEP Transition Phase 2 was agreed by County Cabinet on 19th November with the following recommendations:
 - -Note that the county council is now responsible for economic development functions previously the responsibility of the Oxfordshire Local Enterprise Partnership (OxLEP), including strategic economic planning.
 - -Agree to **retain the existing council owned company OxLEP**, for the delivery of **some of these economic functions** as set out in a revised contract and based on the business case attached at Annex A.
 - -Agree to establish a **Shareholder Committee as a committee of Cabinet with Terms of Reference** as set out in Annex B and, with the assumption that this is first agreed by Cabinet, that the Shareholder Committee will meet within one month of this Cabinet meeting.
 - -Recommend to the **established Shareholder Committee that they then make changes to the Articles of Association** as attached at Annex C and change the trading name of the company to Enterprise Oxfordshire.
 - -Agree to the Shareholder Committee immediately appointing the company directors and make any appointments that are required from time to time in accordance with revised Articles of Association.
 - -Agree that the **Cabinet will be responsible for developing a new Strategic Economic Plan**, in consultation with other partners, founded on the strategic priorities of the council.
 - -Agree to the Shareholder Committee tasking the company directors to oversee the development of a business plan and budget for 2025/26 and future years for sign off from the Shareholder Committee, in line with the economic priorities set out by Cabinet.
 - -Agree to establish an **Oxfordshire Economic Partnership Board** to support the Cabinet in the discharge of its economic development functions.
 - -Delegate authority to the Chief Executive in consultation with the Executive Director of Resources and the Director of Law and Governance and Monitoring Officer to agree and conclude the details of amendments to the contract with OxLEP Ltd including the revisions in recommendation 2 above, the extension of the contract to 31 March 2026 and confirmation of arrangements regarding the delivery of the Skills Bootcamps initiative.

Oxfordshire Strategic Economic Plan

10. In January 2023, OxLEP commissioned SQW – working with Oxford Brookes Business School and glass.ai – to prepare a refreshed Oxfordshire Strategic Economic Plan (SEP) for Oxfordshire, the previous plan having been launched in 2016. The revised strategy was written to be consistent with the Future Oxfordshire Partnership's Strategic Vision for long term sustainable development, the ambition which sits at the heart of the Strategic Economic Plan is summarised as follows:

'By 2033, people and communities across Oxfordshire will be benefitting from new opportunities which are created sustainably through local enterprise and innovation. These will enhance further their wellbeing in an outstanding local environment. They will also underpin, complement, and support a wider innovation ecosystem which will continue to be of global significance, transforming for the better the lives of people across the world.'

In addition, four objectives were identified. The SEP seeking to advance all four, working in concert with other strategic processes across and beyond Oxfordshire:

- Enable Oxfordshire's businesses to thrive and encourage pervasive innovation.
- Widen access to current opportunities and equip people and places as jobs change over the next decade.
- Secure resilient infrastructure for planned growth, consistent with Oxfordshire's commitment to net zero carbon by 2050.
- Ensure that Oxfordshire's places are sustainable and inclusive, and that local communities flourish.
- 11. To inform the SEP, an Independent Economic Review (IER) for Oxfordshire was also launched which sought to engage both with the business community, local people, and public sector partners. This involved:
 - a **call for evidence** which generated submissions from stakeholders across Oxfordshire and was structured to map onto the Deep Dives.
 - **six workshops**, which were held in Spring 2023, focused specifically on key areas of evidence in relation to each of the Deep Dives.
 - bilateral discussions, focusing especially on the four Deep Dives.
 - a broader **review of key evidence and literature**, in part structured by the Deep Dives, but also in relation to more general trends and drivers.

Oxford City Council officers attended the workshops and provided evidence including from Oxford's Economic Strategy and the Oxford Local Plan (both adopted and emerging). In addition to the above engagement, OxLEP established a working group that met monthly throughout the development of the SEP. This included officer representatives from each of the Oxfordshire councils as well as representatives from both Universities, local colleges, and departmental representatives of Government. This process informed the SEP and it was finalised in December 2023 (see **Appendix 1**) and was endorsed by Oxford City Council at its January 24 Cabinet. This endorsed the report and empowered officers to support the subsequent action-planning process from 2024 onwards.

- 12. In Summer 2024, OxLEP announced that the Oxfordshire SEP previously finalised in December 2023, would need to be revised again. OxLEP stated that the rationale for this review was: 'to take account of the changing policy landscape here in Oxfordshire. The document attached addresses those opportunities and reflects further on the Climate Change, Community Wealth Building, Circular Economy and opportunities to utilise Doughnut Economics methodology to develop an Oxfordshire Doughnut "evaluation framework".'
- 13. Version 4 of the Oxfordshire Strategic Economic Plan had clearly been reframed around County Council priorities ahead of budgeting and delivery arrangements as part of Phase 2/3 of OxLEP's integration.

- 14. In September 2024 a response letter from the Leader and Chief Executive Officer of Oxford City Council stated disappointment at 'the process that has been followed for revisions being made to a document we endorsed at Cabinet in January 2024. We believe the revisions have not led to a strengthened Strategic Economic Plan for the county' and in addition, specifically captured the following 4 key concerns about the version 4 revisions of the Oxfordshire Strategic Economic Plan:
 - Partnership Approach- 'The document now lacks recognition that delivering a sustainable and inclusive economic strategy requires a partnership approach as it now reads as a County Council Document with the County's priorities dominating'.
 - Countywide Strategy, not County Council Strategy- 'The latest revisions include insertion throughout the document of references to County Council priorities and documents and means it now reads as a County Council document rather than a shared strategy'
 - Dominance of Doughnut Economics in the revisions- 'While the principles of doughnut economics and the circular economy are embedded in Oxford's Economic Strategy and City Council priorities, the heavy emphasis now placed on this in the revised SEP as an over-arching model needs careful consideration... great care should be taken that it is not misused to take an anti-growth lens as we observed a small but vocal minority do in the city in response to our Oxford Economic Strategy consultation in 2022'
 - Evidence Base-'Statements have been added in places in the version 4 of the Strategic Economic Plan that have not been referenced with evidence and we worry are misleading'

In summary, the City Council clearly shared concerns about the potential negative consequences for Oxford (and by extension the whole county) if the SEP was revised in a way that is significantly different from the version which the City Council endorsed in January 2024. In November 2024, OxLEP updated in their Skills Advisory Board and Panel that the SEP would be revised again and that County Council Cabinet will be responsible for creating a new Strategic Economic Plan or SEP, founded on County Council priorities

Capital Programmes-2024/25

- 15. Local Growth Fund (LGF) HMG Deadline March 2025:19 projects have already met their targets with a further 7 projects on track to complete their targets by the March 2025 deadline. The remaining 3 major projects (Oxpens, A40 Improvements and Osney Mead Innovation Area) received very early-stage funding and have had their timelines impacted by Brexit, Covid and Ukraine. They will need additional time to reach their targets. See Appendix 3 for full breakdown.
- 16. LGF (minus the 3 major projects) –HMG Deadline March 2025: The 19 LGF projects that have already met their targets along with the 7 LGF projects that are on track to complete their targets by the March 2025 deadline. See Appendix 3 for full breakdown.
- 17. Capital Programmes Getting Building Fund (GBF) Deadline March 2025: All projects are on target to meet their targets by March 2025 except for the Green.

Construction Skills Centre which will need until March 2026 to deliver its new learner assisted support. it is however on track to achieve this.

Skills and Employment

- 18. Oxfordshire Careers Hub Leading and informing employers

 Examples of how the Careers Hub is working with employers to tackle disadvantage:
- 19. **Becoming an Inclusive Employer** offered a free 2-day training workshop in partnership with the British Association for Supported Employment (BASE): Sessions supported employers to work with young people with neurodiversity, disabilities and/or mental health conditions. To breakdown any barriers, stereotypes and misconceptions, sharing the benefits there are to an employer, with enabling them to feel more empowered and confident to recruit people with disabilities.
- 20. **Positive Destinations Project** working with employers to support: 27, Year 11 students at Meadowbrook College Alternative Provision to secure a future destination through workplace and college visits.
- 21. Oxfordshire Horizons Project Working with employers via 11 schools which have the highest number of students on FSM (Free School Meals). The focus was to support: Students in Year 9 at risk of becoming NEET (Not in Education, Employment or Training) will be offered a workplace visit with the aim of increasing their confidence and being ready for formal work experience in Year 10.
- 22. **Cornerstone Group** Established a new Cornerstone Employer group, and part of its remit is to champion employers looking to support disadvantaged young people through their school outreach work and ultimately into employment.

23. Oxfordshire Careers Hub - Careers Fest 2024

- Aim: To bring employers, training providers, FE & HE establishments together with students and parents/carers, to help young people learn about pathways available to them post 16/18, and to be the most inclusive Careers Fest to date. 73 exhibitors, with 2980 students from 32 schools. 779 signed up for the parent/carer session. Headline sponsors included: Abbott, Blenheim Palace, Grundon, Howden, Morgan Sindall, Persimmon, STFC. £13,850 donated by businesses to support travel for schools Quieter session available for young people with SEND, and careers advisor appts available for parent/carers session
- Impact: Exhibitors scored the event 4.5/5 in terms of how much their organisation benefited from attending. 100% of Careers Leads felt the event was useful in helping their students think about their next step, and 100% felt that having attended students would explore different pathways. 100% of parents felt better able to support their child when looking at their next steps, with 88% saying it had made them think differently about what might be best for their child post 16/18. 74% of students said it had changed their thinking in terms of their future plans, 91% said they had learnt more about apprenticeships and 95% said it had made them aware of businesses and sectors in Oxfordshire

Social Contract Programme (SCP)

24.£3.5m Apprenticeships Levy Pledge total, exceeding the original target of £1.3m and the aspirational target of £2m. The funds have optimised the levy for

185 new apprenticeship starts. This pivotal moment not only highlights OxLEP commitment to fostering talent and driving forward innovation but also reinforces the vital role of apprenticeships in shaping the future of Oxfordshire. The total combined value of the top pledgers equates to £945.5K. £465.5K of these funds have already been successfully allocated to Oxfordshire SME's and charities. A breakdown of the Top Pledgers can be found in Appendix 3.

Oxfordshire Apprenticeship Awards 2024

25.8th Annual awards had 13 awards categories with 26 Sponsors and supporters. Oxford North were the Headline Sponsor. This Awards had the most entries ever, including 85 individual current or recent apprentices, 46 employers and 37 training providers. 180+ guests attended the celebration evening, 8th award. Overall winners were Cecilia Badiale (Ridge & Partners LLP) and Josh Jones (Milestone Infrastructure).

Financial implications

26. There are no direct financial implications arising from this report.

Legal issues

27. The Council continues to work in partnership with the Oxfordshire Local Enterprise Partnership (OxLEP) until its rebranding as Enterprise Oxfordshire in Spring 2025. The Enterprise Oxfordshire Board and County Council Cabinet will be responsible for approving the overall strategy for the organisation going forward and for agreeing overall priorities for investment. Enterprise Oxfordshire and its board will remain independent of the City Council and whilst the Leader of the Council is member of its Board any decisions made by its Board do not bind the Council.

Level of risk

28. N/A

Equalities impact

29. N/A

Carbon and Environmental Considerations

30. For key decisions only

Conclusion

- 31. Oxford City Council has for many years maintained an effective partnership with OxLEP's key staff, teams and Boards and we will continue to work with both County Council and Enterprise Oxfordshire to build on that partnership under the new arrangements
- 32. Currently, it remains to be seen how the future LEP role, once incorporated into County Council, will evolve alongside that of local authorities, and managing any change well will be important to our success in strategic economic development in future. The role of the LEP to date has been to provide a business voice and focus on cross boundary/system wide economic challenges engaging closely with the respective authorities and other key stakeholders following a partnership approach. It is important from our perspective that this is maintained alongside the

more focussed work of the City Council in terms of its economic strategy. The future role of the LEP and its relationship to other key strategic partnerships such as Future Oxfordshire Partnership will also need to be considered strategically.

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Background Papers:	
None	