

Economic Growth Strategy Action Plan Update: December 2015

A. Introduction and purpose

It is six months since a refreshed version of the OSP Economic Growth Action Plan was shared with partners. The plan has since been circulated and further comments received. The purpose of this briefing is threefold:

- A brief update on the strategic and local economic context
- A brief update on progress against our priorities over the last six months
- Priorities for the next six months, taking into account progress, strategic and economic context.

B. Strategic Context

- Devolution of powers and funding from central government well underway (update to follow)
- OxLEP's Strategic Economic Plan is due to be refreshed, starting January 2016 (update to follow)
- Next round of Local Growth Funds likely to come forward. EU funds 2014-2020 now being awarded
- Spending Review impacts: e.g. 'Business Growth Service' now cut with immediate effect.

C. Local Economic Context

- A 'tight labour market' with 715 on jobseekers allowance (0.6% & 1.0% South East). 255 six months+
- An estimated 6,580 (DWP, May 2015) on main 'out of work' benefits. Many people within this group wish to move closer to the labour market but face a range of barriers
- Businesses are reporting difficulty recruiting and retaining employees. Reasons highlighted include; congestion, commute length and cost of living/housing (MORI Survey 2015).
- Business turnover and recruitment still growing, signs this may be slowing in certain sectors
- Inequality and educational attainment remain long-term issues, focused on Regeneration areas. 10 of the 85 Oxford 'super output areas' in 20% most deprived, down from 12 last survey (IMDB 2015)
- City centre office supply: an estimated 38,000 sq. ft. of office space remaining in the city centre (circa one-tenth of city-wide availability) with little new-build activity in the short-term pipeline
- Retail: Westgate Alliance is reporting positive take-up intention to date
- Briefings with SSE and Low Carbon Hub have reported grid capacity issues that are inhibiting 10MW of renewables and creating power supply uncertainties.

D. Update on progress against priorities

1. *Deliver and promote regeneration and employment sites that will support technology and knowledge based economic growth linked to our sector strengths and the global connections of Oxford's Universities.*

- Osney Mead Master-planning underway, N. Gateway AAP 'sound', Oxpens at site assembly stage.
- City centre office supply shortage: Issue flagged with LEP, County Council, Universities and Oxford Innovation re need to better use assets to enable business growth. All parties are exploring options to deliver more business space in the city.
- Draft sector propositions for Invest in Oxfordshire in place and draft development site marketing prospectus for Oxford in progress
- Common CRM now in place, with a protocol for shared use by LEP, County, districts in all engagement or support with business. The aim is to provide more seamless business service and better sharing of business intelligence to ensure business starts, locates and grows locally.

- Oxon Business Support likely to be funded for three years under ERDF plus £12M total announced for local growth hubs (nationally)
 - Oxford's bid to become European Capital of Innovation 2016 submitted.
 - Enterprise Zone Options explored for the city. Decision not to proceed made collectively.
2. *Effective engagement with the city's businesses and support for Oxford's 'Business Voice', in order to deliver sustainable economic growth and attract required investment.*
- Oxford Business Voice launched at Business in Oxford 2015 (update to follow)
 - Successful Leader's Roundtable held, and Oxford Business Forums on; city centre retail future, skills support for business and local govt. finances.
 - MORI survey of 386 SMEs delivered and plans to repeat annually (resource permitting).
 - City Council has directly engaged with circa 40 businesses on various needs.
3. *Develop a holistic city centre strategy, building upon the on-going 'strengthening the city centre retail offer'*
- A new city centre strategy is being scoped by officers as part of the process of refreshing the Local Plan. This will be a wide-ranging strategy covering planning and operational needs to support the continued growth and successful functioning of a world class city centre.
4. *Expanding the value of Oxfordshire's visitor economy across the City and County region.*
- Separate update to follow from Experience Oxfordshire
 - Group of partners working to deliver the template for a World Class Visitor Welcome.
5. *Continuing to improve educational and skills attainment to support future economic growth opportunities*
- Oxfordshire Apprenticeships delivering in-line with City Deal funds (lower resident take up in Oxford despite higher numbers of apprentices hosted by Oxford companies)
 - Employment and Skills Plans (construction) being delivered in Barton and Westgate. Other sites will come forward based on the template, to boost construction labour pool
 - EU funds being earmarked for local workforce employability training.
6. *Increasing the annual rate of housing development in locations which are easily accessible to the city centre and other main employment areas by cycle, bus, and rail.*
- Greater progress being made on the opportunities to meet Oxford's housing need.
 - Barton Park infrastructure construction underway with first house-builder on site.
 - Northern Gateway Area Action Plan found to be 'sound' at Examination, now adopted with outline applications to follow
 - Challenges around social rent reductions and right to buy impacting on City housing budget
 - Review of five year housing supply taking place.
7. *Ensuring continuing investment in broadband, mobile infrastructure and new Smart Oxford initiatives for the benefit of all who live, work and visit the city*
- Broadband vouchers now suspended as all funding utilised nationally

- City Council and OxLEP have provided funding to the County's Better Broadband for Oxfordshire Project to enable cabinets in Oxford to be upgraded to superfast enabling businesses and residents better broadband access and speeds
- Wireless in public buildings and on buses running in the city centre has been delivered
- The final stage of the project, to provide wireless in outdoor public areas is in pre procurement stage with a Tri-partite agreement on asset use being developed by City and County Council. When agreed this should enable procurement to commence
- Smart Oxford initiatives run through the Smart Oxford Project Board include
 - The Smart Oxford Challenge run in September 2015 alongside Nominet UK
 - An event with the University of Oxford in the summer exploring digital technology opportunities as a response to environmental challenges
 - Mobility Oxford (MobOx), a private / public sector partnership, has been incorporated as a Community Interest Company with the ambition that Oxford will become a centre of excellence and that the MobOx CIC will become a world class leader in the development of integrated transport solutions.
 - Funding opportunities explored through Innovate UK, Horizon2020 and other routes. Smart Oxford is one of the projects that will be scaled up with funding from the EC if we are successful in our Capital of Innovation Bid.
 - A bid to the Rockefeller Foundation for Oxford to be one of the 100 Resilient Cities has been submitted

8. Achieving the opportunities presented by sustainable economic growth

- Low Carbon Hub working on behalf of Growth Board to ascertain best approach to tackle grid performance issues
- Bid for a £9m zero emission zone project going to Office for Low Emission Vehicles (charging infrastructure and awareness).

9. Investing in the physical infrastructure and transport required to enable economic growth

- Oxford Transport Strategy (LTP4) now agreed by County Council following consultation.
- Oxford Station – discussions on going with Network Rail and Design Competition underway with winners announce in January. Long-term dialogue on electrification, additional track capacity around Oxford and Cowley Branch Line proposals.
- Frideswide Square completed
- Studies being undertaken re Botley Corridor, Park & Ride capacity and utilising company travel data for demand led mass transit routes
- Numerous transport and property related business cases prepared for Local Growth Fund 3 and Devolution Opportunities (Station, Oxpens, Seacourt, Osney Knowledge Park, district areas).

10. Working in partnership to meet the growth and devolution opportunities for the city and wider region

- Devolution Deal for Oxfordshire submitted and being discussed with Government (Nigel Tipple to update).

E. Next Steps

Key areas of focus include:

- Refining devolution proposals, ensuring right mix of powers, funds and adequate governance

- Securing progress on key sites and rail infrastructure (Station, Oxpens, Northern Gateway, Osney Mead)
- Engaging clearly on city's needs within SEP refresh
- Business Voice providing consistent and coordinated messaging on city/county needs
- Working to maximise impact of LGF and EU funds locally
- Clearer Inward Investment offers by sector and regeneration site opportunities.
- Supporting Smart Oxford initiatives and securing resource and funding to develop further
- Planning for Business in Oxford and Venturefest 2016
- City centre business space (and possibly city lab space) – coordination meeting planned to get a sense of the overall demand and pipeline of opportunities
- Aim for a consistent business support offering locally, post Business Growth Service cut and EU funds
- Next steps (if shortlisted) on European Capital of Innovation.