

Draft notes of the Oxford Economic Growth Steering Group Meeting

Venue: St. Aldates Room, Oxford Town Hall, St Aldates, Oxford

Date: 15th June 2017

Attendees:

Cllr Bob Price, Leader Oxford City Council (Chair)
Richard Venables, VSL & Partners and Oxford Business Representative on OxLEP Board (Vice Chair)
Alex Froom, CEO of Zipabout
Sarah Grubb, Interim City Centre Manger
Grant Hayward, OSEP Board Member and OxLEP Network Navigator for Social Enterprise
Sebastian Johnson, Oxford Strategic Partnership
Llewelyn Morgan, Oxfordshire County Council
Tom Morris, Oxford City Council
Peter Nolan, Oxford BioMedica
Dawn Pettis, OxLEP
Peter Reynolds, City of Oxford College
Jonathan Riggall, Peter Brett Associates
Richard Rosser, The In Oxford Group / B4
Dr Nick Scott Ram MBE, Oxford Academic Health Science Network
Lynn Shepherd, Executive Chair of Venturefest Oxford
Nigel Tipple, Chief Executive OxLEP

1. Welcome and apologies

Cllr. Bob Price welcomed everyone to the meeting and in particular Grant Hayward (OSEP Board Member and OxLEP Network Navigator for Social Enterprise) and Peter Nolan (Oxford BioMedica) who have joined the Steering Group and Alex Froom (Zipabout) who was attending to share experiences of a business owner trying to grow a business in Oxford.

Apologies had been received from Richard Byard (OxLEP), Dr Phil Clare (University of Oxford), Hayley Beer-Gamage (Experience Oxfordshire), David Hartley (Oxford Brookes University), Anthony Mtitimila (Oxford University and OxLEP), Matt Peachey (Oxford City Council), Fiona Piercy (Oxford City Council) and Dr Stuart Wilkinson (University of Oxford).

2. Minutes of the last meeting, matters arising and short updates – Paper 1

Minutes: The minutes of the last meeting were agreed.

National Infrastructure Commission (NIC): Bob Price confirmed that the NIC are preparing the final statement for the budget. The Oxford / Cambridge Corridor is a key topic for future infrastructure investment plans to deliver housing and economic growth. The City Council are actively working with the Growth Board and OxLEP to highlight the importance of

providing infrastructure to deliver housing and employment growth. The NIC are planning to visit key cities along the corridor including Oxford and Cambridge and their respective Growth Boards to better understand what the barriers to growth are in each of the cities and how they can be met to deliver the economic and housing growth required. A further update will be provided at the next meeting.

Capital of Innovation Bid: Sebastian Johnson reported that the University of Oxford is leading on submitting a bid to the EC's 2017 European Capital of Innovation competition. The bid is building on the content and aims of our shortlisted bid in 2015/16 with a focus on "Shared City". The importance of highlighting the city and countywide innovation excellence and ecosystem was supported and thanks were passed to all involved in bringing the bid together in short time. The bid will be submitted on 20th June and the shortlist will be announced later in the summer.

Smart Oxford Competition: Sebastian Johnson reported that the competition had been launched in May and will be closing on 20th June. Interest has been strong with bids already submitted from the US and Australia. Traffic on the Smart Oxford and Playable City websites has been high and we are hopeful for a high number of entries. All partners and sponsors were thanked. A further update will be provided at the next meeting

Membership of the Group: Peter Nolan and Grant Haywood have joined the Steering Group. Suggestions for new members, particularly from the business sector, are welcomed. A representative from Thames Valley Chambers of Commerce was suggested and will be explored with Nigel Tipple offering to support an approach and to blend with requests for involvement in OxLEP groups.

3. Attracting business to the eastern side of Oxford

Richard Venables lead a discussion on the challenges / problems of trying to encourage businesses to consider the Eastern side of Oxford where there is a good supply of available properties but businesses seem reluctant to locate to these areas. Linked to this there was an update on the recent discussions on public transport in the eastern arc to the Business Park and Science Park. Alex Froom (Zipabout) and Peter Nolan (Oxford BioMedica) shared their respective experiences of being a company owner looking to grow their business in Oxford and the challenges they have faced. The following note provides a brief summary of the key points raised during the discussion:

Richard Venables highlighted some of the key employment land supply issues within the City. In the City centre there is considerable demand for office space but currently only about 40,000 sqft available to let, which included the upper floor of Ramsay House (16,000 sqft) that had been on the market for some time and due to its condition and lack of light was proving almost impossible to let for its present use. There is also about 5,000 sqft of average but low cost accommodation above Kwik Fit, Park End Street that is available with

interest being shown by a high-tech company. So there is strong demand for office space in the City centre but a shortage of supply and limited development coming forward in the short-term future. The strength of the demand was shown recently with record prices for office space in the City centre going up to £30 per sqft.

By contrast the Science Park has seen some big firms moving away such as Becton Dickinson to Winnersh Triangle near Reading but this has recently been taken by Nanapore. Amey site is also now vacant but likely that a University of Oxford related use will move in. A new office development is under-construction and will therefore be available to let shortly. Whilst on the Business Park Electro-magnets have recently moved from their site and others are considering a move away. The supply of space both on the Science Park and Business Park is available for businesses to move to but some companies are keen to locate only in the City centre.

In Richard's view there are a number of barriers to companies choosing to locate on the Business Park, Science Park or the Eastern side of the city generally. These include principally a desire to have a direct transport link by train to London; a view that this area of the city is not well served with public transport and direct links to the Park and Ride facilities; and so most people arrive by car and experience problems of both traffic congestion and limited on-site parking facilities, particularly on the Business Park. New companies and indeed established ones need parking and greater transport options to attract and retain staff.

Alex Froome (CEO of Zipabout): Alex explained how his creative digital technology firm had been based in London but through collaborative work with transport innovative projects with the County Council had decided to move their successful business to Oxford. Amongst the key barriers to both setting up a business in Oxford and then trying to grow it on was firstly being able to find suitable **office space** in the City centre and secondly the difficulty of attracting and retaining **staff** within the context of Oxford's high cost of living.

Office space: Their company started in Oxford at a small scale of just two people and therefore the only suitable space available was provided by the 'serviced office' sector in the Clarendon Business Centre, but this only provided desk space. The company has now increased its staff to 8 people and therefore needs more office accommodation together with the use of meeting rooms and or suitable venues to meet clients to discuss future projects. Despite working actively with local commercial estate agents it is clear that within the City centre there are few opportunities to grow their business. They have looked at alternative office space in, for example, Summertown District centre, but their staff really want to remain in the City centre with quick and easy access to London by train and an attractive area to work with a range of services and facilities to meet their lifestyle needs.

Recruitment and staff retention: In seeking to grow their business there had been a real problem in attracting staff. For example at present of the seven staff he has working for the business only one person lives within Oxfordshire. Over recent years his experience in

advertising for staff has been that very few applications have been submitted from people living within the city or even Oxfordshire itself, the vast majority of the applicants are from other parts of the country. Whereas by comparison in London there was a 'pool' of highly qualified staff interested in working for his creative company, the sector being much more established and stronger in the City. But given the presence of two Universities in Oxford it was surprising that there were not more potential applicants. The strong draw of London is a real problem in attracting staff to Oxford, given the high cost of living and the salary levels that need to be paid.

General comments made by the Group included:

- Office space may come forward in the Westgate in short term - lease options need to be explored
- Agents need to be more imaginative – e.g. exploring and exploiting sub-letting opportunities
- Oxford BioMedica's experience of growth and challenges in finding grow-on space is an interesting case study. Current space now out-grown. Key challenges with parking and temporary solution found with Oxford Stadium.
- Transport issues linked to Business Park and Science Park being explored with businesses led by OxLEP and local authorities. Bus companies exploring business case for services connecting parks and park and rides.
- Car parking space availability is an issue
- Business rate incentives may help – business park and science park re-evaluation and rents lowered

ACTIONS:

- **Explore the skills and recruitment issues with Skills Board and Universities - OxLEP**
- **Park and Ride and bus routes, link to Local Plan and Oxford Transport Strategy – Local Authorities**
- **Include issues raised today in discussions with NIC – Local Authorities**
- **Plug in requirements for "intermediate" space into Oxpens and Station development sites – Oxford City Council**

4. Start-up, Grow-on and Innovation space

Richard Venables reported that there is 500,000 sqft of flexible space of which half is in Oxford. Occupancy levels are high at 85%. Limited provision for 'wet labs' in Oxford. More space needed and discussions with Universities required on need and demand.

Nigel Tipple reported that the SQW Report s going to the LEP Board next week.

ACTION: OxLEP to circulate SQW Report when able to

5. Analysis of the economic narrative

Sebastian Johnson gave a brief update on the Oxford Economic Narrative that highlights the growth and success of Oxford's economy. The document is a live document and one to be updated as events change, challenges and opportunities arise. Key role of the Economic Development Team and this Steering Group is to monitor change; identify opportunities for investment and growth; review skills needs; support bringing through the pipeline of developments that can address our growth ambitions; support innovation and smart city approaches to transport and other challenges; ensure the links to the Industrial Strategy, Innovation Strategy and Science and Innovation Audit are maintained and developed; and continue to develop new partnership opportunities and relationships nationally and internationally (e.g. Lund and Bonn).

ACTIONS:

- **Ensure businesses are encouraged and able to articulate views on Local Plan – City Council and all**
- **Presentation on Science and Innovation Audit to future meeting**

6. Update from OxLEP

Nigel Tipple and Dawn Pettis gave an update on key areas of work for OxLEP. These included work on the Industrial Strategy; European funding through the European Structural Investment Fund; business support; and projects focussed on the Creativity, Culture, Heritage and Tourism Plan.

The European funding includes ERDF linked to the Innovation Support for Business programme which includes funding for a Smart Oxford Programme Manager for two and a half years. With increased match funding being provided via Oxfordshire County Council alongside the City Council match there is now enough to support approximately 1.3 FTE into the Smart Oxford role.

A new support programme called Elevate is launching later in the month providing free workshops, access to £200,000 in grant funding and help, advice and support from OxLEP and Network Navigators. More details on a range of funding and support programmes available on the OxLEP website at <http://www.oxfordshirelep.com/content/funding>

7. Business Events and Engagement Updates

Business in Oxford 2017 – 11th May: Richard Rosser distributed a post event press release. He reported on the success of the event which attracted 950 delegates, over 70 exhibitors and 80- presenters. Feedback from delegates was very positive. Plans are already starting for 2018 and offers of support and ideas for speakers would be gratefully received.

Venturefest: Lynn Shepherd confirmed that all is in place for this year’s event on the **21st June**. There would be a focus on in depth subject areas including life sciences, social enterprise, science and innovation, together with access to funding and finance.

Oxford Business Forum: Tom Morris reported that the dates for the next events in 2017 have now been fixed and will include:

- 28th June 2017 (Evening: at the Four Pillars Abingdon Road, Oxford) - “Increasing Productivity” to be led by Sir Andrew Dilnot with Phil Shadbolt (Chairman of Zeta Group and OxLEP Board), Steve Smith (MD of Nielsen UK and Ireland) and John Boyle (Founder and CEO of Oxford Computer Consultants)
- 14th September 2017 (Evening: at the Four Pillars Abingdon Road, Oxford) **NOTE: This meeting is now being held on 21st September 5.45-7.45pm, Oxford Spires Four Pillars Hotel, Abingdon Road, Oxford OX1 4PS - “The role of our universities in driving growth and prosperity”**
- 22nd November 2017 (Early Morning: at Blake Morgan’s Offices, Seacourt, Botley Road, Oxford)

8. Any other business and future meeting dates

The dates for the next meetings are as follows:

- 14th September 2017
- 7th December 2017