Cabinet Report

Report of Interim Head of Development, Regeneration and Housing

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To: CABINET

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Oxfordshire Strategic Economic Plan (SEP)

Recommendation

That Cabinet either resolves or recommends Council to:

a) Welcome some of the changes made to the SEP which seek to make it "shorter and clearer" and acknowledges that this has largely been achieved.
b) Support the broad thrust of the SEP document; in terms of the stated vision, identified strengths weaknesses, opportunities and threats, and proposed actions.
c) Believe the document would be more robust if it;
    - more fully addressed the issues highlighted in the body of this report, and
    - more clearly linked actions to identified issues, and confirmed where responsibility lies for implementing these various actions.

Purpose of Report

1. To provide Cabinet members with a brief summary of the Oxfordshire SEP; highlight some key points within the document; outline issues that have already been raised during the formal SEP public consultation period that have not been fully addressed in the final document; and recommend a possible response to the LEP's request for Council endorsement of the document.

Corporate Objectives

2. Accepting the recommendations in this paper will contribute to the following Corporate priorities:

Corporate Priority	Contributes to (Yes/No)
• Excellent delivery of key services	• No
• Effective management of resources	• No
• Meeting housing need	• Yes
• Building the local economy	• Yes
• Support for communities	• Yes

Background

3. Officers have previously briefed Cabinet members on the process for developing a refreshed Oxfordshire SEP.

4. As a result of feedback from members, officers were asked to ensure that:

    a. Copies of the refreshed SEP be placed on the Council's website so visitors to the website could comment on the document, via a dedicated email address, if they so wished to do.
    b. The refreshed document is discussed at Joint Scrutiny Committee, so cabinet could take their comments into account when determining whether/how to endorse the refreshed SEP
    c. Cabinet be kept informed of developments with regard to the SEP
    d. A subsequent paper be presented to October cabinet meetings, summarising key aspects of the refreshed SEP document and recommending how Council should respond to the LEP's request that the refreshed SEP be steered through Council's democratic process, with a view to endorsing the document.

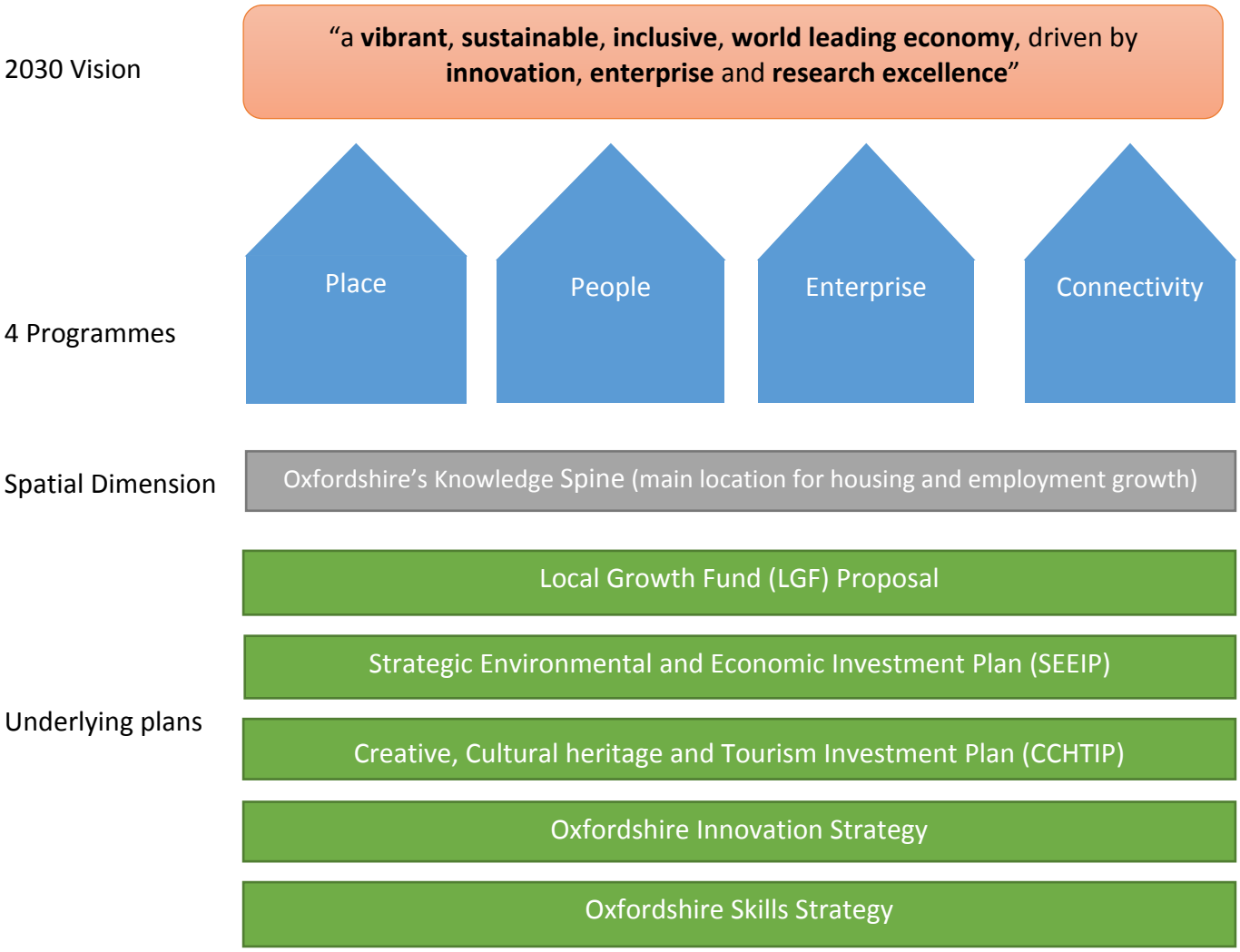
5. The refreshed SEP was circulated, in electronic form, to all cabinet members and the document has subsequently been ratified by the LEP Board at their Board meeting on 5 September 2016.

6. The document was also placed in the Business Section of the Council's website with the following invitation:

> The Oxfordshire Local Enterprise Partnership (OxLEP) is currently refreshing the Strategic Economic Plan so it can align better with Oxfordshire's current economic environment.
> We have received a final draft version of the Oxfordshire Strategic Economic Plan. Oxfordshire Local Economic Partnership have asked our Cabinet to endorse its' content at their next meeting in October. The document can be accessed via the Oxfordshire LEP website.
> The Oxfordshire Strategic Economic Plan document has already been subject to a full public consultation process. However if you would like to comment on this, in advance of our cabinet meeting, you can do so by emailing sepconsultation@whitehorsedc.gov.uk by Friday 30 September 2016

7. South and Vale's Joint Scrutiny committee subsequently discussed the refreshed SEP at their meeting on 22 September 2016.

8. The SEP proposes to achieve an agreed vision by addressing strengths weakness, opportunities and threats, and initiating actions, related to four main programme areas. The plan has a spatial dimension, in as much as it recognises that most new homes and employment growth will be located in Oxford's Knowledge Spine, and is underpinned by a series of other detailed plans and proposals. This is summarised in the following diagram.



9. Some key points worth noting are as follows:

- Many of the issues highlighted during the consultation period have been addressed
- ***The SEP refresh document is based on growth forecasts within the District's adopted and emerging Local Plans***, involving an additional c. ***88,000 jobs*** between 2011 and 2031 and c. 1***00,000 new homes***
- To put this in context;
  - Between 1991 and 2011, total jobs in the county increased by 94,000, or 42%, compared to the forecast jobs growth of 23% between 2011 and 2031
  - South and Vale, alone, have already approved the construction of c 9,500 new homes, and are currently dealing with applications for a further c. 13,800.
- An Oxfordshire Infrastructure Strategy, including utilities, energy and flood alleviation action plans, is due to be produced for Spring 2017.
- The SEP refresh document "focuses on strategy rather than the details of delivery". However, The SEP refresh document would have been stronger if;
  - more detail had been provided to indicate how the strategy intends to build on strengths, address weaknesses, exploit opportunities and respond to threats,

- the proposed actions were more directly linked to the identified strengths, weaknesses, opportunities and threats,
- a clear indication was provided of where the main responsibility lies for implementing these proposed actions, and
- the spatial dimension was articulated in more detail to provide a more County-wide perspective, rather than the current Oxford-centric perspective.

10. During the course of the SEP consultation process, South and Vale officers raised a number of issues relating to the draft version of the SEP document. Some of these have been addressed completely, some partially and some have been ignored. Additionally a number of further issues were highlighted during the discussion at Joint Scrutiny Committee. As a result, the proposed final version of the SEP does not fully address the following issues;

- The need to produce a less Oxford-centric document and to see greater recognition of, and detail concerning, the R&D hubs of Culham, Harwell, Howbery Park.
- There are three identified hubs in Oxfordshire, Bicester, Oxford and Science Vale, however equal weight has not been given to these and the SEP fails to recognise that if employment growth were to be spread more around the county then the pressures on the roads, on Oxford itself and the green belt, would be greatly reduced.
- More emphasis should be placed on the potential contribution Oxfordshire's Enterprise Zones and Garden Towns can make to future economic growth.
- There is still little reference to how the LEP is going to improve the conversion of R&D into private sector business growth.
- In considering Oxfordshire's strengths the document should also look at sectors that are doing less well and indicate which companies are leaving the county and why.
- The Oxfordshire economy is dominated by companies of under 20 employees. This is more pronounced than other high tech economies. However, there is no aspiration to try and redress this balance by nurturing the growth of high potential companies and high value sectors.
- There is only a passing reference to self-employment, which is one of Oxfordshire's fastest growing employment forms. Trends towards self-employment and home working needs to be analysed and an assessment made of the types of support required.
- There is little reference to the high proportion of public sector jobs in Oxfordshire or any consideration of how this imbalance can be redressed.
- It would be useful if more detail were provided on forecast jobs growth in the core economic growth areas of the districts, such as in Science Vale for example, and the issues and constraints faced by businesses in these particular areas.
- There is insufficient reference to the importance of suitable business accommodation and available land for housing. The lack of suitable business space and suitable accommodation for key workers is often sighted by companies as a reason for chosen alternative locations elsewhere. The strategy should include actions to support the needs of growth companies.

- The strategy could better outline actions for encouraging the adoption of energy efficient approaches and other means of improving productivity. Our broadband roll-out, for example, is already well behind the performance required by business, yet this issues is given little prominence and objectives for this crucial area are weak.
- The SEP is too narrowly focussed, failing to take into account the impact of major developments close to but outside Oxfordshire e.g. Haddenham and Princes Risborough.
- The map detailing Oxfordshire's growth corridors (Figure 10) was unhelpful since it covered most of the County apart from Thame & Chinnor.
- The continuing problems of broadband connectivity in both districts has not been addressed, and this is a potentially severe impediment to small business growth and an increased level of home working.
- The response rate from the business sector to the document has been extremely disappointing and, although separate additional consultation events were held involving businesses, the overall low level of business participation is disappointing.
- A risk register should be included as an appendix to the SEP.
- Future educational infrastructure requirements should have been addressed in more detail, especially in connection with how this infrastructure can support the job market and future skills agenda.
- The Oxfordshire Infrastructure Strategy, including utilities, energy and flood alleviation action plans, is not due to be produced until the spring of 2017, whereas members of our scrutiny committee questioned whether a robust SEP could be produced without such a critical underpinning strategy.
- The strategy should include proposals for;
  - converting R&D to technology readiness and manufacturing.
  - altering the balance between micro-businesses and medium/ large enterprises.
  - undertaking a review of funds and support for high growth businesses, in order to harness scarce resources as effectively as possible.
  - developing an Oxfordshire-wide strategy for schools and further education to better support the local economy
  - integrating skills and business development programmes to improve the coherence of the Oxfordshire offer to business.

11. Finally, it should be noted that during the course of discussing the SEP, the Joint Scrutiny Committee noted that, although this paper was due to be submitted to both South Oxfordshire's and Vale of White Horse's Cabinets, it was the committee's view that both Cabinets should defer approving any recommendations or forming any response pending consideration of the SEP by both Council meetings.

Options

Not applicable

Financial Implications

Not applicable

Legal Implications

Not applicable

Risks

12. Key risks are as follows;

- That the SEP is adopted and published by the LEP without taking full account of the issues concerning South Oxfordshire DC
- That the SEP does not provide the LEP with a sufficiently robust basis for determining future priorities and actions
- That strengths and opportunities are not fully exploited and weaknesses and threats not fully addressed.
- That the plan may fail to address significant issues facing local communities because it is not necessarily relevant to, or inclusive of, the whole County.

Other implications

13. None

Conclusion

14. That the SEP does not fully address many of the issues raised by South and Vale officers and members. South and Vale's Joint Scrutiny Committee has also asked both cabinets to consider deferring any formal response, pending consideration of the SEP at both South Oxfordshire's and Vale of White Horse's next Council meetings.