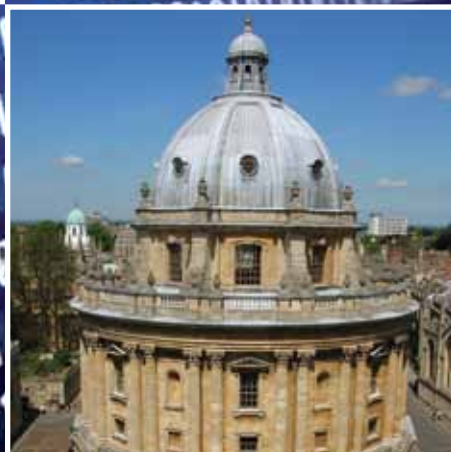
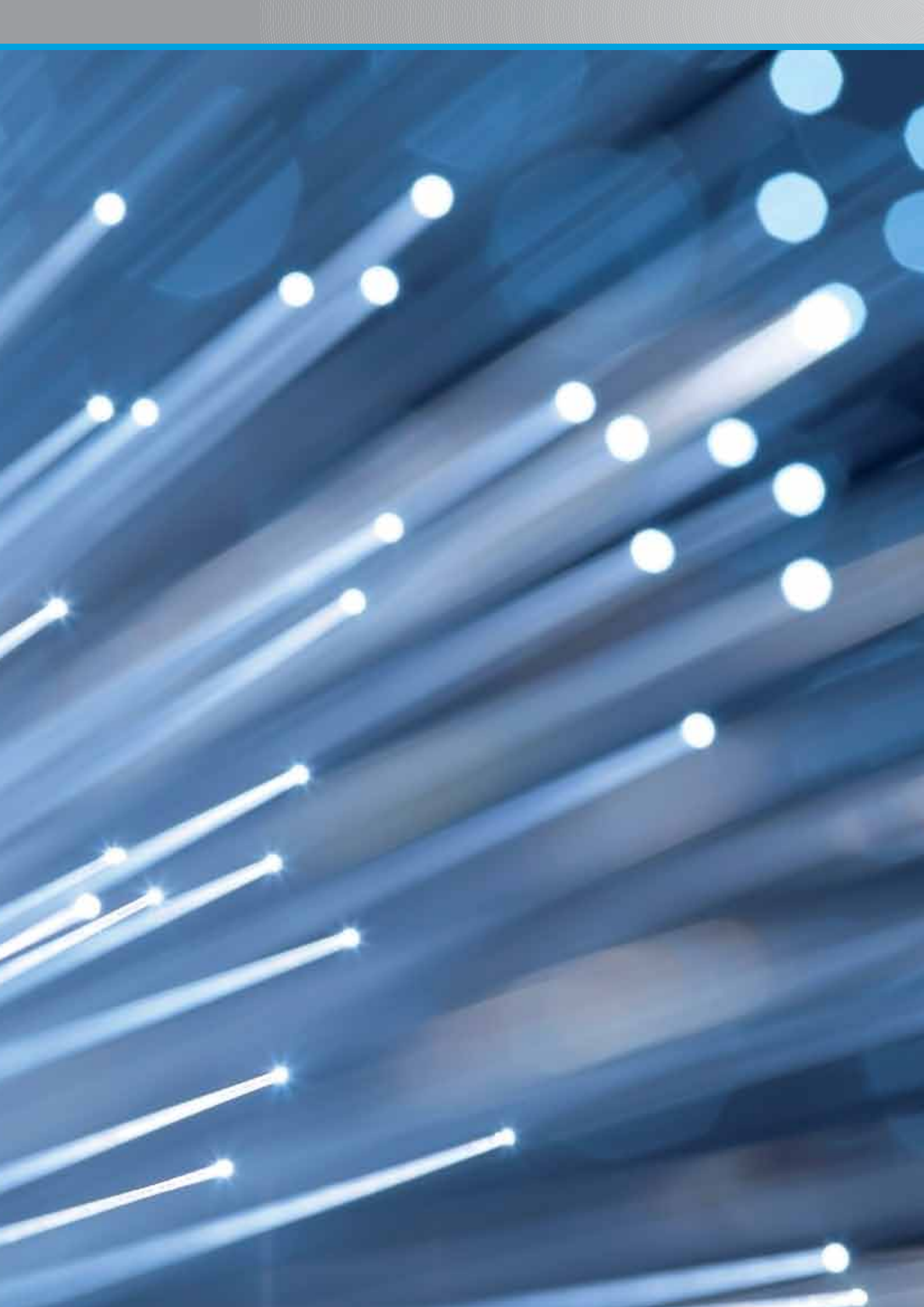


Oxfordshire City-Region Enterprise Partnership Bid





Oxfordshire: the heart of Britain's future economy

At the geographical heart of the UK sits an international economic powerhouse, driving new technology, new markets and ground-breaking developments which aid every aspect of UK industry and commerce.

With discovery, science and research at the heart of the Government's long-term vision for the UK economy, it is Oxfordshire which already provides the future economic engine for Britain, helping businesses flourish, technologies transfer into industries and delivering the entrepreneurs of tomorrow.

Oxfordshire is the hub of Britain's knowledge economy, to which as many as six in ten future jobs will belong. It provides the technology, the development and the expertise which define much of the UK's economic and commercial future.

Already globally competitive, Science Vale UK, the county's science and technology heart, is larger than that of Cambridge and, indeed, larger even than that of MIT in the USA. This concentration is just part of the R&D on offer here in Oxfordshire. Indeed, we have the largest concentration of research and development activity in Western Europe.

Amid this sits Europe's best university and the UK's best new university, both producing the men and women with the vision and skill to grasp emerging technologies and discovery and exploit their commercial and economic possibilities.

If our goal is to be successful, then we already are here. But we could be so much more. We want to build on what we have to redefine how the public and private sector work together; to be ready to face the challenge of reduced public sector spending and nourishing increasingly vital private sector innovation.

Our bid represents a functional economic area – it is smaller than many but this is a key strength. Just 90 miles away sits the geographically tiny but economically vital City of London. Like the City, we have a unique blend of networks – in Oxfordshire academia, business, science and research come together like nowhere else. We can be to the knowledge economy what the City is to UK revenue.

We want to build on our concentration and the strength of the partnerships that already exist. We want to work with Government to make sure that together we can deliver our vision. By focusing on the potential for the future we have energised local government, businesses and academia alike. It allows us to build upon the partnerships we already have and make them work harder to deliver the future. Our focus on unlocking the full potential of Oxfordshire is at the heart of this proposal.

Like the university city of Boston in the USA, Oxfordshire is the place where unparalleled academic achievement is transferred to technology-driven economic development.

Oxfordshire - central, connected, cutting edge - is at the heart of Britain's future economy.

Executive Summary

- 1 This proposal is made in response to the letter from the Secretaries of State for Business, Investment & Skills and for Communities & Local Government, dated 29 June 2010. It has been prepared jointly by local government and business leaders and sets out our shared ambition for a Local Enterprise Partnership.
- 2 An established world-class seat of learning, Oxfordshire is world-class in the transfer of knowledge out of academia and research centres into the businesses of tomorrow. At its heart lies a resident community whose entrepreneurial spirit brings with it a shared interest in realising its economic potential
- 3 We have a concentration of specialised science and technology without parallel in the UK, indeed Oxfordshire has the largest concentration of research and development activity in Western Europe. Our knowledge base and expertise in developing new businesses has enabled us to create new and growing businesses in high performance engineering, biotechnology and medical instruments.
- 4 The Oxfordshire City-Region is a discrete and distinct functional economic area, one whose geographical boundaries are well defined. However the full potential of the area has yet to be realised. Our economy is heavily dependent upon the public sector making us one of the most vulnerable to the impact of budget cuts.
- 5 Through partnership local government and the business community will provide the strategic leadership needed to remove the barriers to success and create new markets, particularly in low carbon and green technology. We will use our strengths in science, advanced engineering and materials to create new markets and new jobs in the growth sectors of the future.
- 6 In setting out a single, clear vision for the longer-term future of Oxfordshire's economy the Partnership will provide collective leadership by the most senior and high profile private, academic and public sector leaders.
- 7 We will build upon existing working arrangements at the local level to align our work on planning, housing, transport and infrastructure priorities, skills requirements and business support. The success of our Partnership is dependent upon government and its agencies committing to work with us: for national programmes to give greater account of local needs.
- 8 By committing to devolve power and responsibilities from Whitehall to our Partnership we will reduce duplication and improve co-ordination of delivery to the benefit of all.

9 In this way the Oxfordshire City-Region Enterprise Partnership will ensure that we:

- a) Create additional sustainable private sector employment, in the process helping to;
- b) Reduce our dependency on the public sector for longer-term growth and prosperity.

10 Our partnership will bring together our work on economic development, transport and infrastructure, housing and skills such that:

- Science Vale UK is recognised as the national centre of excellence for science and innovation;
- Bicester is recognised as an international exemplar of sustainable development;
- Oxford remains a world-class centre of education, research and innovation.

11 We are an established key hub in international business networks. Our external linkages – both physical and virtual – will continue to be a critical success factor. Our Partnership will follow the key linkages and work with partners at local, national and international levels to achieve shared ambitions where they exist.

12 Our proposal for the Oxfordshire City-Region Enterprise Partnership has energised the public and private sector; it has been supported with enthusiasm by all those involved. We look to Government to support the potential of our Partnership by working with us to deliver the ‘asks’ set out in this proposal. Our success will bring success for the UK as a whole.



Sir Frank Williams CBE
Founder and Team Principal, Williams F1



People know that F1 is on the cutting edge in terms of technology, but many forget we need to essentially move our business somewhere else in the world once a fortnight. With its strategic links Oxfordshire gives us that ability.



Oxfordshire: at the heart of the UK

Founded in Academic Excellence

- 13 Oxford University is rated as the best university in Europe and the second best in the World. Oxford Brookes is rated as the best new university in the country. It also has an excellent record of supporting businesses through Knowledge Transfer Partnerships. The Defence Academy of the United Kingdom centred on Shrivenham is the MOD's primary postgraduate and professionally qualifying education and training facility. As well as being the MoD's primary link with UK universities, it has links with similar institutions internationally.
- 14 While academic excellence is how most people envision Oxford, the county's offer is far wider. Oxford itself was recently highlighted as one of eight 'buoyant cities' in the latest Centre for Cities report, regarded as 'prime candidates for major expansion to support further economic and employment growth'.
- 15 The Science Vale UK area has a concentration of specialised science and technology that is without parallel in Western Europe and is globally competitive and larger than competitors. In total the Science Vale area contains 13% of all research and development employment in the South East (4% nationally).

Science and Innovation to the Fore

- 16 As part of Science Vale UK, the Harwell Science and Innovation Campus is being developed as a world-class centre for science, innovation and enterprise. Home to the Science and Technology Facilities Council, the Rutherford Appleton Laboratory, the Medical Research Council and the European Space Agency Space Centre, Harwell has more than 4,500 people working in over 140 organisations comprising large-scale research councils, high technology companies and a range of rapidly growing start-ups.
- 17 Elsewhere within Science Vale UK, Culham is home to the UK's fusion research programme – the Culham Centre for Fusion Energy (CCFE) – as well as the world's largest fusion experimental facility – the Joint European



Professor Steve Cowley

Chief Executive Officer UKAEA and Chairman of Science Vale UK

“ Science Vale UK is a great place to do world class science and technology. It is also the place to turn that innovation into businesses that thrive. ”

Torus (JET). While Milton Park, one of Europe's largest multi-use business parks, is home to more than 160 companies that form one of the UK's foremost science communities. The 6,500 people on the site work for companies of all sizes and ambitions, ranging from start-ups to world-class plcs with particular strengths in the bio-tech and ICT sectors.

Technology Transfer: Creating the Future

18 With global headquarters and/or principal research and development facilities for world-leading high technology companies such as Oxford Instruments, Siemens MR Magnet Technology, Sophos, RM plc, Infineum and Sharp, Oxfordshire is home to facilities that are shaping the future. While, in the John Radcliffe Hospital, we have one of the leading medical research hospitals in the UK, offering patient care, teaching and world-class research, allied with a strong healthcare technologies sector.

19 The technology transfer company of Oxford University (Isis Innovation) is one of the UK's most prolific and best regarded technology transfer companies, as is STFC Innovations.

20 Oxfordshire is at the heart of the multi-billion pound 'Motorsport Valley' technology cluster that has links to successful firms across the UK that supply a global industry. These companies dominate the design and manufacture of components used in the majority of the world's racing categories. They also develop the leading-edge technology use in F1, technology that ultimately is absorbed into mainstream car technologies. As the home of the BMW Mini, Oxford is the test bed for the pioneering electric Mini.

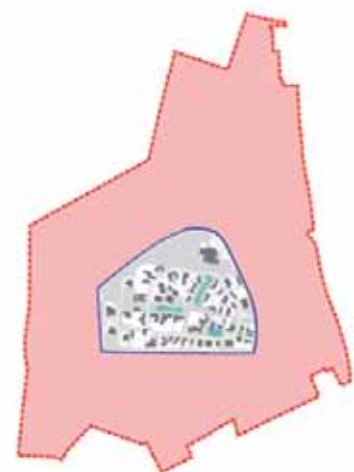
Harwell Science and Innovation Campus Scale Comparison



Sofia Antipolis - France



Boston MIT Campus - USA



Cambridge Science Park - UK

The Oxfordshire City-Region: a Functional Economic Area

21 The importance of focusing on the functional economic area cannot be over stated. It has been a key consideration in helping shape our proposal for the Oxfordshire City-Region Enterprise Partnership.

22 There is considerable evidence¹, based on a range of criteria, which confirms Oxfordshire as a functional economic area in its own right. This research, used by the Local Government Association, demonstrates the close fit between the administrative boundaries of Oxfordshire and the economic area.

23 More recent evidence from Experian has reaffirmed this analysis. It has also shown how the prospects for the Oxfordshire functional economic area are quite distinct from those of its neighbours. This emphasises the importance of having a partnership that tailors solutions that are particular to its circumstances.

24 Our understanding of the functional economic area has been enhanced by our pioneering work on the Local Economic Assessment², piloted by the County Council and the five District Councils. This forms a key part of the evidence base that has shaped our proposal and, in particular, the identification of key challenges on which there is a need for leadership.

25 The Oxfordshire City-Region Enterprise Partnership therefore meets the key requirement identified by the Secretaries of State of covering a functional economic area. By building on existing governance and administrative arrangements it has the added value of being able to be established quickly.



Steve Munford

*Chief Executive Officer
of Sophos*

“ There is something special about the way Oxfordshire’s strengths combine to support the most cutting-edge industries. It manages to be a great place to invent, to innovate and develop, while also giving us the springboard to compete internationally. ”

¹ LGA research: *prosperous communities II - vive la devolution!* February 2007, www.lga.gov.uk/lga/aio/21918

² See www.oxfordshire.gov.uk/economicassessment

The Need to avoid Complacency: Economic Challenges

- 26 Our proposal for the Oxfordshire City-Region Enterprise Partnership is founded in the shared ambition amongst all partners to deliver sustainable economic growth. The challenges facing the Oxfordshire City-Region are distinctive and need to be addressed if we are to realise our full potential.
- 27 The Oxfordshire City-Region is not performing as well as it should. Our Gross Value Added per head is only average when compared with our competitors in the UK and internationally. The growth in our knowledge-intensive economy is slower than our competitors.
- 28 There are skills shortages and particular concerns about young people aged 16-25 years who are not in education, employment or training.
- 29 Our economy is characterised by a large public sector, comprising local government, academic institutions, the health sector, the police and the military. Most of these public sector organisations are large scale.
- 30 At 46% of its workforce, Oxford City has the highest proportion of any district in England working in public administration, education and health sectors. The military sector is another major employer, one that is set to increase with the expansion of operations at RAF Brize Norton.
- 31 The economy is therefore extremely vulnerable to the impact that reductions in the public sector economy will bring.
- 32 In contrast the private sector includes many small enterprises, with a lower proportion of medium sized and large businesses than comparable areas. Large companies such as BMW and Unipart employ several thousand people but the vast majority of businesses employ less than 20 staff. With over 35,000 registered businesses (of which 27,000 are SMEs) we need to recognise the particular challenges facing each sector.
- 33 The very strength of the Oxfordshire City-Region economy and the quality of its environment creates both a complacency that future prosperity can be taken for granted and a tension between those pushing for economic growth and those concerned about its impact on the environment.
- 34 As a result, the Oxfordshire City-Region has not been seen to be sufficiently welcoming to business and has failed either to nurture its existing businesses or to promote itself to new investors. These tensions are often played out in the arena of the planning system that is seen by many in business as a barrier and by others as failing to protect the environment.

Rebalancing the Economy: Creating Private Sector Jobs

Realising Our Potential

35 The Oxfordshire City-Region has the capacity to pioneer the development of new markets by bringing together the range and intensity of its science and technology offer, its success in spinning out innovative and high growth businesses and its ability to connect these to supply chains linked to world and market leaders. Making new markets and obtaining first-mover advantages in them will be vital to remaining competitive.

36 With a smaller public sector with fewer resources, new ways of working will be required. Through the Oxfordshire City-Region Enterprise Partnership we will have the mechanism by which a smaller public sector works to a greater effect and enables the private sector to achieve its full potential.

37 We will use our new Partnership to focus on developing markets and creating private sector jobs in those sectors that have the greatest potential for growth and global competitiveness:

- Low carbon and green technologies;
- Advanced materials and engineering;

- Space and other high value R&D science based sectors (including health care, cryogenics, etc).

38 Other sectors, including retail, creative and cultural industries, tourism and the visitor economy, the military and the voluntary, community & faith sectors will continue to be important. It is this variety, coupled with the heritage offer (including Blenheim Palace - a world heritage site - and the concentration of historic buildings in Oxford) and the quality of the environment that makes Oxfordshire such an attractive place to live and work.

39 The focus of the Partnership will be on the drivers for innovation and wealth creation in our key sectors for the future. We will keep these sectors under review and, where appropriate, make sure that we use the work of the Partnership to support opportunities across the wider economy.

Focus for Growth: Spatial Priorities

40 Our Partnership will provide the strategic leadership needed to remove the barriers to delivery; this will help create new markets for growth in the key sectors of the future, particularly in low carbon and green technologies.

41 It will play a transformational role in bringing together our work on economic development, transport and infrastructure, housing and skills such that:

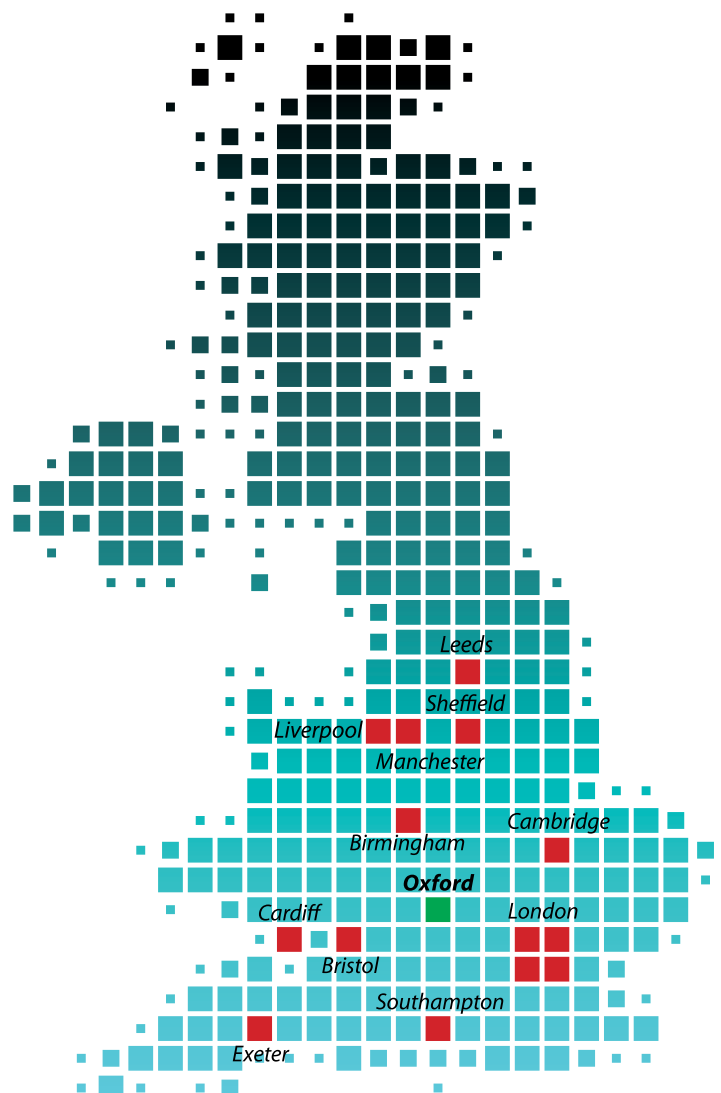
- Strategic planning across the Partnership area is integrated with and influences national infrastructure investment;
- Proposals for submissions to the Regional Growth Fund are co-ordinated;
- Transitional and shadow arrangements are put in place for critical functions and projects during the wind-down of the regional development agency;
- Local leadership is provided for nationally-led economic development and regeneration functions.

42 We will focus this work on our key spatial priorities.

- Science Vale UK - where we will build on its designation as a national science and innovation campus to become the National Centre of Excellence for Science and Innovation;
- Bicester - where we will use the eco-town proposal to act as the focus for delivering an international exemplar of sustainable development;
- Oxford - where we will continue to invest in supporting the work that already makes this a world-class centre of education, research and innovation.

Economic Infrastructure for the 21st Century

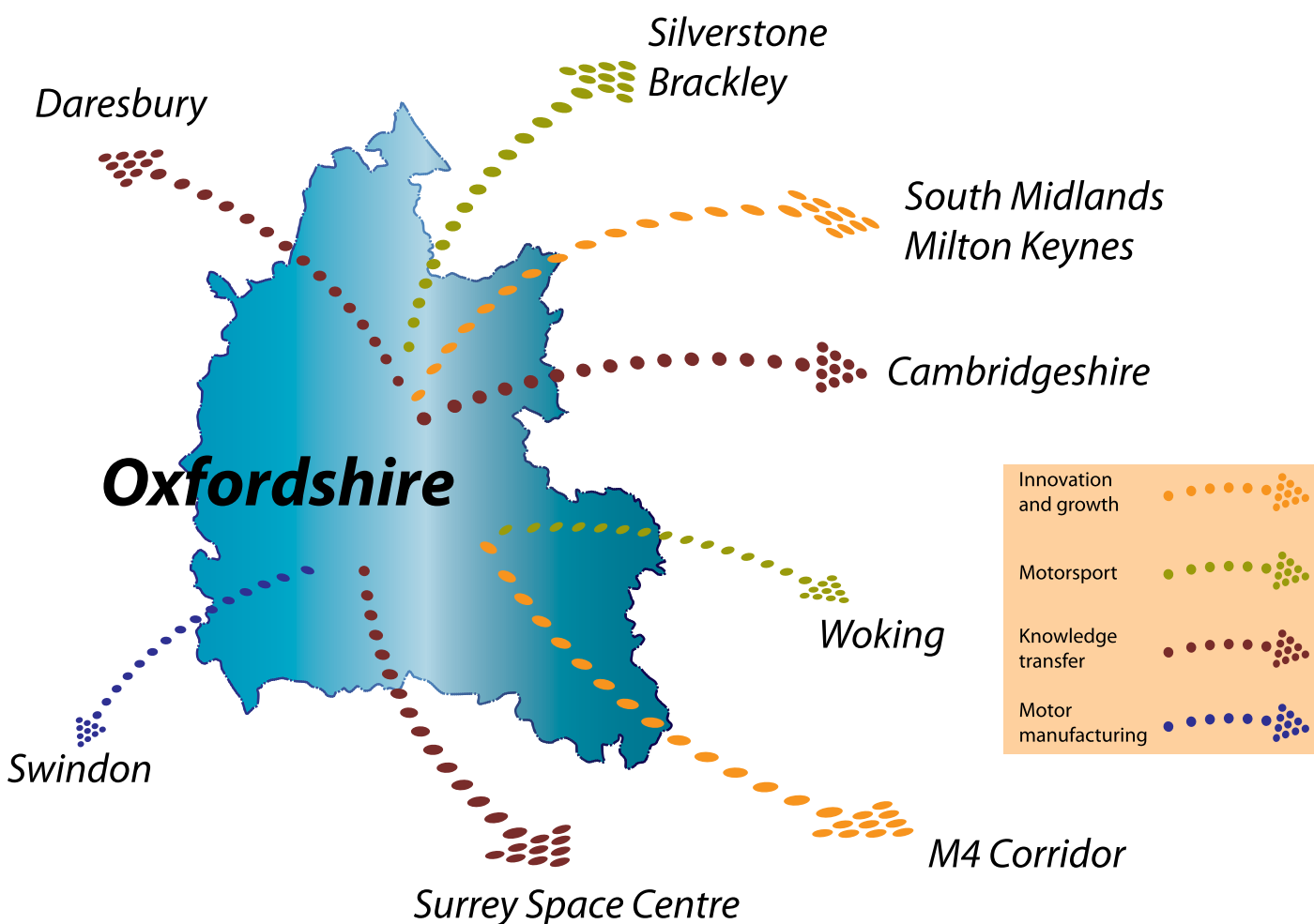
43 The Oxfordshire City-Region is strategically located. Our close proximity to London and the Thames Valley provide access to international gateways that support globally competitive businesses. The Oxford - Cambridge Arc provides linkages with the growth potential of Milton Keynes and our fellow seat of academic learning in Cambridge, while the supply chains associated with 'Motorsport Valley' extend to the north and south.



44 Investing in infrastructure is at the heart of ensuring that Oxfordshire realises its full potential. Ensuring our transport and communication networks are fit for purpose will be a priority for the Partnership. Aligning infrastructure investment with that made in housing and other infrastructure will be another priority.

45 Through the Partnership we will ensure that the planning system is an enabler of sustainable economic development, not a barrier to it.

46 Delivering Next Generation Broadband access across the Partnership area will be critical to realising our ambition. While our spatial priorities give us a focus, it is important that our investment in Next Generation Broadband removes barriers to business, job creation and self-employment throughout Oxfordshire. We will, therefore, use the Partnership to bring forward initiatives that enable us to support businesses located in our rural communities as a means of supporting competitiveness.



Working Across Boundaries: Flexibility in Form

- 47 For many businesses, local administrative boundaries are irrelevant. Increasingly the infrastructure required to support economic activity is a combination of physical and virtual networks. The extent and scope of these networks will vary between sectors: with some supply chains extending into adjoining areas, others extending to partners based elsewhere in the UK or globally.
- 48 The fact remains that, to realise our full potential and remain globally competitive, there is a need for continued investment in both physical and virtual networks.



Bob Bell

*Managing Director,
Renault F1*

“ F1 sits at the pinnacle of motorsports but it is an industry reliant on numerous subsidiary businesses - research, high-tech manufacturing and a steady supply of young minds keen to innovate. We get that from Oxfordshire. ”

- 49 Our Partnership will follow the linkages in the supply chains of our key sectors and work with partners at local, national and international levels to achieve shared ambitions where these exist. Such linkages need to be established in response to clearly identified need. Where other Local Enterprise Partnerships exist we will work with them as appropriate; where more appropriate working arrangements exist we will use them.

- 50 For some members of the Partnership this approach will involve them wishing to co-operate with neighbouring Local Enterprise Partnerships on specific sector initiatives. Local authority members in the Oxfordshire City-Region Enterprise Partnership will actively facilitate businesses' needs for cross boundary working where this is necessary.

A Call to Action: Developing the Proposition

51 The development of this proposal has been a shared endeavour between the public and private sectors. The strength of Oxfordshire as a functional economic area has provided a focus of partnership working in the past. However the need to strengthen the links between the public sector, the business sector and academia has long been recognised.

52 The opportunity presented by a Local Enterprise Partnership was discussed at a meeting of senior representatives from the business community and local government leaders in July. It is on the basis of the consensus of that meeting, and with the support of the Vice-Chancellors of both universities together with representatives from the business community and Further Education sector, that this proposition has been prepared.

53 The involvement of senior and high profile business people throughout the development of this proposal has ensured a sense of ownership across the business sector, local government and the Oxfordshire academic community.

54 Out of this process and in addition to the particular objective around wealth creation, some important principles to improve how we work together have emerged:



David Richards CBE

Chairman and Chief Executive of Prodrive Group and Chairman of Aston Martin



Prodrive sits on one of the most competitive technical and innovative sectors in UK industry. Oxfordshire, with its mix of high-tech manufacturing, research and excellent supply chain positioning, is a natural home.



- (a) The Partnership has to work for all of its stakeholders in business, local authorities, academia and other sectors;
- (b) Business representation must reflect different sectors and sizes of business; and
- (c) The Partnership must add value by building on what exists and bringing disparate initiatives together while also facilitating and enabling the work of others rather than trying to do everything itself.

55 The bid has the commitment, engagement and support of the academic institutions, businesses, business representative organisations and local government listed at the end of the document.

The Oxfordshire City-Region Enterprise Partnership

A Shared Vision

56 As partners we share a common vision: to make the Oxfordshire City-Region open for business and at the heart of the UK's drive for knowledge transfer, innovation and private sector job creation.

57 The Oxfordshire City-Region Enterprise Partnership will provide a level of strategic leadership from the business community, the public sector and academia the like of which has not been realised in the past. We want to capture the moment and, with the support of Government, the Partnership will:

- Shape and articulate a vision for the long term future of Oxfordshire's economy;
- Promote the rebalancing of the economy from the public to private sector;
- Support existing organisations to realise their full potential through better support and co-ordination;
- Promote investment in skills development that supports growth in our key sectors;
- Remove barriers to business start up and growth, actively facilitating innovation and entrepreneurship;
- Support the development of markets in the key sectors of the future.

58 Through transformational leadership it will break down traditional barriers to economic growth and ensure that the right support mechanisms are in place where and when they are needed. To do this requires Government to work with us and deliver on the 'asks' set out in this proposal.

Governance, Accountability and Implementation

59 The Oxfordshire City-Region Enterprise Partnership will be chaired by a high profile business-person, supported by three Vice-chairmen: one each representing the public sector, private sector and academia. The Chairman and Vice-Chairmen will act as an informal sounding board that enables the Partnership to respond rapidly when needed.

60 Our proposed structure is based on the desire to be inclusive and to ensure that its work is transparent and open to scrutiny. It comprises three levels of engagement:

- a) Oxfordshire City-Region Forum: meeting as a 'supervisory board' of 'shareholders' that engages and holds the City-Region Board to account.

The Forum will help articulate the opportunities, ambitions and challenges facing Oxfordshire in a way that drives improvements among those responsible for its delivery, engages Oxfordshire residents in debate about the challenges they face and promotes the county to the wider world. Members of the Forum will include senior business, academic and local government leaders, many of whom have not been sufficiently involved as corporate citizens of Oxfordshire to-date. This is a key part of the added value that the Partnership will deliver.

- b) Oxfordshire City-Region Board: an executive board, accountable to the Forum and responsible for delivery of priority areas of work. The size will be limited to keep it effective but will contain representatives of different parts of the private, academic and public sectors. The board will fulfil a role equivalent to the directors of a private sector business.
- c) Oxfordshire City-Region Special Purpose Vehicles: as required groupings that focus on either a particular sector and/or location whose membership reflects the focus of the group. Where appropriate 'task and finish' groups will deal with specific issues.

- 61 The Partnership will improve service efficiency by enabling each partner to focus on their contribution towards delivering a shared vision for the City-Region.
- 62 Formal lines of communication and liaison with central government will be agreed in consultation with individual Departments following approval in principle for our proposal.
- 63 An inaugural meeting of the Oxfordshire City-Region Board will be organised for November 2010. This will enable the Partnership to offer a view on emerging submissions to the Regional Growth Fund. The initial meeting of the Forum will be held in January 2011.



Dr Juergen Hedrich
*Managing Director,
MINI Plant Oxford*

Oxford has been an automotive manufacturing centre for decades, but it has transformed into a 21st century manufacturing facility producing an iconic brand, the MINI, in an iconic location.

Adding Value: Achieving Outcomes

Focus on the Priorities

- 64 The Oxfordshire City-Region Enterprise Partnership will be the catalyst for realising Oxfordshire's potential. This will require prioritisation of key issues rather than trying to do everything.
- 65 The Local Economic Assessment provides a starting point for identifying our priorities. Our work as a national pilot for the Homes and Communities Agency on the 'single conversation' provides further evidence upon which to identify the issues on which the Partnership needs to focus:
- Addressing skills deficiencies
 - Supporting innovation and growth, including access to finance
 - Business support provision
 - Securing investment for infrastructure priorities
 - Addressing specific barriers to business growth identified by business
- 66 Our Partnership provides the opportunity to review how local authority policies and processes could be changed or used better to nurture SMEs and business growth. The Partnership will thus make a positive contribution towards the on-going commitment to improve the efficiency of the public sector.



Professor Andrew Hamilton
*Vice-Chancellor,
University of Oxford*



Professor Janet Beer
*Vice-Chancellor, Oxford
Brookes University*



Oxfordshire is one of the nation's leading knowledge transfer centres, with a successful track record of converting basic science and engineering into new technologies, and is therefore very well placed to play a key role in the future success of the UK economy.



Measuring Success

- 67 The Oxfordshire City-Region is not realising its potential. In comparative terms we are not growing as fast as our competitors whether measured by gross value added per head, business volume or employment. It therefore follows that these will provide the basis on which the success of the Partnership is judged.

68 Nevertheless the measurement of these outcomes is not straight forward (measures of Gross Value Added, for example, are both complex and slow – the data is only available two years after the event). We will therefore monitor a small number of datasets, ones that provide more timely feedback on progress in addressing our key issues:

- a) **Improved skills** – the skills of the workforce and of students entering the workforce need to be improved, including soft skills (such as behaviours, attitudes and motivation) required to improve their employability and releasing their full potential.
- b) **Increased business stock** – the numbers of new businesses, particularly in high growth, high tech businesses, their survival and growth and their success in becoming medium- sized and large businesses.
- c) **Increased inward investment** – capturing information about the investment of new businesses coming to Oxfordshire and the investment of existing foreign-owned businesses.
- d) **Increased number of private sector jobs** – a key metric given the dependency of the economy on the public sector economy.

e) **Wider Next Generation Access (NGA) Broadband coverage** – maps of the expected coverage of superfast and NGA broadband will be used as the baseline against which the impact of the Partnership is assessed.

69 In addition, we will use case studies to capture success and share learning among the members of the Partnership.

70 Our progress against each of these measures will be monitored on a regular basis by the Board and reported to the Forum.



Lieutenant General Andrew Graham CBE
*Director General
Defence Academy*



The dynamic and innovative approach outlined in this bid will enable the Academy, with its academic and commercial partners, to offer greater value to Oxfordshire's unique academic and commercial networks



Making a Difference Now: Our Detailed Proposition

71 The strategic leadership of the Oxfordshire City-Region Enterprise Partnership will be critical to realising the full potential of our economy. The vulnerability of our economy to reductions in the public sector part adds further impetus to the need for action.

72 We will use our Partnership to build upon existing working arrangements to align our work on planning, housing, transport and infrastructure priorities, skills requirements and business support. However, the potential for us to make a difference will only be fully realised if Government devolves functions and funding to the Partnership.

73 Our Enterprise Partnership is new and will evolve in light of experience. While this proposal sets out an initial set of 'asks', we look to Government to commit to work with us on an on-going basis to develop our Partnership.

74 **As part of that commitment we propose that:**

- a) **Our Partnership is involved at an early stage in the development of proposals prepared by Government departments that may have an implication for the delivery of services and/or projects at the local level;**
- b) **Our Partnership is included as a formal consultee on proposals issued by Government;**
- c) **Government departments are required to take our investment priorities into account when preparing their programmes.**

75 We believe strongly that many decisions are best taken at the local level and that our national economic performance has been held back by an over-centralised state. Given the tightening of public expenditure over the medium term, we believe significant savings are possible through place-based budgeting which devolves funding to local democratically accountable bodies while retaining a line of accountability to Parliament for funds it has voted to that locality.

76 We would welcome the opportunity to work with Government as a pilot for the implementation of place-based budgeting.

Addressing Skills Deficiencies

77 Skills have been identified as a key issue for the Partnership to address. Government has decided to create a national organisation responsible for procuring and funding skills provision. It is critical that, in setting out its requirements for skills provision, the Government (and its agencies) properly take into account local needs.

78 This will be achieved through a local statement of need, which will describe the learning, skills and training needs required locally. Such a statement will support provider planning and inform learners of the economic prospects relating to the training opportunities available.

79 Through the Partnership we could agree the relative co-funding ratios of course costs as

a means of creating favourable markets for providers and learners to meet local needs. This will ensure that employers have the chance to influence and invest in the skills that are genuinely required to meet future needs.

80 We propose that:

- a) Funding is provided by the Government to enable the Oxfordshire City-Region Partnership to keep the skills needs of the local economy under review and to produce an annual local statement of needs;**
- b) The Government is required to use the local statement of needs in defining the skills provision to be procured by the Skills Funding Agency (and its successors) and the Young People's Learning Agency;**
- c) Through the Partnership, local providers commit to use the local statement of needs to inform their own procurement and provision of skills.**

Supporting innovation and growth, including access to finance

81 The partners in Oxfordshire have a strong track record of facilitating innovation and growth. A particular strength is our ability to transfer knowledge and bring concepts and ideas to market. The Innovation and Growth Team, currently funded by the South East England Regional Development Agency

(SEEDA), has given fresh momentum to this. A business-led service, the team has already levered in an additional £26m of investment. Continuation of this level of support is critical to helping the Partnership realise its ambition to rebalance the economy through the creation of additional private sector jobs.

82 The science and innovation based R&D facilities clustered within Science Vale UK form the basis of a National Centre of Excellence. This cluster is at the heart of a network that extends across the UK and we will work with the Technology Strategy Board to provide national leadership in the development of this sector.

83 The opening of the European Space Agency at Harwell sparked the opportunity for the UK to develop a global space hub - the £40m Harwell International Space and Innovation Centre that will create 700 new jobs and lever in £11.5m of private sector investment.

84 Further funding will be required to realise the potential pipeline of inward investment centred on Harwell.

85 Many of our businesses form part of global supply chains. Actively seeking out the relocation of businesses within existing supply chains to Oxfordshire will increase the resilience of our economy. We will work with UK Trade & Investment to develop new working arrangements that enable the Partnership to support and benefit from their work internationally.

86 Access to finance following the credit crunch remains a barrier to business development. In particular, small and medium sized businesses face challenges to accessing bank and equity finance. Addressing this issue will be a critical success factor if we are to realise our ambition to reduce our vulnerability to reductions in the public sector economy by creating new private sector jobs.

87 We will continue to explore opportunities to lever in funding from external sources, including Europe, to support innovation and growth.

88 **We propose that:**

- a) **Funding is provided by Government to enable the Oxfordshire City-Region Partnership to maintain the Innovation and Growth Team.**
- b) **Department for Business, Innovation and Skills confirm funding to support the Harwell International Space and Innovation Centre (including previous commitments made by SEEDA)**
- c) **Science Vale UK is a National Centre of Excellence and that the Partnership commits to work with the Technology Strategy Board to ensure that the Harwell Science and Innovation Centre provides national leadership.**
- d) **The Partnership is identified as a pilot for working with UK Trade & Investment to**

develop a new working arrangement that provides intensive support for inward investment.

e) **The Partnership work with the Department for Business, Innovation and Skills to improve access to government products providing financial assistance for business development.**

f) **The Partnership work with European partners to promote innovation and growth in medical research.**

Business support provision

89 Business support remains a key requirement for supporting business survival and growth. Having gone through substantial change in recent months, the current Business Link offer is now providing the support that is needed by the business community. Maintaining this level of support remains a key priority, as does the need to maintain a strong working linkage with the work of the Innovation and Growth Team.

90 **We propose that:**

- a) **Government commits to maintaining support for the Business Link offer and requires Business Link to work with the Partnership to ensure that its services support local needs, in particular start up and enterprise development.**

b) The Department for Work and Pensions and Job Centre Plus work with the Partnership to ensure that local needs are taken into account in strategic planning.

Securing investment for infrastructure priorities

91 A key area where the Oxfordshire City-Region Enterprise Partnership will bring added value is in taking forward the infrastructure planning agenda.

92 We will build upon the success of our existing Strategic Planning and Infrastructure Partnership (SPIP) and its ground breaking work as a pilot for the Home and Communities Agency's 'single conversation'. Oxfordshire's Local Investment Agreement was one of the first in the country, used not only as a model for others in areas of two-tier local government but also as the basis for prioritisation of infrastructure investment across the county.

93 There is an urgent need to develop further our understanding of how public and private sector investment, including funding secured through developer contributions, can be aligned. This work will need to consider how the existing S106 regime can be developed to incorporate the latest thinking on tariffs and/ or incentives for new housing. As part of this approach we will examine and, if appropriate, pilot a proposal that enables infrastructure to be forward-funded.

94 We will use the Local Investment Agreement as the basis for taking further our work on infrastructure, in particular looking to improve the alignment of decision making across delivery agencies. We will give particular attention to working with the Homes and Community Agency to deliver affordable housing where there is an identified need.

95 We will use the Local Transport Plan as the opportunity to engage with adjoining authorities and, where they exist, Local Enterprise Partnerships, to identify strategic transport requirements that promote sustainable economic growth. In this way we will ensure that the priorities in the Local Transport Plan complement and support strategic priorities.

96 We support the proposal to establish the Regional Growth Fund. With clearly identified priorities that are evidence based, the Partnership is well placed to co-ordinate and advise on proposals for funding.

97 We propose that:

a) The Homes and Communities Agency is required to work with the Partnership to allocate investment in affordable housing and regeneration in line with local needs;

b) Government commit to work with the Partnership to explore the potential to devolve decision making on funding currently managed by the Homes and Communities Agency to local government;

- c) The Department for Communities and Local Government work with the Partnership to develop a comprehensive approach to the role of the planning system in securing funding contributions and that this is used to inform and shape Government policy in respect of tariffs and housing incentives.
- d) The Partnership examine and, if appropriate, pilot a forward-funding mechanism for enabling infrastructure; as part of this we will work with the SEEDA to retain the knowledge and experience gained with the South East England Regional Infrastructure Fund.
- e) The Partnership uses the need to invest in the Oxfordshire County Broadband Network as an opportunity to work with network providers to develop and implement a strategy for the roll out of Next Generation Broadband across the county.
- f) The Partnership ensure that the Local Transport Plan prioritises improvements that support its desired outcomes.
- g) The Partnership work with adjoining local authorities and, where they exist, Local Enterprise Partnerships, to promote and secure delivery of strategic enabling infrastructure. In particular it will champion investment in:
 - i) East-West Rail as a key piece of enabling infrastructure for economic and housing growth
 - ii) Improvements in the capacity of Oxford Station as part of a comprehensive improvement strategy for the Great Western Main Line
 - iii) Measures to address bottlenecks on the A34 corridor
- h) The Partnership co-ordinates bids for the Regional Growth Fund working with key partners.
- i) The Partnership work with Government to agree the transition for management of European funding programmes at the local level.

Transition Funding

98 To realise the potential of the Oxfordshire City-Region Enterprise Partnership, it is important that we make rapid progress in delivering the proposition set out in this document. This is particularly critical if we are to avoid a hiatus in delivery following changes at the regional and national level.

99 We propose that Government allows Regional Growth Funding to support the development of the Oxfordshire City-Region Enterprise Partnership.

An On-going Dialogue

- 100 Existing working arrangements are already pushing beyond traditional boundaries to improve the framework for growth. Examples include:
- a) The Oxfordshire Economic Partnership - played a key role in the establishment of a Destination Management Organisation for Oxford & Oxfordshire and the Oxfordshire Innovation and Growth Team. It has helped bring together organisations involved in skills and developed the quality of the county's inward investment offer. Its Horizons and Futures events have engaged a wide range of businesses in thinking about issues facing the Oxfordshire economy and it has taken on the hosting of the business directory and Oxfordshire Business Enterprise that organises volunteers to provide mentoring to small businesses. Its Task Groups have mobilised a small army of business leaders in working on a range of issues including skills, business support, broadband, tourism and the green economy.
 - b) OxfordshireinBusiness – brings together the main business representative organisations: Federation of Small Business, Institute of Directors, the CBI, the Oxfordshire Town Chambers Network and the Oxfordshire Chamber of Commerce and the CBI
 - c) Oxford Inspires – has provided leadership in the creative and cultural industries sector and is in the process of integrating its activities with the Destination Management Organisation for Oxford & Oxfordshire in promoting the visitor economy.
 - d) Networking with attitude - up to 80 different business events and groups

across the county are involved in bringing together the people needed for business success. The events range from a variety of breakfast, lunch and dinner meetings, to several business awards, the annual meeting of a 1,000 innovators, investors and entrepreneurs at Venturefest, investment networks and the largest university enterprise club in the world (Oxford University's 'Oxford Entrepreneurs').

101 The fact that we can build on these existing arrangements will help us implement the Oxfordshire City-Region Enterprise Partnership sooner rather than later. It will help avoid prolonged and unproductive debate on governance and structures that ultimately inhibit growth.

- 102 The Partnership will explore opportunities to develop the existing working arrangements, in particular:
- Business ambassadors – working with businesses to shape and develop personal networks and organisational links;
 - Enhanced Leader-level meetings and consultations - including business breakfasts and workshops
 - Bottom-up Input - using intelligence from local engagement to feed upwards in a co-ordinated way to collate intelligence, develop advice and inform decisions.

Conclusion

103 The Government wishes to see 'local enterprise partnerships form that have significant economic weight and match the real economic geography on the ground'. Our proposal for the Oxfordshire City-Region Enterprise Partnership meets both of these requirements.

104 The Oxfordshire City-Region needs to perform to its full potential for the benefit of its residents; for the benefit of the UK economy in a globally competitive environment.

105 We have a shared ambition – to deliver sustainable economic growth. Through our Enterprise Partnership we will provide the strategic leadership that will:

- a) Create additional sustainable private sector employment, in the process helping to:
- b) Reduce our dependency on the public sector for longer-term growth and prosperity.

106 Oxfordshire has the capacity to pioneer the development of new markets. We have clear spatial priorities where this capacity can be realised. By building upon our existing working arrangements we are able to make rapid progress in setting up the Oxfordshire City-Region Enterprise Partnership.

107 Our proposal is the starting point for a new relationship between the business community, local government and central Government. Our Partnership provides the means of ensuring that the voice of enterprise is at the heart of our priority-setting and decision making.

108 **We look to Government to work with us and support the potential of our Partnership. Our success will bring success for the UK as a whole.**



Sir Martin Wood
OBE FRS DL
Founder of Oxford Instruments Group plc

“ Our business started out with an idea and grew to be a global player. Part of the reason for that was that Oxfordshire’s scientific and academic community provide the networks and support for businesses like ours to grow and develop new technologies and markets, and to become national and international operations. ”

This proposal has received firm support from a variety of organisations across a broad range of sectors. These include, but are not limited to:

Technology

- RM Plc
- Sophos Plc

High-tech & Manufacturing

- CPM Group Ltd
- Formtech Composites
- Infineum UK
- JSP Ltd
- Oxford Instruments

Environmental Support

- Best Foot Forward
- HR Wallingford Group

Automotive Industry

- BMW Oxford
- Prodrive
- Renault F1
- Williams F1

Business Support, Advisory and Consultancy

- Blake Laphorn LLP
- Brian Whitford Associates
- Oxford Innovation Ltd
- Oxfordshire Innovation & Growth Team

Tourism & Retail

- Blenheim Palace
- Four Pillars Hotels
- London & Metropolitan International Developments (owners of Bicester Village)

Organisations from other sectors include:

- CABI (Publishing)
- MEPC (Estates and owners of Milton Park)
- Oxford Airport
- Oxford United F.C.
- Paragon Fleet Solutions (Logistics)
- Studio REAL (Architects)

The following nationally-recognised business representative bodies have confirmed that while at a national level they would wish to see larger Local Enterprise Partnerships, these organisations would be happy to work with the Oxfordshire City-Region Enterprise Partnership should the bid be successful:

- Confederation of British Industry (CBI)
- Institute of Directors (IoD)

We have also received support from:

- Oxfordshire Branch of the Country Land and Business Association
- United Kingdom Atomic Energy Authority

Local Government

- Oxfordshire County Council
- Cherwell District Council
- Oxford City Council
- South Oxfordshire District Council
- Vale of the White Horse District Council
- West Oxfordshire District Council

Education Sector

Including:

- University of Oxford
- Oxford Brookes University
- Defence Academy of the United Kingdom
- Oxford & Cherwell Valley College

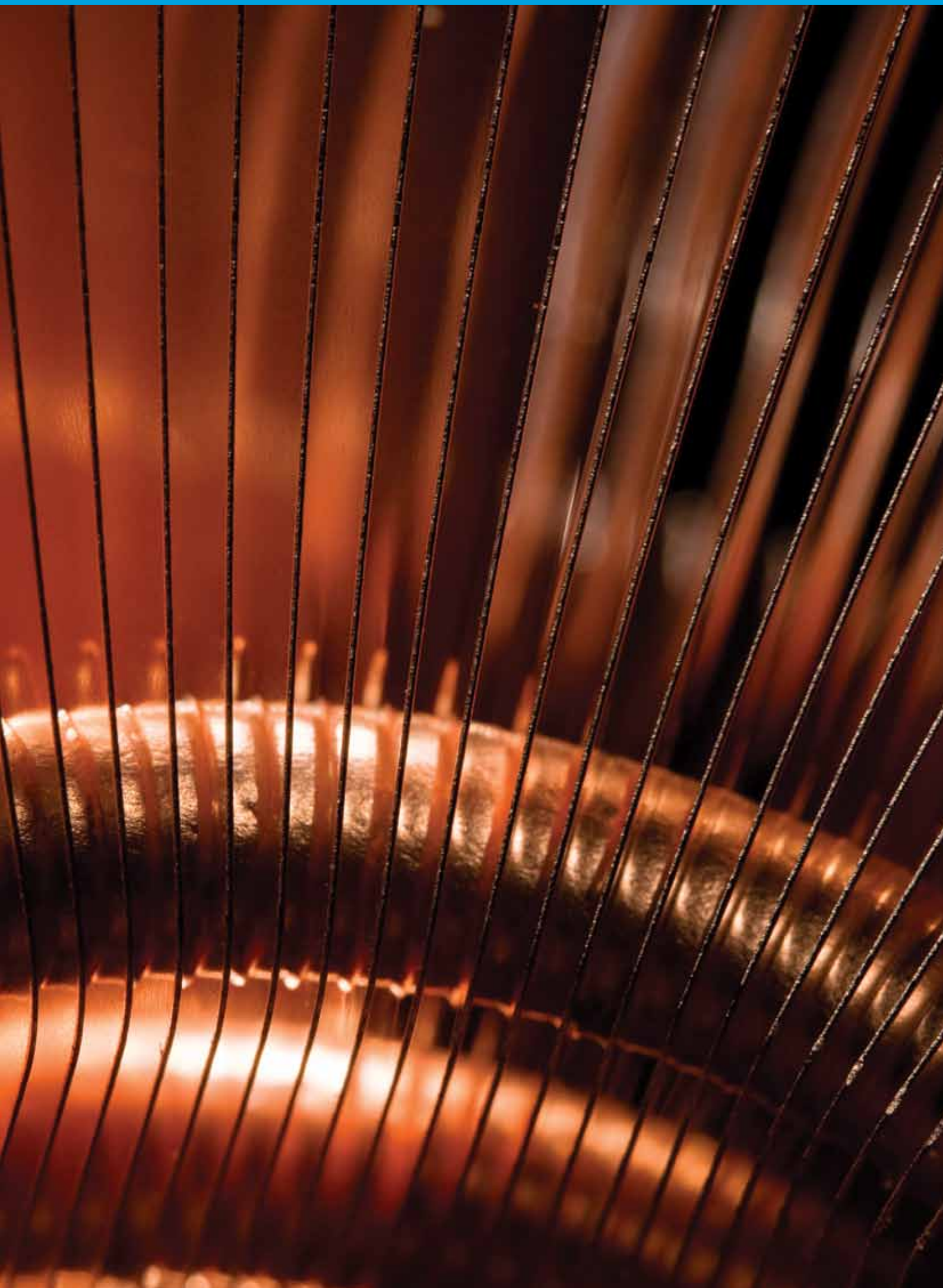
Health Sector

Including:

- Oxford Radcliffe Hospitals NHS Trust
- Oxfordshire and Buckinghamshire Mental Health NHS Foundation Trust

Local MPs

- Tony Baldry MP
- Nicola Blackwood MP
- John Howell MP
- Rt Hon Andrew Smith MP
- Ed Vaizey MP



Oxfordshire City-Region Enterprise Partnership Bid