

OXLEP LTD

BUSINESS PLAN 2016-19

*Our Vision is:
"Oxfordshire as a
vibrant,
sustainable,
inclusive, world
leading economy,
driven by
innovation,
enterprise and
research
excellence"*

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1. Forward

Our vision is:

“Oxfordshire as a vibrant, sustainable, inclusive, world leading economy, driven by innovation, enterprise and research excellence”

Over the last year we have made considerable progress supporting and driving growth in Oxfordshire. Our success has been recognised through the funding that we have been awarded from central government and the credibility we have built with central government, ministers and officials, local government partners and Oxfordshire’s businesses. This business plan sets out how we will build on our achievements and deliver our mission to strengthen the Oxfordshire economy. It sets out our key strategic ambitions covering a three year period supported by an annual implementation plan

Whilst considerable work has been undertaken to develop a coherent growth Strategy for Oxfordshire and to secure funding to deliver against our objectives there is still much work to do. The next three years will see our focus continue to be on maximising investment into Oxfordshire alongside ensuring delivery of our existing growth programmes such as City Deal and Local Growth Funds: working with partners to translate funding success into tangible activity and growth in the economy. We cannot do this alone – we rely on our stakeholders and partners to help deliver growth for Oxfordshire, with our role being one of collaboration; facilitation: coordination and enabling.

Following secondment of the County Councils Economy and Skills team into OxLEP we now have an integrated delivery infrastructure that supports our collective growth ambitions and increases our capacity to support businesses.

This business plan sets out how we will build on this approach, strengthen partnerships across the county and strengthen our economy.

Nigel Tipple

Chief Executive

2. Role of the Company - Introduction

Formally launched by the Business Minister, Mark Prisk MP, in March 2011 we are responsible for championing and developing the Oxfordshire economy. Now in our sixth year of operation, OxLEP has made considerable progress in strengthening Oxfordshire's economy by establishing robust and effective relationships between businesses, academia and the public sector.

We are a business led organisation focused upon driving the economic growth of the county. We work with businesses, education providers, communities and government at local and national level. Our Strategic Economic Plan sets a challenging vision for the county through to 2031 and one which focuses upon supporting the growth of our economy, businesses and communities. We are involved in a broad spectrum of activity; ranging from business development and skills, to supporting housing and infrastructure investment alongside our Local Authority partners and much more.

Local Enterprise Partnerships (LEPs) are tasked with providing clear vision and strategic leadership to drive sustainable growth and job creation in their area. We secure funding for, and delivery of, strategic investment priorities aligned locally to our four themes of People (skills); Place (Housing, the Environment and Employment Space); Enterprise (Business and Innovation); and Connectivity (Road, Rail, Utilities, Telecoms and Broadband) as part of an integrated approach to growth and infrastructure delivery.

OxLEP is responsible for the area covering the Oxfordshire county boundary including all five districts authority areas. However, we have an overlapping geography with the South East Midlands LEP covering Cherwell District Council administrative boundary.

As a newly formed organisation we hit the ground running, developing an evidence-based strategy alongside negotiating the Oxfordshire City Deal. Whilst a refresh of the Strategic Economic Plan (SEP) for Oxfordshire will be published in Autumn 2016, the core of the original SEP strategy remains in place and defines our Vision and Thematic Objectives. Our Strategic Economic Plan sits above a series of operational strategies which focus upon creating the conditions to support growth in the economy. There is a compendium of supporting documents which are shown in the diagram below.

The diagram shows the relationships between the SEP and its sister documents in support of driving the economic potential of the county.

	People	Place	Enterprise	Connectivity
Strategic Environmental Economic Investment Plan	<ul style="list-style-type: none"> Engaging people in the environment and enabling more sustainable lifestyles 	<ul style="list-style-type: none"> Enhancing the quality and resilience of urban areas. Improving the management of land to reduce flood risk, enhance water resources, and promote biodiversity 	<ul style="list-style-type: none"> Growing the green economy in Oxfordshire 	<ul style="list-style-type: none"> Promoting and enabling access to the countryside
Creative, Cultural, Heritage and Tourism Investment Plan	<ul style="list-style-type: none"> Productive and engaging experiences Skills, talent development and business growth 	<ul style="list-style-type: none"> Creative place-making 	<ul style="list-style-type: none"> Skills, talent development and business growth 	<ul style="list-style-type: none"> Collaboration
Oxfordshire Innovation Strategy	<ul style="list-style-type: none"> Innovation for all Innovation for social good Nurturing talent and developing skills 	<ul style="list-style-type: none"> Building innovation spaces 	<ul style="list-style-type: none"> Reinforcing the science and research base for innovation Attracting significant business and capital Embedding innovation in the ecosystem 	<ul style="list-style-type: none"> Understanding the Ecosystem: Strengthening our Networks
Oxfordshire Skills Strategy	<ul style="list-style-type: none"> Creating a skills continuum to support young people through their learning journey Upskilling and improving the chances of young people and adults marginalised or disadvantaged from work To increase the number of apprenticeship opportunities 		<ul style="list-style-type: none"> To meet the needs of local employers through a more integrated and responsive approach to education and training To explore how we can better retain graduates within Oxfordshire to meet the demand for higher level skills our businesses need. 	

Our Objectives

The delivery of the Strategic Economic Plan (2014-20) is a shared responsibility. The interventions of the LEP alone will not be sufficient to drive economic improvement, however, they form an important part of a private sector led agenda focused on integrated and sustainable growth. Working in partnership with business, academia and local government we are already seeing significant progress, clarifying investment priorities, aligning resources, influencing government and delivering.

In order to advance the delivery of our Vision – and to build on the progress we have already made in pursuit of the objectives set out in our SEP – we will continue to focus delivery around our four main thematic objectives;



people

Deliver and attract specialist and flexible skills at all levels, across all sectors, as required by our businesses, with full, inclusive employment and fulfilling jobs.



place

Provide a quality environment and choice of homes needed to support growth and capitalise upon the exceptional quality of life, vibrant economy and the dynamic urban and rural communities of our county.



enterprise

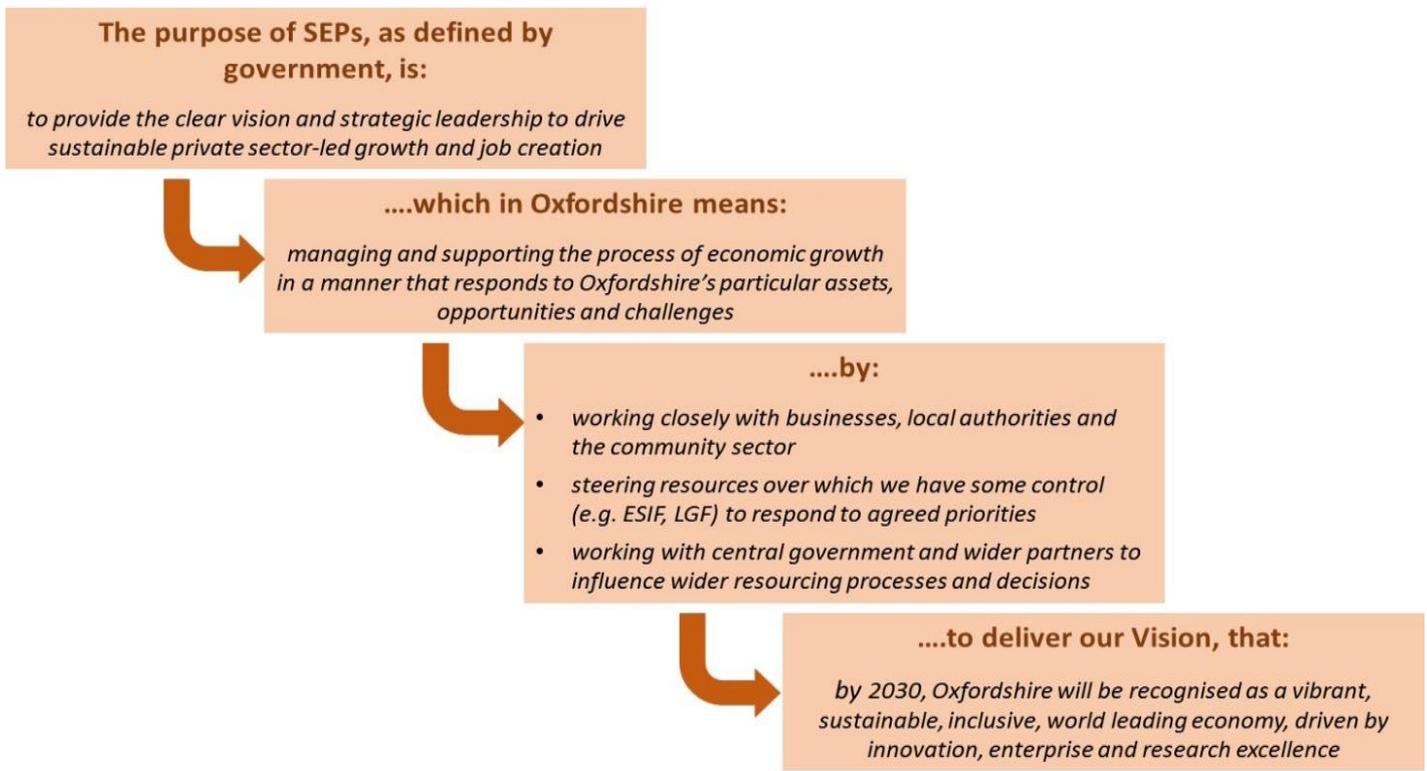
Encourage innovation led growth, underpinned by Oxfordshire's strengths in University research and development, business collaboration and supply chain potential.



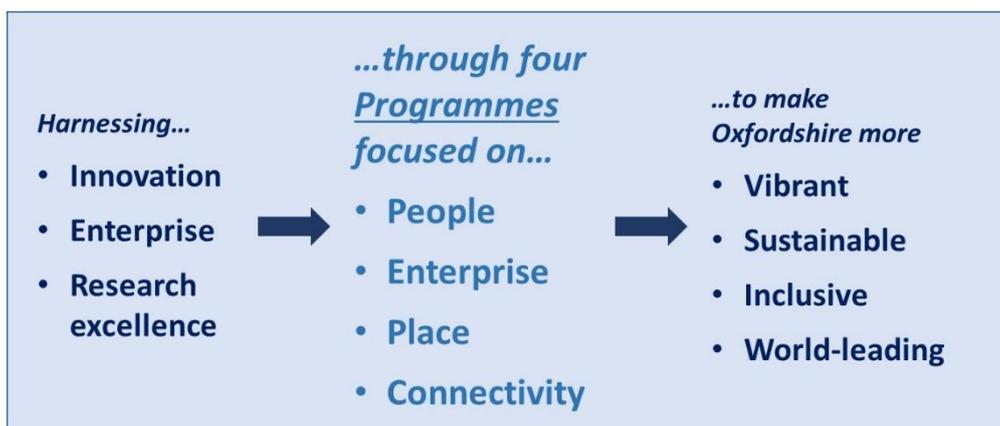
connectivity

Allow people to move freely, connect easily and provide the services, environment and facilities needed by a dynamic, growing and dispersed economy.

Strategy to Delivery – Our Approach



Critical to our continued growth is the need to nurture Oxfordshire’s successful economy and maximising its potential by focusing upon our “economic collateral”, the diagram below and narrative sets out the approach:



- **Innovation** As the inquisitive appetite for progress that permeates Oxfordshire’s economic life. It includes innovation driven by science and technology, particularly in life sciences, space technologies, digital sectors, automotive and motorsport. It also

includes innovation in heritage, tourism and culture; and in the use of environmental assets. Throughout, the process of innovation is one of Oxfordshire's strengths which must be harnessed fully to deliver our Vision;

- **Enterprise** Within the county, there are around 30,000 enterprises (or 35,000 local units). These range from major companies – like BMW at Cowley, and publishing houses like Oxford University Press (OUP) and Blackwell UK – through to micro businesses (noting that nearly 90% of enterprises employ fewer than 10 people). Oxfordshire's enterprises span fast emerging global players in knowledge-based sectors (e.g. Sophos, Adaptimmune and Immunocore) and firms that are focused on service delivery in local markets;
- **Research** Oxfordshire is renowned for outstanding research and includes research under the auspices of the University of Oxford and Oxford Brookes University. Harwell and Culham are major foci for "big science", and there are significant numbers of businesses that undertake leading-edge research and development. Oxfordshire's research excellence is underpinned by world class science. By harnessing these three overarching drivers, we will ensure that by 2030, Oxfordshire's economy is rightly recognised to be;
- **Vibrant** Oxfordshire will be a place where ambitious businesses and people thrive and where aspiring young people choose to build their careers and their lives, contributing to the vibrancy of Oxfordshire's communities;
- **Sustainable** Oxfordshire will be on a trajectory for growth that is sustainable environmentally (taking into account climate change, carbon emissions, heritage and patterns of resource use), socially (reflecting the needs and character of communities) and economically (with businesses and others choosing to reinvest);
- **Inclusive** Oxfordshire will be a place in which all residents – irrespective of age, gender, or ethnicity – have a real stake in determining the county's future economic narrative and contributing fully to it;
- **World-leading** Oxfordshire will be a place that is recognised globally for its dynamic innovation ecosystem, founded on world class research and fuelled by enterprise, all within an environment of the highest quality.

Our refreshed SEP and associated strategies and investment plans, along with existing and emerging local growth fund programmes, aim to support the delivery of these ambitions across a range of projects. Each promote and deliver innovation led growth for Oxfordshire and UK PLC. Leadership is however critical to delivery of the Vision and we have the opportunity to reinforce our position as “change agents” in the following ways:

- **Leadership** – influencing decision-making processes (at central government as well as local levels) by representing the “voice of business” from Oxfordshire;
- **Delivery** – where there is no natural partner we will take on responsibility for directly delivering key activity;
- **Brokerage** – linking partners and projects with each other and helping access funds through National Government (such as City Deal and Growth Deal Funding) to deliver the objectives of the Strategic Economic Plan;
- **Facilitation** - working in partnership with a range of key partners and wider stakeholders, including the Local Authorities, those from the private sector, Universities and Colleges.

Economic Environment

Oxfordshire has one of the strongest economies in the UK and is one of the true powerhouses of the national economy. Oxfordshire is globally competitive in areas such as high performance engineering, bioscience, medical instruments and publishing. Our economy is highly competitive and proved resilient during and following on from the last recession largely due to a number of features– it has a highly skilled workforce – 46% are graduates; it has unique assets – two universities- the University of Oxford is rated one of the best in the world and Oxford Brookes is one of the top performing modern universities nationally. It is also home to a group of large science and research facilities that includes Harwell Oxford Innovation & Science Campus: home to the Rutherford Appleton Laboratory, Diamond Light Source and the gateway to the space sector – the newly established European Space agency is here alongside the Satellite Applications Catapult Centre. Also, the UK Atomic Energy Authority, Culham Centre for Fusion Energy is home to the UK’s national fusion research laboratory.

As with all LEPs OxLEP operates in an ever changing landscape of economic policy and drivers – some of which are within our sphere of influence and control, others are not. The key external drivers which influence our work include:

- Changes to the national economy and an improving labour market;
- The national policy landscape that emerges post EU Referendum ;
- An uncertain public finance landscape moving forward

- The start (albeit late) of the new 2014-20 European funding programme with significant resources available to fund business support, skills and employment activity.
- Local government reforms and particularly on-going devolution negotiations for Oxfordshire

Financial and Commercial Drivers

Whilst we cannot predict the future it's likely the next three years will be characterised by a combination of potential funding opportunities such as Local Growth Fund (LGF) and the delivery of our ESIF programme, and challenges such as the reduced skills funding, the implementation of the "Apprenticeship Levy" and post Brexit fallout. LEP core funding operates on a very short timescale from national sources and needs to be secured to match against our ERDF programmes.

We also need to review opportunities to build new partnerships where the particular strengths and expertise of different stakeholders can be consolidated into a collaborative delivery framework. Our direction of travel is to work even more collaboratively in the future, building on existing arrangements such as the UKTI MOU and integration of Oxfordshire Business Enterprise (OBE) within the OBS service and leading the development of the Joint Oxfordshire Business Support alliance (JOBS) which brings together all economic development practitioners from each local authority, our Network Navigators, OBS and national programmes to maximise collaboration.

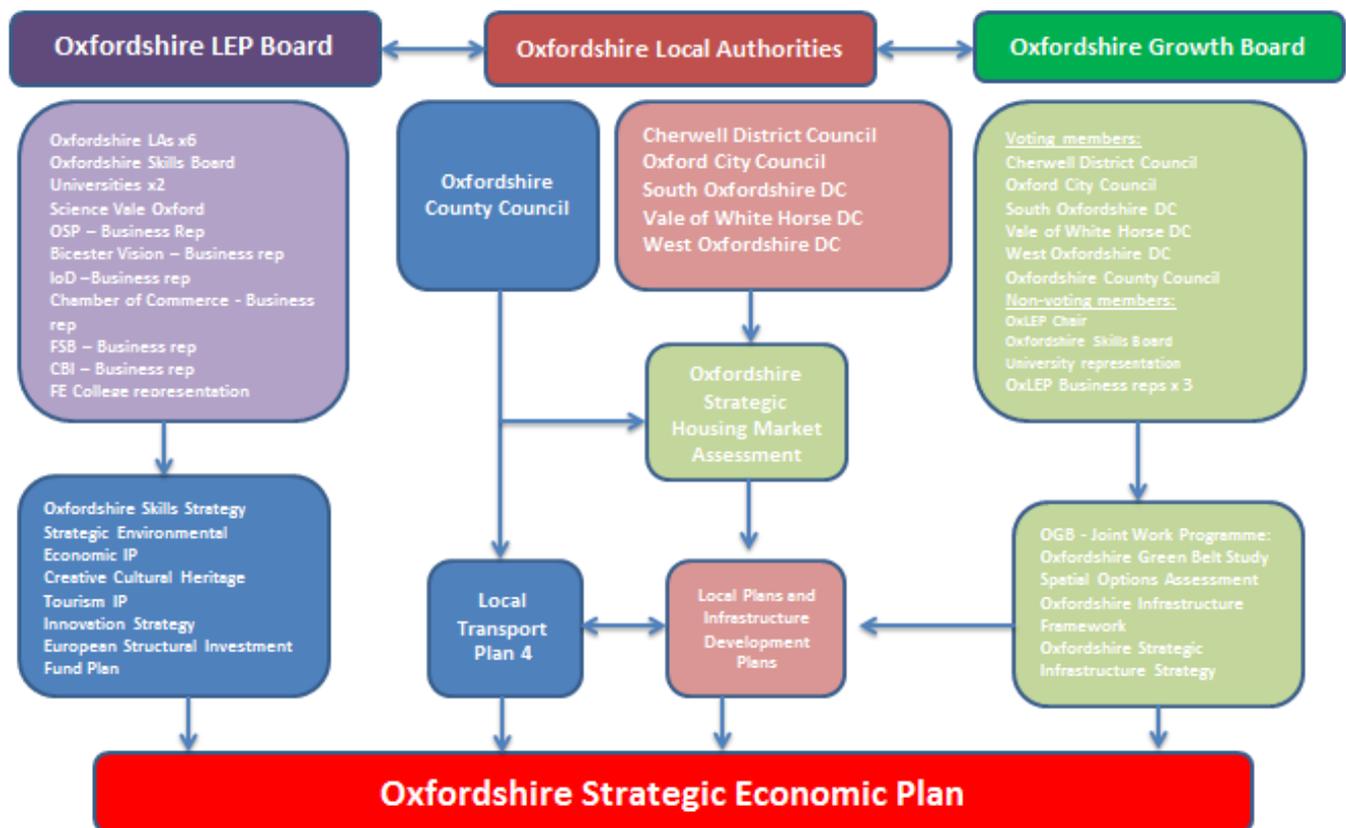
3. Governance - Board and Executive Team

Our Board has continued to grow and develop since inception and sustains strong relationships with Oxfordshire's local authorities, and the Oxfordshire Growth Board as demonstrated below. The working arrangements have strengthened our collaborative approach and provide an integrated range of services and functions (statutory and non-statutory) to support sustainable economic growth. These services and functions dovetail to support the delivery of the Strategic Economic Plan for Oxfordshire, a widely-owned 'economic route map' for our county.

The Board provides the strategic direction and oversight allowing the Executive Team the autonomy to be proactive and dynamic in its delivery of agreed ambitions - the Board will therefore continue to:

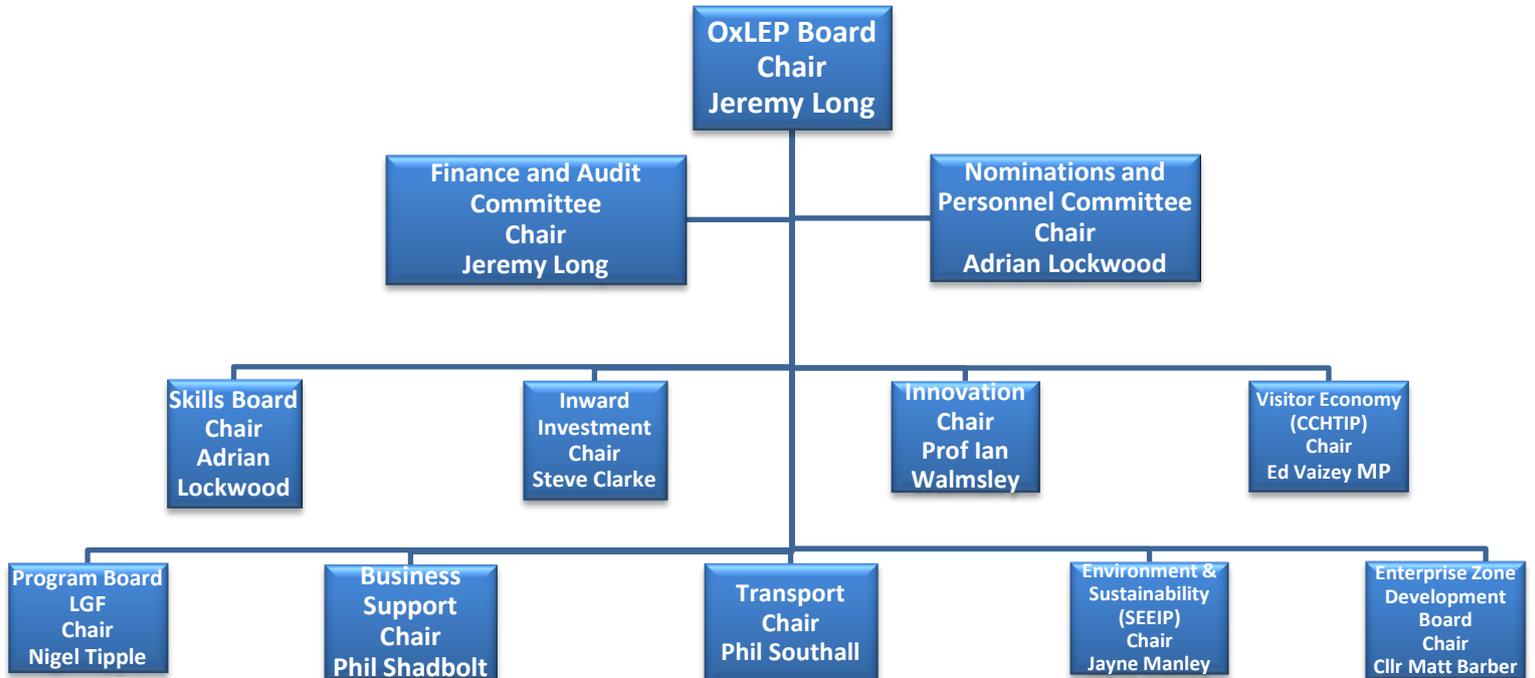
- Act strategically, and support delivery whilst challenging partners as a critical friend.
- Influence local and national government.
- Represent the voice of business.
- Link partners and issues together.
- Challenge the status quo and silo working

Strategic and Operational Relationships



Acting as a catalyst for growth the OxLEP executive team has a strong track record of delivery, providing strategic leadership and vision across our multiple stakeholder groups and partners. With the secondment of the County’s Economy & Skills team into OxLEP we now have a broader skills set across the team with an increased focus on delivery capacity to support businesses. We will also continue to lead and broker a wide range of support and expertise from partners and stakeholders to deliver specific tasks as required.

Board Governance Structure (with Sub-Groups)



Capacity to deliver

OxLEP has created a robust partnership that has established a strong and effective relationship between business, Government and our local authorities. This partnership of public, private, higher and further education has set a strong strategic approach building on our region's priorities for investment, infrastructure and business support. In addition to the OxLEP board which sets the strategic priorities and direction for our economic growth we have a mature Growth Board which currently operates as a Statutory Joint Committee to provide SEP/City deal/LGF governance and to oversee the delivery of statutory functions of transport (LTP), planning and economic development in context of SEP and city deal. We have a proven track record of delivery in recent years with OxLEP now managing a growth programme of over £2bn. Of the 24 previously agreed LGF and City Deal funded programmes all are on track with two projects now complete. Throughout the development of our growth programmes we have continually monitored delivery against key forecasts.

In delivering our growth ambition we work through clear governance and management arrangements, building on the substantial progress that has been made in recent years, working closely with our key partners and stakeholders to deliver our ambitions.

Investment Programme Secured to Date 2012- 2021

Source	Grant £,000	Leverage £,000	Total investment £,000	Expected Outcomes (Accommodated)
Growing Places Fund (2012)	9,050	7,380	16,430	
City Deal (January 2014)	55,560	1,216	1,271,600	18,000 (FTE) jobs, 7,500 homes, by 2021
Growth Deal 1 (January 2015)	108,560	96,540	205,100	6,000 (FTE) jobs, 4,000 homes, by 2021
Growth Deal 2 (January 2015)	9,900	593,540	603,380	2,300 (FTE) Jobs, 795 Homes, by 2021
Pinch Point Funding (2015)	10,000	19,500	29,500	Milton Interchange and Chiltern Slips
European Structural Investment Fund	19,500	19,500	39,000	919 businesses supported 1,000 people helped into training and work
Total Forecast Investment	212,500	1,944,000	2,157,030	

Accountable Body Arrangements

Oxfordshire County Council is our Accountable Body supporting delivery of all funding that comes from Central Government currently the GPF, City Deal and Growth Deal programmes. The relationship is governed through an agreed Memorandum of Understanding (MOU) and detailed Service Level Agreement (SLA).

For funds related to the Enterprise Zone 1 and 2 are collected and administered by our Accountable Body Vale of White Horse District Council who act as collection agency for business rates and deploy/transfer these funds under direction from our Board. This relationship is governed by an MOU which sets out the obligations and responsibilities of each party.

OxLEP Assurance Framework

Our assurance framework sets out the management of strategic, operational and project risk within our growth programmes and provides a systematic and consistent delivery approach. The Assurance Framework is used by the Board, Executive Team, Accountable Body and partners to identify, monitor and evaluate strategic risks to funded projects.

Our Board provides robust programme governance, overseeing the delivery of our £2bn growth programme. It works collaboratively with our local authority and stakeholder delivery partners through:

- OxLEP Operating Plan and programme management oversight
- Growth Board oversight providing democratic accountability
- Assurance Framework – agreed and operational
- Strong Accountable Body MOU/s with both the County Council (as OxLEPs accountable body) and South and Vale Council (with responsibility for management of Enterprise Zone business rate income)
- Operational capacity supported through secondment agreement with the County Council

Our assurance framework:

- Ensures governance is in place for delivering growth deal programme through the OxLEP and Growth Board structures;
- Provides assurances to stakeholders that effective programme and project management tools are being used to improve decision making;
- Ensures risks are regularly monitored and reviewed to ensure the mitigation is effective;
- Ensures resources are appropriate which will allow the Company to carry out its obligations effectively
- Ensures that all Directors and partners are informed of all decisions and updates accordingly

Staffing Overview

Over the course of the 2015/16 financial year the core team continued to be made up of employed and seconded staff from our Accountable Body Oxfordshire County Council and other joint working arrangements with Oxford city, South Oxfordshire and the University of Oxford. At the start of the 2016/17 financial year we reached agreement on the secondment of the economy and skills team from the county to the company, this involved a formal secondment arrangements and negotiation around transitional funding. Despite the significant budget cuts experienced by the County Council, and reduction in funding for the seconded team we have managed to accommodate the extra over cost of the team within our overall operating budget. This has only been possible as a result of capitalising staff costs and expedient use of project expenditure and external grant income.

The extended Senior Management Team meets regularly to ensure effective operational performance and is detailed in the diagram below. You will note that a two posts are currently vacant these will be recruited in Quarter 3 and are anticipated to be in post by the start of Quarter 4. From April 2016 the core team now includes (33) FTE inclusive of CEO and two Directors including the new Corporate Services team. Overall staff numbers defined as FTE across the six service areas are as detailed below. The * associated with the Apprenticeship team and OBS indicates subject to continuation funding yet to be secured.

Year	Staff Complement (FTE)					
	Skills and Apprenticeships	O2i, CEC and Work Experience	Oxfordshire Business Support	Invest in Oxfordshire	Programmes and Strategy	Corporate Services
2016/17	7.2	5.7	3 (1 Vacancy)	2.5 (1 Vacancy)	4.5	5 (2 Vacancies)
2017/18	7.2	4.7	4* (+ 4 ERDF)	3.5	4.5	5
2018/19	7.2*	4.7	4* (+ 4 ERDF)	3.5	4.5	5

The scale of responsibility and accountability for programme delivery has increased substantially over the past 12 months as City Deal, GPF, LGF and other mainstream funding programmes have been directed through LEP's. In our case our program through to 2021 now totals in excess of £2bn inclusive of match funding commitments. As such the teams responsibilities cover Strategy through to Implementation with areas of responsibility defined below.

Skills and Apprenticeship Team

The Skills and Apprenticeship team works closely with Oxfordshire Skills Board to deliver projects against the strategic priorities identified within Oxfordshire's skills strategy.

This includes delivery of the Oxfordshire Apprenticeship brand which helps to raise awareness of the value of apprenticeships; inspire more young people to consider it as a valid, credible route to getting a great career, and encourage more businesses to hire apprentices.

The team produces Labour Market Information reports aimed at informing young people on schools about the local economy and the skills that employers are looking for now and in the future. The team also has a relationship with the top 20 training providers with an aim to influence their provision so that it matches the needs of local employers.

O2i/Careers Enterprise Company and Work Experience

O2i Opportunities to Inspire creates and supports links between employers and education across Oxfordshire to inspire our future workforce. O2i offers an online platform which makes it easy for volunteers from any sector to discover opportunities to inspire and inform young people. O2i also delivers the Careers and Enterprise Company's Enterprise Adviser Network locally.

Oxfordshire Work Experience provides an extensive work experience support offer for schools/colleges and makes it as easy as possible for employers to get involved with work experience locally.

Oxfordshire Business support

Oxfordshire Business Support (OBS) is the Growth Hub for Oxfordshire. Our aim is to simplify the business support landscape and help individuals and businesses easily connect to the plethora of business support that is often available - but not easily located.

We do this by providing friendly and responsive telephone, website and face to face business support, delivered by our own in-house business support team, all of which are familiar and kept up to date with the latest business support news, events and opportunities.

OBS can also:

- Provide access to our area and sector specific Network Navigators - who are all experts and well connected within their particular sectors and location. Sector experts which represent the key growth sectors within Oxfordshire include: Cryogenics, Digital Media and Publishing, Life Sciences, Low Carbon, Investment, Social Enterprise, SME Support, Space and Satellite
- Signpost and arrange appointments to meet with a bank of experienced and knowledgeable business advisors.

Businesses across Oxfordshire have cited accessing relevant, effective and meaningful business support as a key barrier to their potential growth. Our aim is to deliver real and meaningful support to businesses whether they are a new start up, already operating, or growing their business.

Invest in Oxfordshire

Invest in Oxfordshire is OxLEP's inward investment service, providing confidential and tailored assistance to grow and bring businesses to Oxfordshire. The team supports existing companies to grow in the area and helps potential investors, both from other parts of the UK and overseas, to make informed decisions about locating to the county. Working closely with the Department for International Trade (DIT, formerly UKTI), the Government's national inward investment arm, Invest in Oxfordshire is their official partner for enquiries into Oxfordshire.

Invest in Oxfordshire have identified five key sectors for concentrating our resources on to generate investment opportunities, that were formally launched at a public event held at Williams F1 in January 2016: Automotive and Motorsport; Creative and Digital; Electronics and Sensors; Life Sciences and Space Technologies.

Programmes and Strategy

Programmes – The OxLEP programme management team lead a set of work programmes that significantly contribute to the implementation of the OxLEP Strategic Economic Plan. This includes the Oxfordshire's Growing Places Fund, City Deal and Growth Deal programmes. They also feed into the European Structural and Investment Fund (ESIF)

Programme activity. Working with a wide range of partners the team proactively monitor and report overall programme and project progress, following up with actions as appropriate.

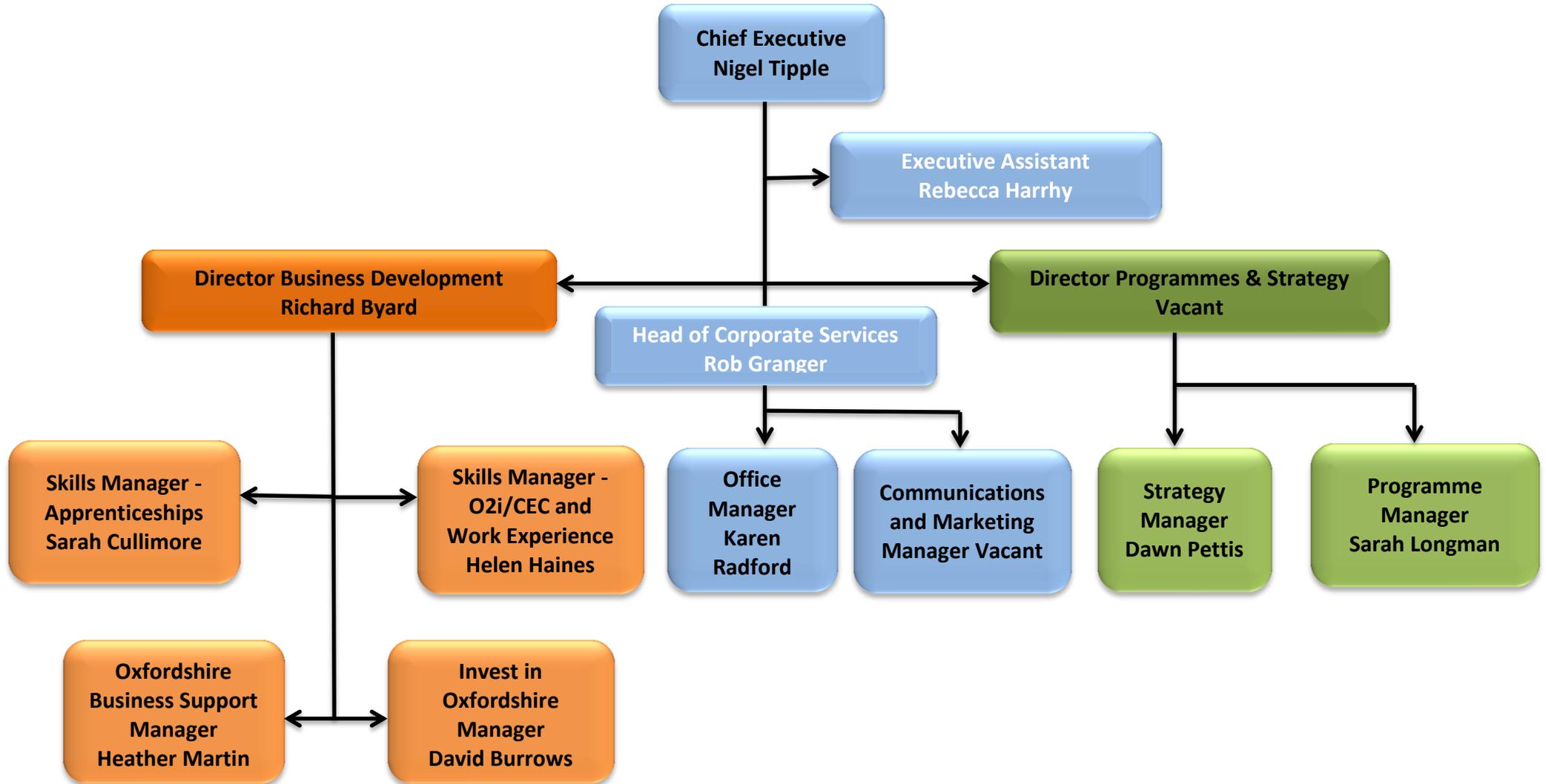
Strategy – The strategy team is responsible for developing the Strategic Economic Plan for Oxfordshire and working with partners and stakeholders to prepare investment plans and strategies that relate directly to the ambitions of the SEP. Investment Plans developed include the Strategic Environmental Economic Investment Plan and the Creative, Cultural, Heritage and Tourism Investment Plan. The strategy team is also responsible for the Oxfordshire European Structural Investment Fund Plan and its implementation, working with the Managing Authorities. The strategy team acts as a facilitator and secretariat to the associated sub-groups that sit under the OxLEP Board to ensure that the strategic priorities and the ambitions in the investment plans and strategies are implemented.

Corporate Services

The Corporate Services team is responsible for the smooth running of the OxLEP office and for ensuring that all financial transactions are completed in a timely manner. Reporting direct to the CEO, the Head of Corporate Service is responsible for Finance, HR, Legal , Admin, Procurement and communications functions.

OxLEP communications and marketing are out-sourced to a local company, Cuban Eight. Cuban Eight will be responsible for developing a communications strategy for OxLEP, running digital and social media campaigns, and PR to promote Oxfordshire and its businesses across all relevant media including TV and radio, the trade sector press and the local media outlets.

Executive Team Structure 2016/17



4. Finances

This section identifies the projected income and expenditure over the next 3 years. The operational Income and expenditure forecasts reflect the agreed income, grant and government core funding secured along with the identification of restricted project funding held in reserves against future years planned expenditure. We continue to explore other sources of sustainable funding and continue to benefit from substantial “in kind “ contributions from the private sector business representatives serving as Non- executive Directors.

Forecast Operating Budget

Income	2016/17	2017/18	2018/19	Expenditure	2016/17	2017/18	2018/19
Core Income	1,103,600	1,053,600	1,003,600	Staff Costs	1,463,660	1,532,510	1,542,795
Grant Income	1,111,500	295,239	65,581	Office Overheads	147,000	125,152	125,152
Other Income	285,000	235,000	235,000	Other Professional Fees (Inc. Licences)	39,893	43,918	43,918
Restricted Project Reserves	42,257	240,141	522,084	Marketing and Communications	69,400	94,400	94,400
				Project Expenditure	822,404	28,000	20,000
Total Income	2,542,357	1,823,980	1,826,265	Total Expenditure	2,542,357	1,823,980	1,826,265

Forecast Capital Investment Programme (By financial Year)

Capital Programme	2012/16* £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/21 £,000
GPF	2,938	4,868	563**		
City Deal	12,492	11,410	17,996	14,610	2,737
LGF1		20,400	10,970	14,950	46,450
LGF2		2,590	1,770	1,980	0
Pinch Point/LTB	14,292	6,865	1,007	1,279	0
ESIF					
Total Income	29,722	46,133	32,306	32,819	49,187

Private/Public Match	2012/16* £,000	2016/17 £,000	2017/18 £,000	2018/19 £,000	2019/21 £,000
GPF					
City Deal	14,292	6,865	1,007	1,279	0
LGF 1		15,070	2,150	7,680	58,910
LGF 2		56,400	76,400	78,000	363,300
Pinch Point/LTB					
ESIF					
Total Expenditure	14,292	78,335	79,557	86,959	422,210

* Denotes aggregated investment from 04/2012 – 03/2016

** To be allocated in 2017/

5. Company Risk Register

To ensure that risk is managed appropriately the likelihood of certain events happening and the severity of the impact they will have on the Organisation is considered. Risks have been evaluated in terms of their severity, i.e. if they occur the probable impact of the risk on the Company, and the likelihood of that risk occurring.

Mitigation strategies have been considered and built into the operational conduct of the company that will reduce significantly the likelihood of these risks occurring. Risks associated with programme and project delivery are attached to individual projects or the overall delivery plan and are reported separately alongside the delivery plan.

The following key risks have been identified, rated on a scale of 1-5 and mitigations determined. These risks will be managed at Board meetings once a quarter, and any new risks identified added to the register. The person responsible for the risks identified will escalate any significant change impacting on the company through the CEO, Finance and Audit Committee or Board.

The Risk Register has been produced by applying the standard assessment of likelihood and impact of each risk to give an overall score. The scores (multiply likelihood by impact) are grouped under Operational, Financial and Corporate before being ranked by “risk” score in the following categories:

- **Scores 20 – 25 – High Risk (red)**
- **Scores 10 – 20 – Moderate Risk (amber)**
- **Scores 1 – 9 – Low Risk (green)**

OxLEP Risk Register

Ref	Risk	Risk Owner	Likelihood	Impact	Inherent Risk	Mitigation	Revised Likelihood	Revised Impact	Residual Risk
1	Inability to recruit or retain private sector Board Directors.	Chair/ CEO	2	5	10	<p>Programme of active recruitment of new private sector board members.</p> <p>Ensure work and profile of organisation is well publicised to make role attractive.</p>	1	5	5
2	Inability to retain key staff. Loss of key skills and expertise to deliver.	CEO / SMT	3	4	12	<p>Staff training and development.</p> <p>Proposed changes to structure provide clarity and focus for the team.</p> <p>Regular team meetings to share and promulgate information and knowledge.</p> <p>Benchmark remuneration packages to ensure competitive.</p>	2	2	4

OxLEP Risk Register

Ref	Risk	Risk Owner	Likelihood	Impact	Inherent Risk	Mitigation	Revised Likelihood	Revised Impact	Residual Risk
3	Lack of clarity / team working and collaboration with local authority officers.	SMT	2	4	8	Regular meeting and dialogue with Local Authority teams Clear agreements setting our LA expectations	1	4	4
4	Reduction in available EU funding as a result of impact of Brexit.	CEO/ Board	4	5	20	Maintain active dialogue with CLG Officials. Driving programme delivery and national calls process through Area ESIF Committee.	4	3	12
5	Lack of staff buy-in to business plan, and company focus.	CEO	2	4	8	Internal communications and staff meetings / consultations. Organisational changes to foster greater teamworking. Move to larger office to allow all staff to be in same location.	1	4	4

OxLEP Risk Register

Ref	Risk	Risk Owner	Likelihood	Impact	Inherent Risk	Mitigation	Revised Likelihood	Revised Impact	Residual Risk
6	Insufficient organisational capacity and skills in key areas to be able to win contracts.	CEO/SMT	2	5	10	<p>Succession Planning.</p> <p>Support/secondments from partner organisations (particularly County Council)</p> <p>Developing a network of 'Associates' that can be brought in for short term support.</p>	1	2	2
7	No shared vision and set of objectives across Board.	Chair/ CEO	2	5	10	<p>Developing new business plan, refreshed Strategic Economic Plan and consulting Board.</p> <p>Regular Benefits Analysis and Strategic Review of priorities and feedback to the Board.</p>	1	2	2

OxLEP Risk Register

Ref	Risk	Risk Owner	Likelihood	Impact	Inherent Risk	Mitigation	Revised Likelihood	Revised Impact	Residual Risk
8	Uncertainty and disruption of both funding and staffing arrangements due to on-going devolution discussions.	Board/CEO	3	5	15	<p>Working with LA's to understand scope for reform.</p> <p>Engaging with CLG to understand drivers for change.</p> <p>Development of joint devolution ambitions reflecting Investment needs.</p> <p>Maintaining effective lines of communication with key stakeholders to ensure LEP decisions are fully informed of local circumstances.</p>	2	4	8

OxLEP Risk Register

Ref	Risk	Risk Owner	Likelihood	Impact	Inherent Risk	Mitigation	Revised Likelihood	Revised Impact	Residual Risk
9	Financial loss and reputational damage as a result of fraud or financial irregularity.	Board/ Finance and Audit Committee	1	5	5	County Council acting as Accountable body. Effective scrutiny by Finance and Audit Committee. Improved internal financial controls and procedures.	1	2	2
10	Legal challenge to LEP activities	Board/ Finance and Audit Committee	2	4	8	Robust commissioning and procurement processes. Clear legal agreements in place for funds awarded including programme funds	1	3	3

OxLEP Risk Register

Ref	Risk	Risk Owner	Likelihood	Impact	Inherent Risk	Mitigation	Revised Likelihood	Revised Impact	Residual Risk
11	EU programme funding reduces due to exchange rate variations.	CEO	4	5	20	<p>Maintaining strong dialogue with EU programme Accountable Body.</p> <p>Managing allocations in Euros to avoid over commitment.</p>	2	3	6
12	Loss of Central Government Core Funding	CEO/ SMT	2	5	10	<p>Agreeing Management fees for LGF Delivery support.</p> <p>Explore contributions from other sources and increase shared appointments.</p> <p>More aggressive fee and income generation strategy.</p> <p>Exploring EZ Business Rate retention.</p>	2	4	8

OxLEP Risk Register

Ref	Risk	Risk Owner	Likelihood	Impact	Inherent Risk	Mitigation	Revised Likelihood	Revised Impact	Residual Risk
13	Failure to generate sufficient commercial income through core and new products to offset operating costs.	CEO/ SMT	1	5	5	Development of an income generation strategy for the next 3 years that reduces the dependence on public sector support.	1	3	3
14	Delays to the EU Funding Programme	CEO/ SMT	3	5	15	<p>Engagement with Local Area Sub Committee and CLG.</p> <p>Plan cash flow to prepare for a delay in projects starting.</p> <p>Add in other funding sources to / programme (such as Intereg)</p>	2	3	6

OxLEP Risk Register

Ref	Risk	Risk Owner	Likelihood	Impact	Inherent Risk	Mitigation	Revised Likelihood	Revised Impact	Residual Risk
15	Loss of reputation through lack of delivery on key high profile projects,	CEO/ SMT	2	5	10	<p>Maintaining focus on delivery.</p> <p>Enhanced Programme management resources.</p> <p>Effective communications and engagement activities.</p> <p>Appointment of Cuban Eight Agency.</p> <p>Improving lobbying and engagement activities.</p>	1	3	3

6. Work Programme

Operational Priorities to 2020 – Strategic Priorities / Planned activity linked to SEP 2016

People

Priority to 2020
<p><i>Education and skills</i></p> <ul style="list-style-type: none"> ensuring that skills provision is aligned more effectively with the needs of employers understanding – and responding to – the aspirations and frustrations of young people as they seek to build their lives and their careers in Oxfordshire, by creating a ‘skills continuum’ to support them through their learning journey increasing STEM skills among Oxfordshire’s young people increasing the number of apprenticeship opportunities Refreshing the Skills strategy
<p><i>Reducing exclusion</i></p> <ul style="list-style-type: none"> addressing exclusion from the labour market, by up-skilling and other measures to help young people and adults marginalised or disadvantaged from work
<p><i>Recruitment and retention</i></p> <ul style="list-style-type: none"> emphasising the importance of people as well as firms in terms of inward investment – Oxford has plenty of firms that will grow fast if they can recruit and retain the right people, including through international recruitment. Government controls on immigration must be clarified to ensure free movement of skilled Labour enabling the growth of Oxfordshire firms ensuring that the specialist skills of those military personnel in Oxfordshire who choose to remain in the county when they leave service life are used as far as possible in the local economy

Place

Priority to 2020
<p><i>Place-making</i></p> <ul style="list-style-type: none"> working with Oxfordshire’s local authorities (through the local plan preparation process and by responding to individual planning applications for strategic development sites), to ensure high quality housing meeting the full range of demand and needs is delivered close to jobs and with supporting retail, community, social, transport and green infrastructure and recreational facilities and services. This includes support for master-planning which is being used for bringing forward a range of major allocated development sites across the county. An analysis of the natural resources required to support these plans is also required supporting innovative approaches to the supply of a sufficient quantity of genuinely affordable housing, for example through community land trusts, Neighbourhood Plans, self-build schemes and employer initiatives to provide housing for their key workers, recognising that we and our partners are significantly restrained unless there are (radical) changes in housing policy at a national level supporting the design and delivery of innovation districts in suitable locations across the county (comprising

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<p>mixed use, high density developments providing space for innovative businesses of different sizes, an appropriate mix of housing for the local workforce, supporting facilities and services and a high quality built environment)</p> <ul style="list-style-type: none">ensuring the high quality of our built and rural environments is maintained, and managing change in ways which produce better outcomes for local residents and businesses, and the natural environment. New development can, and should, enhance the existing built environment, through excellent design and the use of high quality building materials, and provide appropriate green infrastructure. At the same time, the sustainability of the existing built environment must be improved.
<p><i>Supporting implementation of the SEEIP</i></p> <p>We will deliver the implementation of the Strategic Environmental and Economic Investment Plan and establish the £13m Oxfordshire Environment Fund</p>
<p><i>Supporting implementation of the CCHTIP</i></p> <p>We will implementation the Creativity, Cultural, Heritage, Tourism Investment Plan working with stakeholder and partners exploring Central Government Challenge funds, ESIF, Heritage Lottery, Arts council and Private sector</p>
<p><i>Support for the development plan system</i></p> <ul style="list-style-type: none">supporting the development of growth plans which fully consider the available and potential capacity of infrastructure in the broadest sensesupporting the delivery of new housing and employment space which has been allocated for development in approved Local Plans, for example through securing funding for access or infrastructure improvements. This includes support for strategic allocations which may result from Oxford City's unmet housing need, which may also result in significant economic development opportunitiescommunicating the priorities of the SEP to local planning authorities in their preparation of local plans and to local organisations in the preparation of neighbourhood plans.
<p><i>Dealing with infrastructure constraints</i></p> <ul style="list-style-type: none">supporting the preparation of an Oxfordshire Infrastructure Strategy by the Oxfordshire authorities by spring 2017. This will identify, map and prioritise infrastructure requirements to 2040 under the themes of: transport; education; health services; other strategic community and environmental infrastructure (e.g. waste management); energy and utilities; flooding and water management; broadband and connectivity; and green infrastructureensuring that all homes and businesses have access to resilient broadband with at least 24MG download capacity, and to a good mobile phone signal.supporting the utilities study, commissioned by the Growth Board to map utilities capacity against Local Plan ambitions countywidesupporting the preparation of a locally-informed energy strategy for Oxfordshire to act as a business case for investment and grant support from Ofgem, etc.providing continued support for the implementation of flood alleviation schemes.

Enterprise

Priorities to 2020
<p><i>Support for all businesses and all parts of the county</i></p> <ul style="list-style-type: none"> • improving productivity across all sectors, to ‘create more from less’: for example, by encouraging businesses to adopt energy efficiency approaches, to use resources more efficiently throughout their supply chains, and by supporting training • focusing on export promotion among businesses with the potential to operate in international markets, and working in collaboration with UKTI to ensure its full support for exporting by Oxfordshire firms • supporting start up and scale up of businesses in Oxfordshire through, for example, improved provision of incubator and grow-on facilities, business advice and access to finance, and an enhanced on-line presence for small firms. It is important that Oxfordshire both supports more start-ups and also retains and supports established firms, particularly those with high growth potential • celebrating Oxfordshire’s business successes across all sectors, to raise the profile of Oxfordshire’s businesses both internally (within the county) and externally, and to establish role models for the next generation of entrepreneurs • improving national and international marketing of Oxfordshire and its firms, and consistent messaging about quality growth – to benefit local businesses and attract public and private sector investment into the county • encouraging all employers to provide flexible jobs that can work for those on the margins of the labour market • encouraging businesses to fully understand and mitigate their impact on the natural environment, exploiting opportunities available within the knowledge economy and new approaches such as the circular economy and natural capital accounting.
<p><i>Support for globally significant, wealth creating sectors</i></p> <ul style="list-style-type: none"> • linking firms to networks and support, both within and across sectors, for example by strengthening the Network Navigators initiative and by helping firms navigate the research community in Oxfordshire • supporting the local commercialisation and application of technologies developed by Oxfordshire’s research and business communities in areas which improve environmental sustainability and health outcomes, such as low carbon, low energy systems, autonomous vehicles and digital health, in order to benefit Oxfordshire’s people, places and connectivity and to complement activities under each of the four programmes
<p><i>Support for large employment sectors</i></p> <ul style="list-style-type: none"> • delivering the Creative, Cultural Heritage and Tourism (CCHT) Investment Plan, which identified four main thematic areas: <ul style="list-style-type: none"> • productive and engaging experiences; • skills, talent development and business growth; • creative place-making; and • collaboration. • Supporting the Integration of the Innovation Strategy and work of the Innovation sub-group in developing an implementation plan aligned to the proposed Innovation Audit/s and Industrial Strategy engagement

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- supporting interrelationships between the tourism economies of Oxfordshire and surrounding areas, such as the Cotswolds
- supporting other important employment sectors which include retail, logistics and distribution, health and social care, and education (e.g. through access to finance and business support, access to training, and in making provision through the planning system for an appropriate range of premises in the right locations).

Connectivity

Priorities to 2020

Improvements to physical connectivity in Oxfordshire

- overcoming current capacity bottlenecks on road and rail networks within the county, both by network improvements and by getting better use out of existing road capacity through use of innovation technology and by encouraging change to more sustainable travel modes
- ensuring, through the planning process, that connectivity improvements are linked to the scale and location of planned housing and employment growth
- supporting the implementation of an Oxfordshire Infrastructure Strategy and the Local Transport Plan for Oxfordshire, including the Oxford Transport Strategy and the Science Transit Strategy, which includes various measures to improve the frequency, reliability and speed of public transport links between different locations in the Knowledge Spine
- supporting partners in implementing the Oxfordshire Active & Healthy Travel Strategy

Improvements to virtual connectivity with Oxfordshire

- completing countywide broadband and mobile network coverage, to ensure all workplaces and homes have good internet and telecoms connectivity; and, subsequently, ensure there is continual improvement to give sufficient broadband speed and network capacity for modern businesses
- continuing the Network Navigators initiative and strengthening network coordination across sectors

Improvements to connectivity in a regional context

- supporting the work of the National Infrastructure Commission in relation to east-west connectivity through the Cambridge – Milton Keynes – Oxford corridor
- working with partners in 'England's Economic Heartland'¹ to develop strategies to improve the capacity of transport corridors across Oxfordshire and into surrounding areas, including towards Cambridge and to London and Heathrow.

¹ <http://www.englandseconomicheartland.com/Pages/home.aspx>

7. Operating Plan

The operating plan attached at annex 1 provides details of the operational programme for the year April 2016 – March 2017. The Board receive quarterly project tracker reporting with final outturn figures reconciled a quarter in arrears. We continue to liaise with the Growth Board Executive to ensure we can align where possible the reporting and data collection requirements alongside Government Department returns.

The projects are reported to Finance and Audit Board Committee and Executive Board under a RAG status coded as follows:



Projects requiring action



Projects requiring monitoring



Projects on track – noted



Completed Project