

## Cherwell District Council

### OXLEP SEP refresh response

Cherwell District Council submits the following comments on the consultation document.

#### **Question 1: How does the SEP capture the main characteristics of the Oxfordshire economy, its challenges and opportunities?**

Overall, the refreshed document is a significant improvement on its predecessor. By reducing the focus on specific projects, which can quickly become out of date, the document has a better medium and longer term focus. The document will play a useful role in guiding the work of the LEP and its funding streams. It will also have a significant influence on the development of future Local Plans, being one of the documents that Local Plans need to take into account.

But, there are some areas where further work would be appropriate to strengthen the document, for it have greater role and this response makes suggestions in that regard.

The SEP could usefully provide some detail of the main characteristics of the Oxfordshire economy, its challenges and opportunities. This would help establish a baseline against which performance and delivery of the strategy over 5 years+ can reasonably be assessed.

There is already a substantial body of local evidence that was commissioned to inform the Cherwell Local Plan, the central growth strategy for Cherwell, being the adopted Development Framework for the District (this can be accessed at <http://www.cherwell.gov.uk/index.cfm?articleid=9642>). This analysis should be drawn upon for the refinement of the current SEP draft. The adopted Local Plan has led to the release of new employment sites at Banbury and Bicester to seek to reduce the high out-commute and to strengthen the economy of both the two towns and the District as a whole. Other Districts are taking the same approach.

There is reference to the 'Oxfordshire Knowledge Spine' but unfortunately this concept ignores most of the County. As a result, the challenges and opportunities in towns such as Banbury, Carterton, Henley and Witney, which sit at some distance from the 'Oxfordshire Knowledge Spine', are not acknowledged. The knowledge economy itself is much wider than the defined knowledge spine, as the cutting edge engineering companies at Upper Heyford illustrate. It would be good to find a different way of describing the application of high value knowledge which is generating new gains for the County economy. The recently published report by MEPC into the High Performance Engineering Cluster contains important insights into how knowledge is acquired and applied across companies, the place of Colleges and Universities, finance secured and new ideas applied to the development of enterprise. The challenge for the OXLEP SEP is to understand how these processes apply across different economic clusters and can be harnessed to strengthen those sectors and the economy of the County as a whole.

While it is accepted that the 'Oxfordshire Knowledge Spine' concept and diagram may still have a general marketing role we do not believe that it should be driving the strategy of the SEP. It ignores the educational institutions and economic growth opportunities outside of the spine, for example in Oxfordshire's market towns such as the Space Academy at Banbury and the other Colleges across the County outside this 'spine'. Therefore, the knowledge spine concept and diagram should be replaced in the SEP with a more detailed spatial diagram that illustrates the extensive distribution of centres of learning that provide support to driving up skills and work with industry across the County.

## Appendix 1

The SEP only touches upon the inter-relationship between Oxfordshire and other areas. Additional content should be added to the SEP to refer to the cross boundaries opportunities with other areas which provide significant opportunities to the Oxfordshire economy. For example, there are very strong interrelationships between the engineering economy of Cherwell and South Northamptonshire, with the presence of Silverstone as the centre for High Performance Engineering sector. The recent report on the HPE cluster published by MEPC shows the importance of this cluster that cuts across County boundaries and draws together large and small companies, Universities, banks and public bodies in a nationally and internationally important way.

The significance of how infrastructure investment driving deeper economic connections merits closer attention, for example the investment in the rail chord at Bicester facilities a new route from Oxford to London; while the new East-West rail line will ultimately connect Oxford & Bicester with Milton Keynes by 2019 and in later phases on to Cambridge, all of which are high growth towns and cities.

The importance of resolving the third runway debate in London merits reference, with close links to Heathrow being of importance to the economy of the County. Likewise, taking advantage of the support in the Cherwell Local Plan part 1 for supporting the growth of air related business activities at Oxford Airport is of Countywide significance.

It would also be helpful if the SEP could contain some analysis of commuter flows within Oxfordshire and beyond as these vary significantly across the County and should inform the SEP's spatial strategy and assist in identifying the cross boundary opportunities. Importantly, the ambition behind the land release at Bicester is intended to seek to reduce the current high out-commute and retain the economic value within Bicester.

The SEP could reflect further on the challenge of supporting the delivery of the scale of growth, particularly supporting the generation of new jobs and housing growth, envisaged in Oxfordshire by the SHMA and being implemented through the District Local Plans. Issues of housing affordability are rightly recognised as significant to the local economy given the near full employment. But the SEP does not acknowledge the scale of challenge in delivering the forecast numbers of dwellings to meet this growth and its role in assisting each District to secure inward investment and the growth of existing local companies.

The focus on the 'Oxfordshire Knowledge Spine' introduces a rigid construct that leads to the SEP ignoring the fact that considerable growth is planned outside of this spine, and there will be significant infrastructure challenges in delivering growth outside of the spine and a substantial level of job creation in those areas. Whilst the SEP suggests that job growth has been relatively buoyant in the last few years this is unsurprising during a period of economic recovering. Sustaining that job growth over the long-term is a significant challenge that should be more fully recognised, especially as we can expect a recession during the 7 year economic cycle. The SEP has a role in supporting the building of resilient local economies.

The consultation draft could usefully be strengthened by referencing the current challenge of providing affordable housing, though shifts in Government policy to support starter homes may have a positive effect and the development of nationally significant self-build schemes in Cherwell are intended to drive down the cost of house building merit consideration. The Growth Board proposal for a County-wide Infrastructure Plan merits cross reference to show that the challenges of water-stress, grid capacity and environmental impact are all being addressed.

It might be helpful to set out more clearly what has already been achieved and delivered to show the impact which OXLEP is already making; together with a section on what the new

SEP is expected to achieve. While the Vision is good, what specific measures will be undertaken to secure it over the next 5 years?

### **Question 2: People – are the right priorities and commitments included? If not, what is missing?**

The refreshed SEP recognises the challenge of housing affordability in the People section, but the priorities set out do not address this issue or set out any potential interventions to support the housing market deliver. As mentioned previously the delivery of the scale of housing envisaged by forecasts is a significant challenge. Whilst housing affordability is a particularly acute issue in Oxford City it is also an issue for the rest of the County too.

Oxfordshire has an ageing population and the SEP recognises that the population aged 20 to 64 is set to decline. It is important therefore to look at the role of older age groups in the economy and in the workforce.

Oxfordshire has a large military presence with more than 8,500 military personnel (October 2015), of whom many have specialist skills that could be of benefit to the local economy when they leave service life. The SEP should be looking to tap into this opportunity by supporting appropriate economic development in relevant locations.

It would be helpful if the SEP could consider the skills improvements that are needed across key economic sectors to ensure that future funding is directed to support the right interventions.

The rise in self – employment, particularly in rural areas is an increasing feature of our economy and the SEP could offer analysis on how that growth is supported; potentially through the provision of on-line advice and guidance for remoter businesses and sole traders.

At Cherwell we welcome the aspiration of Oxford University to strengthen and expand its high tech site at Begbroke and we will work with the University to secure the advantages that an expanded site will bring to the wider County economy.

In the main the priorities set out appear to be appropriate. However, the SEP could be a little clearer in outlining how they might be delivered. For example, it is not clear how the priority for improving schools performance might be supported by the SEP/ LEP?

### **Question 3: Place – are the right priorities and commitments included? If not, what is missing?**

Support the intention of the SEP to ensure that the high quality of Oxfordshire's built and rural environments is maintained, and to manage change in ways which produce better outcomes for local residents and businesses.

This section could go further. The adopted and emerging Local Plans in Oxfordshire collectively set out spatial strategies for the County already. This provides a resource for the SEP to draw from in order to articulate future strategic development areas. Local Plans are proposing a number of significant employment land allocations. In order to guide inward investment and business growth it would be helpful if this section systematically presented these strategic investment opportunities in each District.

Given some of the concerns about the scale of growth taking place in the County which have been expressed during the preparation of the SEP, it would seem sensible to stress that the

SEP aligns with the growth proposals set out in each Districts Local Plans. It does not itself add to those plans. The fact that each Local Plan has been subject to full Strategic Environmental Impact Assessment provides clear public reassurance that the growth planned has been properly considered with regard to its impact and how this impact will be mitigated.

The role of towns should be fully acknowledged. They are where most people in the County live and where most businesses are located. Most of the towns are the focus for considerable planned growth in both their housing and employment components through adopted and emerging Local Plans.

We support the reference to the design and delivery of potential innovation districts in general. However, all of the examples referred are in the 'Oxfordshire Knowledge Spine', and this excludes significant parts of Cherwell, South Oxfordshire the Vale of White Horse and West Oxfordshire. There may well also be scope for further additional innovation districts as part of the strategic development areas identified to help meet Oxford City's unmet housing need.

In Cherwell we are preparing a design guide to shape our site development negotiations. We do not agree with the county wide design guide suggested in the SEP. we recognise that there are significant variations across Oxfordshire in terms of landscape character, historic environment and settlement patterns. It is important to retain this diversity and we should not be creating homogenous developments. Other measures to support design quality would be more beneficial such as the sharing of best practice and training programmes.

Despite acknowledging the importance of the built and natural environment in Oxfordshire, the final strategy could usefully contain more detail on how it will support District and Countywide approaches to protect or enhance the environment and so mitigate the impact of economic growth. Further consideration of how the SEP might facilitate and encourage low-carbon growth would be sensible following the recent Paris Accords for tackling climate change.

### **Question 4: Enterprise – are the right priorities and commitments included? If not, what is missing?**

The SEP is correct in identifying that Oxfordshire's people are versatile, adaptable and highly skilled. But to release the potential of existing companies, which are largely small and medium sized enterprises, appropriate sized business space is required. SEP related funding should support the establishment of a range of premises for the growth of local business including specialist business centres and incubation space, along with access to business support.

The adopted Cherwell Local Plan commits to the release of new employment land for economic development and the District is seeing a major increase in inward investment on these sites. Cherwell values its close engagement with the UKTI in this activity and looks to the SEP to recognise the importance of employment land being available and serviced, with grid connection issues addressed.

Cherwell District is also exploring where to secure additional small scale business premises to strengthen the existing stock and ensure high occupancy levels are maintained and the significant business rate growth witnessed in Cherwell continues. These opportunities exist elsewhere in Oxfordshire. The SEP should be looking at how serviced employment land can be brought forward to the market in areas where this is not happening.

The role of LEP in supporting companies across the County to address the productivity challenge is critical. We recognise that the emphasis that the SEP places on supporting innovation has a powerful role to play in this.

The consultation draft places a particular emphasis on the 'knowledge' industries, which is clearly important for maintaining the economic growth the County has seen in recent years. It is important to emphasise that this growth will take place on sites identified through the Local Plan processes. But at the same time, balanced growth is needed too, with a range of sectors supported and more positively encouraged, especially those sectors with high value-added potential.

### **Question 5: Connectivity – are the right priorities and commitments included? If not, what is missing?**

The SEP states that Oxfordshire is a very well connected County. Whilst this is correct in general terms, this statement does underplay the impact of congestion on connectivity. Congestion on the A34 is a particular problem for Cherwell and the County as a whole and is a significant factor in business decisions. Banbury and Bicester are set to grow substantially and have detailed commitments for new road investment set out in the Infrastructure Delivery Plan that accompanies the adopted Local Plan. This road investment will complement the rail improvements both towns have secured in recent years. Ensuring the SEP aligns with the Local Transport Plan for Oxfordshire is important, as well as taking account of the Highways Agencies Route Based Strategies which indicate a series of national priorities to be addressed within the County

The opportunity in the north of the County to work through the National Infrastructure Commission to address the potential for further investment to improve the A34 corridor and secure a new motorway junction south of Junction 9 to serve both the growth of Bicester, Aylesbury and provide an Expressway across to Milton Keynes is an opportunity to reduce journey times between major economic centres.

The SEP recognises that further improvements to rail capacity are needed. Infrastructure enhancements to the Banbury – Oxford line through electrification are needed to increase the frequency and speed of trains, as well as improving station access and parking across the network in Oxfordshire. These improvements can work as part of a larger rail investment strategy to support economic growth in Oxfordshire as well as enhancing labour force accessibility to jobs in Oxford.

Further information should be included in the SEP to outline the various growth corridors around Oxfordshire and to highlight key infrastructure proposals. The plan from the Devolution bid that has been included is a start but it would have more impact if this was presented in a diagrammatic form with narrative to explain the scale of the economic opportunities and constraints to be tackled within the corridors identified.

Superfast broadband is a key piece of infrastructure to support economic growth. The current priority in the SEP talks about completing the countywide broadband coverage funded by DCMS, with the County Council and BT, together with local extension funding from Councils such as Cherwell who have committed £1 million to extend the planned coverage. Completing this network is important and will secure coverage across 95%+ of the County, but we still need to address the low level of broadband speeds compared with international standards.

The SEP should also address the issue of mobile coverage and 'not-spots'. This is a critical issue for businesses in rural areas of the County, and the SEP should commit to supporting action on this issue.

### **Question 6: Does the SEP articulate clearly the roles and responsibilities of OxLEP?**

The text in the SEP should reference the unitary debate and the possibility of significant changes in governance structures in the public sector across Oxfordshire in the medium term.

It would be sensible to plan for the SEP to continue the engagement with the wider business community and publics of Oxfordshire. While there are clearly challenges with the commitment to securing the scale of growth identified in the Local Plans for each District and the support that the SEP provides to those plans, public engagement in the debate on the future of the County is vital.

### **Question 7: Please feel free to make any additional comments?**

Annex B in the SEP references the existence of Experience Oxfordshire as the Destination Management Organisation for Oxfordshire. It would be sensible to review the anchors of that organisation on which the development of the visitor economy will be based. For Cherwell, the Bicester Village is significant in driving economic growth through tourism and RAF Bicester have major development plans to bring forward new tourist facilities at the airfield.

There are a number of specific comments on pages of text we list below:

- Page 10 Kidlington should be mentioned here in respect of Oxford Airport, Begbroke Science Park and Oxford Parkway Rail Station with the Water Eaton park and ride.
- Page 23 – Potential innovation Districts - priorities should refer to Bicester ‘Garden Town’ and its masterplanning (there is no mention of masterplanning which is being used for bringing forward a range of major development sites across the County, other than a locally informed energy masterplan for Oxfordshire).
- Page 23 – implementation of flood alleviation schemes should also include reference to schemes that tackle the impacts of climate change.
- Page 24 – reference to Eco-towns PPS should be updated as it has now been cancelled, its provisions having been incorporated into the adopted Cherwell Local Plan and the SPD for NW Bicester.

The comments in this response are initial comments on the consultation draft. Cherwell District Council would like to work closely with the LEP and our other partners on how to better address the issues in Cherwell identified through the SEP; in particular, we are keen to see an action plan developed for taking forwards the commitments in the SEP with timetables and anticipated outcomes that are to be achieved through its measures.

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