

# MONTHLY ECONOMIC REPORT: OXFORDSHIRE



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The Oxfordshire Economic Partnership (OEP) and its network strive to deliver sustainable growth and economic development across Oxfordshire. With the recent changes in the global economy, our partners and residents have begun to see real local impact in terms of job losses and declining town centres. These circumstances pose challenges ahead. This report is compiled from local news outlets and national statistics and delivers a snapshot of the issues Oxfordshire is facing. If you have comments or additional information for this report, please contact **Joanne Scali** at the OEP – email [Joanne.scali@oxfordshire.gov.uk](mailto:Joanne.scali@oxfordshire.gov.uk) or call 01865 815 866.

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## OXFORDSHIRE MEANS BUSINESS

### **City's Small Firms Defy the Recession**

Small firms in Oxford have weathered the recession better than most of the UK, a new report has revealed.

The BT Business Pulse survey shows one in four Oxford firms saw an increase in turnover during the downturn and 72 per cent are expecting an upturn next year.

Despite national economic uncertainty, 63 per cent of Oxford firms remain confident about their own business prospects with almost half saying they have emerged from the recession as stronger businesses by changing the ways they operate.

Keith Slater, board member of the Oxfordshire Chamber of Commerce, said: *“It doesn't surprise me many of the city's companies have been doing well. As a result of the spin outs from the universities, the developments originating in our centres of technological excellence and the entrepreneurship that comes from having a high proportion of the population with skills and qualifications well above the average we tend to be at the leading edge.”*

But Mr Slater warned that despite low interest rates, costs of borrowing for small businesses can still be high, while sectors such as retail and suppliers to the motor industry have suffered badly in the recession. He added: *“We need to build the skill levels of a large segment of our population that have few or no qualifications so that we can take advantage of the growth momentum when it really arrives.”*

The Business Pulse findings from more than 7,000 UK small firms were unveiled as part of Small Business Week which is dedicated to championing commercial, industry and government support for the UK's 4.7 million smaller enterprises.

Mick Hegarty, Strategy Director for BT Business, said: *“This comprehensive survey demonstrates the resilience of small businesses in some of the most challenging economic conditions of the past 50 years. Most firms are positive about the future and in many cases they have emerged stronger and fitter from the downturn.”*

## BEST WORKFORCE

### **Oxford Brookes University - Skills for work**

An apprenticeship scheme has been set up by Oxford Brookes University that will give six young people experience in horticulture, catering, decorating and administration. The apprentices will also receive training through the university's further education partners, Abingdon and Witney College and Oxford and Cherwell Valley College. The scheme follows the Government's recent pledge to provide extra apprenticeships to help young people gain employment during the recession.

## SCIENCE INNOVATION & TECHNOLOGY

### **Researchers Awarded £5M to Find Cure for Parkinsons**

A team of researchers at the University of Oxford is to receive funding of £5 million to try finding a cure for Parkinson's disease it was announced on 29th October.

The Parkinson's Disease Society has chosen the Oxford team as winners of The Monument Discovery Award - funding of £5 million over five years for groundbreaking new research - which aims to crack the code of Parkinson's.

The award will go to the Oxford Parkinson's Disease Consortium, a team of researchers at the University of Oxford led by Dr Richard Wade-Martins.

The award is funded by The Monument Trust, one of the Sainsbury Family Trusts. The late Simon Sainsbury, who established the trust, had Parkinson's and the trustees were keen to fund innovative new research to find a cure.

The funding is the largest single-trust donation that the society has ever received. Scientists from across the UK were invited to apply for the Discovery Award, and seven of the best teams in the UK made the shortlist. The winning Oxford team was chosen by an international review panel.

### **BioMedica Shares Rise**

Shares in gene therapy company Oxford BioMedica shot up after it announced an update on trials of its treatment for Parkinsons Disease, ProSavin.

Six-month assessments of the volunteer patients showed further improvement in motor function, said the company, based at Oxford Science Park.

The Principal Investigator, Prof Stéphane Palfi of the Henri Mondor Hospital in Paris, said the data suggested that ProSavin *"may provide sustained and meaningful benefit to patients and could reduce or eliminate the debilitating complications associated with oral dopamine replacement therapy"*.

He said: *"In the initial indication of moderate to late-stage Parkinson's disease, ProSavin potentially offers significant advantages to the current alternatives of deep brain stimulation or mechanical delivery of continuous dopamine."*

Oxford BioMedica's chief executive, John Dawson, said the results provided further evidence that ProSavin is effective at the current dose levels. *"With its excellent safety profile, we have the opportunity to escalate to a higher dose, which could be even more effective. This would enhance the product's value and could accelerate its development,"* he said. He added: *"Furthermore, the publication of our ground-breaking preclinical results in a leading journal raises the profile of ProSavin within the medical community and pharmaceutical industry as we prepare for larger studies and negotiate with prospective partners."*

## **INFRASTRUCTURE - NEW DEVELOPMENTS**

### **Marriotts Walk Opened its Doors**

The county's newest shopping centre at the £50m Marriotts Walk development in Welch Way, Witney, opened its doors to the public to the sound of cheers and confetti canons on 29th October.

Crowds of people queued to enter Marks & Spencer, Debenhams, New Look, Dorothy Perkins, Wallis, Monsoon and Accessorize, along with Frankie & Benny's and Café Rouge restaurants, a five-screen Cineworld cinema and a 590-space multi-storey car park.

The opening of the new M&S eco-store which will use solar panels to produce its own hot water will create around 120 retail jobs.

The news follows Marks and Spencer's announcement that it will create an extra 20,000 seasonal roles this Yule-tide. Steve Rowe, the chain's director of retail, told the Sun that the new retail jobs are needed more than ever this year because of the economic downturn.

### **Abingdon's £450k Rejuvenation Work Begins**

Abingdon High Street is to undergo a "much needed" £450,000 facelift in a bid to pull in more visitors. Work to install a new pavement and kerb stones to make the shopping area more attractive started on 12th October. And there are also signs the green shoots of recovery are sprouting with the news a new owner had been found for the vacant Woolworths store. Furniture store Cargo is to move into the Bury Street site and is expected to open by the end of the month.

Trade in Abingdon was hit hard by empty shops and a lack of visitors and shoppers with scores of traders concerned the town was not attractive enough to compete with its neighbours. But last night, traders, councillors and shoppers said the news was a shot in the arm. Lesley Legge, leader of Abingdon Town Council, said: "Everyone in the town has said these improvements to the High Street have been desperately needed for years, so it is very pleasing that they will finally take place.

Work on the scheme is expected to last until March and is part of Abingdon's Integrated Transport Strategy, a joint initiative between the county council, Vale of White Horse District Council and Abingdon Town Council.

Peter Wiblin, joint president of Abingdon Chamber of Commerce, said: "*These improvements will make the High Street look great, particularly as it will be the same materials used to refurbish Stert Street.*"

### **City Bus Depot Becomes Business Unit**

The site of a former bus garage in Oxford is set to become a home for start-up businesses and student accommodation. Berkeley Homes has submitted outline plans for the final phase of the redevelopment of the Oxford Bus Company's old depot, off Cowley Road. They include 2,000 sq m – about 21,500 sq ft – for new businesses on the western half of the site, fronting Cowley Road and Reliance Way, and 105 student study rooms in five blocks.

### **Work to Commence on 300 Home Didcot Scheme**

Work will finally start on Didcot's 3,340-home Great Western Park development in the spring, South Oxfordshire District Council says. Housing association Sovereign has agreed to fund the first 100 social homes, allowing developer Taylor Wimpey to kick start the project. The firm put its plans on hold when the housing market collapsed last year; Bulldozers will arrive on site early next year to start work on an access road stretching into the 180-acre site from the A4130, and other infrastructure projects. House building is expected to start next autumn.

John Cotton, the district councillor responsible for Didcot's growth plans, said Sovereign had put up the money to build 90 to 100 properties – enough to enable Taylor Wimpey to complete the first 300-home plot. He said: "*That is expected to start around this time next year. It gives enough cash to Taylor Wimpey to move things along.*"

The construction firm is working on its development plan, detailing the order in which different parts of the estate will be built and timetabling when new amenities including shops and schools will open. Mr. Cotton said: *“The £65m package of new facilities includes two primaries and a secondary school, a new high street, a neighborhood centre and a recreation ground.”*

Issues still being discussed included the capacity of existing schools and whether the new estate would need a primary school from the beginning. Mr. Cotton said the project plan should be completed by the end of the year, before detailed planning applications are submitted to the council.

### **University Unveils £200m Redevelopment**

The £200m buildings that will form the centrepieces of a new city centre quarter were unveiled by Oxford University on October 15th.

A landmark humanities building with an underground library and a five-storey Mathematical Institute will be the main structures on the former Radcliffe Infirmary site, in one of the biggest development projects seen in the city for a century. The Radcliffe Observatory Quarter, as the ten-acre site has been named, will feature courtyards and gardens alongside a striking high glass and copper pavilion, which will be the symbolic centre of the site, providing “a 24-hour beacon for learning”.

The plans are now on show at an exhibition in St Luke’s Chapel, one of the listed buildings on the site. They are revealed just ten days after the university acquired planning permission for the first phase of the scheme, involving new buildings at Somerville College and the refurbishment and removal of some former hospital buildings.

## **GREEN ECONOMY**

### **Npower Funds National Trust Community Led Project**

Npower - energy partner to the National Trust, has funded a £600,000 low carbon village pilot which will attempt to reduce carbon dioxide emissions.

The project will see two historic villages owned by the National Trust attempt to reduce carbon dioxide emissions and energy bills as part of a community led programme. The initiative, which is similar to the government's Low Carbon Community Challenge, will show how major energy efficiency improvements are achievable in homes of any age - not just modern buildings - with savings possible from the biggest mansion to the average family house.

The pilot is being trialled at the National Trust owned villages of Coleshill in Oxfordshire and the Wallington Estate in Northumberland. As well as funding the project, Npower is also giving advice on effective energy saving tips for tenants of the properties.

## **Four Degrees and Beyond Conference**

The Four Degrees and Beyond conference took place in Oxford on 28-30th September. It aimed to assess the consequences of a change in global temperature above 4°C for a range of systems and sectors, and explore the options that are open for avoiding climate changes of this magnitude.

The results of the conference will form an important background to the COP 15 United Nations Climate Change Conference, in Copenhagen, December 2009, and the inevitable negotiations that will follow COP 15.

Full details of the conference, including speaker audio and slides is available from <http://www.eci.ox.ac.uk/4degrees/programme.php>

## **Blueprint for a green future in Oxfordshire**

Professionals from all areas of the construction industry looking to develop their green credentials are being urged to attend the first of a series of conferences.

Hosted by the Oxfordshire Economic Partnership, the event, Sustainable Construction Oxford, will bring together academics, private sector companies and local government.

It will provide an opportunity to attend informative workshops and attend exhibitions on themes including:

- Delivering sustainable affordable homes
- Building for climate resilience
- Designing and delivering sustainably
- Designing for waste site management

### ***Sustainable energy and buildings speakers will include:***

- David Evans, senior solicitor at Oxford law firm Blake Laphorn,
  - Mark Goldthorpe, project officer from the UK Climate Impacts Programme,
  - Councillor David Robertson, deputy leader of Oxfordshire County Council
- and
- Chindarat Taylor, director of Reading-based waste management consultancy Pathway to Zero Waste.

Councillor David Robertson said: *"We are keen to get people thinking of Oxfordshire as a place to do green business. "The county has a world-class economy that is well placed to bounce back from the economic downturn and the number of green business based in the county is likely to lead it to being at the cutting edge of innovation as it has been so many times in the past. "*

***The conference will take place on 18<sup>th</sup> November at the Said Business School, Park End Street, Oxford OX1 5NY For more details contact Daniel Dempsey on 01865 815959 or e-mail [daniel.dempsey@oxfordshire.gov.uk](mailto:daniel.dempsey@oxfordshire.gov.uk)***

## GENERAL

### **Councils Set to Receive 'Lost' Funds from Iceland**

Councils in Oxfordshire have started to recoup some of the £33.5m thought to have been lost in the Icelandic banking crisis.

The county's six main councils now expect to have the vast bulk of their cash returned from four collapsed Icelandic banks — with financial experts predicting that between 50 and 100 per cent of the total value of all deposits will be repaid. And the authorities could end up with an unexpected bonus after it emerged the banks may pay out claims for interest — worth at least £2m to county taxpayers — on their investments.

So far £1.34m has been paid back to three authorities – Oxford City Council, West Oxfordshire and South Oxfordshire district councils. The Local Government Association, which is fighting to get back the cash on behalf of more than 350 councils in England and Wales, said nationally administrators had repaid almost £70m to date, with £30m more expected to be repaid by the end of the year.

Councils with investments in Glitnir have the most reason to be cheerful, as the Chartered Institute of Public Finance and Accountancy's local authority panel said the bank had enough cash to repay deposits by British authorities in full. Oxford City Council has £1.5m tied up in Glitnir, West Oxfordshire £5m, and Cherwell £6.5m. Cherwell chiefs not only hope to recoup the cash but also receive £550,000 in interest payments up until April 2009.

### **Job Losses/Jobs Created**

### **Comedy Club Closes Down**

A comedy venue and nightclub has closed as the list of Oxford city centre establishments to shut their doors in recent months increased. Jongleurs and the adjoining Bar Risa in Hythe Bridge Street were shut down after its owner Regent Inns went into administration. The venue ceased trading on Tuesday, with the loss of 15 jobs. Across the country, five Jongleurs clubs have closed, while the remaining 10 have been bought by a firm called Intertain.

The announcement is another blow to Oxford's beleaguered night-time economy. In January, the Ha! Ha! Bar and Canteen at Oxford Castle closed. The nearby Living Room bar and restaurant is also in administration, but continues to trade. Burger chain Tootsies, also in the castle, closed earlier this month with the loss of 19 jobs and Italian restaurant Carluccio's has also confirmed it is pulling out of the site due to poor trading.

In George Street, the Old Orleans bar and restaurant has been shut for two months, awaiting conversion to an Italian restaurant.

Colin Cook, chairman of the city council's licensing committee, said *"Restaurants come and go throughout Oxford and have done for many years. "This recession is certainly having an impact at the moment and the winter season is never a good time for bars and restaurants."*

# BANK OF ENGLAND

## Bank of England Agents' Summary - October 2009

- There had been little change to the picture of modest growth in consumer spending and housing market activity.
- Investment intentions remain muted, weighed down by the margin of spare capacity and uncertainty over the sustainability of any pickup in demand. But the number of exceptions to that depressed picture has grown through the summer.
- There has been a further slight improvement in the tone of reports from exporters.
- Most contacts have now completed the process of de-stocking, leaving relatively few still concerned that their inventories remained above sustainable levels.
- Manufacturing output appears to have stabilised. And a growing number of business services providers have reported a pickup in demand. Construction activity remains severely depressed despite a small-scale increase in house building.
- Some larger firms have experienced easier credit conditions. But many other firms still perceive credit supply to be very tight.
- The pace of decline in employment has eased. A special survey of the Agents' contacts suggests that few expect to make substantial cuts to headcount over the next few months.
- Per capita labour costs remain below their levels a year earlier. There have been no clear directional sense to firms' reports of changes in their materials costs.
- Consumer goods price inflation remains low, but some prices have drifted up in recent months.