# Background paper 004

## Title: Employment and Inclusive Economy

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| **This paper addresses jobs (including knowledge-based jobs, jobs for unskilled residents, apprenticeships and jobs to support a diverse economy) and considers how best to use land to support and diversify the economy.**<br>**It addresses how the Local Plan can best use land to support and diversify the economy while fostering growth in key sectors including science and innovation.**<br>**It considers how best to support local people and businesses access the training and opportunities they need to enable them to prosper.** |
| **Relevant Local Plan 2045 Objective(s):**<br>• Maximise the benefits of the city's strengths in knowledge, healthcare and education while supporting economic growth in key sectors including science and innovation.<br>• Recognise the valuable contribution that supporting a range of businesses (including SMEs) can make to innovation and economic diversity. Help to create the conditions in which all businesses can prosper.<br>• Create opportunities for everyone in the city to access employment. Support local people giving them access to training, education and apprenticeships to make the most out of new job opportunities created in the city.<br>• Help Oxford to continue in its role as a national and international destination and support the visitor economy by encouraging longer stays and higher spend in Oxford. |
| **Relevant SA Objective(s):**<br>12. To achieve sustainable inclusive **economic growth**, including the development and expansion of a diverse and knowledge- based economy and the culture/leisure/ visitor sector. |
| **SEA theme(s):** Population and material assets. |

# 1. Introduction

1.1 This topic paper focuses on Oxford's economy, employment and the importance of research and development, education and skills. Oxford is recognised as a globally known brand. It has major assets which include two leading universities, and cutting-edge research in areas including bio-tech, data science, quantum technology and robotics. The city is home to diverse international enterprises including BMW Mini, Oxford University Press, Unipart, Centrica, Amey, Nielsen and TripAdvisor among numerous others. The city's economy plays a key role within both a wider regional and national context. Despite this, Oxford's level of unemployment is higher than the national average. Although it is a city renowned for education, disparities in education levels do exist and there are examples of areas where there is a deprivation of skills.

1.2 This topic paper provides a brief summary of the relevant national, sub-regional and local plans, policies and programmes that currently exist and are likely to influence change in the future. There is a section on Oxford's economy and its importance to the national economy, which includes some headlines that help to define the economy of the city, its job growth, key and potential emerging sectors. There is also a section on Oxford's existing education facilities. This includes some key indicators identifying the importance of these education facilities to both Oxford and Oxfordshire. As part of an assessment of the current situation some of the key challenges and future trends that impact the local economy are identified. The next section explores what would happen without a new plan and the potential issues that the city would face. The final section provides some conclusions and sets the key issues which the plan addresses, drawing conclusions from the evidence in relation to each of the policy approaches.

# 2. Policy Framework/Plans, Policies, Programmes (supporting Task A1 of Sustainability Appraisal)

## National Industrial Strategy: Invest 2035

2.1 The publication of Invest 2035: the UK's modern industrial strategy, sets out this administration's "commitment to develop a modern, targeted industrial strategy, with the objective of long-term, inclusive, and resilient growth, by spurring investment into all parts of the UK".

2.2 The National Industrial Strategy focuses on "stimulating investment and activity in sectors with the highest growth potential". It identifies eight growth-driving sectors to be prioritised across services and manufacturing. These sectors are based on both existing and emerging strengths and are as follows:

- Advanced manufacturing
- Clean energy industries
- Creative industries
- Defence
- Digital and technologies
- Financial services
- Life sciences
- Professional and business services

2.3 Oxford and Oxfordshire are home to the majority of these identified growth-driving sectors. Driven by the existing presence of two successful universities, and their close ties to research and industry, there is significant potential for Oxford and Oxfordshire to further develop and deliver these nationally important growth-driving economic sectors.

### Industrial Strategy Zones Action Plan (June 2025)

2.4 The Industrial Strategy Zones Action Plan sets out twenty-two locations across the UK which aims to create successful places that can deliver their full potential, supported by specific funding initiatives. The Government wants to ensure that these specific locations can seize opportunities and develop industries of the future. It is worth noting, all Industrial Strategy Zones are located outside Oxfordshire, however.

### AI Growth Zones

2.5 The Government wants to accelerate efforts to build the necessary infrastructure needed to support AI growth. It sees AI Growth Zones as important as their creation will help to unlock investment in these areas by improving access to power and providing planning support. The Government has (to date) announced four AI Growth Zones, the first of which, at Culham in Oxfordshire was announced in April 2025.

### National Planning Policy Framework (December 2024)

2.6 The NPPF gives a clear steer towards supporting economic growth through planning policies and it is clear significant weight should be placed on the need to support sustainable economic growth and productivity.

2.7 The NPPF sets out a requirement for a clear economic vision and strategy, which positively encourages sustainable economic growth having regard to the national industrial strategy and any relevant Local Industrial Strategies and local economic development and regeneration policies. It also sets out that Local Plans should develop policies that help to create the conditions in which businesses can invest, expand and adapt to meet anticipated needs over the Plan period.

2.8 The NPPF sets out a key economic objective which requires policies ‘to help build a strong, responsive and competitive economy’. This aims to ensure 'that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity.' Planning policies are also required to 'create the conditions in which businesses can invest, expand and adapt' and to positively respond to the 'need to support economic growth and productivity'.

2.9 The NPPF highlights the importance of meeting the specific locational requirements of networks and clusters including the knowledge and data driven sectors, creative or high technology industries. National advice also requires a policy approach that 'should allow each area to build on its strengths, counter any weaknesses', and address 'the challenges of the future'. This is considered particularly important where 'Britain can be a global leader in driving innovation' and in 'areas of productivity' which should 'capitalise on their performance and potential.'

## Draft NPPF Consultation (December 2025)

2.10 In December 2025, the Government announced a consultation on a revised NPPF. While not directly applicable to the Oxford Local Plan 2045, the consultation material highlights some revisions to current national policy, which indicate the likely direction of travel for future development plans.

2.11 In relation to the national economic policy position, some of the changes are largely editorial in nature. Notable changes include the introduction of national decision-making policies, and a new policy setting out the specific planning considerations for freight and logistics development, and associated infrastructure.

2.12 The consultation material highlights that elements of paragraphs 86 and 87 of the current NPPF are proposed to be redrafted, while notable changes include the expectation for plans to include explicit references to Industrial Strategy Zones, AI Growth Zones and Industrial Strategy itself. Additional text is also proposed to enable flexibility to respond to changing commercial property circumstances, which seek to ensure that site allocations for economic purposes are not overly prescriptive (unless there is a clear and justified rationale for doing so).

## Planning Practice Guidance (PPG)

2.13 The PPG includes guidance about how local authorities should prepare and maintain an evidence base regarding the economic needs of their area. In working out the business needs for an area, consideration should be given to a range of factors including evidence of market demand; wider market signals relating to economic growth, diversification and innovation; the existing stock of land for employment uses and the recent pattern of employment land supply and losses. It also sets out a method for assessing economic land availability.

## Oxford-Cambridge Growth Corridor

2.14 In January 2025, the Chancellor unveiled new plans to deliver the Oxford-Cambridge Growth Corridor that will boost the UK economy by up to £78 billion by 2035, catalysing the growth of UK science and technology. Sir Patrick Vallance has been appointed as the Oxford-Cambridge Growth Corridor Champion to provide senior leadership to ensure that the Government's ambitions are delivered. The Oxford-Cambridge Growth Corridor will provide a clear strategy for the entire region backed by funding for housing and infrastructure. A new growth commission for Oxford was also announced in January to review how nationally significant growth for the city and the surrounding area can be unlocked and accelerated.

## Oxford Cambridge Pan-Regional Partnership

2.15 In January 2023, the previous Government confirmed support for the establishment of an Oxford to Cambridge Pan Regional Partnership following a proposal by leaders from local councils, local enterprise partnerships, the Arc Universities Group and the area's transport body – England's Economic Heartland. However, following an announcement in the Autumn Budget 2024, a decision was made by the new Government not to fund the Oxford to Cambridge Pan-Regional Partnership from 2025-26. The partnership was formally closed in May 2025, and some of its work and assets were transferred to the Cambridgeshire and Peterborough Combined Authority, and England's Economic Heartland (EEH), the geographical extent of which includes several counties including Oxfordshire.

## PwC Good Growth Cities Index 2025

2.16 PricewaterhouseCoopers (PwC) produce an annual Good Growth for Cities Index. The most recent version of this Index, published in September 2025, which compares 50 UK cities using a number of different metrics. The 2025 edition saw ranked Oxford in nineteenth place, having previously been the top performing city from 2017-2023.

2.17 PWC's research indicates that the continuing shift in the public interest from the 2024 edition has resulted in financial priorities less dominant in favour tangible, local and essential concerns such as high streets and shops, skills, housing and transport. Below average comparative scores in the housing and transport indicators are therefore likely to explain Oxford's 2025 ranking. By comparison, Cambridge also had below average comparative scores in the housing and transport indicators, and overall was ranked a couple of places lower the Oxford.

2.18 The report showed that cities across the South-West region continued to perform well this year (Bristol Swindon, Exeter and Plymouth all ranked within the top ten). York topped the index in 2025. Scoring highly across high streets, skills and jobs – key indicators of prosperity that the public increasingly values.

## Fast Growth Cities – 2021 and Beyond – Centre for Cities

2.19 The Fast Growth Cities Report 2021 provided an update to a report from 2016. The cities that make up the Fast Growth Cities group (comprises of Oxford, Cambridge, Milton Keynes, Norwich, Peterborough and Swindon) were considered as some of the most successful and innovative places in the UK. The Fast Growth Cities Report focused on six key areas:

- Labour markets, skills an education;
- Businesses and growth;
- High Streets and city centres;
- Housing and planning;
- Transport; and
- The economic impact of the pandemic.

2.20 The report recognises that the Fast Growth Cities group contains some of the UK's most successful cities, many of which (including Oxford) have a significant impact beyond their boundaries.

## Oxford Growth Commission: Interim Report (December 2025)

2.21 Published in December 2025 by the Government on behalf the Oxford Growth Commission, this Interim Report sets out the views of the Chair (Neale Coleman – appointed in May 2025) on how best to unlock and accelerate growth in Oxford and the surrounding area. The Interim Report includes 47 recommendations for central and local partners with a focus on maximising the benefits of growth for the local area, and for the UK as a whole.

2.22 The final report, scheduled for Autumn 2026, will set out a series of recommendations to Ministers on priorities and actions to support growth in Oxford and Oxfordshire.

## Enterprise Oxfordshire

2.23 Oxfordshire's wider economic vision and strategy are contained within several documents produced by the former Local Enterprise Partnership (LEP) for Oxfordshire. The county council (from April 2025), through Enterprise Oxfordshire, is now ultimately responsible for this work and acts as the sole shareholder for Enterprise Oxfordshire.

Prior to the creation of Enterprise Oxfordshire, the Oxfordshire LEP created a range of key economically focused documents including the Strategic Economic Plan (SEP), and its supporting Action Plan, the Local Industrial Strategy (LIS), and Local Investment Plan (LIP). The SEP was first produced in 2014 and was refreshed in 2016. More recently (December 2023) a refreshed SEP was published to help drive productivity, prosperity and wealth for all whilst accelerating Oxfordshire's transition to net-zero.

2.24 The SEP aims to champion good, sustainable growth that realises a shared ambition that by 2033, people and communities across Oxfordshire will be benefiting from new opportunities which are created sustainably through local enterprise and innovation.

2.25 The LIS, published in July 2019, described Oxfordshire as a global centre of research and innovation, home to a number of world-leading science and technology companies located across business clusters and hubs, forming a hive of knowledge-intensive economic activity. It describes how cutting-edge products and services are solving challenges in healthcare, mobility, energy and communications, meaning Oxfordshire's success is critical to the UK.

2.26 The key sectors and technologies that Oxfordshire excel in have 'global reach', meaning we are a critical driver for UK economic growth. A primary aim of the strategy is to build a global innovation ecosystem in Oxfordshire by 2040. Existing and proposed developments in Oxford are central to this, including the West End.

## Oxfordshire Leaders Joint Committee (OLJC)

2.27 The joint committee's purpose is to deliver the aims of the Oxfordshire Strategic Vision, adopted by all six councils. The Oxfordshire Strategic Vision aligns with the ambitions of the Strategic Economic Plan (2023) and sets out a set of guiding principles, a set of outcomes to be achieved by 2050, and a definition of "good growth". Taken together, these form an overarching approach to long-term sustainable development in Oxfordshire.

2.28 The OLJC consists of all six Oxfordshire authorities and makes several commitments, including to:

- Coordinate local efforts to manage economic, housing and infrastructure development in a way that is inclusive and maximises local social and environmental benefit.

## Oxfordshire's Innovation Engine 2023 – Advanced Oxford

2.29 Oxfordshire's Innovation Engine 2023 reassesses the Oxfordshire's Science and technology ecosystem providing an update from the 2013 Innovation Engine Report – Realising the Growth Potential. The report looks forward, but also back over the past decade to see whether the growth potential has been achieved. The report recognises that despite the challenges associated with collecting reliable economic performance data that Oxfordshire appears to have a thriving and diverse innovation ecosystem. It sets out that while the region's knowledge economy has grown, high and medium-tech manufacturing has declined (although this may be more down to a more mature ecosystem).

2.30 There is a growing stock of innovation space with many new developments in the pipeline which will add much needed capacity into the system in the next five years. Housing and transport continue to be key challenges and need to be addressed. Other infrastructure needs investment too, particularly data connectivity and supply of power.

2.31 The report makes six recommendations if Oxford's innovation ecosystem is to continue to flourish, strengthen and play a pivotal role in making the UK a beacon for science, technology and innovation:

- Strengthen leadership across the region in relation to innovation;
- The City Council and County Council need to work together to develop a much- needed future-looking transport system which is Oxfordshire wide, not just focused on the city of Oxford;
- Grow and diversify the number of risk capital investors operating within the region;
- Develop a new, clear strategy, with collective buy-in, for inward investment into the region. Different players within the ecosystem need to work together to ensure that Oxfordshire is open, coherent and can respond to potential investors;
- Join up nodes of innovation across the region and help internal and external stakeholders to navigate the landscape through better defined pathways and connectors; and
- Develop a suite of communication tools and assets, tailored to the needs of different audiences, which can be used by all players, to tell Oxfordshire's innovation story.

## Oxford City Council – Our Strategy 2024-28

2.32 The Council's corporate plan entitled, Our Strategy 2024-28 sets out five key priorities to support Oxford's ambition to continue to be a city that is a world-leading centre of research, innovation and science and a thriving place for independent businesses. One area of focus for the strategy is to support a strong fair economy under which the three priorities for the Council to deliver are as follows:

- Secure, fairly paid, local jobs for Oxford's residents and access to skills and reskilling training
- Using Oxford's unique strengths in a global economy to attract high quality investment
- Supporting development to boost economic activity and deliver benefits for all

## Oxford City Council Economic Strategy 2022-32

2.33 Oxford's Economic Strategy seeks to establish a new standard for economic inclusion in the city, underpinned by the strength of an impactful global city, evolving in a way which recognises environmental limits and harnesses the opportunity of a zero-carbon economy. The Economic Strategy highlights Oxford's significant specialisms as:

- Health and Life Sciences; Technology and Digital; Creative Production; Green and Low Carbon; the Visitor Economy; and Social Enterprises and co-operative businesses

2.34 Oxford's Economic Strategy recognises that Oxford's economy has a positive global impact and as a hub of education and knowledge, it has a clear purpose to address many of societies' challenges through science and technology. Oxford City plays a key role developing research and incubating early-stage companies. It is one of Oxfordshire's most sustainable locations to locate employment, due to its critical mass, and connectivity to transport and research assets. It recognises Oxford's physical capacity constraints, and the need to deliver commercial floorspace in such a way that does not compromise wider placemaking, zero carbon and green and sustainability objectives.

2.35 The City's ambition is to ensure that the anticipated growth is of good quality, in the right location, supported by appropriate infrastructure and contributes to an inclusive economy.

## Oxford City Centre Action Plan 2021-2030

2.36 The City Centre Action Plan (CCAP) sets out four workstreams, each intended to focus on a different thematic area of work. Each workstream is defined by a series of objectives, under which projects are identified. The four workstreams are:

- Connectivity and access:
  - To be delivered by limiting private vehicles, reducing conflict and congestion and creating spaces for buses, bikes and people;
- Public realm and animation:
  - To be delivered by improving the public realm and providing events and experiences to animate it and boost dwell times;
- Getting the mix right:
  - To be delivered by building on Oxford's world-class innovative and creative spirit, enhancing the city centre as a place to live, start and grow a business, visit, and play; and
- Get the basics right:
  - To be delivered by creating an inclusive, safe, and attractive city centre that mediates and promotes a diverse range of activities and uses.

2.37 The City Centre Action Plan also includes a series of objectives under each workstream. Not all of these can be directly influenced by the Local Plan 2040 as some need to be undertaken in partnership with colleagues, for instance, at the County Council.

## Oxford Local Plan 2036 (Extant plan)

2.38 The policy approach for the city's economy seeks to build on Oxford's strengths and ensure the delivery of prosperity and opportunities for all. Oxford is home to many jobs with particular concentrations in the higher education, research and science sectors. The economic performance of the city is influenced by wider sub-regional and national plans. These include Oxfordshire's Strategic Economic Plan (refreshed in December 2023), the Local Industrial Strategy (2019) together with the Oxford Cambridge Pan Regional

Partnership (confirmed by Government in January 2023) and the Oxfordshire Housing and Growth Deal (2017).

2.39 Oxford's employment strategy in the Local Plan 2036 seeks to protect the city's existing network of well-performing employment sites, while supporting the release of poorly performing sites to other uses (including housing). Policy E1 categorises the city's network of employment sites according to their importance to the national and local economy. Category 1 employment sites are the city's most important employment sites supporting the national economy or are significant local employers or sectors. Category 2 employment sites provide local services and facilities, whilst Category 3 are generally smaller, less well-performing sites.

2.40 Policy E1 supports the modernisation and intensification of any category of employment site. The modernisation and intensification of any employment site will be supported in principle where it can be shown that the new development makes efficient use of land and does not result in adverse environmental issues. Generally, the approach taken is to resist the loss of employment floorspace at category 1 or 2 sites, but it in the case of poorly performing Category 3 sites, a criteria-based approach is taken which, if satisfied, may allow the release of some or all of the site to other uses such as housing.

2.41 The Local Plan 2036 also provides policy support for the sustainable growth of the city's two universities - Oxford Brookes University and The University of Oxford. This support allows these institutions to maximise the economic, social and cultural benefits they both bring to the city.

2.42 Oxford is also a major centre for teaching hospitals and home to a number of acute and specialist medical research organisations. These medical research organisations link closely with healthcare research undertaken at the two universities. Research and development and teaching uses associated with health and the hospitals is supported in principle given their role as one of Oxford's key sectors. Proposals for new educational, teaching and academic institutions need to show how they support the objectives and wider policies in the Plan.

### Employment and Skills Plans:

2.43 The Oxford Local Plan 2036 encourages the use of Employment and Skills Plans or Community Employment Plans to help mitigate the impact of development and support an inclusive economy. Employment and Skills Plans seek opportunities including ensuring local people can access job opportunities arising from development at both the construction phase and once development is in operational use.

### Development opportunities

2.44 There are limited remaining vacant plots at the Oxford Science Park and at ARC Oxford (formerly Oxford Business Park). Both these "Category 1" employment sites have seen major development recently bringing forward a large amount of employment floorspace supporting Oxford's key strengths. A number of these recent development proposals are now under construction and due to be completed in the short-term. Some of the city's employment sites contain older buildings that are currently in employment uses. These sites cumulatively have significant redevelopment potential for modernisation and/or intensification within the plan period.

2.45 Development opportunities are also being realised at Oxford North with a sizeable amount of floorspace being built out under a series of reserved matters planning applications that support an outline granted in 2021. In Autum 2025, the recently completed Phase 1A was officially opened by Lord Hague of Richmond, Chancellor of the University of Oxford.

2.46 The Plan also recognises that significant scope for the redevelopment of brownfield sites exists in Oxford, particularly those in and around the wider West End of the city centre. Such sites include Oxpens, the 'Island Site', Oxford Station, longer-term opportunities at Osney Mead, and the more immediate opportunities involving the transformation of Botley Road Retail Park.

## Oxford Employment Land Needs Assessment (2026)

2.47 Oxford City Council commissioned Rapleys to undertake an Employment Land Needs Assessment (ELNA) in early 2025. This report looks at the employment land need generated by Oxford city. The study assesses Oxford's economic need in quantitative and qualitative terms. It follows the three prescribed quantitative approaches set out in the PPG – a labour demand approach (drawing on an economic forecast), a labour supply approach (aligning the Standard Method (NPPF, December 2024) housing number with labour and jobs supply), and an assessment of a range of past trends in new floorspace completions and past jobs delivery. The consultants, in producing the ELNA also (as suggested in the PPG), engaged at length with the commercial property market, and this provides a qualitative view of the future needs assessment.

2.48 This final version of the ELNA Report builds on the Interim Report, which was published in June 2025 to support the Regulation 18 consultation. It provides relevant updates to the various sections of the Interim report, taking into account the change in base date of the plan period, and sets out conclusions and recommendations based on the findings.

## Employment Land Supply

2.49 Oxford City Council monitoring data provides a useful context in relation to the changes to the city's economic landscape that have been taking place over the years preceding the start of the plan-period from 2025-2045.

2.50 This monitoring data was used to inform the city's Employment Land Needs Assessment (ELNA), which provides a comprehensive supply side assessment of employment land. Table 2.1 (below) provides a summary of Oxford's committed supply. A more detailed analysis is presented in the ELNA.

2.51 Table 2.1 shows total floorspace of committed supply based on the most up-to-date plan monitoring data (as at 31 March 2025), and also includes additional analysis of applications and planning permissions granted as at 17 October 2025).

2.52 The consultants' analysis recognises that while R&D/ lab space is the main form of employment space coming forward in the city, the floorspace under construction (approximately 165,000 sqm of R&D/ lab space) will increase the current office/R&D space available in Oxford by almost 50% (based on VOA (2023) data).

*Table 2.1 - showing extant planning permissions involving employment-generating uses. All figures expressed as net increases in sqm (GIA)*

| Floorspace permitted (sqm GIA) | Office | R&D | Flexible B Class | Light Industrial Uses | General Industrial (B2) | Storage/ Distribution (B8) | Total |
|---|---|---|---|---|---|---|---|
| | 1,877 | 352,180 | 2,940 | 57 | - | 123 | 357,177 |

(Source: Employment Land Needs Assessment, Rapleys, January 2026)

2.53 The ELNA also considered the development pipeline. This analysis included consideration of sites with known developer aspirations, the majority of which have submitted a planning application. The total known net additional floorspace (GIA) at the time the analysis was undertaken was 185.040sqm.

# 3. Current situation (supporting Task A2 and A3 of Sustainability Appraisal)

## Oxford's Economy

3.1 According to the Labour Market Profile for Oxford, the city was home to 4,915 businesses, collectively employing approximately 126,000 people in 2023. A high proportion of businesses in the city are micro or SMEs (small or medium sized enterprises). In fact, 96.2% of all businesses in Oxford are micro- (less than 9 employees) or small- (10 to 49 employees) businesses (UK Business Counts, 2025).

3.2 Oxford also has the highest employment rate in the county. The city's importance as an employment location is demonstrated by its job density ratio of 1.19 (2023), which is above the South-East (0.86) and Great Britain (0.86). According to the City Council's Economic Strategy, in 2019 it was estimated that Oxford contributed £6.8bn to the national economy annually.

3.3 The University of Oxford generates more spin-outs than any other university in the country. According to the Oxford University Innovation and University of Oxford Impact Report 2024 - Shaping the Future: Oxford's Innovation Impact, the University has been involved in the creation of more than 300 companies. Research and development, (R&D) is one of the current growth sectors in Oxford linked directly to the Universities and hospitals. The Covid-19 Pandemic and the ground-breaking research on vaccines with the development of the Oxford AstraZeneca vaccine has helped to highlight Oxford's global importance and its contribution to both the national and local economy. The strong links between healthcare in practice and research are critical.

3.4 A Research Report published in 2021 by the Centre for Cities, entitled Fast Growth Cities – 2021 and beyond showed the importance of a section of fast-growing cities, such as Oxford, and the need to build on their respective strengths as a crucial means of achieving future growth. Innovation systems, such as those established within the city comprise business dynamics, skilled labour and innovative outputs such as patents which together provide the platform for delivering economic growth. The 2021 study confirmed that innovative places, such as Oxford, are likely to be the first places to benefit from the ongoing change in the economy, since they are directly involved in the development of solutions or have the right dynamics to adapt their business models.

3.5 Oxford is therefore well placed to help to drive forward national economic growth by supporting the nationally identified growth driving sectors through the ground-breaking research and development undertaken within the city, which benefits from its strong links between the University of Oxford and the hospitals together with key related commercial firms that are established in the city.

3.6 In 2023, the importance of "Innovation Hotspots" was highlighted by the Centre for Cities in a report entitled Innovation hotspots – clustering the new economy. Hotspot areas, such as Oxford, involve the clustering of businesses and cutting-edge industries. These areas have been more productive and have grown faster since the financial crisis than those areas that do not benefit from clustering.

3.7 The Labour Market profile for Oxford (produced by Nomis) indicates that the total number of jobs in the city peaked in 2018 at 144,000. Since then, the total number of jobs in Oxford had fallen each year to a low of 127,000 jobs in Oxford in 2021. The number of jobs fell most rapidly between 2019 and 2020, where the number of jobs in the city reduced by 9,000. The most recent figures report a total of 143,000 jobs in Oxford (2023).

## Availability of broadband

3.8 Oxfordshire County Council's Digital Infrastructure Programme aims to improve digital infrastructure across the county and their work includes bespoke projects such delivering GigaHubs with Full Fibre broadband including at more remote locations including village halls, GP surgeries, schools and other public buildings. Other important work involves the delivery of gigabit-capable broadband to around 10,000 premises in Oxfordshire and driving to deliver 5G technology in Oxfordshire as part of a wider regional project across England's Economic Heartland.

3.9 Good broadband connections are essential for many highly skilled jobs. Oxford is well covered by superfast broadband connections (speeds of >24Mps).

## Employment by type

3.10 Official census and labour market statistics from the Office for National Statistics are provided by Nomis. Nomis provides labour market profiles for local authority areas. Oxford City's labour market profile is available on the Nomis website. The statistics for "Employee jobs" shows a sectoral breakdown of employees in Oxford by Industry. At the time of writing the most recent data is for the year 2024.

3.11 This dataset shows a large number of people are employed both in "education" (39,000) and in the "human health and social work" sector (25,000) in Oxford. These two sectors make up 51.7% of all employee jobs in the city. By comparison, these two sectors represent 23.5% of all employee jobs across the South East and 22.8 of all employee jobs nationally. This is significantly more people than are employed in the next two largest sectors. Employee jobs in "wholesale and retail trade; repair of motor vehicles and motorcycles" (9,000) and "professional, scientific and technical activities" (11,000) together account for 16.2% of total employee jobs Oxford, while "information and communication" has dropped from 11,000 in 2023 to 7,000 in 2024.

## Employment levels

3.12 The Nomis website provides statistics about both employment and unemployment levels within Oxford's labour market profile. At the time of writing the most up-to-date information presented on the Nomis website was for the time-period between July 2024-June 2025. This showed that Oxford's unemployment rate at 4.1% (this is model based due to a small sample size), was slightly higher than the national average of 4%.

3.13 The Nomis website also provides information on the number of Jobseekers' Allowance (JSA) claimants. This information is also found within the Oxford's labour market profile. It shows that as of November 2025 there were 3,085 people claiming Job Seeker's Allowance or Universal Credit (UC). This represents 2.6% of the working population. This shows a reduction since March 2021 when there were 5,040 claimants representing 4.3% of the working population (i.e., people aged between 16-64 years old).

## Micro, Small and Medium Sized Enterprises (Micro SMEs)

3.14 Micro SMEs represent a significant proportion of the city's employment ecosystem. According to UK Business Count data for Oxford (2024), 96.2% of the city's businesses are micro- (employing up to 9 people – 83.9%) or small- (employing between 10-49 people – 12.3%) businesses.

3.15 Recent increased and sustained high-demand for state-of-the-art research and development (R&D) uses including high-value laboratory and office space, has meant that certain Micro SMEs (including social enterprises, creative and co-operative businesses and local start-ups) have experienced increasing difficulties finding or affording suitable workspaces or premises in Oxford.

3.16 Where suitable premises for these types of Micro SMEs do exist, they are increasingly coming under pressure for redevelopment, and from rising commercial rents across the city. According to Advanced Oxford's Innovation Engine Update (2023), commercial rents have more than doubled since 2016 when prime office rents were £30/sqft (see Figure 4.1 below for more details). Commercial rent increases are currently being driven by very strong prime laboratory and office markets. According to Bidwells Oxford Office and Labs Databook (August 2025), prime city centre office rents were reported at £63/sqft in June 2025. While prime rents for larger fitted lab space remained constant at £78.50/sqft. Both prime office and laboratory rents are expected to continue to rise at steadily over the next five years.

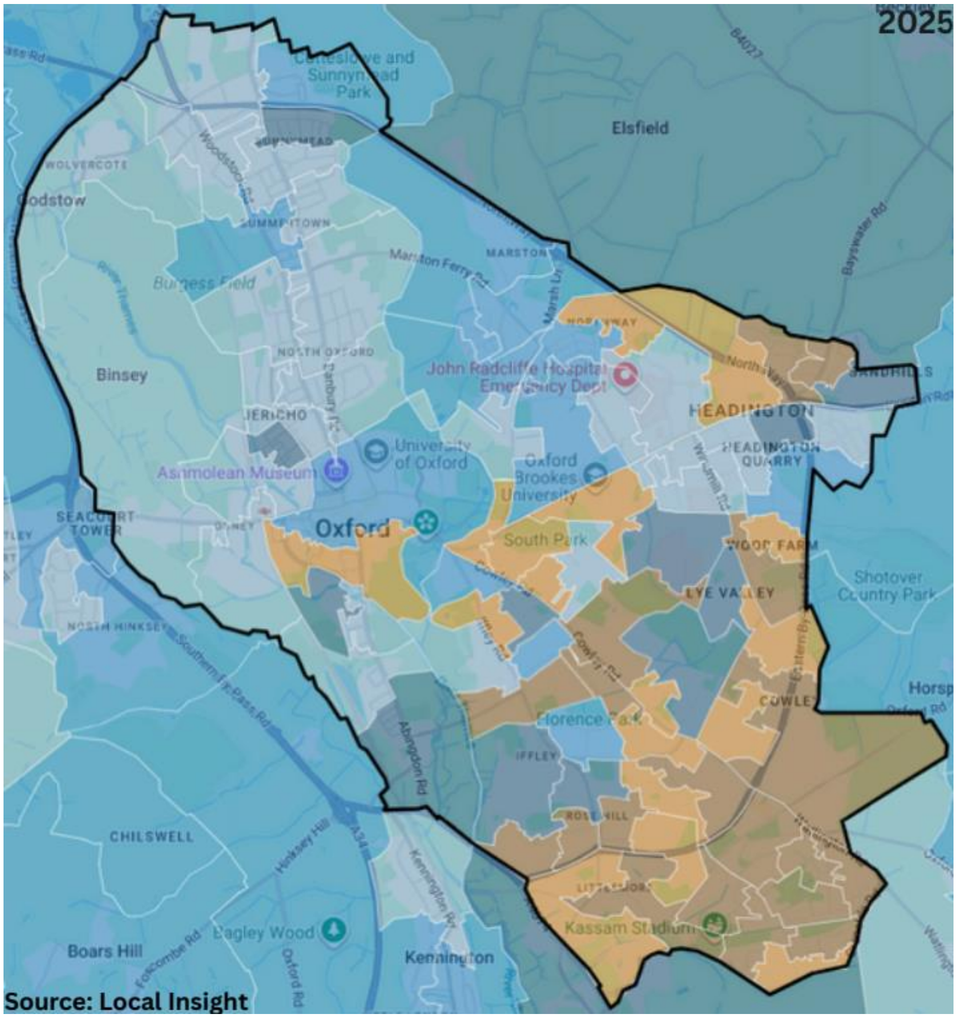
3.17 The dominant type of employment floorspace being proposed and delivered across the city frequently has a large floorplate, which in combination with the prime commercial rents that can command, excludes many business typologies from accessing it. Opportunities to create new premises to support the growth and development of Micro SMEs more generally in the city are restricted by overall land availability and from pressure to deliver other priority uses (e.g., housing) on any sites that do become available. This lack of suitable and affordable premises and workspaces in the city (both existing and proposed) means that many Micro SMEs are at risk of being priced out of the city.

3.18 This is likely to have a negative impact on innovation opportunities, productivity and the overall diversity of jobs in the city. The resulting loss of economic diversity neither benefits the end-users of the high-value, large floorplate uses that are currently dominating provision, nor local people, who many need to travel further (possibly outside of Oxford) to find suitable and affordable premises and workspace.

## Education and skills

3.19 Oxford can be described as a well-educated city, with a high number of jobs in knowledge-intensive industries attracting workers with higher levels of qualifications. According to the Nomis website, data from the annual population survey (2024), is presented within Oxford's labour market profile. It shows the number of people aged between 16-64 with different levels of qualifications. The highest qualification level on the Nomis website is described as RQF level 4 and above. RQF level 4 is a higher education qualification and, according to the UCAS website, equivalent to the first year of an undergraduate degree, or a Higher National Certificate (HNC). While an RQF level 3 qualification represents A levels or equivalent. The Nomis data shows that 78,100 or 72.9% of Oxford's resident population aged 16-64 has been educated to RQF level 4 and above.

*Figure 3.1 - Map showing levels of education and skills deprivation in Lower Super Output Areas of Oxford – (higher deprivation is marked by darker organge, lower deprivation in light blue)*




*(Source: https://www.oxford.gov.uk/downloads/file/3851/indices-of-deprivation-2025-oxford-report)*

3.20 In 2025, the Government published the latest Indices of Multiple Deprivation. A detailed report, which discusses Oxford's rankings in the Indices of Multiple Deprivation is available on the City Council Website. This report sets out that since 2015 children and young people's attainment in Oxford has been improving, and Oxford has become relatively less deprived. The city is, however, the most deprived of the five Oxfordshire Districts and has one Lower Layer Super Output Area (LSOA) within the 10% most deprived areas nationally. There are 9 areas in total within the city that fall within the 20 per cent most deprived areas nationally. A further 9 areas within the city fall within the 20 per cent least deprived areas nationally. This inequality affects parts of the city more than others.

3.21 The Indices of Multiple Deprivation can be broken down into various categories. The report sets out regarding the Educational Skills and Training Deprivation category - which measures the lack of attainment and skills in the local population - the average score ranking for Oxford was 129 in 2025 compared to 206 in 2019 (the last time the Indices of Deprivation were prepared). This shows Oxford has become relatively more deprived in the Education domain, with 19 LSOA across the city within the 20% most deprived nationally. State schools across Oxford, particularly in deprived areas, have under-performed compared to regional and national averages.

3.22 Further analysis of the Educational Skills and Training indictor (see Figure 3.1) shows it can be broken down into two sub-domains. These two sub-domains are designed to reflect the 'flow' and 'stock' of educational disadvantage within an area respectively. That is, the 'children and young people' sub-domain measures the attainment of qualifications and associated measures ('flow'), while the 'skills' sub-domain measures the lack of qualifications in the resident working-age adult population ('stock'). In 2019 there were 11 areas in the most deprived 10% nationally for Children and Young People educational attainment compared to only 4 for Adult Skills. Conversely, there were 36 areas that fell within the 10 per cent least deprived nationally for Adult Skills in Oxford compared to 16 for educational attainment for Children and Young People.

# 4. Likely trends without a new Local Plan (supporting Task A2 and A3 of Sustainability Appraisal)

4.1 In the absence of a new Local Plan, the importance of the role that Oxford plays to the national economy is likely to continue. This is due to the close ties between research and development (in particular, those associated with the University of Oxford and the Hospitals) and the spin-out companies that are generated because of this close relationship. These innovations through research and development are an essential part of Oxford's economy, both locally and nationally. While it is likely that Oxford's key employment sectors (i.e., education and health) would continue to be linked with innovative research and development, the comprehensive redevelopment and regeneration of certain key sites may prove more difficult.

4.2 The new Local Plan provides an opportunity to ensure that sites allocated for employment uses make the best use of land and contribute to wider plan objectives such as sustainable travel, zero-carbon and enabling the co-ordinated delivery of infrastructure to help mitigate the impact of development. However, without a new plan, there is less certainty that these objectives would be realised in a timely and co-ordinated manner. As such there is a risk that the growth of the city may be prevented or delayed from realising its full potential.

4.3 Given Oxford's global status and international recognition, the city would still be likely to continue to attract direct investment projects. However, external uncertainties created by world events such as the on-going war in Ukraine and the recent introduction of Tariffs by the US, and the impacts of Brexit would be likely to continue to have consequential adverse supply-chain impacts.

4.4 Without a new plan in place, it is likely, providing market conditions remain favourable, that demand for significant additional employment floorspace in the city would continue. This floorspace has been coming forward at pace on numerous sites across the city. Indications are, that the market remains relatively strong, and that supply has not previously, and is not currently, keeping pace with that demand. This mismatch between supply and demand has led to higher rents across the city. With significant demand for floorspace, there is a risk that sites allocated for other uses (e.g., housing) may come under pressure to be developed for employment uses.

4.5 There is also a risk that the benefits of economic growth may not be felt by all. For instance, it is less likely that the development of Oxford's economy would be able to deliver benefits to all without policies in the new plan being in place. This is because there could be less opportunity for local people to improve their skills and training. It is also likely that there would be fewer prospects for SMEs and start-ups to find affordable workspace in the city.

## Balancing economic uses, housing and supporting infrastructure

4.6 Ensuring economic growth is sustainable requires the delivery of sufficient new homes; the timely delivery of effective infrastructure; alongside the creation of new jobs. Striking a balance between delivering new homes and employment floorspace is a key strategic issue. Oxford is a small compact city. According to the City Council website, the Geography of Oxford statistics page sets out that Oxford has a total area of 46sq km (17.6sq miles). It is well-documented that there is a shortage of land for housing in the city as well strong demand and the associated impacts on affordability. As such, Oxford is one of the most unaffordable places to live in the country. This lack of suitable housing acts as a barrier to further economic growth.

4.7 The balance between the demand for housing and employment land has changed since the previous plan was being drafted. Since then, demand for certain types of employment uses have increased and current indications are that this is likely to continue. The current mismatch between employment land supply and demand is helping to maintain high prime rents for lab and office space both inside and outside the city centre.

4.8 Commercial rents are predicted to continue to rise, over the coming years. Advanced Oxford's Innovation Engine Report 2023 provided data from key local agents on how rent levels have increased in Oxford since 2016 to 2022 and then forecast future rent levels from 2023-2027. Figure 4.1 shows the change in rent levels (per sqft) comparing prime office rents with science parks and fitted laboratories.

4.9 Bidwells "Oxford Offices and Labs" Databook (August 2025) showed rent rises in the prime office market from the reported £61/sqft in December 2024 to £63/sqft in June 2025. Prime lab rents however, remained constant at £78.50/sqft, showing no change between December 2024 and June 2025.

*Figure 4.1 - showing changes in rent levels (per sqft) comparing city centre office with science parks and fitted laboratories*

| Year | City Centre Office rents | Science Park rents | Fitted Labs rents |
|---|---|---|---|
| **2016** | £30.00 | £27.00 | – |
| **2017** | £30.00 | £30.00 | – |
| **2018** | £32.00 | £32.00 | – |
| **2019** | £37.50 | £35.00 | – |
| **2020** | £37.50 | £35.00 | £55.00 |
| **2021** | £38.50 | £45.00 | £60.00 |
| **2022** | £49.50 | £55.00 | £75.00 |
| **2023(f)** | £60.00 | £55.00 | £76.50 |
| **2024(f)** | £61.08 | £55.99 | £77.50 |
| **2025(f)** | £62.48 | £57.28 | £78.50 |
| **2026(f)** | £64.17 | £58.82 | £79.00 |
| **2027(f)** | £65.97 | £60.47 | £79.50 |

*Source:* Advanced Oxford Innovation Report 2023

4.10 Oxford is currently in a somewhat unusual situation (outside of Central London), where the delivery of certain commercial floorspace typologies appears to be more profitable than other traditionally higher value uses, such as housing. As such maintaining a blanket protection of employment sites may not deliver the required outcome to boost the supply of housing over the course of the plan period. This is because the extant employment strategy (as set out above) seeks to protect the city's existing locally and nationally important employment sites for further employment uses, as it was written within the context that these sites were under threat from loss to other higher value uses. Considering the current future without the new plan, it is likely that employment sites would continue to receive protection. A new plan provides an opportunity to investigate the potential for new policy interventions that reflect the evolving economic context in which we find ourselves.

4.11 Employment growth should be appropriately located to take advantage of the city's strengths and help to provide a sustainable distribution of business premises and employment land, to help maintain a range of potential job opportunities throughout the city. Oxford's contribution to the national economy and importance to research and development, e.g., health, makes the city's economy particularly important to protect in these times of on-going uncertainty resulting from wider economic factors including Brexit, the longer-term impacts of Covid-19, and the war in Ukraine.

4.12 It may be necessary to safeguard and protect land to deliver sufficient school places; and to control where educational institutions build more student residences, which could result in the loss of land to other non-residential uses.

## Affordable Workspaces

4.13 As set out above, Micro SMEs represent a significant proportion of the city's employment ecosystem. According to UK Business Count data for Oxford (2025), 96.2% of the city's businesses are micro- (employing up to 9 people – 83.9%) or small- (employing between 10-49 people – 12.3%) businesses.

4.14 Without the Local Plan 2045, any provision of suitable and affordable workspaces and premises for key Micro SME sectors would rely solely on voluntary provision by developers on a site-by-site basis. It is likely that this would result in a continuing erosion of opportunities for certain Micro SMEs to start-up and remain in the city. This could lead to an increase in the number of Micro SMEs at risk of being priced out of Oxford and the associated negative impacts on innovation opportunities, productivity and a reduction in the overall diversity of jobs in the city.

4.15 Recognising the valuable contribution that supporting a range of businesses (including SMEs) can make to innovation and economic diversity and helping to create the conditions in which all businesses can prosper is one of the objectives of the Local Plan 2045. This objective supports the council's ambition to enable a strong, fair economy – one of the priorities set out in Our Strategy 2024-28. Oxford's Economic Strategy 2032 recognises the importance of affordable workspaces in supporting creative activity, social enterprise, co-operative businesses and local start-ups. It sets out that the creation of affordable workspace in the city would enable a more diverse employment base and give opportunities for evolving sectors (including creative production, low-carbon, technology and digital) to develop and grow.

4.16 The production of the Local Plan 2045 offers the opportunity to consider how the introduction of a policy could support Micro SMEs by enabling the creation and delivery of suitable premises and workspace in the city. The Local Plan 2045 therefore can help to address a failing in the market to deliver suitable premises and/ or workspaces for a significant proportion of the Oxfords' business community.

## Economic impacts of the Covid-19 pandemic

4.17 The Local Plan 2036 did not anticipate the Covid-19 pandemic. As such it did not contain any directly relevant policies. In the short-term the pandemic affected people's health, well-being and safety. National lockdowns resulted in the closure of schools and Universities and these closures impacted the quality of children and young people's learning experiences.

4.18 The longer-term economic outlook for Oxford remains positive with on-going investment in key sectors supporting life sciences and the knowledge economy at a variety of locations, such as Oxford North, the West End and Botley Road, and in the south of the city, including at The Oxford Science Park and ARC Oxford. Now looking to the future, Oxford appears set to continue to deliver on its key economic strengths and ambitions.

4.19 However, there are on-going social and economic costs of the pandemic which were presented in research undertaken at University College London (published in November 2024). This research presented the health implications of long-covid using a financial metric to understand the economic impacts and potential severity of the issue. The researchers calculated the economic burden of long-Covid, was primarily driven by productivity losses, which averaged £931 per patient over the six-month period. As the ONS recognised that around two million people in the UK have long-Covid the costs associated with days lost could potentially add up to £20billion a year.

## Future role of the city centre, office space and home-based working

4.20 Oxford's city and district centres continue to play an important but evolving role in the city's economy. Encouraging people into the city's network of centres will help to preserve and enhance their vitality and viability. A mix of uses, alongside retail, including employment, community uses, residential and student accommodation is likely to help re-vitalise the city's centres and ensure that these areas are re-energised by activity.

4.21 Pressure on city's office stock remains driven by the accelerated growth in science and technology employment. This sector typically takes up more floor space than other sectors – but evidence suggests that the science sector can adapt to all property types. Existing industrial and retail units can be a more flexible and cost-effective solution for a low-cost fit-out. Recent redevelopments along the Botley Road are an example of this where some of the older retail units have been repurposed as flexible lab-enabled office space offering a flexible mix of office and R&D workspaces.

4.22 There is also potential for repurposing vacant spaces within the city and district centres. This brings social benefits in terms of increasing activity and footfall within the city and district centres as well as helping to drive innovation and economic growth. This approach may benefit vacant spaces in the city and district centres. In the city centre, regular surveys are undertaken of vacant units. The most recent survey data (2025) showed that out of 377 surveyed units 79 were vacant (20.95%). In 2024, out of 383 surveyed units, 75 were vacant (19.5%). In 2023, out of 383 surveyed units, 77 were vacant (20.1%). Redevelopment opportunities do account for some vacancies however the percentages broadly align with a national post-Covid picture that shows higher city centre vacancy rates than were experienced before the pandemic.

## Retention and recruitment of staff

4.23 One of the biggest challenges Oxford faces arises from a mismatch between new homes and jobs. The city's growing economy and associated jobs growth in key sectors such as R&D and labs is resulting in an increased pressure on the availability of housing and services (and on Oxford's already constrained transport network). This homes/ jobs mismatch has also led to affordability and housing issues in the city. These issues represent the concerns most consistently raised by Oxford’s businesses in relation to staff retention and recruitment.

4.24 As Oxford is one of the most unaffordable cities in the UK, housing affordability issues also result in over-crowding issues and poor health outcomes. Opportunities to build sufficient new homes within Oxford itself to address this mismatch are limited by the city's size (Oxford is only 46sqm/ 17.6sq miles); its natural and heritage assets (including over 1,500 listed buildings); flood plain; and Green Belt (which covers more than a quarter of the city's total area).

4.25 The mismatch between homes and jobs has resulted in Oxford having the highest net inflow of commuting workers in the Oxfordshire region. The Office for National Statistics has produced an online visualisation tool for origin-destination data entitled Visualising People Flows available on the Office for National Statistics website. This shows that for the Census 2021, there were 28,342 workers recorded as commuting into Oxford out of a total of 92,047 workers aged 16 and over.

4.26 The Census 2021 figures reflect working from home patterns under restrictions imposed by the Covid pandemic. As such, the data does need to be treated with a degree of caution. However, a direct comparison with the Census 2011 data shows a reduction in in-commuting since 2011. The 2011 Census recorded 45,852 workers commuting into Oxford for work out of a total of 88,258 workers living and working in the city. Besides the obvious environmental pressures, commuting generates its own costs which can be significant particularly when they involve long journeys. These are often borne directly by the employee, particularly if they are on temporary or agency-based contracts.

4.27 Oxford City Council’s website provides some additional transport statistics from the 2021 Census. This data shows that within Oxford, the most popular mode of transport was active travel (walk or cycle) with 38.8% of commuters choosing this method, while 38.2% of commuters arrived by car or van. This is significantly lower than the 2011 Census figure of 66.8%.

4.28 Finding a way to assist employers with recruitment and retention problems can support the Local Plan objectives in three ways: economically (helping productivity of employers and local investment); through housing (including by providing affordable housing); and sustainability (giving people the opportunity to live closer to place for work; through increased energy efficiency measures; and by through the associated reductions in emissions).

# 5. Key issues addressed through the Local Plan

## Introduction

5.1 The Regulation 18 consultation identified that there were a number of topics that the Local Plan could implement policy to address which relate to employment land as well as sustainable and inclusive economic growth objectives. Under each of these topics, there were various options for policy approaches which could be taken, with differing impacts and these were presented in tables to better facilitate comparison between them. The options considered have been reviewed in light of the Regulation 18 feedback (as summarised in the consultation report) and the updates to the Local Plan period, these are reproduced in Appendix A along with the preferred approach taken forward for the Local Plan.

5.2 This section will now discuss the key issues that are being addressed through the Local Plan and how the Local Plan's policies respond to them.

## Meeting Employment Needs

5.3 The NPPF (December 2024), is clear (e.g., paras 20, 86) that local authorities should seek to meet the objectively assessed needs for their area by setting a clear economic vision and strategy, setting criteria and identifying strategic sites to meet anticipated needs over the plan period.

5.4 This section begins by reviewing evidence presented in the ELNA (in particular, in relation to employment need and supply). It then looks at the overall balance, drawing again, on the findings from the ELNA. Moving on to draw conclusions, based on the evidence, about in relation to the plan's employment strategy and how it will deliver the employment needs of the city over the plan-period.

### Identified Floorspace Need

5.5 The Employment Land Needs Assessment (ELNA) identifies a total employment floorspace need of 412,460sqm for the plan period 2025-2045. In coming to this global floorspace total, the ELNA considered each of the following broad employment land uses:

- Office (Use Class E(g)i)
- Research & Development/ Laboratory Space (R&D) (Use Class E(g)ii)
- Industrial (Light and General) (Use Classes E(g)iii and B2)
- Warehousing (Use Class B8)

5.6 In coming to the conclusions for each of the four identified sectors, the ELNA considered a number of scenarios, in accordance with the PPG, which have been compared to determine which is the most appropriate for plan-making purposes both to support economic development in the city and to avoid constraining growth.

5.7 Table 5.1 sets out the floorspace identified in the preferred scenarios as set out in the ELNA. This table presents the findings in relation to each of the four land use categories (as described above).

*Table 5.1 - Oxford's employment floorspace need 2025-2045*

| | Office (sqm) | R&D (sqm) | Industrial (sqm) | Warehousing (sqm) | TOTAL sqm |
|---|---|---|---|---|---|
| Identified need | 21,370 | 345,004 | 0 | 46,086 | 412,460 |

Source: Oxford Employment Land Needs Assessment (January 2026)

## Employment land supply (floorspace)

5.8 A summary of Oxford's known employment land supply position is included in this Background Paper at paragraphs 2.47-2.51 (above). It is also documented in more detail in the ELNA itself.

5.9 The employment land supply position (as documented in the ELNA), is based on known floorspace figures from extant commitments, submitted planning applications, and sites with known landowner/developer floorspace ambitions. Table 5.2 (below) sets out the known planning commitments (i.e., extant permissions). These have been separated into four main land use categories.

The ELNA has also considered the additional potential supply/ capacity for the city. This was based on an analysis of current major planning applications for employment land uses and known landowner/developer interest. This analysis uncovered circa 185,000sqm of additional employment floorspace.

*Table 5.2 - Planning commitments 2025-2045*

| | Office (sqm) | R&D (sqm) | Industrial (sqm) | Warehousing (sqm) | TOTAL (sqm) |
|---|---|---|---|---|---|
| Extant permissions | 1,877 | 352,180 | 2,997 | 123 | 357,177 |

Source: Employment Land Needs Assessment (January 2026)

5.10 The ELNA also recognises that there are other sites in Oxford with potential to deliver employment floorspace in the plan period. However, while an awareness of these sites is acknowledged, the ELNA sets out (as at October 2025), that relevant site owners/ developers were yet to quantify the scale of opportunity.

## Oxford's Employment Floorspace Balance

5.11 The ELNA also looked at the balance of employment floorspace need and supply, providing observations about how the identified employment need (within the four land use categories), could be met within the plan-period.

5.12 Table 5.3 shows the employment floorspace balance for each of the four land uses categories.

*Table 5.3 - Balance of employment floorspace need and supply*

| | Office (sqm) | R&D (sqm) | Industrial (sqm) | Ware-housing (sqm) | TOTAL (sqm) |
|---|---|---|---|---|---|
| **Identified need** | **21,370** | **345,004** | **0** | **46,086** | **412,460** |
| Planning commitments (supply) | 1,877 | 352,180 | 2,997 | 123 | 35,177 |
| **Balance to find (rounded)** | **19,000** | **-7,000** | **0** | **46,000** | **55,000** |
| Potential additional supply/ capacity* | | 185,000 | | | |
| **BALANCE** | | **192,000** | | | |

Source: Employment Land Needs Assessment (January 2026)

5.13 The ELNA did not recommend there was a need to identify land for the modest office, industrial and warehousing needs that were identified through each of the preferred scenarios. This is because the ELNA considered that the growth identified within these employment land uses could all be absorbed within Oxford's existing employment portfolio.

5.14 In relation to the considerable identified need for R&D space, the ELNA notes that this can be met from within the committed and potential additional supply/ capacity that has already been promoted to the Council.

## Employment land need vs Employment Floorspace need

5.15 Before going on to consider how the plan addresses employment needs, it is worth noting that the phrases "employment land need" and "employment floorspace need" are two different ways in which the objectively assessed needs for employment uses can be expressed. Employment land need expresses the employment floorspace need in terms of land ((i.e., hectares), rather than floorspace (i.e., square metres).

5.16 Expressing employment need in terms of floorspace is particularly useful in Oxford as the amount of land available for employment uses is not being increased. Instead, as will be shown below, the employment strategy proposes intensification (i.e., an increased density) of development across the employment site network with a specific focus towards the city's best performing (or "key") employment sites.

## How the plan addresses employment land needs

5.17 At the Reg. 18 consultation stage, the preferred approach was selected because, while it sought to meet objectively assessed employment needs, it prioritised the delivery of much-needed housing (for which an unmet need has been identified). The evidence set out in paragraphs 5.5-5.15 (above) demonstrates that Oxford is capable of meeting all identified employment floorspace needs within the plan period. As such, the plan's employment strategy aligns with the overarching strategy (Policy S1) which seeks to prioritise housing.

## Making the best use of employment sites

5.18 Historically, Oxford has needed to protect its employment sites to prevent their losses to other higher value uses (including housing), even resorting to the introduction of an Article 4 Direction in 2014 (now lapsed) to prevent their loss to housing (through permitted development).

5.19 However, as set out above, Oxford now appears to be in an unusual situation (outside of Central London). This is because, currently, delivering certain commercial floorspace typologies appears to be more profitable than other traditionally higher value land uses, including housing.

5.20 As set out above, Oxford is capable of meeting all identified employment floorspace needs within the plan period. In fact, additional analysis of the supply position has shown that 87.6% of total supply of employment generating uses as being put forward within the network of Local Plan 2045 Key Employment sites, or within the city and district centres.

5.21 Further analysis of planning commitments (only) shows the percentage of employment generating uses proposed at Key Employment sites or located within the city and district centres, rising to 97.9%.

### Key Employment Sites

5.22 This analysis shows the importance of having a Key Employment Site network within the wider employment site ecosystem. Given its importance, the Key Employment Site network warrants protection to ensure that, should the economic circumstances change during the plan period, the city's most important employment sites are retained to provide support for Oxford's local economy as well as making a continued contribution to the regional and national economy. The Key Employment Site network was established using the methodology included in Background Paper 004a: Key Employment Site Methodology. This process established the designation of 34 Key Employment Sites across the city.

5.23 Policy E1: Employment Strategy therefore includes a presumption against the net loss of employment floorspace at Key Employment sites unless it can be fully justified by meeting set criteria that are designed to protect the wider employment use as well ensuring that the number of jobs in employment generating uses are retained.

### Key Employment Sites in the city and district centres

5.24 Outside the city and district centres, all the qualifying Key Employment Sites warrant protection for the reasons outlined above.

5.25 However, within the city and district centres, the extant Oxford Local Plan 2036 offers protection for a range of employment sites. However, analysis of the city centre office market undertaken as part the ELNA, highlights that some of the office stock is dated, is on small floorplates and is not considered suitable for modern occupier requirements. This alongside permitted development rights within Use Class E, and the need to maintain and encourage the vitality and vibrancy of centres all supports the use of a higher Key Employment Site threshold within the city and district centres.

5.26 It is worth noting that there have also been several recent examples where currently protected employment sites including larger sites (i.e., 0.25ha or more) located within the city and district centres have sought increased flexibility in relation to the planning use class of their future occupiers given the wide range of suitable uses (e.g., housing, student accommodation, retail and hotels) all of which are appropriate to the city and district centres. This reinforces the use of a higher protection threshold for Key Employment Sites located within the city and district centres.

5.27 Background Paper 004a: Key Employment Sites methodology describes the process by which the site size threshold for city and district centres, was reached.

## Location of new employment uses

5.28 As set out above, a significant proportion of Oxford's future supply of employment floorspace is being put forward either within the city and district centres, or across the Local Plan 2045 network of Key Employment Sites. However, within the city there are a large number of employment sites (many of them smaller than 0.25ha), on which employment-generating uses already exist (or they are in lawful use for the proposed employment uses class). These sites form part of the wider employment ecosystem, and as such Policy E1 describes these sites as *Existing employment sites not designated as Key Employment Sites.*

5.29 These (generally smaller) employment sites often provide small scale local employment opportunities. As these are sites that are considered to be within a lawful use, Policy E1 introduces criteria to support their regeneration for employment generating uses, which include, making better and more intensive use of the site.

5.30 The Local Plan 2045 therefore seeks to support, the intensification of existing employment sites across the wider ecosystem, specifically focusing redevelopment opportunities towards the network of Key Employment Sites, and within the city and district centres.

5.31 As highlighted in the ELNA, Oxford's modest employment floorspace needs for Office, Industrial and Warehousing uses, can be met within the existing employment portfolio, while the considerable need identified for R&D uses can be met from within the committed and potential supply that has already been promoted to the Council. As such, the there is no need for the plan to identify additional land within the city for employment uses.

5.32 The employment strategy sits within the plan's overarching strategy, the focus of which is to deliver housing (for which there is an unmet need identified). The employment strategy therefore seeks to focus the location of new employment generating uses to the identified Key Employment Sites, the city and district centres, and existing employment sites not designated as Key Employment Sites (or those in lawful use for the proposed employment use class).

5.33 Ensuring that the city maximises housing delivery is therefore crucial (along with the provision of infrastructure) to helping address associated staff recruitment and retention issues highlighted in paragraphs 4.23-4.28 above, including affordability issues and commuting pressures.

5.34 The next section considers the additional measures the Local Plan 2045 has incorporated within the employment strategy to support housing delivery.

## Housing on Employment Sites

5.35 In additional to the locational requirements for new employment generating uses set out in Policy E1, the plan's employment strategy also allows for the complete loss of *employment sites not designated as Key Employment sites*, while supporting their complete loss to housing. In fact, the plan, in recognition of the city's acute housing need, allows for an element of housing delivery across all employment sites in the city. The same objectives exist for all sites. On Key Employment Sites, where housing is proposed that involve a net loss of floorspace, those specific criteria should also be applied.

5.36 It is important that the delivery of housing is prioritised within the city boundaries to help to meet the acute shortage. Without the continued delivery of housing in the city, the key sectors of the economy will not be able to continue to contribute to the economy.

## Warehousing, Storage and Distribution Uses

5.37 Given the limited available land in the city, it is important to make the best and most efficient use of that land. As set out above, the plan's employment strategy focuses new employment generating uses towards the existing employment site ecosystem, specifically the larger named Key Employment Sites.

5.38 Large scale warehousing, storage and distribution (B8) uses often have very specific operational requirements, often needing large areas of land in close proximity to key junctions on the strategic road network. It is precisely these operational requirements that dissuade large-scale B8 uses from locating within Oxford. However, small-scale B8 uses, which can be provide useful support for both local and key employers in the city.

5.39 As such, Policy E2 recognises the importance of allowing the city's larger Key Employment Sites to bring forward B8 uses, subject to certain criteria being met, which include residential amenity criteria.

5.40 Given the premium land values associated with the prime city centre office and R&D market, it is not expected that B8 uses would be sought in these locations. However, the potential for Key Employment Sites located within the city and district centres to bring forward an element of small-scale B8 uses was an important consideration in determining the site size threshold for Key Employment Sites located within the city and district centres. It was considered that sites above the threshold were generally large enough to accommodate an element supporting B8 uses.

5.41 This policy would also enable the city to meet its identified floorspace need for B8 uses.

## Community Employment and Procurement Plans

5.42 As set out above, Oxford's 2025 Indices of Multiple Deprivation ranking for Education and Skills has fallen since 2019, indicating that the long-standing educational disparities across the city are still prevalent.

5.43 The introduction of a policy requirement for Community Employment and Procurement Plans for qualifying development proposals would solidify the extant approach, which encourages their submission alongside major planning applications.

5.44 This policy will help support a range of opportunities be delivered in the city, including helping to secure training, construction and operational jobs for local residents. This policy also aligns with the City Council's Economic Strategy 2023-32. It would also contribute to wider economic, social and community objectives, and support the city in delivering an 'inclusive economy'.

## Affordable Workspaces

5.45 Underpinning the need for affordable workspaces in Oxford are a range of factors which together contribute to the need for intervention. The following factors have been identified through a range of different sources, including the Employment Land Needs Assessment (January 2026), and the Local Plan Viability Assessment (December 2025), the City Council Economic Strategy 2023-32 and the Reg. 18 Background Paper 004: Employment and Inclusive Economy (June 2025). These factors, as set out below, can be summarised as follows:

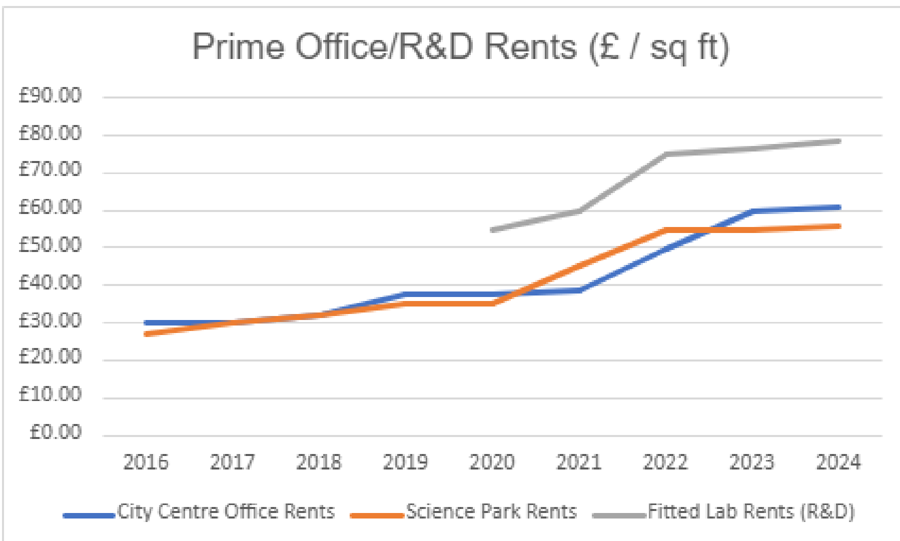
- Affordability
- High demand
- Constrained supply
- Regeneration pressure

## Affordability

5.46 Prime office rents in Oxford have been steadily increasing from between £27-£30 per square foot (sqft) rising in line with predicted (2024) rents to, between £61 per sqft. Figure 5.1 (below) shows the changes to Oxford's Prime Office/ R&D rents between 2016-2024. This data is shown above in Figure 4.1, however, the rents for the forecast years 2023 and 2024 have been supplemented with actual reported rents from Bidwells Oxford Offices & Labs Databook (2024, 2025).

5.47 Figure 5.1 shows a step change in prime city centre and science park rents respectively from 2020 onwards. This shift seems to correlate with the introduction to the market, of fitted laboratory space/ R&D.

*Figure 5.1 - Oxford Prime Office/ R&D Rent Changes 2016-2024*

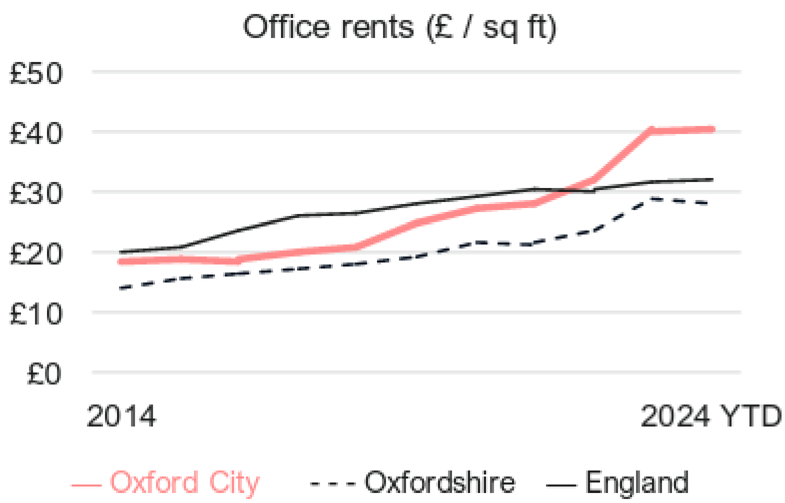



Source: Advanced Oxford (2023) and Bidwells Oxford Offices and Labs Databook (2024, 2025)

5.48 Data from CoStar database for the ten-year period between 2014-2024 (for the 'wider' office market) shows a similar picture post-2020. Average 'wider' office market rents in Oxford (CoStar does not distinguish between office, R&D/ laboratory spaces), seem to rise sharply around 2020. In fact, the data shows that average 'wider' office market rents in Oxford have almost doubled in the period between 2018-2024.

5.49 Figure 5.2 (below) shows the change in average office market rents between 2014-2024 comparing rents achieved in Oxford, with those achieved across the county, and nationally. Office rents in Oxford exceeded the national average in 2022, reaching an average of £40 per sqft in 2023.

*Figure 5.2 - Oxford Average Office Market Rent Changes 2014-2024*




Source: CoStar (2024)

5.50 The city's industrial/ warehousing market has, however remained static, with the ELNA reporting no new build development for around 25 years. As such, there is likely to be limited evidence of new build prime rents in this sector, which could result in a suppression of rents as they would most likely focus on the secondary market. However, as is set out in the ELNA, static growth in floorspace within these sectors has constrained its supply, which could counteract, to some extent, the impacts of rent suppression.

## High demand

5.51 The ELNA notes that when considering the wider office market (i.e., office/ laboratory/ R&D) as a whole, the indications suggest an overall balanced market. However, the qualitative analysis (undertaken through consultation undertaken by the ELNA consultants with local property agents) has highlighted strong demand not only for R&D and lab space, but also for offices (as the market grows into AI).

5.52 The ELNA consultation uncovered that occupiers across the wider officer market (including funders) are looking for high quality space with high levels of sustainability. The demand for office space in the city is from a mix of professional services, servicing the local market, but also those servicing the lab and R&D market, e.g., specialist legal firms. Agents also report strong demand for offices in the city centre.

5.53 The ELNA reports very low vacancy rates within Oxford's industrial/warehousing market. Apart from Osney Mead, the main 'industrial' area is located in the south of the city and comprises of several smaller industrial estates, alongside MINI Plant Oxford and the Unipart site.

5.54 While the city's industrial/ warehouse market is small, there is demand for new units. The ELNA recognises that if new units were to be made available, they would likely to be occupied quickly due to the tight nature of the market. However, any new supply that does comes to the market is likely to be focused towards servicing the R&D market.

## Constrained supply

5.55 While the analysis of the wider office market (as whole) suggests a generally balanced market, the supply-side analysis shows that Oxford's planning commitments are almost exclusively R&D-related. In fact, a large number of planning commitments involve the re-purposing or wholesale redevelopment of older secondary office accommodation to create modern flexible lab/R&D workspaces.

5.56 What the boost in supply of R&D masks, however, is a lack of delivery of smaller office spaces some of which are being lost as part of the redevelopment of secondary office space help meet the high demand for R&D in the city. While office space has been previously, and continues to be, lost due to office to residential conversions.

5.57 The lack of additional smaller office spaces, and the losses to other uses, means that the existing secondary stock has become more valuable even though most secondary stock (particularly in the city centre) lacks the quality to meet modern occupier requirements.

5.58 As set out above, the industrial/ warehouse market has seen very little new stock over the past 25 years. The current lack of planning commitments in the industrial/ warehousing market means that many units are fully let, with limited options for upsizing, this can result in occupiers remaining in premises which can lead to slower business growth.

5.59 However, any new future supply of floorspace within these sectors is likely to be high quality flexible space with high sustainability credentials (e.g., Nova, Cowley – a mid-tech building focussed towards servicing the R&D market by providing a flexible space suitable of catering for a range of uses including R&D but with a focus on high-tech, and manufacturing uses).

## Regeneration Pressure

5.60 The biggest regeneration pressure facing the city's secondary office and industrial/ warehousing stock is through its loss to R&D and associated servicing sectors.

5.61 This could lead to further erosion of the city's smaller office stock (as well as through its loss through office to residential conversions). Without suitable replacement, the loss of existing smaller office space could increase the demand for, and value of, the secondary office market, even though much of it lacks quality (particularly in the city centre, where post-Covid, modern occupiers have been seeking smaller, high quality spaces with good sustainability credentials).

5.62 Similarly, the industrial/ warehousing market is under pressure, most notably at Osney Mead, for which there is an ambition to convert the industrial estate into an innovation district within the plan period.

5.63 Advice in the ELNA is that to mitigate displacement caused by rising rents and to support a balanced economy, the Council should progress its affordable workspace policy.

## Benefits of Affordable Workspace

5.64 The provision of affordable workspace is important to ensure that individuals, organisations and businesses can access a range of employment spaces at affordable rates and on flexible terms for economic, social and cultural purposes.

5.65 Ensuring such spaces are available alongside more traditional employment space can help boost the city's economic strength and diversity. Affordable, accessible workspace provides opportunities to create places of innovation and enterprise that will support the evolution of Oxford's economy, including its social enterprises and priority sectors as they emerge and are identified. In addition to delivering community benefits, such spaces can be key to placemaking from early stages of mixed-use development.

## Financial implications of delivering Affordable Workspaces

5.66 The Oxford Local Plan Viability Study (December 2025) provides an assessment of the financial implications of delivering affordable workspaces using a variety of employment typologies. This evidence tests two main approaches.

5.67 The first considers the viability implications of providing 10% of the floorspace at a variety of discounted rents. The second approach considers the implications of delivering 1,000sqm of floorspace (again, at a various rental discounts). According to the West London Alliance Affordable Workspace Study (June 2021) where (affordable) workspace is delivered that requires an operator to manage it, 1,000sqm is generally considered to be the minimum floorspace required to operate a sustainable business model.

5.68 Generally, the study showed that the larger typologies could support a degree of delivery of affordable workspaces. Sites located within the city centre being less impacted than those outside it. Overall, the viability study indicated that the larger typologies (i.e., those sized at 5,000sqm or more) were less impacted by the two main approaches.

5.69 As expected, as rent reductions increase, residual land values do fall, but depending on which typology applied to which approach, there are variations in the scale of impact on residential land values.

5.70 Overall, the viability testing supports the threshold within the policy and the policy requirement to produce an affordable workspace strategy. The sites listed within the policy are all those capable of bringing forward larger developments (i.e., a net gain of 5,000sqm GIA or more floorspace) within the viable typologies for employment generating uses.

### Delivering affordable workspaces through Policy E4

5.71 Policy E4 does not set an a floorspace requirement to be delivered as affordable workspace. Instead, it includes a requirement to produce an affordable workspace strategy and provides details of what to include within said strategy. The supporting text provides that affordable workspaces should be delivered on-site and this is supported by the viability testing.

## Hotal and Short-stay accommodation

5.72 The Hotel and Short Stay Accommodation Study (2023), shows that Oxford has a good range of hotels and serviced accommodation within the city, noting that there has also been some growth in short-stay accommodation. The study also recognises that there is a need for further hotel accommodation within the plan period.

5.73 The study supports the spatial approach to the accommodation of future growth this sector, both in terms of new, and expanded short stay accommodation in Oxford. It clearly articulates support for the locational approach taken within the plan to direct new hotels towards the city and district centres, and the main arterial routes into and out from the city centre. It also sets out support for the approach to existing sites.

5.74 The study also highlights that, in some cases there may be some crossover, between the city and district centres/ arterial roads, and Key Employment Sites, such as in Headington and Cowley.

5.75 The study also acknowledges that there are likely to be some ‘business aspects of tourism’ resulting from the additional employment floorspace and emerging clusters that are identified in the ELNA. This will help to ensure that any overnight visitors to these businesses would not need to travel.

5.76 The study also recommends the use of policy thresholds and accompanying criteria (including viability) in order to protect larger properties. However, the study also reflects on how the sector can support housing delivery further, within the context of its locationally focused policy approach. As such the study recommends an approach whereby smaller premises (i.e., those below the threshold) should be allowed to change their use to residential without the need to undergo a viability assessment.

5.77 The study provides a detailed short-term assessment of likely need for future bedspaces and then assumes a longer-term average (post-2030). For the 2025-2045 plan-period this equates to just over 3,800 bedspaces in total (circa 190/year).

# Appendix A – Policy options and preferred approaches

## Policy options set 004a-1:(draft Policy E1) Addressing employment land needs

1. The city's current employment strategy for meeting identified employment land needs (as set out in the Oxford Local Plan 2036) sought to protect the city's most important existing employment sites and supported the development of additional land for employment uses as part of a mixed-use strategic allocation at the city's northern gateway. Now known as Oxford North, this site is delivering 87,300sqm of commercial floorspace to support the knowledge economy, alongside residential development, at the northern edge of the city. Previous economic evidence showed that Oxford's continued policy of economic restraint was appropriate.

2. Post-pandemic, the city has seen increasing demand for high-value employment floorspace (such as R&D, lab-space and flexible lab-enabled office accommodation). Oxford's employment land supply is in a strong position with a significant amount of high-value, high-demand floorspace permitted in the last five years. The majority of this permitted floorspace is coming forward at pace and likely to be delivered in the early part of the plan period. This strong supply position aligns with the established and escalating demand for this type of floorspace. The employment strategy option set considers several approaches as to how Oxford could address its identified employment land needs for the plan period.

## Employment Strategy – Draft Policy E1

3. Draft Policy E1 combines the preferred approaches from four the following four options sets. Each options set considered a discrete element of the policy. The four options sets are as follows:
   - 004a-1: Addressing employment land needs (see table A1.1 conclusions)
   - 004a-2: Making the best use of employment sites (see table A1.2 conclusions)
   - 004a-3: Housing on Employment sites (see table A1.3 conclusions)
   - 004a-4: Location of New Employment Uses (see table A1.4 conclusions)

4. The preferred approach for each option set is set out below and includes a brief commentary about how that particular option was chosen.

*Table A1.1 - Policy options set 004a-1: Employment Strategy – how the plan addresses employment land needs*

| Option for policy approach | Potential positive consequences of the approach | Potential negative/neutral consequences of the approach |
|---|---|---|
| **Option A**<br>Attempt to meet employment needs, but prioritise other uses, in particular housing, rather than employment, even if employment needs cannot be met in full within the city, recognising that existing sites in lawful commercial use cannot be changed from that use against the landowner's will, so intensification on those sites is appropriate. | It is not possible to truly 'balance' housing and jobs, because it is not realistic to assume the majority of people will live their lives confined by Oxford's boundaries, there are benefits to an overall approach focusing on allocating new sites for housing and focusing on an approach of intensification and modernisation at existing employment sites (as opposed to allocating new employment sites through the Local Plan) in the city at the current time. This would help reduce problems created by significant in-commuting.<br><br>Also, employers have reported significant difficulties attracting and retaining staff because of a lack of housing and its expense. To help current employers maintain their success may require a focus on new site allocations for housing and potentially allowing elements of existing employment sites to be converted to housing. | This approach could mean that some employment needs might need to be met outside the city. If this was the case a strategy for meeting those needs across Oxfordshire would ideally need to be agreed through joint working. If that does not happen, there will not be a strategic approach to meeting those needs. |
| **Option B**<br>Focus employment strategy on meeting all identified employment land needs within | Oxford's economy makes an important contribution locally, regionally and | This strategy could result in schemes for employment land being promoted across |

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| Oxford's boundary. Do not seek to prioritise other uses if employment need cannot be met. Actively investigate ways to meet employment land needs within the city through providing appropriately located employment land/ new sites (if required). | nationally, and this approach acknowledges that strength and focuses on it.<br><br>Meeting our identified employment land needs within the city boundary would mean that there would be no cross-boundary issues for employment land.<br><br>A wide range of jobs would be supported under this approach. This is because the Plan would actively seek to meet all employment land needs (not just focusing on Oxford's key strengths but<br><br>This would allow a wide variety of entry points into the labour market, helping to overcome issues such as labour market exclusion, both actual and perceived. | the city. Such schemes could come forward at the expense of other priority uses (e.g., housing). A shortage of housing in the city, and its expense, has been previously reported by employers as one of the key reasons that they have for having difficulties attracting and retaining staff. Depending on the level of need identified, this approach could have adverse impacts on housing delivery, which may have cross-boundary implications requiring a strategy to be agreed through joint working.<br><br>If that does not happen, there will not be a strategic approach to meeting those needs.<br><br>There are also implications for transport and travel. This option could potentially result in increased in-commuting. |
| **Option C**<br>Let the market decide the most appropriate employment land uses to deliver and actively support new locations for employment development if there is market demand for these spaces.<br><br>Rely on the Framework (NPPF) and other policies in the plan to determine | Oxford's economy makes an important contribution locally, regionally and nationally, and this approach acknowledges these economic strengths and would focus on them by supporting key sectors (such as laboratories/ flexible lab-enabled office accommodation). | This approach could result in schemes for employment land being promoted across the city. There is a risk that schemes could come forward at the expense of other priority uses (e.g., housing). As such, this approach could have potential cross-boundary implications for housing. |

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| applications for employment land in the city. | The office/ lab market is generally considered to be strong and resilient in Oxford. Current market conditions support delivery across the city.<br><br>A market-led approach would provide flexibility to changing market conditions which could respond quickly and enable other land uses to be delivered (e.g., housing) across the city if market conditions were to change. | It is likely that lower-value, lower density employment-generating land uses (e.g., industrial/ warehousing) would not be able to afford to be in Oxford. As such, these uses may not be brought forward within the city. It is likely that these uses would be delivered outside the city boundary, which may have cross-boundary implications requiring a strategy to be agreed through joint working.<br><br>If that does not happen, there will not be a strategic approach to meeting those needs. |

| **Initial sustainability appraisal screening of options sets** |
|---|
| **Is there only one option or are there various options we could take?** a or b or c<br>**High-level screening conclusion? -** Unlikely to have significant sustainability impacts<br>**Screened in for detailed appraisal?** No<br><br>**Rationale:** These options have already been considered holistically as part of the wider growth strategy alternatives appraisal. While there are some minor negative effects likely on the SA objective for green spaces resulting from Option B, and potential uncertainties around whether homes or employment land would be delivered resulting from Option C, any likely effects are not considered significant. |

## Table 004a-1: Addressing employment land needs - conclusions

5. The preferred approach for the Local Plan 2045 policy is to take forward **option A**. This is because it was considered important to align the employment strategy with the plan's strategic focus to prioritise housing delivery (which supports the economy by helping to address long-standing barriers to economic growth relating to housing supply and associated affordability issues in

the city). This option would enable employment development to take place on existing sites which would help meet identified employment land need while also supporting the delivery of much needed housing.

## Policy options set 004a-2 (draft Policy E1): Making the best use of employment sites

6. Traditionally, Oxford has protected its employment sites to prevent losses to higher value uses. In the past such uses have been residential in nature. More recently, higher value land uses in the city have been related to research and development and the importance of delivery of these uses has been prioritised nationally through incentives and linkages to increases in productivity. Oxford's economic strategy encourages the city to build on its key strengths in life sciences, research and development, while aiming to meet the city's overall employment needs in a way that enables a diverse economy.

7. Given the high demand for high value floorspace in the city, well-performing employment sites that support the city's local economy or provide important local services may come under pressure for redevelopment. Given the permissive changes outlined within Use Class E of the Use Classes order, there may be limited protection that can be afforded to these sites through the planning system. However, there is an opportunity to provide protection for locally important employment sites outside of Use Class E (i.e., those in Use Class B2).

*Table A1.2 - Policy options set 004a-2: Making the best use of employment sites*

| Option for policy approach | Potential positive consequences of the approach | Potential negative/neutral consequences of the approach |
|---|---|---|
| **Option A – existing OLP2036 approach**<br>Seek to meet employment land needs through appropriate modernisation and intensification of the city's employment site network.<br><br>Protect the city's most important employment sites, which are named in the plan, from loss to other uses. | Continuing to provide protection for the city's most important employment sites is likely to continue to support a focus that aligns with Oxford's key strengths and support the local economy.<br><br>Has the potential to support the delivery of sustainable transport solutions as intensification opportunities are at known locations. | The continuation of this policy approach could result in a lack of support for the some of the city's Category 3 employment sites. Although poorly performing in economic terms, some of these sites can provide a social value by adding economic variety, diversity and low-cost/ affordable workspaces which can benefit Oxford's economy. |

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| Allow the loss of poorly performing sites to other priority uses e.g., housing). | This approach allows the loss of poorly performing employment sites to other uses (e.g., housing). Supporting housing delivery can help to reduce barriers to economic growth. | |
| **Option B**<br>Seek to meet employment land needs through appropriate modernisation and intensification of the city's employment site network.<br><br>Outside the city and district centres, protect a range of important employment sites that support the local and regional/ national economy. Include criteria-based approach to the loss of employment sites.<br><br>Take a flexible approach to the continued use of existing employment sites in highly sustainable locations (i.e., city and district centres). Consider inclusion of criteria to support decision-making process. | Continuing to provide protection for the majority of the city's network of employment sites is likely to help to ensure a continued diverse network of employment sites remain in the city. This can help maintain a range of employment opportunities are available.<br><br>Taking a flexible approach to the continued of employment sites in sustainable locations could enable the delivery of other appropriate uses (e.g., housing/ other town centre uses) in some of the city's most sustainable locations. | Not protecting employment sites inside the city and district centres would let the market decide on the most appropriate uses in these locations. This could potentially lead to uncertainty and potential difficulties in planning for and meeting employment land needs in these areas. |
| **Option C**<br>Rely solely on national planning policy/ other policies in the plan | This option would provide flexibility for landowners/ developers to respond quickly to market conditions and is likely to support the continued growth of high-value, high-demand uses such as R&D. | Important sites that contribute to the city's economy could be lost as this approach would not actively protect employment sites. The market would ultimately decide on the most appropriate employment uses for the city. |

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| | | This could result in more high-value, high-demand employment uses being delivered and would ultimately lead to uncertainty and increased difficulties in planning to meet the city's identified employment land needs. |
| **Option D**<br>Protect all employment sites to support meeting identified employment land needs.<br><br>Do not support the loss of employment uses on any existing employment site.<br><br>Encourage intensification and modernisation of employment sites across the network. | Continuing to provide protection for the city's network of employment sites is likely to help to ensure a continued diverse network of employment sites remain in the city.<br><br>This would help to deliver a broader selection of employment sectors than those associated and aligned with Oxford's key strengths. | As all employment sites would benefit from protection under this option, there would be no scope for their loss to other uses other than through permitted development.<br><br>Including protection for all existing employment sites could result in employment opportunities coming forward on poorly performing or poorly located employment sites which could otherwise be redeveloped for other uses (e.g., housing) |

| **Initial sustainability appraisal screening of options sets** |
|---|
| **Is there only one option or are there various options we could take?** Options a) - d)<br>**High-level screening conclusion? -** the options are similar to each other from a sustainability perspective and are unlikely to have significant sustainability impacts<br>**Screened in for detailed appraisal? -** No<br><br>**Rationale:** No – all options align broadly with national policy. The effects of Option A on the SA Objectives are likely to be broadly neutral as this option takes forward the current Local Plan 2036 approach. Option B, while similar to option A could enable a wider range of uses, including priority uses such as residential development to come forward in sustainable locations such as the city and district centres. This could have minor positive impacts on certain SA objectives (e.g., housing), but would ultimately depend on the implementation of specific sites based on landowner interests. Option C could have minor positive or negative impacts on certain |

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| objectives such as different aspects of economic growth and housing. This option would ultimately lead to the determination of development proposals being guided solely by national policy which may cause increased uncertainty in the decision-making process.<br><br>Finally, Option D would broadly strengthen the protection of all employment sites across the city which could have minor negative impacts on housing delivery. |

### 004a-2: Making the best use of employment sites – conclusions

8. The preferred approach for the Local Plan 2045 policy is to take forward **option B**. As set out above, the plan's strategic focus is to prioritise the delivery of housing as it helps to address barriers to economic growth. However, in a compact, constrained city, such as Oxford, with current strong demand for certain employment types, protecting the city's most socially and economically important or "key" employment sites for continued employment use and supporting their appropriate intensification and modernisation forms a key element of the preferred approach. In highly sustainable locations (i.e., the city and district centres), flexibility is important to ensure the on-going viability and vitality of the city's centres. This means that smaller sites in the city and district centres will not be protected for on-going employment uses.

## Policy options set 004a-3 (draft Policy E1) - Housing on Employment sites

9. Given Oxford's long-standing housing availability and affordability issues, which have often been cited by employers as key barriers to attracting and retaining staff, we are considering the introduction of a permissive approach to housing delivery across the city's employment site network. Delivering new homes in Oxford is an important aspect of addressing these known barriers to economic growth.

10. It is important to ensure that any approach that supports new homes on existing employment sites does not need lead to situation where it undermines the ability of sites to deliver employment floorspace required to meet the Oxford's identified employment land needs.

*Table A1.3 - Policy options set 004-a3 - Housing on Employment sites*

| **Option for policy approach** | **Potential positive consequences of the approach** | **Potential negative/neutral consequences of the approach** |
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| **Option A – existing OLP2036 approach**<br>Does not specifically allow an element of housing delivery on existing employment sites. | If Oxford was unable to meet its identified employment land needs in the city, it would be important to ensure that existing employment sites were not further diversified for other uses. | Not all landowners/ developers of employment sites would necessarily want to bring forward housing on their sites, however some large key institutions representing significant employers in the city (e.g., hospitals – 19.8% of the city's workforce was employed in the health sector in 2023 according to Nomis).<br><br>This approach could undermine efforts to house hospital staff on their own sites, which enables the recruitment and retention of key workers, some of whom would otherwise struggle to live in the city. |
| **Option B**<br>Allow an element of housing delivery on existing employment sites (if other policy requirements are met (e.g., around flood risk). | Locating housing and jobs in close proximity to one another can bring benefits for local services and facilities. It also has the potential to deliver more homes within Oxford city.<br><br>This may help Oxford to meet its housing need and provides flexibility to respond to changing circumstances and values over time (even if owners/ developers are not interested in delivering housing to their sites at the present time).<br><br>Certain sites, such as Old Road Campus (where important research linked to science and innovation takes place), and | It will be important to ensure that any housing that does come forward on the city's employment site network does not prejudice Oxford's ability to meet its identified employment land needs otherwise a strategy for meeting those needs across Oxfordshire would ideally need to be agreed through joint working. If that does not happen, there will not be a strategic approach to meeting those needs.<br><br>It will be important to ensure that, if housing is allowed to be delivered (through a permissive approach) across the city's employment site network, that it is not to |

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| | the hospitals (which are important for health care treatment and research), need to be supported to both continue to contribute to the economy, and where appropriate, to investigate opportunities to house key workers who may otherwise struggle to remain in the city. | the detriment of the important contribution that Oxford's economy makes locally, regionally and nationally. |

| **Initial sustainability appraisal screening of options sets** |
|---|
| **Is there only one option or are there various options we could take?** a or b<br>**High-level screening conclusion? -** the options are similar to each other from a sustainability perspective. Unlikely to have significant effects<br>**Screened in for detailed appraisal? -** No<br><br>**Rationale**: These options have been assessed within the wider context of the growth strategy alternatives appraisal. They do not require further detailed appraisal as they are only likely to have minor positive or negative neutral or negligible effects.<br><br>Option A is likely to have broadly neutral effects on all SA objectives as it would maintain the current Local Plan 2036 policy approach. Option B could have some minor positive effects on SA objectives such as housing and transport-related objectives as supporting additional homes in the city across all employment sites could help to address housing and commuting issues however the amount of new homes that could be delivered would likely depend on implementation as it would not be possible to mandate new homes without landowner agreement. |

### Table 004a-3 Housing on Employment Sites - conclusions

11. The preferred approach for the Local Plan 2045 policy is to take forward **option B**. This option aligns with the plan's strategic focus to prioritise housing. The preferred approach recognises the importance of housing delivery but also the value that existing businesses and sites bring to the city. As such, housing proposed on the city's network of key employment sites must not undermine the continued operation or integrity of successful businesses and employment sites. The preferred approach includes wording to that effect.

## Policy options set 004a-4 (draft Policy E1): Location of New Employment Uses

12. Given Oxford's limited land availability and the importance of delivering other priority uses in the city (in particular, housing), it is important to ensure that new employment uses are supported in appropriate locations across the city.

13. There are a number of areas of the city where business and innovation sectors are clustered. These sites play an important role individually, and collectively they contribute to economic growth nationally, regionally and to the local economy. These include the Oxford Science Park; ARC Oxford (formerly Business Park); Old Road Campus; the Hospital sites; Oxford Science Area and Keble Road; the Radcliffe Observatory Quarter; Oxford North (which is now being built out); and the West End regeneration area.

*Table A1.4 - Policy option set 004a-4: Location of New Employment Uses*

| Option for policy approach | Potential positive consequences of the approach | Potential negative/neutral consequences of the approach |
|---|---|---|
| **Option A**<br>Support new employment uses (through modernisation and intensification) at existing employment sites and sites specifically allocated for employment uses in the plan only. Do not allow any new employment-generating uses outside of these locations (i.e., do not allow the loss of existing housing sites to employment-generating outside the city and district centres).<br><br>Allow new employment uses in the city and district centres (subject to their role and function). | This option would retain the geographic focus of locating new employment-generating uses in existing centres and specified employment locations.<br><br>Continuing to focus new employment-generating uses in existing employment locations can bring connectivity and infrastructure benefits.<br><br>Restricting new employment-generating uses to existing employment sites can support housing delivery in the city by limiting pressure to bring forward housing sites for high-value, high demand employment uses (e.g., R&D) | This approach would continue to support employment-generating uses within existing sites only. This could result in more development being pushed towards the southern edge of the city which includes the locally important Garsington Road cluster as well as key city employers such as the Science Park, ARC Business Park, Unipart site and Mini Plant Oxford. While significant strides have been made towards re-opening the Cowley Branch Line to passenger trains, this area is currently poorly served by public transport, and active travel routes.<br><br>If by restricting the locations where new employment-generating uses are |

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| | | acceptable in the city, this results in constraints to its future supply, this could increase the demand for high-value employment uses. This could result in pressure to redevelop lower-value employment sites to try and keep up with the demand for higher value uses. |
| **Option B**<br>As Option A (above) but rather than restricting new employment-generating uses to existing sites, instead allow new employment uses, in a limited number of suitable specified locations (e.g., adjacent to exiting employment sites)<br><br>Depending on the location, there may be merit in requiring certain sites to bring forward a mixed-use expansion including residential). | As above except this approach would enable key clusters to expand and continue to support Oxford in building on its economic strengths.<br><br>If Oxford is unable to meet identified employment land needs in the city, this approach may provide a pragmatic way forward which could help support the delivery of additional housing and employment land. | Given Oxford's small size and limited opportunities for new development, actively supporting the creation of additional employment land in the city could negatively impact the delivery of other uses including housing and much-needed affordable housing. |
| **Option C**<br>Rely solely on national policy and other policies in the plan (e.g. hierarchy of centres) to determine proposals for new employment floorspace in the city. | Recent changes to the NPPF strengthen support for economic growth and specifically mention laboratories as a key sector to stimulate the economy.<br><br>This market-driven option is likely to support the delivery of high-value, high demand uses (e.g., R&D/ lab). This is an important sector, which would support national economic objectives. | Outside of the city and district centres, where Class E employment uses would be supported as "town centre uses", the plan would not provide any policy guidance on the location of new employment-generating uses. As a small, compact and constrained city, although Oxford is an inherently sustainable location for development and there could be increased pressure to deliver employment-generating uses in the city. However, this increased |

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| | | pressure would be likely to be limited to unallocated sites that would need to comply with national policy.<br><br>An absence of local policy in this instance could potentially increase uncertainty over where new employment uses could be delivered, if the strength of the commercial market was to soften in relation to the housing market over the plan period. |

| **Initial sustainability appraisal screening of options sets** |
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| **Is there only one option or are there various options we could take?** a or b or c<br>**High-level screening conclusion? -** the options are similar to each other from a sustainability perspective. Unlikely to have significant effects.<br>**Screened in for detailed appraisal? -** No<br><br>**Rationale:** These options have been considered more widely within the context of the growth strategy alternatives appraisal. Detailed appraisal of these options is not required.<br><br>Options A and B are similar. The effects of Option A are likely to be neutral against all SA objectives as this option would carry forward the current (LP2036) approach. Option B could have potential minor negative effects depending on the precise location of any expansion and factors such as the environmental quality of any land taken for development, but the precise nature of any effects undertaken at this stage would depend on implementation and would ultimately require more detailed site-specific assessment, which would be subject to a separate appraisal against the SA Framework.<br><br>Option C would be likely to result in uncertainty in the decision-making process which could result in some minor negative effects on certain SA objectives (e.g., certain aspects of economic growth could be weakened but it is unlikely this objective would be significantly impacted upon by these locational uncertainties. It could ultimately involve more resources at the development management stage as each site would need to be assessed on a case-by-case basis to work out whether the location was suitable for employment uses. |

### Table 004a-4: Location of New Employment Uses - conclusions

14. The preferred approach for the Local Plan 2045 policy is to take forward **option A**. Limiting the acceptable locations for new employment-generating uses in a constrained city such as Oxford broadly aligns with the plan's overall strategy to prioritise housing. Focusing new employment-generating uses towards existing areas of employment can help to overcome existing accessibility issues and bring connectivity to support existing employment clusters through the delivery of key infrastructure projects (e.g., re-opening of the Cowley Branch Line to passenger trains).

## Policy options set 004b (draft Policy E2) Warehousing and Storage Uses

15. New large scale B8 uses are usually low-density and do not generally make an intensive land-use. As a small, compact and constrained city, there are numerous competing pressures for land in Oxford. This means that there is often a need to make the best, or most efficient use of any land that comes available. As such, new B8 uses are not always the most appropriate use for land within the city. Freight consolidation can support Oxford's transition to a zero-carbon future. One of the actions highlighted in the Zero Carbon Oxford Partnership roadmap and action plan was to pilot freight consolidation around the edge of Oxford. This is to help deliver a successful transition to Zero Carbon living. It is important that the Local Plan 2045 does not prevent this taking place.

*Table A1.5 - Policy options set 004b: Warehousing and Storage Uses*

| Option for policy approach | Potential positive consequences of the approach | Potential negative/neutral consequences of the approach |
|---|---|---|
| **Option A – Existing approach**<br>New B8 uses on sites not already lawful use are only allowed where the use is essential to the operation of a Cat 1 site<br><br>Loss of B8 uses generally supported unless B8 use is essential for the ongoing support of a Cat 1 site. | This option would prioritise employment land in the city for more efficient and intensive land uses.<br><br>By restricting B8 uses to support the operational requirements of the city's most important (Category 1) employment sites ensures that new B8 uses are delivered in way that supports and enables the continued or enhanced operation of employment sites with clear links to wider | Limiting B8 uses to Category 1 sites can preclude the legitimate expansion needs of suitably located local businesses that make a positive contribution to the economy by providing jobs to local people. |

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| | economic aims as set out in national policy. | |
| **Option B**<br>Where new B8 uses are allowed would be widened to enable support for the continued operation of locally recognised employment sites and those that support the national economy.<br><br>Loss of B8 uses would generally be supported unless the B8 use is essential for the ongoing support of sites on which new B8 uses are allowed. | This option would support a wider range of employment sites to deliver B8 uses which could enable local businesses to expand and remain in Oxford, which can provide key services and support local jobs.<br><br>This would align with national economic objectives relating to the continued growth of existing employment sites. | This approach would reduce the priority given to other uses that support the local, regional and national economy. It could bring B8, which often generates transport by HGV and LGV, into unsuitable areas. It allows this use which does not make best use of limited land. |
| **Option C**<br>(in combination with option a) or b))<br><br>Introduce a specific exemption to enable the pilot of a suitably located freight consolidation centre | This option would enable LGV/ HGV freight to be moved to electric delivery vehicles, e-bikes and cargo-bikes at the edge of the city, rather than petrol and diesel LGVs and HGVs moving into residential areas and the city centre for deliveries.<br><br>This would help to deliver City Council and partners' zero carbon partnership aims to decarbonise last mile deliveries in the city. | Any relaxation would need to be carefully managed to ensure it does not open up the potential for significant new storage facilities that do not make efficient use of land and that may not be well located in terms of the road network and avoiding congestion. |
| **Option D**<br>Further restrict new B8 uses so they are generally not supported at all. | Further restriction of this inefficient land use could provide more land for priority uses. | Restricting B8 uses further in the city may result in potential difficulties for employment sites that rely on some B8 for their continued operation. |

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| **Option E**<br>Rely solely on national policy and other policies in the plan to assess applications for B8 uses in the city. | Could see an increase of B8 uses on a range of sites in the city, providing services and jobs. | Would neither actively restrict nor promote B8 uses in the city and would allow market forces to dictate the demand for B8 uses. This approach could reduce the priority given to other uses that support the local, regional and national economy. |

| **Initial sustainability appraisal screening of options sets** |
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| **Is there only one option or are there various options we could take?** a or b (in combination with c) or d or e<br>**High-level screening conclusion? -** the options are similar to each other from a sustainability perspective. Unlikely to have significant effects.<br>**Screened in for detailed appraisal? -** No<br><br>**Rationale:** Two of the options (Option A and B) seek to restrict the location of new B8 uses to certain existing employment sites, while one option (Option D) does not seek to support new B8 uses at all in the city. Option D (further restriction) is likely to have a minor negative impact the SA objective for economic growth as not supporting new B8 uses at all in the city may result in difficulties for sites that rely on an element of B8 for their continued operation. While not having a policy could lead to uncertainties about future delivery of B8 uses on sites where they may be needed, this is unlikely to have a significant effect.<br><br>Option C is a supplementary option and is considered in-combination with Options A and B. This option would be likely to deliver minor positive benefits which wider carbon reduction objectives. Option A would have a likely minor negative effect on economic growth as far as local supporting locally recognised employment sites, but this would be balanced out by a likely minor positive effect supporting nationally important sites and significant local employers. Option B (in combination with Option C) would be likely to have a minor positive effect on economic growth as it would support the widest selection of employment sites and could support existing businesses to expand, while remaining in Oxford. This can support local jobs and services. |

## Warehousing and Storage Uses – Draft Policy E2

16. The preferred approach for the Local Plan 2045 policy was based on the options set out in the above option set only. The preferred approach was to take forward a combination of **options B and C**. New warehousing and storage (B8) uses often involve large-scale developments that do not make an intensive land-use. As they do not always make the best use of available land, they are not always the most appropriate use for land within the city. It is important to support appropriately located B8 uses where they support the ongoing needs of businesses in the city. Option B supports B8 uses at a slightly wider range of employment sites than is currently allowed through the extant Oxford Local Plan 2036. This means that local businesses who operate on important locally important employment sites will also be able to deliver small-scale B8 uses to support jobs and continued employment-related uses on identified sites. Option C helps support the Council's wider net zero ambitions to decarbonise 'last mile' deliveries in the city.

## Policy options set 004c (draft Policy E3): Community Employment and Procurement Plans

17. Community Employment and Procurement Plans (CEPPs) have an important role to play in securing opportunities that arise from new development. In the operational phase of development, agreements to secure a proportion of the longer-term workforce or supply chain locally or commitments to community education and outreach can ensure ongoing benefits. In the construction phase they can provide opportunities for local people to be employed in the building industry (e.g. through apprenticeships/ training/ making links to local schools and colleges) or secure commitment from the developer to procuring material and labour locally. Another option is to commit to paying employees the Oxford Living Wage and only using contractors who pay this higher level than the National Living Wage.

*Table A1.6 - Policy options set 004c: Community Employment and Procurement Plans*

| **Option for policy approach** | **Potential positive consequences of the approach** | **Potential negative/neutral consequences of the approach** |
|---|---|---|
| **Option A**<br>Introduce a policy requiring applicants to submit a Community Employment and Procurement Plans alongside major development proposals, which also looks | Would introduce a partnership mechanism for securing community benefits from major development projects. Would help deliver the aims of the Economic Strategy and implement part of the linked Action Plan. | This could be seen as an unnecessary or onerous requirement of developers. |

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| at the potential for engagement with training and education. | | |
| **Option B**<br>Encourage applicants to submit a Community Employment and Procurement Plans alongside all major development proposals but do not make this a policy requirement. | A voluntary approach would be flexible but applicants could still be encouraged to embark on CEPPs to provide opportunities for local people as they saw fit. | The voluntary approach is limited in scope and potential contribution that could be made. Measures set out in TAN are only presented as advice and guidance, no obligation to implement and no mechanism to monitor or enforce. |
| **Option C**<br>Do not encourage or require applicants to submit a Community Employment and Procurement Plans. | Increased flexibility for applicants. | Removing encouragement from supporting text of plan may actively discourage applicants to submit Community Employment and Procurement Plans. |

| **Initial sustainability appraisal screening of options sets** |
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| **Is there only one option or are there various options we could take?** a or b or c<br>**High-level screening conclusion? -** the options are similar to each other from a sustainability perspective. Unlikely to have significant effects.<br>**Screened in for detailed appraisal? -** No<br><br>**Rationale:**<br>The options most directly influence criterion 12. Economic growth, by providing for greater amounts of employment opportunities within the city. They are possible impacts on other criteria in the SA framework indirectly where these have a relationship to economic growth (e.g., accessible services/facilities, inequalities). Option a would be likely to have a minor positive impact by providing access to education and employment opportunities to local people. Option b as a continuation of the status quo, is likely to have neutral impact, whereas option c would be a retrograde step as the plan would not actively encourage skills and training opportunities. Overall, this option set is unlikely to have significant effects and therefore can be screened out from further assessment. |

## Community Employment and Procurement Plans (CEPPs) - Draft Policy E3

18. The preferred approach for the Local Plan 2045 policy is to take forward **option A**. Community Employment and Procurement Plans (CEPPs) have an important role to play securing opportunities that arise from new development. CEPPs can help businesses by addressing skills shortages locally through supporting appropriate training, apprenticeships and providing other commitments local both at the construction and operational phases of development. The preferred approach is to include a policy requiring CEPPs to be submitted alongside applications for qualifying developments.

## Policy options set 004d (draft Policy E4) – Affordable workspaces

19. Oxford's economic successes have brought with them unforeseen challenges. Post-pandemic, the city has seen significant and increasing demand for high value employment land uses (such as R&D and flexible lab-enabled office development). This relatively new and high demand for these high-value land uses, coupled with a constrained land supply and a need to deliver other priority uses such as new homes in the city, has resulted in increased pressure to redevelop lower value premises across the city's employment site network.

20. A need for affordable workspaces to support certain identified sectors of Micro SMEs has been created by a combination of rising rents, high demand for larger-floorplate, high-value land uses, a lack of physical space in the city, and increasing land values have resulted in a failure in the market to provide suitable accommodation for a range of businesses and enterprises that can contribute to and support the economic diversity of an area. Oxford City Council's Economic Strategy highlights some of the key sectors that require these spaces. It also sets out the importance of providing affordable workspaces for the 'inclusive economy' i.e., to support creative activity, social enterprise, co-operative businesses and local start-ups in the city. The following options were considered.

*Table A1.7 - Policy options set 004d: Affordable workspaces*

| **Option for policy approach** | **Potential positive consequences of the approach** | **Potential negative/neutral consequences of the approach** |
|---|---|---|
| **Option A**<br>Introduce a policy requirement to deliver affordable workspaces on larger commercial development sites (in use Class E) | Likely to be the approach which would secure the most affordable workspace and help facilitate an inclusive and diverse economy. | Depending on the requirements of any future policy, this approach may be considered onerous. It will need to be backed up by appropriate viability evidence. |
| **Option B**<br>Introduce text in the local plan encouraging employers to deliver affordable workspace in the city. | Allows the market flexibility to determine the type of employment space provided. | This could be a missed opportunity to address the issue of unaffordable workspaces in the city. Not providing support for affordable workspaces in the plan would not help to secure and deliver these types of spaces. |

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| | | As such the wider benefits from economic growth linked to Oxford's key sectors in science and innovation, would not be realised by all the city's residents. |
| **Option C**<br>Do not incorporate the concept of affordable workspace in the Local Plan. | Leave the market to determine the type and amount of employment space to be provided across the city. | This could be a missed opportunity to address the issue of unaffordable workspaces in the city and therefore to help secure the benefits of a strong, fair and inclusive economy. |

| **Initial sustainability appraisal screening of options sets** |
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| **Is there only one option or are there various options we could take?** a or b or c<br>**High-level screening conclusion? -** the options are similar to each other and are unlikely to have significant sustainability impacts<br>**Screened in for detailed appraisal? -** No<br><br>**Rationale:** While the policy may have economic and social value benefits, in land-use terms, development is happening anyway and is likely to be needed to support the delivery of affordable workspace on qualifying sites. |

## Affordable workspaces – Draft Policy E4

21. The preferred approach for the Local Plan 2045 policy is to take forward **option A**. Including a policy requirement to deliver affordable workspaces helps key sectors (including those identified through the City Council's Economic Strategy), that make a vital contribution to the diversity of the economy. Suitable workspaces and premises to support the 'inclusive economy' can help foster creative activity, social enterprise, co-operative businesses and local start-ups in the city. Including a policy requirement to support the delivery of affordable workspaces in the Oxford and help facilitate an inclusive and diverse economy.

## Policy options set 004e-1 (draft Policy E5): New Tourism and Short Stay Accommodation

22. Oxford's visitor economy makes an important contribution to jobs in the city. It is therefore important to support new and existing tourism and short stay accommodation in appropriate locations so that visitors to the city are encouraged to spend more time (overnight stays) and increase spend to support the local economy. Longer stays can reduce the numbers of "day-trippers" as high volumes of these types of visitors adversely impact traffic congestion and associated air quality issues.

23. This option sets look at locations for new tourism and short stay accommodation

*Table A1.8 - Policy options set 004e-1: New Tourism and Short Stay Accommodation*

| Option for policy approach | Potential positive consequences of the approach | Potential negative/neutral consequences of the approach |
|---|---|---|
| **Option A**<br>Allow new sites for tourism and other short-stay accommodation in the city and district centres, on allocated sites and on Oxford's main arterial roads only. | Approach would continue to encourage new short-stay accommodation in sustainable and accessible locations.<br><br>Likely to benefit Oxford's economy through supporting a higher percentage of Oxford's visitors to stay overnight.<br><br>Potential to enhance the vibrancy of the city and district centres by allowing tourist accommodation to be located here. | Potential for increases in traffic along arterial roads and potential risk that this use could become dominant in locations supported by the policy. |
| **Option B**<br>Allow new short stay accommodation in the city and district centres, and on allocated sites only. | Approach would continue to encourage new short-stay accommodation in sustainable and accessible locations and provide control over which sites outside of these areas were appropriate to deliver short-stay accommodation. | May increase pressure for town centre uses in city and district centres and reduce variety of uses in these locations.<br><br>Would reduce the number of locations where tourist accommodation is deemed appropriate, and it may not be possible to meet needs. |

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| | Potential to enhance the vibrancy of the city and district centres by allowing tourist accommodation to be located here. | |
| **Option C**<br>Support new short stay accommodation anywhere in Oxford. | Would increase potential locations where short stay accommodation is deemed appropriate. This is likely to encourage overnight stays in Oxford which is likely to have positive benefits for the city's visitor economy. | Allowing short-stay accommodation across Oxford could result in sites being developed that are poorly located in terms of potential traffic impacts or could have negative impacts on residential amenity, for example.<br><br>Could result in more accommodation being provided where other priority uses (e.g., housing) would have been appropriate. |
| **Option D**<br>Outside of the city and district centres, seek to resist new short-stay accommodation anywhere in the city. | May support the delivery of other priority uses (e.g., housing) in locations outside the city and district centres | May increase competition for land for tourism and short stay accommodation with other main town centre uses within the city and district centres. This could lead to a less diverse offer of tourism and short stay accommodation as higher land values in some centres would lead to the delivery of higher value accommodation (e.g., hotels) only. |
| **Option E**<br>Do not include a policy on new short stay accommodation in the city. Instead rely on national policy to delivery new short stay accommodation in the city. | Hotels are included within the list of ‘Main town centre uses’ set out in Annex 2: Glossary (NPPF, December 2024). As such | Hotels are included within the list of ‘Main town centre uses’ set out in Annex 2: Glossary (NPPF, December 2024). As such |

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| | impacts of this option are essentially very similar to Option B (above). | impacts of this option are essentially very similar to Option B (above).<br><br>Short-stay accommodation is not generally considered a suitable use outside of the city and district centres unless identified need shows otherwise.<br><br>This approach may lead to uncertainty regarding where new accommodation would be supported and could lead to applications outside of sustainable accessible locations. |

| **Initial sustainability appraisal screening of options sets** |
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| **Is there only one option or are there various options we could take?** a or b or d or e<br>**High-level screening conclusion? -** the options are similar to each other from a sustainability perspective and are unlikely to have significant sustainability impacts<br>**Screened in for detailed appraisal? -** No<br><br>**Rationale:** Option A maintains the current locational approach supporting new tourism and short stay accommodation in a variety of accessible locations across the city. This would be likely to result in a neutral effect on all the Sustainability Objectives. Option B proposes a more limited selection of locations. By reducing the acceptable locations for new tourism and short stay accommodation it could have a minor negative effect on the visitor economy although the overall impact on the SA objective for economic development would be likely to remain positive. Option C would enable new tourism and short stay accommodation opportunities to be delivered across the city. This option could result in this type of accommodation being delivered in less accessible locations which could have minor negative impacts on local amenity and transport-related objectives. Option D is the most restrictive option and would only support new tourism and short stay accommodation in the city and district centres. This would be likely to have minor positive effects associated with housing outside of these locations, but it would increase competition within the city and district centres where land values may be higher, which may result in a focus on high-value accommodation. This may not achieve wider aims associated with the visitor economy of encouraging longer stays and increased spend in the city. Finally, not having a policy |

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| could lead to uncertainty over locations where new tourism and visitor accommodation would be supported. This may result in competition with other priority uses. |

## Policy options set 004e-2 (draft Policy E5): Existing Tourism and Short Stay accommodation

24. Short stay accommodation helps meet the needs of tourists and other visitors, including business travellers and travelling researchers. Availability of sufficient short-stay accommodation may help to encourage tourists to stay for longer and help contribute to the success of businesses and the economy, but it also has impacts, including that it competes with other uses, and travel impacts. There may be reason to protect it, but where it is located is important in managing impacts and not all existing provision will be optimal. This final option set considers whether to include a policy supporting the expansion of existing short stay accommodation and protecting existing accommodation or not.

*Table A1.9 - Policy options set 004e-2: Existing Tourism and Short Stay Accommodation*

| **Option for policy approach** | **Potential positive consequences of the approach** | **Potential negative/neutral consequences of the approach** |
|---|---|---|
| **Option A**<br>Do not include a policy protecting existing short-stay accommodation in the city and instead rely on other policies in the plan and national planning policies. | This option would mean that Oxford is reliant solely on market forces to protect its existing stock of short stay accommodation. Whilst providing flexibility for developers, it would not necessarily help the city to achieve its wider tourism aims and objectives. | Could provide uncertainty for existing short-stay accommodation owners and occupiers. May not effectively promote Oxford's visitor economy by encouraging more overnight visitation. |
| **Option B**<br>Allow the expansion of existing short-stay accommodation providing certain criteria are met. | Likely to provide support for Oxford's visitor economy by protecting existing facilities and allowing their appropriate expansion. | Inclusion of criteria which must be met before a loss will be permitted (such as viability, marketing etc.) would ensure that existing sites that function poorly are not prevented from being redeveloped. |

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| Seek to protect existing accommodation and allow loss only if specified criteria are met (i.e., by providing viability evidence or if the location is not one where new short stay accommodation would be allowed). | It is important to seek to prevent the loss of existing visitor accommodation to other uses because tourism is an important contributor to the day and evening economy of the city. | |

| **Initial sustainability appraisal screening of options sets** |
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| **Is there only one option or are there various options we could take?** a or b<br>**High-level screening conclusion? -** the options are similar to each other and are unlikely to have significant sustainability impacts<br>**Screened in for detailed appraisal? -** No<br><br>**Rationale:** As these are existing sites, from a sustainability perspective whether to include policy guidance supporting appropriate small-scale redevelopment or changes or use, or not, is unlikely to result in significant effects on the any of the sustainability objectives. |

## Tourism and Short Stay Accommodation – Draft Policy E5

25. Draft Policy E5 combines the preferred approaches from two options sets. Each options set considers a discrete element of the policy. The two options sets are as follows:
- 004e-1: New Tourism and Short Stay Accommodation
- 004e-2: Existing Tourism and Short Stay Accommodation

26. The preferred approach for each option set is set out below:

### 004e-1: New Tourism and Short Stay Accommodation

27. The preferred approach for the Local Plan 2045 policy is to take forward **option A**. This supports new tourism and short stay accommodation on allocated sites and at a variety of accessible locations across the city. It also helps deliver the city's wider visitor economy aims to encourage longer stays and increased spend in the city. The draft policy includes locational requirements that set out where new tourism and short stay accommodation in the city would be acceptable and supported through the planning process.

28. Focusing new tourism and short stay accommodation towards inherently sustainable highly accessible locations helps to reduce reliance on the private car and supports public transport and other non-car modes. It also aligns with the plan's overall strategy to prioritise housing as it reduces the pressure to locate new tourism and short stay accommodation on sites more suitable for housing.

## 004e-2: Existing Tourism and Short Stay Accommodation

29. The preferred approach for the Local Plan 2045 policy is to take forward **option B**. Supporting the appropriate expansion of existing tourism and short stay accommodation helps achieve the wider visitor economy aims and can also protect local amenity. The inclusion of criteria relating to the loss of tourism and short stay accommodation provides clarity about what is expected of applicants in a range of different circumstances.

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