

Future Oxfordshire Strategy – Summary and Next Steps

Final Draft 30 March 2026

This note summarises the main findings and recommendations arising from Metro Dynamics' consultancy work for the development of the Future Oxfordshire Strategy, with suggestions around next steps for the county council to consider for implementation.

The project aims to deliver a comprehensive analysis of Oxfordshire's opportunities and challenges regarding managed growth, utilising economic analysis and stakeholder input. It provides thematic and spatial recommendations intended to guide economic development strategy and delivery during Oxfordshire's ongoing organisational transition, providing stable foundations and growth ambitions for business and investors. The outputs of this work have been divided into three reports:

- Report 1: Analysis of the Oxfordshire economy and delivery environment
- Report 2A: Analysis and potential priorities to address County-wide constraints
- Report 2B: Recommendations for economic strategy and spatial priorities

Recommendations for immediate next steps

You are in a strong place to build out the priorities into a workplan and to mobilise delivery around this. This is the opportune moment for this work with UKSPF funding ending and a need to set out arrangements that can feed through and adapt into devolution and LGR.

We suggest as immediate next steps that you:

- Build out the narrative and priorities into an economic growth strategy and delivery plan for Oxfordshire, focused on the next three years. Pilot the spatial priority approach with Banbury & Bicester and Science Vale.
- Engage with the Oxford Growth Commission to ensure the county's growth strategy informs and works with its outputs, including providing additional material as needed.
- Undertake work to agree the strategic and co-ordinated approach to economic development across Oxfordshire that moves forward alongside LGR. This could involve existing elected members working together to consider how best future economic development delivery in Oxfordshire maximises impact and optimises resources. This could include developing agreed criteria, principles, ways of working, and governance, as well as how to reduce transaction costs and duplication, the role of existing vehicles such as Enterprise Oxfordshire (EO), and funding routes such as from Enterprise Zones.
- Given the importance of inward investment, work with Equinox, the city and university to shape this as part of a co-ordinated spatial approach to economic development. This could take a wider strategic view of the county's approach to investment and business attraction, for example, consider using Oxford consistently as the outward facing brand.

branding.

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Overall strategic position

Oxfordshire is a globally recognised innovative economy, anchored by world-class universities and a network of major science, research and business campus', giving it strong growth potential in the Industrial Strategy-8 sectors of life sciences, digital technologies, advanced engineering, and clean energy. Alongside Oxford City sit nationally important clusters such as Science Vale, strategically connected towns in Cherwell that are seeing a specialism around future mobility sectors, and the high-quality rural and market-town economy of West Oxfordshire, which plays a vital role through the visitor economy as well as defence assets and growing sector specialisms.

The county's growth is constrained by a set of structural and spatial challenges; productivity growth has lagged key comparators, high-value and investment are concentrated in a limited number of locations, and economic benefits are unevenly distributed across the geography. Acute housing affordability, misalignment between housing and employment locations, transport connectivity gaps, a tight labour market and mid-level skills shortages are limiting productive knowledge exchange, labour mobility and business expansion. Report 2A identifies a small number of county-wide priorities that are critical to framing how to address these constraints.

The case for managed growth

Oxfordshire County Council (OCC) is committed to increasing productivity and improving the quality of life for all residents. The county's ambition is for an economy that is cleaner, fairer, and more resilient – one that supports thriving communities today and protects the interests of future generations. It has developed a definition and approach to growth that reflects these objectives: managed growth. Growth must be managed carefully so that it alleviates, rather than adds to, the pressures people experience. Any further growth in Oxfordshire must be delivered in a way that strengthens environmental commitments and enhances community wellbeing. Decisions about growth must reflect the needs of future generations as well as those of today, ensuring that Oxfordshire remains a prosperous, inclusive and sustainable place to live for decades to come.

To achieve this, Oxfordshire will work closely with Government and local partners to address the key constraints that limit sustainable growth. This includes securing investment in transport, digital connectivity, and wider infrastructure that enables the county to plan for and accommodate future housing and economic development. By doing so, Oxfordshire can meet nationally set housing requirements while ensuring that new development is supported by the infrastructure it needs. Through strong partnerships, targeted investment, and a clear focus on sustainability and fairness, the county aims to guide Oxfordshire's growth in a way that delivers long-term prosperity and a better quality of life for all.

Delivering managed growth is the principal objective that this work has considered. We have looked at where and how the county is currently performing on productivity and quality of life and set out here recommendations on economic development focus in the near-term.

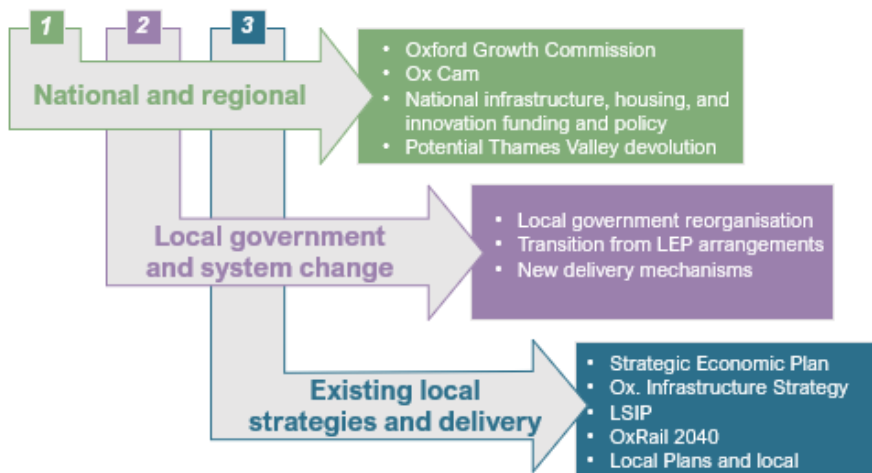
County wide delivery mechanisms

Economic development in Oxfordshire is currently delivered through a fragmented but active system, with the County Council's role largely delivered through Enterprise Oxfordshire,

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alongside activity by districts and wider civic partners. OCC's role focuses on county-wide economic leadership, infrastructure, transport, skills and place-shaping, while Enterprise Oxfordshire leads inward investment, business support and sector promotion, including a strong track record in attracting science and technology-led investment.

Existing economic development priorities were set through OxLEP's Strategic Economic Plan, which focuses on enabling businesses to thrive and innovate, widening access to opportunity and skills, securing resilient infrastructure for managed growth aligned with net zero ambitions, and ensuring that Oxfordshire's places are sustainable, inclusive and support flourishing communities. OCC is also bringing forward a number of strategies including the Oxfordshire Infrastructure Strategy and OxRAIL 2040 which will have an influence on economic development approaches.



Our first report took stock of the current evidence, strategies and delivery and identified:

- Oxfordshire is a complex economic unit, with a global, high-growth potential innovation city, high-tech science and business assets, large and small towns and a range of sectors from technical to agriculture to retail and leisure, with several economic areas
- There is a breadth and depth of economic opportunity and barriers to growth to address, and also genuine potential to make this next phase of growth more inclusive and sustainable
- There is a lot of live economic development activity led by many different government actors for different geographies and aims – OxCam Corridor, Oxford Growth Commission and Thames Valley in the future – in addition to investor-led activity
- At the Oxfordshire level, there are a collection of strategies that focus on broad thematic interventions, including inclusion, sustainability, infrastructure and innovation – it has historically been challenging to galvanise shared consensus and action
- There is a need for an overall theory for economic growth that reflects and responds to the specific spatial and sectoral complexity of the economy.
- There is a risk that without this, and a portfolio of specific projects to unlock growth within it, other actors will focus selectively on specific interventions that will not be sufficient to enable growth and deeper benefits for residents and businesses.

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- This is compounded by ongoing change in the local government environment, complicating the geography at which to act – however the growth opportunities are live now regardless of administrative structures.
- Partnerships have begun to fill this gap, e.g. Equinox, but a wider range of strategic actions may be required now, next and in the future.

Moving forward – recommendations for spatial and cross cutting priorities to deliver managed growth

Reports 2A and 2B set out the case for a new approach that looks at the pan-Oxfordshire thematic priorities required to address structural barriers to growth. These are complemented by spatial growth opportunities that reflect the complexity and polycentric growth centres across the county.

Crosscutting priorities (Report 2A)

Business, sectors and investment

Oxfordshire's innovation-led growth is strong but highly concentrated, with inward investment and high-value sectors clustered around a small number of locations. While the county performs well in attracting external investment, a lower share of business investment is being anchored locally, limiting productivity gains and job creation. Oxfordshire also has a large and diverse SME base but support is fragmented and not consistently aligned to sector strengths or growth opportunities.

Recommendation: To drive greater value from inward investment and cluster development, while strengthening productivity and growth across the wider SME base through a more integrated, sector and place focused approach to investment promotion and business support.

Labour market and skills

Oxfordshire has one of the tightest labour markets in the country, with high average qualification levels and strong participation, but this is masking persistent and growing skills shortages, particularly in mid-technical roles. Barriers linked to housing affordability, transport accessibility and uneven access to training limit labour mobility and participation, especially for young people, disadvantaged groups and residents of rural and market-town areas.

Recommendation: Build on the work of the LSIP by developing Community Skills Plans that embed skills into Oxfordshire's wider economy strategy by aligning employers, FE, schools and partners around current and future labour market demand

Housing

Housing affordability is identified as a major structural constraint on Oxfordshire's economic performance, affecting labour supply, business competitiveness and public confidence in managed growth. Recent delivery has been misaligned with employment locations and transport connectivity, reinforcing car dependency and limiting access to jobs, particularly for lower-and-middle income, while general under delivery continues to put upward pressure on price levels.

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Recommendation: To treat core economic enabler, with a stronger emphasis on aligning housing delivery with infrastructure, employment land and labour market access

Need for a spatial focused approach to economic development (Report 2B)

A spatially focused approach to economic development is essential in Oxfordshire because the county’s growth opportunities and constraints are not evenly distributed or the same but are shaped by a highly varied polycentric economic geography. While challenges such as skills shortages, housing affordability, infrastructure capacity and investment concentration are shared across the county, the way these issues interact, and the levers available to address them, differ markedly between more urban areas, growth corridors, market towns and rural economies. A purely thematic approach risks diluting impact by apply broader solutions to problems that are inherently shaped by local circumstances.

A spatially focused approach provides a practical framework for targeting intervention where it can unlock growth, align public and private investment, and ensure that county-wide priorities are delivered in ways that reflect the distinct economic roles different parts of Oxfordshire play within a single, interconnected economy.

This work has identified the following areas as Oxfordshire’s key distinct growth areas.

- Banbury & Bicester
- Oxford City
- Science Vale
- West Oxfordshire

Figure 1. Spatial Framework and Recommendations

Spatial Area	Findings	Recommendations
Banbury & Bicester	<p>Banbury and Bicester are major housing and employment locations within Oxfordshire, with strong strategic connectivity via the M40 corridor and links beyond the county. Their economies and urban areas are distinctive from each other but are characterised by a mix of large-scale logistics, advanced manufacturing, emerging clean tech and future mobility activity, alongside a growing visitor economy.</p> <p>However, growth to date has been weighted towards foundational and space-intensive sectors, with risks around place quality, skills alignment, town-centre vitality and the ability to capture higher-value activity</p>	<ul style="list-style-type: none"> • Strengthen and scale advanced engineering, clean-tech and future mobility, leveraging its position within Motorsports Valley and Bicester Motion as an asset, by using better evidence on commercial space needs to shift growth towards higher-value, innovation-led activity • Align technical training, skills progression and visitor-economy workforce planning with growth sectors, ensuring local residents can access opportunities in Banbury, Bicester and across wider Oxfordshire • Support sustainable growth by aligning housing delivery with infrastructure, employment access and town-centre renewal strengthening liveability and economic resilience

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<p>Oxford City</p>	<p>Oxford City is the primary engine of Oxfordshire’s economy, anchored by globally significant universities, hospitals and research assets that drive strong growth in life sciences, digital and other knowledge-intensive sectors.</p> <p>Oxford West End, Oxford North, and the Cowley Branch Line reopening create an opportunity to reshape the city’s housing, mobility and innovation ecosystem</p> <p>However, its economic potential is increasingly constrained by severe shortages of housing and commercial space, transport bottlenecks and deep spatial inequalities, limiting agglomeration and the city’s ability to sustain and broaden growth benefits</p>	<ul style="list-style-type: none"> • Align Oxford’s spatial development, commercial space and business support with the needs of its core sector ecosystems, particularly life sciences and digital, to enable agglomeration, provide investor clarity, strengthen supply chain linkages, and support a coherent, sector-led growth narrative • Unlock Oxford’s growth capacity by accelerating housing delivery, transport, digital and energy infrastructure, supported by strong engagement through the Oxford Development Corporation • Tackle deep-seated inequalities in south-east Oxford through a hyper-local approach that integrates skills, employment, health and public services, while also preparing for use of future devolved levers to improve outcomes and ensure growth benefits are more widely shared
<p>Science Vale</p>	<p>Science Vale represents a concentrated corridor of nationally important science, research and technology activity, underpinned by major campuses and Enterprise Zones that are driving growth in high-value, science-led sectors.</p> <p>However, its potential is being held back by fragmented governance across sites, limited sustainable transport options, and pressures on housing and workforce access, meaning growth is not yet functioning as a coordinated or fully integrated economic cluster.</p>	<ul style="list-style-type: none"> • Establish a streamlined Science Vale partnership to coordinate delivery across existing strategies, strengthen links with OxCam Corridor, and promote the corridor through a clear, shared narrative that showcases its innovation assets, business opportunities and career pathways • Scale cluster and sector development across science parks and Enterprise Zones, align planning and investment pipelines through closer collaboration between site managers and local authorities, and improve connectivity to key employment sites • Improve connectivity to key employment sites within Science Vale, building on the Ox Rail ‘Science Line’ concept, whilst also progressing planned HIF-funded infrastructure at pace • Build a place-based labour market and skills system aligned to employer demand, invest in career pathways, and work with partners to ensure Science Vale develops as a thriving, connected place to live and work with the housing, amenities and services needed to support long-term growth

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<p>West Oxfordshire</p>	<p>West Oxfordshire is a predominately rural and market-town economy with high quality of life, relatively strong productivity and earnings, and an economic base anchored in the visitor economy and foundational sectors</p> <p>Strategic assets (e.g. RAF Brize Norton, farming and land-based activities, and proximity to Motorsports Valley and future mobility clusters) provide a strong foundation for deeper integration with the wider county innovation economy</p> <p>However, its future growth and resilience are constrained by housing affordability and under-delivery, and weaker connectivity to higher-value employment centres elsewhere in Oxfordshire, limiting labour market access and spillover from the county’s innovation economy</p>	<ul style="list-style-type: none"> • Use housing delivery and strategic transport investment to improve workforce retention, affordability and labour-market access, while strengthening productivity in West Oxfordshire’s visitor and foundational sectors • Improve connectivity and labour-market integration by championing the Carterton–Witney–Oxford corridor and other strategic transport improvements along the A40, reducing car dependency and widening access to higher-value employment opportunities across the count • Position West Oxfordshire as a connected contributor to Oxfordshire’s innovation economy by linking defence assets, land-based industries and visitor economy ecosystem to county-wide sector and skills opportunities
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Conclusion

In summary, this spatial economic delivery framework is deliberately different from previous county- and district-level strategies. It focuses on a small number of high-impact, place-specific interventions delivered collectively by partners. The framework prioritises near-term actions (over the next 1–3 years) that directly unlock local growth opportunities and address key constraints, rather than broader, longer-term objectives. It is designed to align and adapt existing and new interventions across districts, the county and Enterprise Oxfordshire, supported by clear mechanisms for collective leadership and delivery.

In thinking about design and delivery of future economic development functions we suggest the following principles:

- No one Local Authority can afford to do everything that is needed, now or post LGR. Pooling and sharing expertise and capacity is important. Oxfordshire must avoid duplication, simplify the landscape and maximise impact against agreed priorities.
- Different parts of the county have different economic drivers, growth opportunities and strengths, but all share infrastructure and connectivity barriers. Delivery needs to reflect both.
- Oxford is the global brand and the whole county benefits from the brand in investment markets and attraction. The Growth Commission is a chance to increase Government investment and interest that will benefit the whole county – if it shapes delivery accordingly.
- Delivery should be designed to maintain and accelerate progress through LGR, Ox-Cam, and Devolution discussions and not be slowed down by administrative changes. Allow for potential to scale to act at regional level.

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As an immediate next step, we have suggested that you convene a group of existing elected members to agree delivery principles and mechanisms for economic development across Oxfordshire. There are already regional organisations such as Enterprise Oxfordshire, which has had a critical role to play in Oxfordshire's economic development. We suggest that you prioritise providing a stable, credible and business-facing delivery vehicle at a time of local government reorganisation and wider policy uncertainty. A shared county-wide resource can convene partners, maintain momentum through institutional change, and deliver priority functions such as inward investment, cluster development and the coordination of place-based growth propositions across administrative boundaries. This will likely require additional capacity alongside closer, structured collaboration with district authorities and local stakeholders.

Strengthening Oxfordshire's economic development resource and its interface with local partners will be essential to translate strategic priorities into practical, place-specific action and to sustain effective collective leadership across Oxfordshire.