

Divisions Affected – All

CABINET
14 July 2026

Shaping Oxfordshire's Future Economy **Report of Performance and Corporate Services Overview & Scrutiny** **Committee**

RECOMMENDATION

1. The Cabinet is **RECOMMENDED** to —
 - a) **NOTE** the recommendations contained in the body of this report and to consider and agree its response to them
 - b) **AGREE** that, once Cabinet has responded, relevant officers will continue to provide each meeting of the Performance and Corporate Services Overview & Scrutiny Committee with a brief written update on progress made against actions committed to in response to the recommendations for 12 months, or until they are completed (if earlier).

REQUIREMENT TO RESPOND

2. In accordance with section 9FE of the Local Government Act 2000, the Performance and Corporate Services Overview & Scrutiny Committee requires that, within two months of the consideration of this report, the Cabinet publish a response to this report and any recommendations.

INTRODUCTION AND OVERVIEW

3. The Performance and Corporate Services Overview and Scrutiny Committee considered a report providing an update on the Council's intended activity to support and develop the local economy in light of the parallel processes of Local Government Reorganisation (LGR) and devolution.
4. The Committee would like to thank Cllr Laura Gordon, Cabinet Member for Environment and Economy, and Nick Glover, Head of Future Economy for attending the committee and responding to questions.

SUMMARY

5. Introducing the report, the Head of Future Economy explained that Oxfordshire had a strong economy, highly significant research and innovation assets, a skilled workforce, and extremely high employment rates. However, he advised that productivity remained a key challenge and that the benefits of innovation-led growth had not flowed evenly across the county. Persistent deprivation in some areas, pressures in the foundational economy, difficulties in retaining and scaling businesses, and misalignment between housing, employment and transport infrastructure were highlighted as key challenges for the county's economy.
6. The Committee heard that, given the uncertainty created by LGR, devolution, the proposed development corporation as well as wider institutional change, officers were not proposing a traditional long-term economic strategy. Instead, the focus had shifted to an investment plan for the short to medium term, intended to support businesses and residents while longer-term governance and spatial decisions were resolved.
7. The Head of Future Economy stated that the emerging investment pipeline was approximately £150 million, although no final decisions had been taken. He suggested that Enterprise Oxfordshire could provide a platform for delivery and for convening public, private and academic partners, but that some interventions might be better delivered by local government or other partners. The intention was to take proposals to Cabinet in July 2026, with further development of interventions expected in September and beyond.
8. In response to the report, members discussed the status of Enterprise Oxfordshire and the progress of putting in longer-term leadership, different models and understanding of economic growth, what productivity increases would actually look like to residents, housing and public transport links to work, the impacts of LGR and devolution, and the importance of agriculture to Oxfordshire's economy.
9. The Committee makes five recommendations overall, three of which relate to suggested inclusions within the Oxfordshire Investment and Productivity Plan to draw out areas requiring additional clarification, a practical suggestion on where it considers Council activities are insufficiently joined-up, and a general point over the overall status of economic development within the Council.

RECOMMENDATIONS

Additions to the Oxfordshire Investment and Productivity Plan

10. According to a 2017 study, agriculture manages approximately 75% of Oxfordshire's land, meaning it plays a vital role in supporting rural

employment, local businesses, tourism and associated supply chains.¹ The sector also has an important role in the county's ambitions for sustainable growth, biodiversity recovery and climate resilience, including being a key stakeholder within the Council's Nature Recovery Strategy.

11. At the same time, farmers are facing substantial challenges, including rising costs, labour shortages, changing agricultural support arrangements, market volatility and the impacts of climate change. These factors affect the long-term viability of agricultural businesses and, if left unaddressed, could have wider implications for food security, rural communities, the ability of the farming community to support sustainability and climate resilience activity, and the local economy.
12. The Committee is of the view that, whilst farming and agriculture is a relatively small employer within the county, its strategic importance - based on its land-use, its provision of jobs in rural areas, and its ability to contribute towards green initiatives - is far greater, and yet it faces key challenges in multiple areas. As a consequence, the Committee recommends that specific consideration be given within the Oxfordshire Investment and Productivity Plan.

Recommendation 1: That the Cabinet gives consideration to agriculture and farming issues within the Oxfordshire Investment and Productivity Plan.

13. During the presentation of the report and its questioning, the Committee heard that economic growth (and productivity) were not concepts with shared understanding across different stakeholders. As such, working in partnership with stakeholders even with shorter-term horizons is challenging because there is no agreed end-goal. The Committee's view is that greater explanation of the Council's position and rationale would support the partnership working that will be necessary given both LGR and devolution.
14. The Committee suggests that the Oxfordshire Investment and Productivity Plan explicitly evaluate alternative frameworks, including the wellbeing economy, community wealth building and post-growth approaches. Consideration of these models would help demonstrate that different pathways to prosperity have been assessed and would enable decision-makers to understand the potential social, economic and environmental implications of each approach.
15. A secondary benefit of this approach is that the Plan would then clearly demonstrate how any proposed growth would be compatible with Oxfordshire's climate ambitions, biodiversity objectives and nature recovery commitments. Economic development that places additional pressure on natural assets could undermine the environmental foundations on which long-term prosperity depends. Conversely, investment that supports

¹ [Microsoft Word - Farmland – from the State of Oxfordshire's Nature 2017 full report.docx](#)

decarbonisation, nature recovery, resource efficiency and resilient local communities can deliver multiple benefits.

Recommendation 2: That the Cabinet evaluates within the Oxfordshire Investment and Productivity Plan alternative economic frameworks, including wellbeing economy, community wealth building and post-growth approaches, and demonstrates how any proposed growth would be compatible with Oxfordshire's climate, biodiversity and nature recovery commitments.

16. The following recommendation builds on the preceding one. Just as there is a need for clarity over the end result of economic development for institutional stakeholders, the ultimate stakeholders for economic development locally are the county's residents.
17. While the concepts of 'green growth' and 'inclusive economic development' are important strategic objectives, they risk appearing abstract unless supported by practical examples and measurable outcomes. It is vital that residents can understand how investment and productivity improvements will create better jobs, improve access to skills and training, strengthen public transport connections, reduce inequalities, support local businesses and contribute to environmental sustainability. Clear explanations will help demonstrate how economic growth can be both inclusive and environmentally responsible, while building public confidence in the Plan's objectives.
18. The Committee recommends, therefore, that the Cabinet elucidates within the Oxfordshire Investment and Productivity Plan practically what productivity improvements, including 'green growth' and 'inclusive economic development' will mean for residents.

Recommendation 3: That the Cabinet elucidates within the Oxfordshire Investment and Productivity Plan practically what productivity improvements, including 'green growth' and 'inclusive economic development', will mean for residents.

Joined-up Working

19. The Committee recognises that LGR and devolution will reconfigure powers locally which will make a lot of economic development more straightforward. However, that is not to say that there are not improvements which can be made under the current structures. Indeed, this was recognised by both officers and Cabinet members and predicates the work of the Oxfordshire Investment and Productivity Plan. One such area the Committee wishes to highlight specifically is public transport and the convenient ability to access work without a car, without which come negative downstream effects for the number of car-journeys and social mobility.
20. The planning of bus services is a council function, but the committee's view is that it does illustrate a failure of coordination between different parts of the

Council. Members highlight the impact of the loss of services such as the X35, which had provided important connections between communities including Faringdon and Stanford in the Vale and major employment locations such as Harwell and Didcot.

21. The Committee appreciates that both the Council's Rail Strategy and its Bus Strategy sit underneath the overarching LTCP. However, resident commutes are likely to be multi-modal, hopefully involving buses rather than private car journeys. To reflect this reality, the Committee views it as important that rail and bus journeys cross-reference and align with each to ensure that the working public can make end-to-end journeys without recourse to private cars.

Recommendation 4: That the Cabinet addresses the misalignment between public transport and employment locations, and takes steps to integrate rail and bus planning to maximise synergy and resident usage.

The Priority of Economic Development

22. Direct responsibility for economic development functions at the Council is relatively recent. The responsibility for Local Enterprise Partnership (LEP) functions transferred from OxLEP to Oxfordshire County Council on 1 April 2024 as part of national reforms requiring LEP functions to be exercised under local authority governance arrangements. It is understandable therefore, particularly given the huge changes to local authority structures and decision making which are underway, that the balance of resources and prestige on the one hand, and the size of the task on the other, has yet to be found.
23. Whilst in terms of cost the Council's responsibilities towards social care for both adults and children will always account for a significant majority of the budget, much of the value added from economic development comes from planning, data, and a convening function. These are functions which enable and compound the inputs of external partners, meaning small investments in capacity can yield outsized returns, or significantly adverse decisions can be sidestepped or mitigated. With the changes to local authority governance arrangements, and the fact that inclusive economic development underpins all of the Council's strategic objectives, the Committee is of the view that notwithstanding the financial pressures the Council is under, that (relatively) small investment in the economic development function of the Council may be a worthwhile and the Cabinet should give consideration to it if at all possible.
24. Beyond resourcing, however, the Committee suggests that there are other non-pecuniary adjustments required to strengthen the contribution of economic development to the Council's objectives: greater clarity over what it is trying to achieve, more specific measures over whether those objectives are being met, and clarity over whether current governance structures are the most effective way to deliver these.

Recommendation 5: That the Cabinet gives greater priority to economic development financially, but also clarifying its objectives, targets and governance arrangements

FURTHER CONSIDERATION

25. The Committee may wish to review the Oxfordshire Investment and Productivity Plan, though it is not currently on the forward work programme.

LEGAL IMPLICATIONS

26. Under Part 6.2 (13) (a) of the Constitution Scrutiny has the following power: 'Once a Scrutiny Committee has completed its deliberations on any matter a formal report may be prepared on behalf of the Committee and when agreed by them the Proper Officer will normally refer it to the Cabinet for consideration.
27. Under Part 4.2 of the Constitution, the Cabinet Procedure Rules, s 2 (3) iv) the Cabinet will consider any reports from Overview and Scrutiny Committees.

Anita Bradley
Director of Law and Governance and Monitoring Officer

Annex: Pro-forma Response Template

Background papers: None

Other Documents: None

Contact Officer: Tom Hudson
Scrutiny Manager
tom.hudson@oxfordshire.gov.uk

July 2026