ECONOMY, RETAIL AND TOURISM

EMPLOYMENT

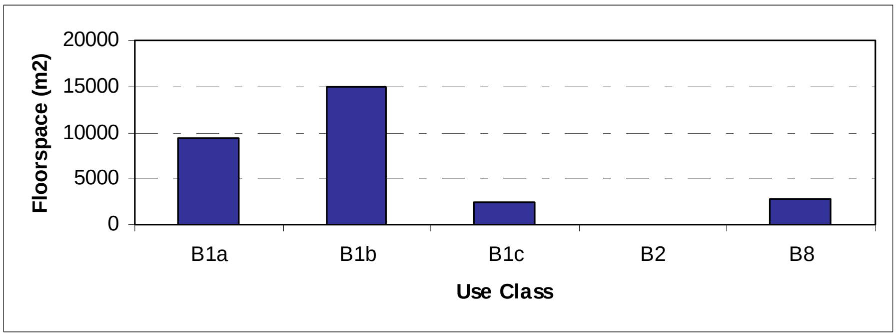
OBEJECTIVE: To achieve sustainable levels of economic growth and diversity, on previously developed land where possible, to maximise job opportunities for the local workforce, maintain a strong economy and promote regeneration.

Indicators/type of indicator		Targets	On target?
9 core	**Amount of land developed for employment by type and in allocated sites**	Supporting regionally important sectors and clusters. Need to provide a range of sites and premises to support business growth (emerging Regional Spatial Strategy).	✓
10 core	**Employment developments on previously developed land**	Urban focus and regeneration, promotes 60% of all new development on previously developed land (emerging Regional Spatial Strategy).	✓
11 local	**Land developed for other key employment uses**	Supporting regionally important sectors and clusters. New development should continue to build on Oxford's strengths in education, healthcare and research and development (emerging Regional Spatial Strategy and Oxford Local Plan).	✓
12 local	**Planning permissions for new Class B1 uses**	Need to provide a range of small medium and large B1 developments to promote a diversity of opportunities for businesses and the local workforce. (emerging Regional Spatial Strategy and Oxford Local Plan).	✓
13 core	**Employment land supply by type**	Need for range of land and premises for different employment uses (emerging Regional Spatial Strategy and Oxford Local Plan).	✓
14 local	**Losses of employment land in key employment areas. Amount of employment lost to residential development**	That little employment land is lost so that the sustainable distribution of employment land is not affected. (Oxford Local Plan).	✓

9. Amount of land developed for employment by type and in allocated sites

The graph shows the amount of floorspace developed for employment uses by type [4](B1a offices, B1b research and development & B1c light industrial, B2 general industrial and B8 warehousing). These figures are taken from planning permissions for completed development. In total some 29,524 m^2 gross of internal floorspace has been developed for employment uses. This is less than last year when the total figure was 40,949, and significantly less than 2005/6 when the figure was 267,464.

Figure 25: Amount of gross internal floorspace m^2 developed for employment by type in 2007/08



	B1a	B1b	B1c	B2	B8	Total
2007/08 gross external floorspace*	9,772	15,462	2,470	0	4,009	31,713
2007/08 gross internal floorspace	9,406	14,882	2,377	0	2,859	29,524
2006/07 gross internal floorspace	26,938	7,161	2,866	2,055	1,929	40,949
2005/06 gross internal floorspace	12,954	10,174	265	242,729	1,342	267,464

* Gross external area has been reduced by 3.75% to give gross internal floorspace

However, the 2005/06 figure included major growth in the general industrial sector but almost all of this was through the regeneration and expansion of the BMW Plant at Cowley. By comparison to last year there has been a further decline in overall floorspace although less significant.

Turning to the type of employment, over the past two years, the principal changes show a relative decline in the amount of office floorspace (Class B1a) but a significant increase in the amount of floorspace for research and development (Class B1b).

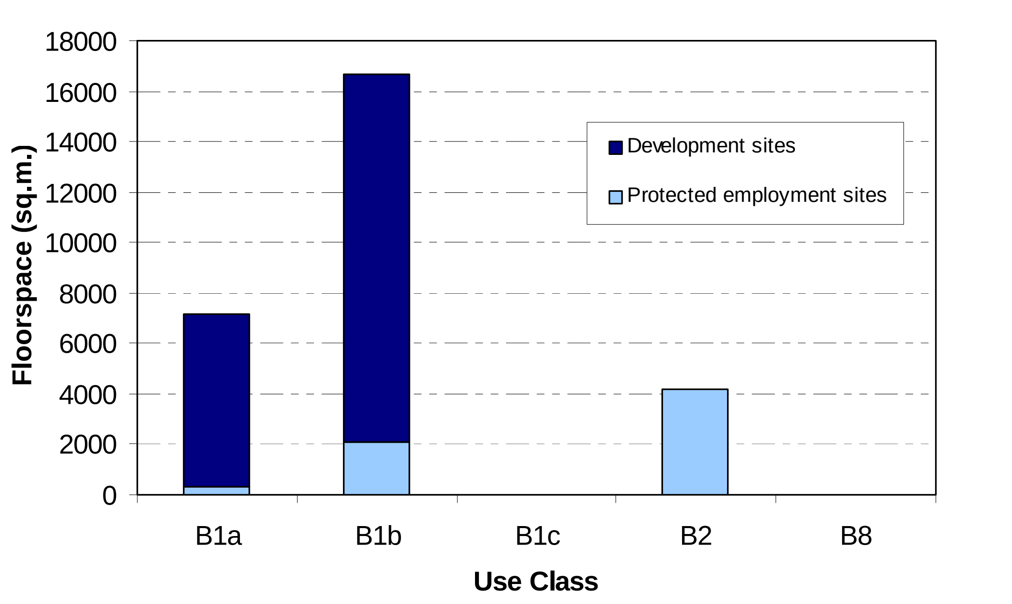
Development has taken place in a diverse range of employment uses over recent years. Whilst there has been no general industrial growth this year, overall there has been continued growth in the other key employment sectors. New employment development therefore continues to positively build on the key strengths of Oxford’s economy, and serves to illustrate the important contribution Oxford makes towards the economic success of the region. It also provides a good range of job opportunities for the local workforce.

The graph (Figure 26) shows the amounts of each type of employment use (B1a/b/c (office, research and development/light industrial), B2 (general industrial) and B8 (warehouse)) developed in development sites. In Oxford this has been taken to include the allocated development sites and the protected employment sites identified in the adopted Oxford Local

[4] *Use Classes Order 2005* – See Glossary

Plan 2001-2016. A total of 28,050 m^2 of floorspace was completed, of which 76% took place on allocated development sites, almost identical to the 75% of development on allocated sites in 2006/07. Nevertheless protected employment sites continue to make a valuable contribution, albeit a smaller proportion of new development.

Figure 26: level of development in m^2 per use class on development sites in 2007/08



Use class	Protected employment sites in m^2	Development sites in m^2
B1a	322	6,866
B1b	2,060	14,613
B1c		
B2		
B8	4,191	
Total	**6,572**	**21,478**

In Oxford land is a scarce resource and in demand from a range of competing uses. Therefore the policy approach has encouraged the importance of protecting existing key employment sites and allocating additional development sites to accommodate further limited growth.

This overall approach accords with national and regional guidance, which seeks to promote sustainable development and to make best and most efficient use of existing resources by re-using previously developed land. Oxford has continued to respond positively to the need to encourage sustainable use of land and make a significant contribution to urban renaissance.

10. Employment developments on previously developed land

The policy approach in the adopted Oxford Local Plan 2001-2016 promotes sustainable development and making the best and most efficient use of existing resources. Employment uses are therefore directed towards the key protected employment sites, allocated sites and mixed-use development sites. These comprise previously developed land, the only exception being the Oxford Science Park and Littlemore Park. In the monitoring period, there were 2 developments at the Oxford Science Park, one B1a (office) development of 6,258 sq.m. and one B1b (research and development) of 2,830 sq.m.. All other development in the monitoring period were on previously developed land.

Figure 27: Amount of employment floorspace in m^2 on previously developed land (PDL) in 2007/08

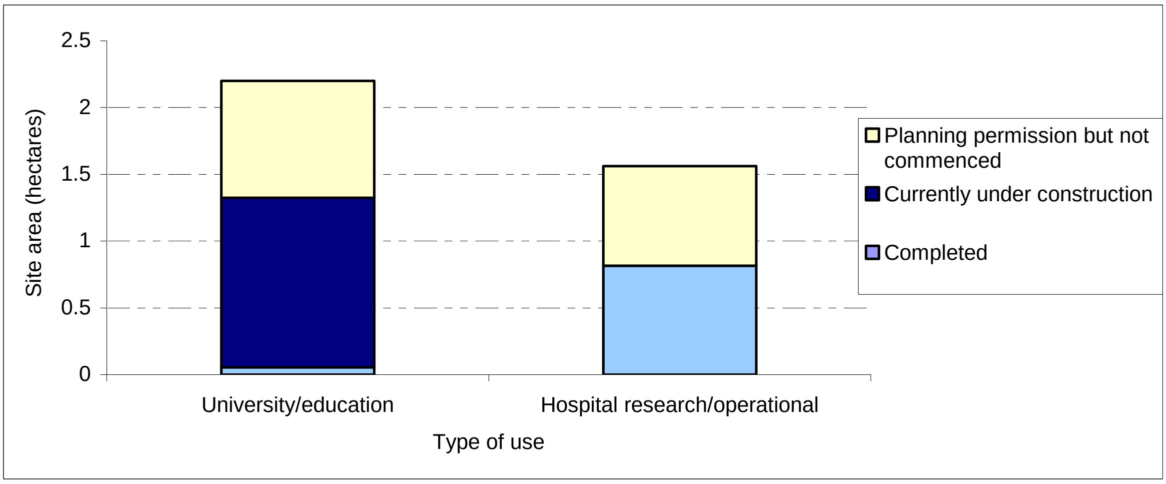
	B1a	B1b	B1c	B2	B8	Total
Gross employment land	9,772	15,462	2,470	0	4,007	31,711
% gross on PDL	36%	82%	100%	100%	100%	71%

Oxford has therefore successfully directed new completed development to previously developed land or identified green field development sites.

11. Land developed for other key employment uses

This bar chart shows the amount of land permitted, under-construction and completed for B1a (office) and B1b (research and development) uses related to University (education) and Hospital (health) developments.

Figure 28: University and Hospital Development in hectares in 2007/08



The education and health sectors are particular strengths in Oxford's economy. Over recent years the amount of land coming forward for development has fluctuated between these two key sectors, with slightly more in hospital research. The figures vary considerably each year, rather than showing any particular trend, which reflects the dynamic process of permissions being implemented.

There have been two applications granted planning permission but not commenced in this monitoring year, and a further two additional applications completed. Those schemes under-construction relate to earlier permissions granted before the monitoring period, which are still on-going.

Figure 28 shows that overall the University (education) sector has the largest amount of land being taken up and committed for development. Of this total there is a significant amount, which is under-construction, such as the biochemistry development in South Parks Road. The remaining land has planning permission but development has not commenced.

The Hospital (health) sector has slightly less land in total, which is fairly evenly split between developments either completed or not yet commenced.

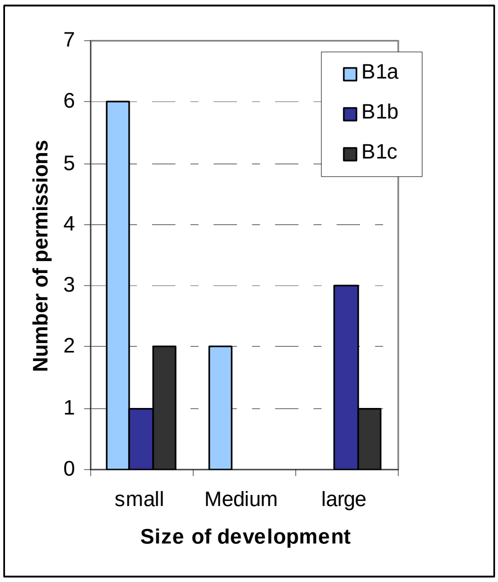
Whilst there are differences between the sectors in terms of the progress of particular developments, this to a large extent reflects the funding arrangements of these major investment schemes, which are long-term and often part of a rolling programme.

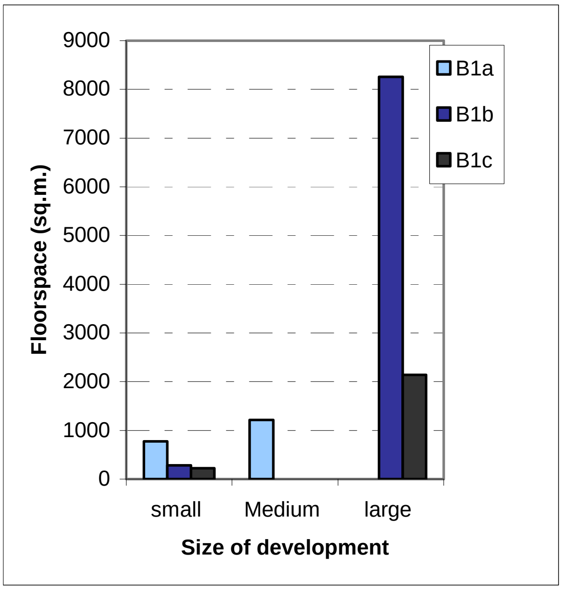
The target is being met, as there continues to be significant developments in these important sectors. The evidence during the last three years recognises the important contribution made by the education and health and hospital sectors and the associated spin-offs in terms of specialist research and development.

12. Planning permissions for new class B1 uses

This bar charts show the amount of floorspace and the numbers of developments granted planning permission for small (under 500m^2), medium (over 500m^2 – 1500m^2) and large (above 1500m^2) developments for B1a (office), B1b (research and development) and B1c (light industrial) uses.

Figure 29: Planning permissions for Class B1 uses by type- by gross floorspace m^2 and by number in 2007/08





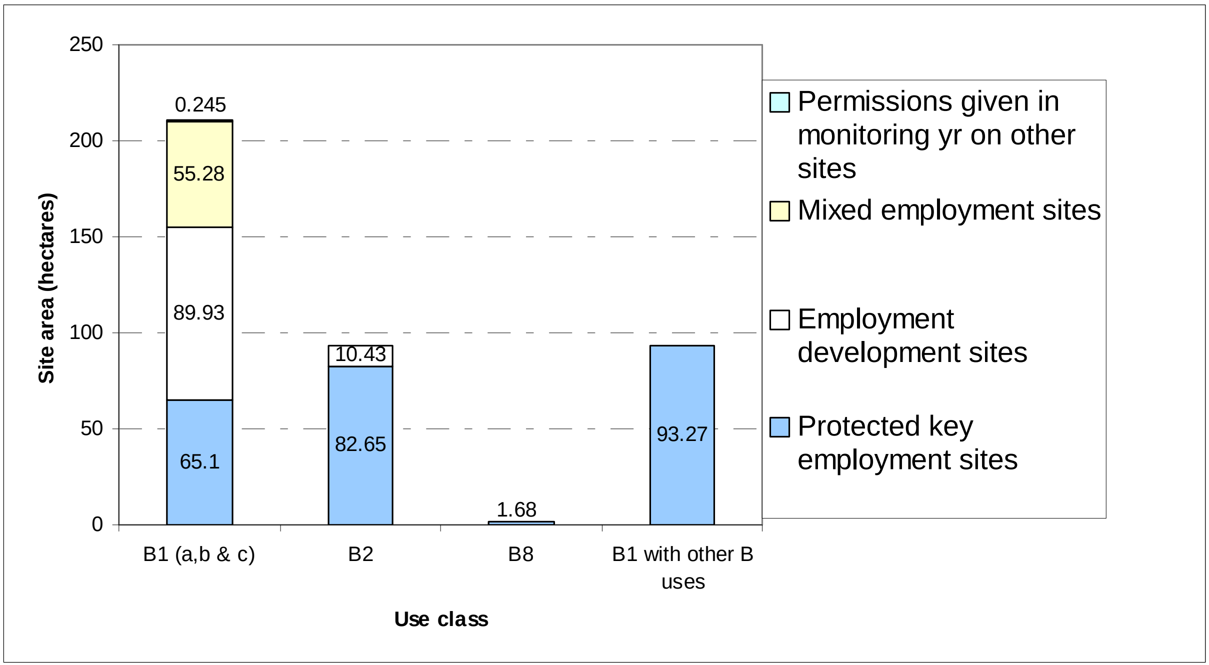
In line with the previous two monitoring years, the office (Class B1a) sector has seen the greatest number of permissions, the majority of which are on small sites. However in relation to floorspace the most significant contribution is from research and development (Class B1b) uses within the large site size which accounts for 8,500 sqm. Most of the new B1b floorspace given permission is accounted for by development of the Cancer Research Building at the Churchill Hospital site. Office development of just under 2,000 sqm has been mainly on medium sites. Light industrial use (Class B1c), has shown a considerable increase this year to 2,360 sqm of additional floorspace, which includes one large site and two small sites.

This year has differed slightly from previous years principally through the greater contribution from the light industrial sector (Class B1c).

13. Employment land supply by type

This table shows the amount of employment land (hectares) available for development on employment land.

Figure 30: Employment land supply by type in hectares
Source: Oxford Local Plan 2001-2016 for land supply and data on planning permissions granted / under construction in 2007/08



The total supply of employment land comprises principally protected employment sites and allocated sites, identified in the adopted Oxford Local Plan 2001-2016. The allocated sites include employment and mixed-use development sites. The key protected employment sites include industrial estates and major key employers. For example Plant Oxford occupied by BMW alone accounts for some 80 hectares of land. The principal employment sites are the Oxford Business Park and the Oxford Science Park; however both are well established and have only a limited supply of land available for new development. It is forecast that the Oxford Business Park will soon be fully complete, and the Oxford Science Park by 2010. Land in Oxford is a scarce resource, subject to significant constraints and in demand from a range of competing uses. Therefore the policy approach has encouraged the importance of protecting existing key employment sites and allocating additional development sites to accommodate future growth.

The adopted Local Plan and emerging Core Strategy seek to encourage sustainable development, strengthen existing employment sectors and modernise employment uses in Oxford. The Plan has therefore sought to provide a range of different sites that comprise protected key employment sites, employment sites and mixed-use development sites. These sites provide a diverse range of different types of employment uses that have been accommodated on the sites. Diversity in the local economy is essential to maximise employment opportunities for the local workforce.

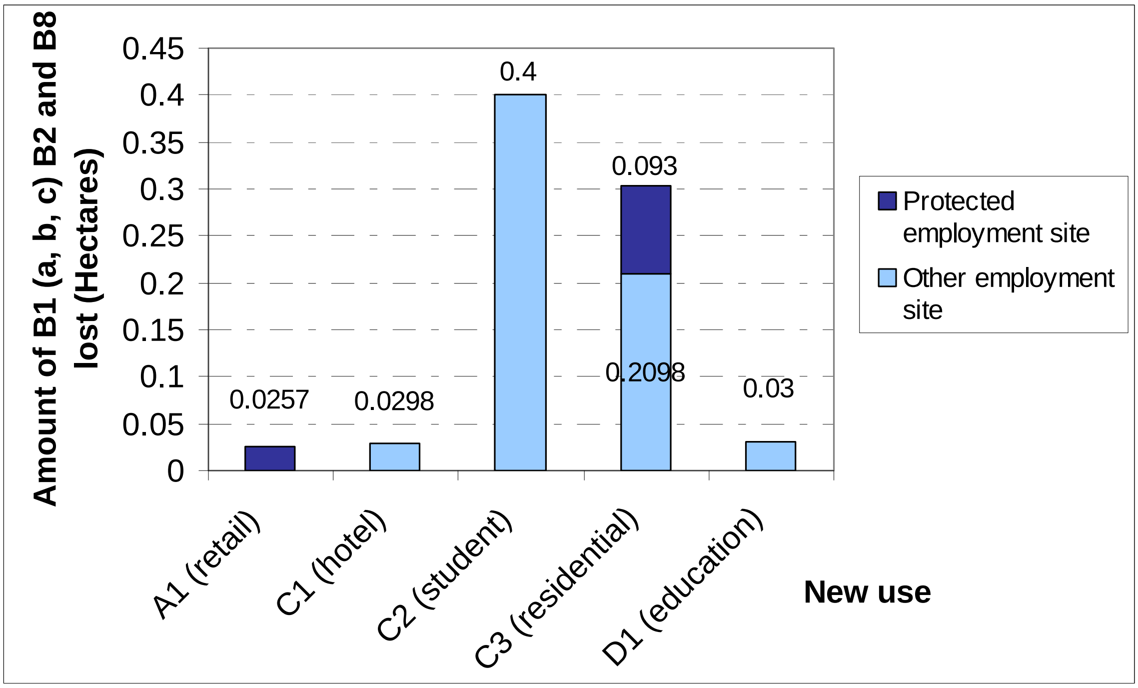
An Employment Land Study has been undertaken on behalf of the City Council by consultants to assess the supply of employment sites in Oxford in relation to the projected demand over the next 15 years. The study provides an important evidence base for the future employment land requirements. It serves to inform the Local Development Framework (LDF) in particular the Core Strategy and Site Allocations documents (DPD's). The findings of the study will also be used to up date the Economic Development Strategy and responds to Government guidance requiring local authorities to undertake employment land reviews. Further study work is being undertaken on the importance of the two universities, hospital trusts and retail development to the Oxford economy.

The recent employment land study plus the further work to be undertaken will provide a sound evidence base to estimate future demand and ensure that through the LDF sufficient sites are allocated to accommodate projected growth. It also provides a good system for monitoring future employment land supply.

14. Losses of employment land in key employment areas. Amount of employment loss to residential development including loss from development sites and protected employment sites

There has been a net loss of employment land (hectares) in Oxford. This has occurred mainly on development sites but with a small amount in protected employment sites. In Oxford this has been taken to include allocated sites and protected employment sites, as identified in the Local Plan.

Figure 31: Loss of employment land in Oxford in hectares including loss on protected employment sites in 2007/08



Oxford has a tightly drawn Green Belt with a limited land supply, a relatively buoyant economy and a significant demand from a range of competing land uses. Oxford has therefore been recycling land to other uses for several decades. Since 1985 Oxford has lost about 50 hectares of land from employment generating uses to other uses.

During this monitoring period only 0.78 hectares of land was lost from employment use (mainly to housing), which is slightly less than last year at 1.3 ha. This compares with 2005/6 when some 4.7 hectares of land was lost from employment use, and in the 2004/5 monitoring period 3.7 hectares of employment land was lost.

Figure 31 shows that the most significant proportion of the land lost from employment use has been on development sites, with only very marginal amount from protected employment sites. This shows the same trend as the previous monitoring year. It is clear that the majority of the land lost during the year has been principally to student accommodation use and residential use.

Conclusions – Employment
The overall amount of employment floorspace coming forward for development during this monitoring period has been less than previous years, but has significantly added to the range and type of employment available in Oxford. It is clear over recent years that Oxford has successfully built on its established economic strengths.

This year a significant proportion of the increase in floorspace has been within the research and development (Class B1b) sector, which is key to the future success of Oxford's established knowledge-based cluster. There continues to be new development in the University (education) and Health (Hospitals) sectors, which are key sectors in Oxford's economy. This development is part of the sustained investment within these sectors over recent years and is part of a long-term rolling programme.

This new development has taken place on previously developed land, the majority of which has been on protected employment sites. Overall the amount of land lost from employment use has been less than previous years. This land has been redeveloped principally for student accommodation and residential use.

RETAIL			
OBJECTIVE: To monitor the amount of new retail, office and leisure development, including in the city centre and district centres, and to assess the vitality and viability of the centres.			
Indicators/type of indicator		**Targets**	**On target?**
15 core	**New retail, office and leisure development including in town centres**	Need to focus development in the city centre and district centres. Aim to provide a range of A1, A2 and B1and D2 uses (emerging Regional Spatial Strategy).	✓
16 contextual	**Market and vitality indicators**	Local Plan targets for A1 use on designated frontages in the city and district centres should be met.	✓

15. New retail, office and leisure development including in town centres

As Figure 32 shows, there was a total of 14,891 m^2 gross additional internal floorspace for office, retail and leisure development.

Figure 32: Office and leisure completions in m^2 compared to previous years

	Retail (Class A1)	Finance/ professional service (Class A2)	Office (Class B1a)	Leisure (Class D2)	Total
2007/08 gross external floorspace*	2,493	414	9,772	2,889	15,568
2007/08 gross internal floorspace	2,306*	398	9,406	2,781	14,891
2006/07 gross internal floorspace	1,643*	197	26,938	2,230	31,008
2005/06 gross internal floorspace	3,872*	252	12,994	777	17,895

*sales space excluding areas like store rooms

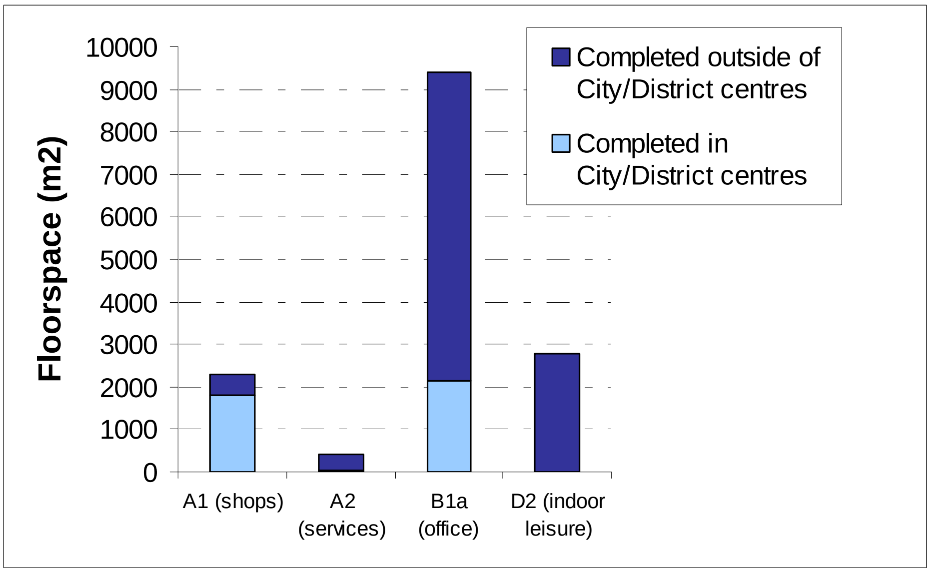
Whilst the amount of floorspace for retail (Class A1) has increased compared to last year it is still less than the total three years ago.

In relation to office development, the amount of financial and professional (Class A2) completions has increased compared to previous years but is still a relatively small total. There has been a significant decline in the level of development completed within the office sector (Class B1a), compared to previous years, particularly last year. Of the limited amount of floorspace completed in this monitoring year the majority, some 65%, relates to one permission on the Science Park.

The leisure (Class D2) development however relates to the completion of a new sports and social club at Morris Motors. This present position partly reflects the market, but also the limited opportunities available in Oxford and the competing demands for land from other users.

Overall therefore in assessing the performance of the three sectors, the most significant growth has continued to be in the office sector (B1a) with only modest growth in the retail and leisure sectors.

Figure 33: Amount (floorspace m^2) of completed retail, office and leisure developments in city/district centres in 2007/08



The trend over the last three years shows the greatest amount of completions have taken place in the office (Class B1a) sector. This year whilst the overall amount has been less at just over 9,000 m^2 completed, it still represents the greatest proportion of completions. The majority of this additional floorspace is in out-of-centre locations, which again reflects the location of the key employment sites at the Science Park and Business Park.

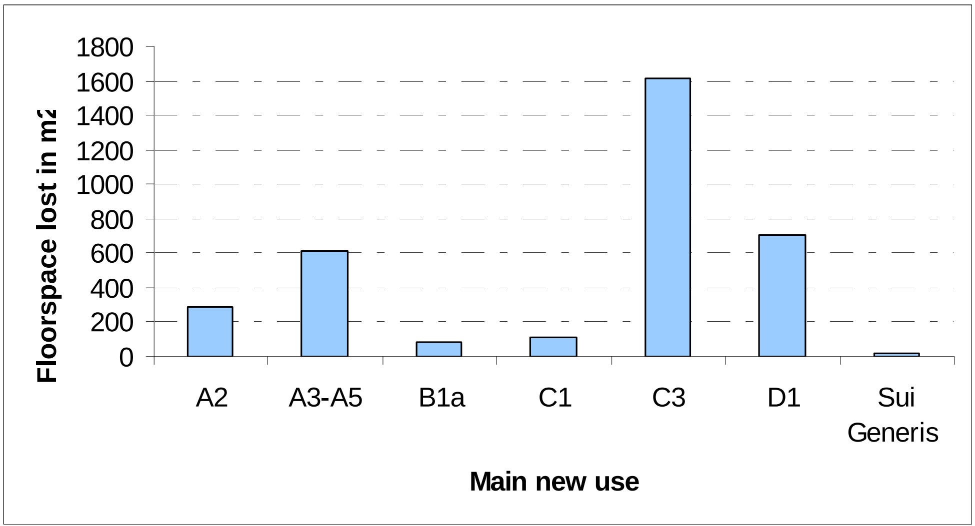
The amount of completed retail (Class A1) floorspace has increased on last year and now some 77% of the total has taken place within existing centres, in particular the Cowley District Centre.

There has been a slight increase in the amount of completed development in the service (Class A2) use, although the overall total is still relatively low compared to other sectors. Whilst the new development has taken place in out-of-centre locations the majority have been within neighbourhood centres.

In conclusion, although the majority of completed development has taken place in out-of-centre locations, particularly in the case of office (Class B1a) and leisure (Class D2) uses, this does largely reflect Oxford’s spatial circumstances. The principal opportunities for major employment growth rely on sites within the Business Park and Science Park, which are out-of-centre locations.

16. Market and vitality indicators

Figure 34: Amount of retail floorspace m^2 lost to other uses in 2007/08

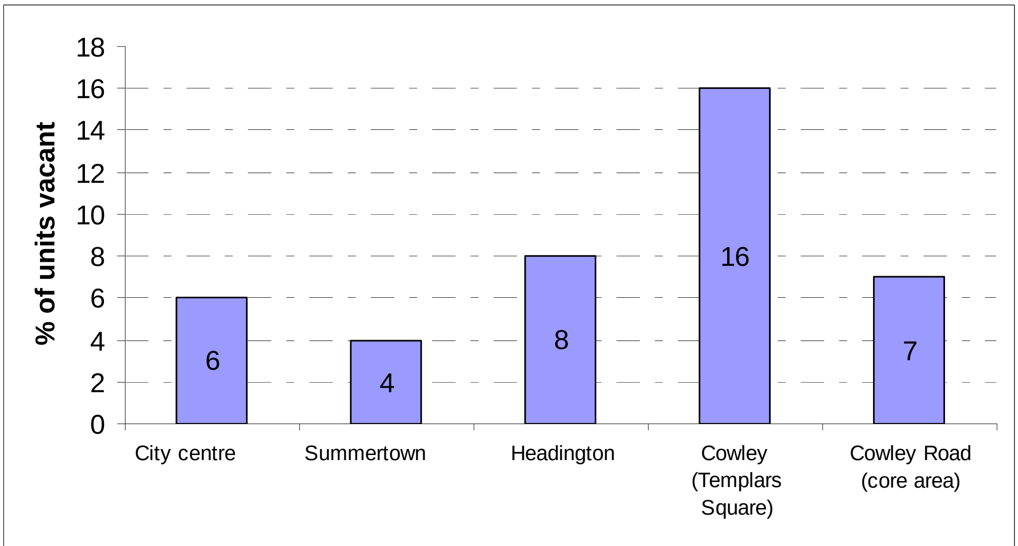


Oxford has continued to loose some retail (Class A1) floorspace, totalling 3,435 m^2 in 2007/08. Whilst cumulatively this has an impact on the total amount of retail floorspace, but on an annual basis the rate is still relatively low for the city as a whole, and does reflect the dynamic change in the market. The new uses introduced include principally residential (Class C3) uses with food and drink (Class A3-A5) and non-residential uses (Class D1). The future redevelopment of the Westgate Shopping Centre, will significantly increase the supply of retail (Class A1) floorspace in the city centre.

This information continues to provide important background evidence to monitor future changes in the level of floorspace lost from retail (Class A1) use. It will serve to inform the overall strategic approach to policy formulation within the Local Development Framework.

Vacancy levels

Figure 35: Vacancy levels in city and district centres in January 2007
Source: Oxford City Council survey, January 2007



One of the key market indicators that measure the vitality and viability of existing centres is vacancy levels. In the city centre, the Primary Shopping Frontage (Policy RC.3) still had only 6% of all the units vacant, which reflected a similar proportion as last year, showing that that the city centre remains healthy and is performing well.

There are four district centres which each have a defined District Shopping Frontage (Policy RC.4).

The Summertown District Shopping frontage has the lowest vacancy rate this monitoring year. Last year the vacancy level was 9%, whereas this has fallen to only 4%, showing the strength and this shopping centre and the good range of uses. The addition of Marks and Spencers Food Hall does appear to have positively strengthened Summertown.

The Cowley Road (core area) has the second lowest vacancy rate at 7%, which shows a fall from last years' level of 9%. Whilst the actual number of vacant units is comparable to other district centres it appears high as a proportion of the relatively small number of the total number of units that form the heart of the Cowley Road. Cowley Road is however fortunate in having an extensive range of other Class A uses extending along the street which lies within a secondary shopping frontage (Policy RC.5).

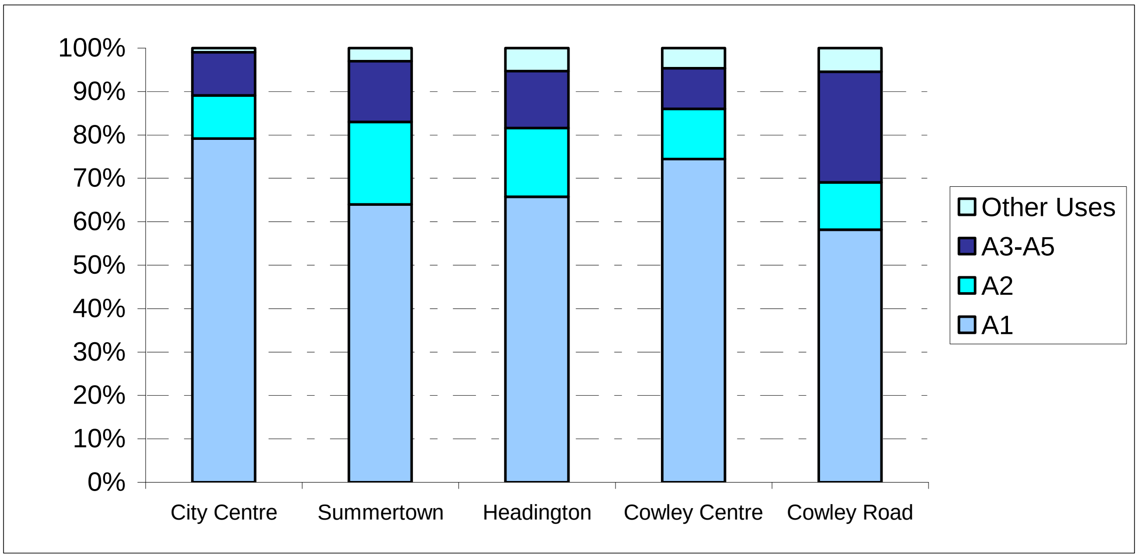
Headington has a vacancy rate at 8%, which has increased from last years figure of only 4% although it is still comparable with other centres. There does however still remain a relatively high proportion of charity shops.

The Cowley centre (Templars' Square) had a vacancy level of 8% last year, which has increased significantly to 16%. Whilst clearly the overall percentage of vacant units has shown a noticeable increase, it does to a degree reflect the large number of A1 (retail) uses within the centre, and the relative lack of other Class A uses.

The city centre and the district centres are generally still performing well, appear healthy with a good level of vitality and viability. Whilst the level of vacancies within each district centre continues to vary, this is often a reflection of the individual characteristics of the centre. It will however be important to monitor the position particularly in the Cowley centre (Templars' Square). Support should be given in principal for new proposals of an appropriate scale, which provide additional retail floorspace and seek to build on policies within the Core Strategy 2026 that promote this shopping centre as a Primary District centre.

Vitality

Figure 36: Percentage of A1 (retail) uses and other Class A uses in the City centre and district centres in January 2007
Source: Oxford City Council survey January 2007



	Local plan target for A1 on designated frontage	Actual A1%	Actual A2%	Actual A3-A5%	Actual other uses%
City Centre	75%	79%	10%	10%	1%
Summertown	65%	64%	19%	14%	3%
Headington	65%	65.8%	15.8%	13.1%	5.3%
Cowley Centre	65%	74.4%	11.6%	9.3%	4.7%
Cowley Road	65%	58.2%	10.9%	25.4%	5.5%

The second indicator is diversity, which is an important measure of the vitality of a centre. It also provides an indication of the role of the centre and its attractiveness to shoppers. This indicator recognises the important role that retailing plays in the centre but assesses the range of other uses available, which contribute to its vitality and viability. The mix of uses is significantly influenced by the policies in the Local Plan relating to the defined shopping frontages within each centre. In the case of the city centre, the proportion of A1 (retail) uses within the primary shopping frontage remains high which reflects its important role as a sub-regional shopping centre, and as a Centre of Significant Change in the emerging South East Plan. Any additional Class A uses are directed towards the secondary shopping locations, to ensure that a diverse range of uses is satisfied.

In the case of the district centres, and in particular the defined district shopping frontages, there still continues to be a reasonable mix of uses, with retail (Class A1) continuing to underpin these centres. Cowley centre (Templars' Square) still has the highest proportion of A1 (retail) uses, although other uses have increased in recent years. Both Summertown and Headington have maintained a predominance of A1 (retail) uses, but with an appropriate mix of additional service related uses, which reflects the thresholds set out in the adopted Local Plan. Although the level of A1 (retail) uses in the Cowley Road is lower, this reflects the relatively small number of units within the core area. The remainder of the commercial properties along the Cowley Road frontage are defined as secondary shopping frontage and as such include a higher proportion of other Class A uses.

It is clear from these contextual indicators that the city centre and district centres still appear to be in a relatively healthy position. Whilst the level of vacancies at the Cowley centre (Templars' Square) is high, it is a managed centre so some of the leases may be coming up for renewal at a similar time. Officers will discuss with the owners the underlying causes of these vacancy levels. The centres generally however contain an appropriate mix of other Class A uses with retail continuing to underpin their role. The position does need to be carefully monitored to assess the performance of each centre in the context of both their future role and respective individual characteristics

Conclusions - Retail

Whilst there has been a relative decline in the amount of office (Class B1a) floorspace, compared to recent years, the most significant growth is still in this sector. The retail (Class A1) and leisure (Class D2) sectors have shown only a modest increase in additional floorspace.

The majority of this new completed office development has taken place in out-of-centre locations, which reflects the historic legacy of Oxford's principal employment sites, such as Business Park and Science Park.

The city and district centres are still generally performing well. Whilst retail underpins these centres there continues to be a good diversity of uses. The current level of vacancies for the Cowley centre (Templars' Square) is higher than previous years, and will be actively monitored and the situation discussed with the managing owners of the centre.

TOURISM			
OBJECTIVE: To have a good range of accommodation and attractions for visitors and residents to enjoy and to encourage tourists to stay longer and spend more.			
Indicators/type of indicator		**Targets**	**On target?**
17 local	**Supply of short-stay accommodation**	Retain the existing stock of tourist accommodation and support the provision of additional accommodation in a range of appropriate locations and to encourage longer stays in Oxford (emerging Regional Spatial Strategy and Oxford Local Plan).	×
18 local	**Supply of new cultural and arts facilities**	To enhance the supply of cultural and arts facilities for the benefit of residents and visitors.	✓

17. Supply of short-stay accommodation

Figure 37: The number of bedspaces of short-stay accommodation gained or lost (completions) in 2007/08

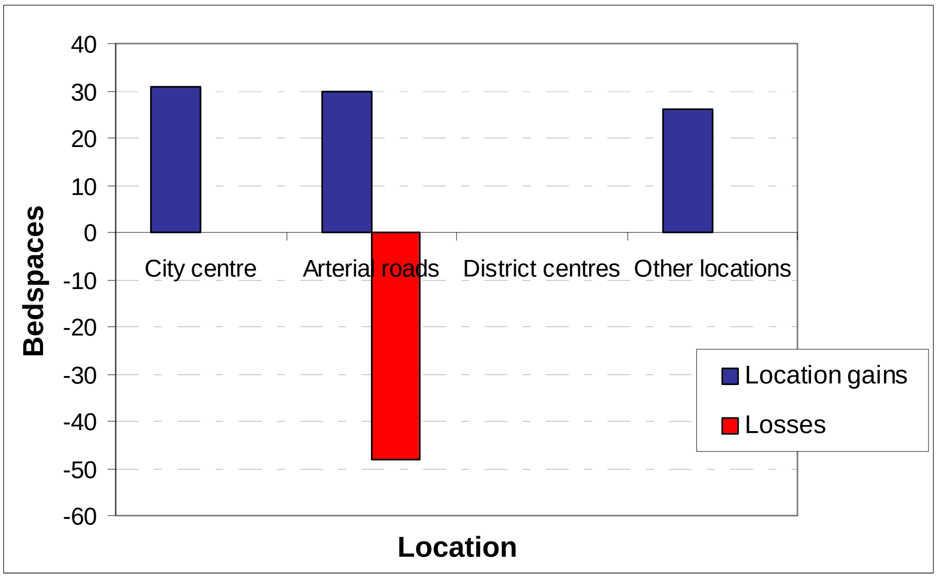
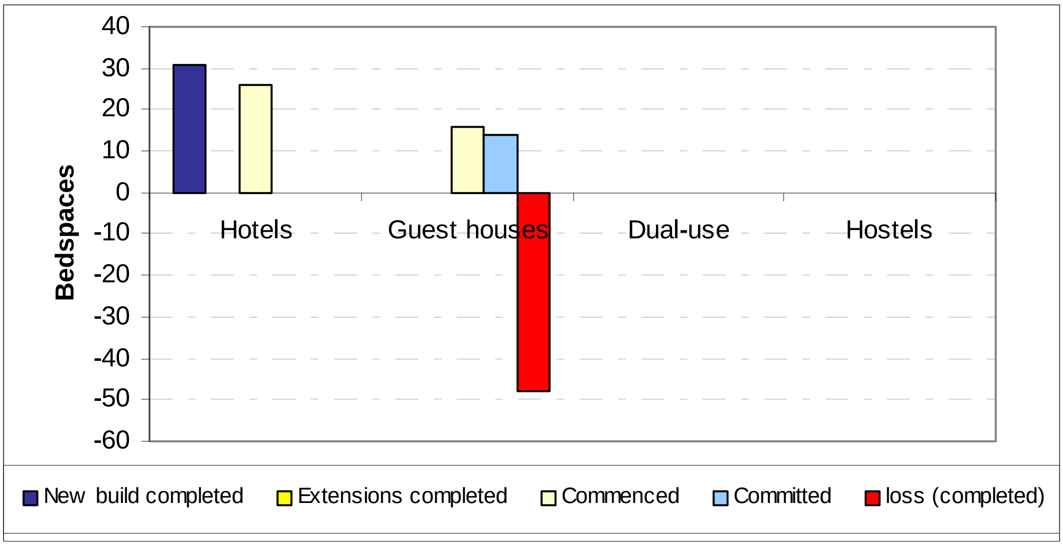


Figure 38: The number of bed-spaces gained or lost, by type of short stay accommodation in 2007/08



In terms of permissions given, developments commenced and completed, there have been more increases than there has been accommodation lost to other uses (completions). However, in terms of developments completed in the monitoring year, there have been more losses than gains, so there has been a reduction in the overall amount of short-stay accommodation available. There has been a loss of three guest houses, two to residential use, and one to multiple occupation, all situated on arterial roads. As with the previous monitoring year, the principal growth has taken place in the hotel sector. All available new accommodation is in the city centre (in Broad Street).

18. Supply of new cultural and arts facilities

Figure 39: Floorspace lost or gained for arts & cultural uses, in m^2, during 2007/2008

There has been continued growth in the museum sector during this current monitoring period. Work has been completed on the 3 storey extension to the Pitt Rivers museum to provide more public and educational space.

There has been a small increase in leisure space, with an extension to a nightclub on the Cowley Road. There have also been planning permissions granted for an extension to the Oxford Youth Theatre and for a new art gallery.

Conclusions – Tourism
This overall pattern of development has taken place within the principal aim of the Local Plan and the City Council's Tourism Strategy to promote long-term sustainable growth of the tourism sector. Oxford therefore continues to build on its strengths as a 'City of Culture' and has significantly added to the cultural attractions of the city. Increases in short stay accommodation have occurred in the city centre. However, in this monitoring year, there has been an overall loss in the supply of short stay accommodation bed spaces.