

# CHAPTER THREE

## A FAIR AND PROSPEROUS CITY WITH A GLOBALLY IMPORTANT ROLE IN LEARNING, KNOWLEDGE AND INNOVATION

### INTRODUCTION

Oxford is a city with a global reputation and has many major economic assets. These include two leading universities, and cutting-edge research in key areas including biotech, data science, quantum technology and robotics. The city is home to an increasingly diverse array of enterprises that are driving economic growth and prosperity for all. The city also has an impressive tourism economy.

Oxford's economy is shaped by the presence of its two successful universities. The city is a major centre for teaching hospitals and is home to several acute and specialist medical research organisations. Oxford is an attractive location for a range of companies and can foster home-grown spin out businesses because of the existing research capabilities, the ready supply of graduates and the clustering effect of organisations with close ties in a number of related areas. Work that is happening in Oxford is helping to find solutions to global problems such as health and climate change. Oxford's economy makes a vital contribution to the regional and national economy.

Oxford is the most sustainable location for employment in the county. It is often easier to strengthen and develop the public and active transport systems to take people to jobs in the city rather than scatter employment to less sustainable locations.

This chapter sets out the following topics:

- Employment strategy
- Community Employment and Procurement Plans
- Affordable workspace
- Hotel and short stay accommodation

# EMPLOYMENT STRATEGY

## Policy context

- Oxford's overall employment floorspace need for the plan period is 412,000sqm.
- This is distributed between each of the employment-generating uses as follows:
  - Office – 21,000 sqm
  - R&D – 345,000sqm
  - Industrial – 0sqm
  - Storage/ Distribution – 46,000sqm
- Oxford has seen strong demand for employment floorspace in key sectors including Research and Development (R&D). There is a strong development pipeline of R&D floorspace being delivered at locations across the city (including Oxford North, Oxford Science Park, ARC Oxford, within the West End of the city centre and at Botley Road).
- The delivery of the employment strategy creates the conditions:
  - For Oxford to meet all identified employment needs arising within the city to 2045;
  - To facilitate the delivery of much needed homes for people on a range of different incomes by:
    - supporting the complete loss of poorly performing employment sites to housing; and
    - allowing an element of housing to come forward on Key Employment Sites, subject to certain criteria being met;
  - To support improvements to the accessibility of services and facilities; and
  - To enable the delivery of infrastructure improvements.

## Policy implementation

- The city's employment strategy:
  - Seeks to modernise and intensify existing employment sites so that the identified employment floorspace need can be met without using additional sites;
  - Enables appropriate redevelopment opportunities to be delivered within the city and district centres;
- While the employment strategy does not require additional sites to meet employment land needs, the intensification of Oxford's existing employment sites is still likely to

draw additional workers into the city. However, by focusing and concentrating new employment floorspace towards known employment sites, this can support the delivery of identified infrastructure schemes contained within the Infrastructure Delivery Plan, including public transport and active travel schemes.

- Oxford's employment sites fall into two categories:
  - Key Employment Sites; and
  - Existing employment sites not designated as Key Employment Sites.
  - *Key Employment sites:*
    - Include nationally and regionally important employment sites that make a significant contribution to the knowledge economy, are significant employers or provide important local services;
    - Have been identified as performing well and having long-term potential for continued employment uses, when assessed against a set of identified criteria and;
    - When located outside the city and district centres are at least 0.25ha;
    - When located within the city and district centres are very large sites (2ha or more).
  - *Existing employment sites not designated as Key Employment Sites:*
    - Often smaller sites;
    - Can be less-well located;
    - Do not perform such an important economic function or are unlikely to be able to in the future.

## **POLICY E1: EMPLOYMENT STRATEGY**

All new development on employment sites needs to show that it is making the best and most efficient use of land and premises, positively promotes sustainable development and does not cause unacceptable environmental impacts.

### **New employment-generating uses:**

Planning permission will be granted for the intensification and modernisation of any Key Employment Site or any employment site in the city centre or district centre.

Outside of these locations:

- a) Existing employment sites not designated as Key Employment Sites (or those in lawful use for the proposed employment use class), can only be regenerated with employment generating uses if better and more intensive use is made of the site through the redevelopment, up-grading or re-use of existing under-used buildings, and
- b) Proposals for additional floorspace for employment-generating uses on existing employment sites not designated as Key Employment Sites (or those in lawful use for the proposed employment use class), outside the city and district centres must follow the sequential approach for new town centre uses as set out in Policy C1.
- c) Planning permission will not be granted for proposals for employment-generating uses outside the following locations:
- d) Key Employment Sites;
- e) the city and district centres;
- f) existing employment sites not designated as Key Employment Sites (or those in lawful use for the proposed employment use class).

Key Employment Sites are listed in Appendix 3.1 and are shown on the policies map. All other employment sites are existing employment sites not designated as Key Employment Sites.

**Loss of employment floorspace and the use of employment sites to support housing delivery**

Planning permission will not be granted for development that results in a net loss of employment floorspace on Key Employment Sites unless it can be fully justified where:

- a) The employment use can be maintained; and
- b) Number of jobs in employment-generating uses is retained.

Planning permission will be granted for the loss of any existing employment sites not designated as Key Employment Sites to other uses, including proposals for housing which, will be supported (subject to a satisfactory assessment of objectives c) to f)).

Proposals involving housing at Key Employment Sites and on existing employment sites not designated as Key Employment Sites will be assessed by a balanced judgement which will take into account the following objectives:

- c) Meet as much housing need as possible in sustainable locations;
- d) Avoid the loss of, or significant harm to, the continued operation or integrity of successful and/ or locally useful, business and employment sites;
- e) Create a pleasant residential environment that provides an acceptable level of amenity for future occupiers;
- f) Create a sense of place that is well-connected by safe walking and cycling routes to shops, schools, open spaces, and community facilities and that is well-served by public transport;
- g) Secure environmental improvements
- h) Avoid locating residential uses in close proximity to existing businesses that may create noise, smells or other potential disturbances as part of the day-to-day operations.

## WAREHOUSING STORAGE AND DISTRIBUTION USES

### Policy context

- New large scale B8 uses are usually low-density and do not generally make for an intensive land-use. In Oxford's context with numerous competing pressures for land, these uses are not likely to make the most efficient use of any land.
- A range of factors dissuade large-scale B8 uses from locating in Oxford including: a lack of proximity to key junctions on the strategic road network; lack of available sites; and competition from higher rental markets such as R&D.
- However, small-scale warehousing, storage and distribution uses can be useful in supporting local employers in sectors such as manufacturing; and are often essential in supporting other key employers within the city to maintain their supply chain.

### Policy implementation

- New B8 Uses can only come forward on Key Employment sites in support of the main employment use or as part of a wider agreed masterplan on sites specifically allocated for that purpose.
- Development proposals involving the loss of B8 uses at Key Employment Sites will need to demonstrate that the B8 use is not needed to support existing businesses/ employment-generating uses operating at that site.
- Proposals involving the loss of B8 floorspace at existing employment sites not designated as Key Employment sites should be assessed in accordance with Policy E1.

- Freight consolidation centres are a specific type of B8 development where goods are grouped together for distribution so that fewer delivery journeys are required by road. This can have a beneficial impact on air pollution, congestion and noise across Oxford. The Council will work with partners to promote the use of freight consolidation centres where possible.

## **POLICY E2: WAREHOUSING, STORAGE AND DISTRIBUTION USES**

Planning permission will only be granted for new or expanded warehousing, storage and distribution uses if it is within an existing Key Employment Site. Development proposals for B8 uses at Key Employment Sites should demonstrate how they will:

- Enable the continued operation of employment-generating uses at that site; and/or
- Be brought forward as part of a wider agreed masterplan on sites specifically allocated for B8; and
- Be delivered in a way that does not result in an adverse impact on residential amenity resulting from an increase in vehicle movements, noise, or dust or smells etc.

Development proposals involving the loss of B8 floorspace (on any Key Employment Site) will need to demonstrate how they comply the loss of floorspace criteria set out in Policy E1.

In addition, planning permission will be granted for the loss of B8 uses (on any Key Employment Site) where it can be demonstrated that:

- The B8 use is not required to support the continued operation of any Key Employment Site.

## **COMMUNITY EMPLOYMENT AND PROCUREMENT PLANS**

### **Policy context**

- Oxford has a tight labour market with different sectors competing for jobs. Many people in Oxford are highly qualified, as reflected in the number of science and knowledge-based jobs in the city.
- This positive situation masks some of the challenges faced in Oxford; parts of the city contain large numbers of people with few to no qualifications, or who are working but on low earnings. There is an opportunity to support local people to access training, education and apprenticeships.
- Providing training opportunities locally can help support the local workforce to acquire appropriate skills and deliver access to a greater range of job opportunities for local people.
- Skills and training for the local workforce is important to support businesses to drive economic growth, productivity and services and deliver wider economic benefits, social value and well-being for all its citizens.

### **Policy implementation**

- Community Employment and Procurement Plans have an important role to play in securing opportunities that arise from new development, both in the construction and operational phases of development.
- A Technical Advice Note (TAN) that expands on various aspects of the policy (including advice on how to prepare a CEPP, successful implementation and monitoring) will be produced to support delivery of the policy.
- The City Council is committed to working in partnership with businesses and key partners, such as Enterprise Oxfordshire, Oxford Strategic Partnership, to promote an 'inclusive economy'.

## **POLICY E3: COMMUNITY EMPLOYMENT AND PROCUREMENT PLANS**

Planning permission will only be granted for proposals of 50 or more dwellings (or the number of rooms in student/ communal accommodation that equate to this when the relevant ratio is applied) or 5,000sqm (GIA) or more non-residential floorspace where they are supported by a Community Employment and Procurement Plan (CEPP). The CEPP must identify the opportunities that will be provided by the development to support the inclusive economy, demonstrate the social value of the proposals and set out how they will be promoted and delivered. CEPPs will be expected to demonstrate consideration of all the following measures:

- a) Securing construction jobs for local residents;

- b) Providing construction apprenticeships and/or training opportunities for local residents;
- c) Linking with local schools and colleges;
- d) Securing jobs in the operational/ end-user phase for local residents;
- e) Procuring a proportion of on-going supply chain needs locally;
- f) Paying all employees (other than apprentices) the Oxford Living Wage;
- g) Only using contractors who commit to paying the Oxford Living Wage or other social clauses appropriate to the development
- h) Procuring a proportion of construction materials locally; and
- i) Delivery of affordable workspaces.

The City Council will usually use a legal agreement to secure these commitments in accordance with a site-specific CEPP.

Smaller developments (proposals for major development below the threshold for a CEPP) will be expected to provide a written statement in support of their planning application to show what job opportunities, and/or skills and training prospects can be delivered during the construction and or end-user phase of the development.

## AFFORDABLE WORKSPACES

### Policy context

- Due to the recent strength of the R&D market and associated rents, many SMEs and Social Enterprises are being priced out of the city or have experienced difficulties finding suitable affordable workspace.
- This has a detrimental impact on economic diversity, innovation opportunities and productivity the foundation of a robust economy.
- Providing affordable workspace would:
  - Enable a broader range of ‘foundational’ businesses to remain in, or locate to the city;
  - Bring more diversity to the city’s employment offer; and
  - Support employment opportunities that would be otherwise unavailable;
  - Help local people start-up new businesses;
  - Support social and cultural enterprises; and
  - Promote social value

- Supporting the delivery of affordable workspaces at key locations across the city aligns with the vision for an ‘inclusive economy’, set out in the Oxford Economic Strategy, and the aims and objectives of the Oxfordshire Strategic Economic Plan, that relate to ‘productivity and the foundational economy’.

### **Policy implementation**

- The policy:
  - identifies specific sites where the delivery of affordable workspace is anticipated; and
  - requires qualifying development proposals to produce an affordable workspace strategy
- Affordable workspaces should be delivered on-site and should be designed and fitted out to meet the needs of the sector for the future SME or Social Enterprise occupier (See glossary definition for more details).
- A Technical Advice Note (TAN) that expands on various aspects of the policy will be produced (including advice on how to prepare an affordable workspace strategy, implementation of the policy and monitoring) to support the delivery of the policy.

### **POLICY E4: AFFORDABLE WORKSPACES**

Development proposals delivering a net gain of 5,000 sqm GIA or more employment-generating uses (or flexible E-Class uses which could be used for employment-generating uses) on the following sites are expected to produce an affordable workspace strategy:

- a) ARC Oxford
- b) Oxford Science Park
- c) Oxpens
- d) Osney Mead
- e) Nuffield Sites
- f) Kassam Stadium and Ozone Leisure Park
- g) Unipart
- h) Oxford North
- i) Red Barn Farm
- j) Botley Road Retail Park

Details of the size, marketing, servicing, management and how the space provided will meet end-user requirements, should be set out in an Affordable Workspace Strategy (AWS). The AWS should explain how the proposed provision helps to overcome market failures that would otherwise prevent beneficial workspace typologies (as identified in the glossary definition) from coming forward.

The City Council will usually use a legal agreement to secure these commitments in accordance with a site-specific AWS.

Affordable workspace that is brought forward in accordance with an agreed site-wide masterplan is encouraged.

## HOTELS AND SHORT STAY ACCOMMODATION

### Policy context

- According to [Experience Oxfordshire's Economic Impact Report 2024](#) there were more than 6.4million visitors to Oxford, which generated a total spend of more than £715mn. Tourism is a significant sector of Oxford's economy accounting for 13% of jobs in the city.
- Tourists and visitors to the city help support a wide range of facilities and attractions, such as theatres, cinemas and museums. However, more than 84% of visitors to Oxford spend less than 24 hours in the city, and these account for only 44% of the total visitor spend.
- Visitors to Oxford who stay overnight contribute significantly more to the visitor economy than those visiting for the day. The City Council therefore seeks to support the visitor economy by encouraging longer stays and higher spend in the city.
- Oxford has a good range of short stay accommodation.
- Accommodating significant numbers of day visits to Oxford can be challenging, particularly in the historic city core, where a dense network of streets and alleys exists dating back to Saxon and medieval times.

### Policy implementation

- 'Tourism and hotel development' are 'main town centre uses' (Glossary, NPPF, Dec 2024) and as such, their future growth is subject to a 'sequential approach' that directs new development towards the city and district centres.
- One of the key priorities for the City Council is delivering new homes. As such, proposals for new (including changes of use), expanded and/ or refurbished existing

- hotel and short stay accommodation should not result in the loss of residential dwellings.
- The Hotel and Short Stay Accommodation Study (2023) recognises that smaller existing tourism and short stay accommodation can be more prone to financial difficulties. As such, it includes a recommendation that smaller hotel and short stay accommodation (less than 10 bedrooms) should be allowed to change use to residential without the need to produce evidence to demonstrate non-viability.

## **POLICY E5: HOTEL AND SHORT STAY ACCOMMODATION**

Planning permission will only be granted for new hotel and short stay accommodation (including changes of use) in the following locations:

- In the city centre;
- In district centres;
- On sites allocated for that purpose; and
- On Oxford's main arterial roads where there is frequent and direct public transport to the city centre.

Planning permission will only be granted for new hotel and short stay accommodation (including changes of use) or for the expansion and/ or refurbishment of existing accommodation where it meets the following criteria:

- It is acceptable in terms of access, parking, highway safety, traffic generation, pedestrian and cycle movements; and
- It does not result in the net loss of a residential dwelling(s) as set out in Policy H6; and
- It will not result in an unacceptable level of noise and/or disturbance to nearby residents.

Planning permission will only be granted for the change of use from hotel and short stay accommodation when any of the following criteria are met:

- The existing property has less than 10 bedrooms and is proposed to be changed to residential use.
- Where an existing property has 10 or more bedrooms, and is located within the city centre, a district centre, or on a main arterial road, and it has been demonstrated through the submission of robust evidence that it is no longer viable in that use;
- A property is unsuitable for the use, as demonstrated by being contrary to the location requirements or any of criteria a-c above.

