

According to the newly published UK Competitiveness Index 2013, Oxford City is ranked as the 8th most competitive of 45 cities across the UK, down from 6th place in the 2010 index. Cambridge leads the table, up from 4th place in 2010.

The Oxfordshire Local Enterprise Partnership area ranks as 6th most competitive out of 39 LEPs, unchanged from 2010.

All Oxfordshire districts rank in the top 20% of local authorities nationally.

Oxfordshire's economy has featured prominently in the news this year, not least with the signing of the Oxfordshire [City Deal](#) promising £1.2bn investment in Oxfordshire and the creation of 19,000 new jobs. This briefing looks at the figures behind the county's success as a competitive economy and how we compare nationally.

The UK Competitiveness Index (UKCI), published by the Centre for International Competitiveness, combines a range of factors which reflect place competitiveness into a single index. This index shows the relative economic competitiveness of localities across the UK, and ranks all five Oxfordshire district areas in the top 20% of authorities nationally.

The following sections look in more detail at some of the measures in the index.

UKCI 2013, Local authority ranks

<i>District</i>	<i>Overall Rank* 2010</i>	<i>Overall Rank* 2013</i>
Oxford	69	49
South Oxfordshire	57	52
Vale of White Horse	40	58
Cherwell	56	76
West Oxfordshire	82	78

**Rank out of 379*

1. Productivity

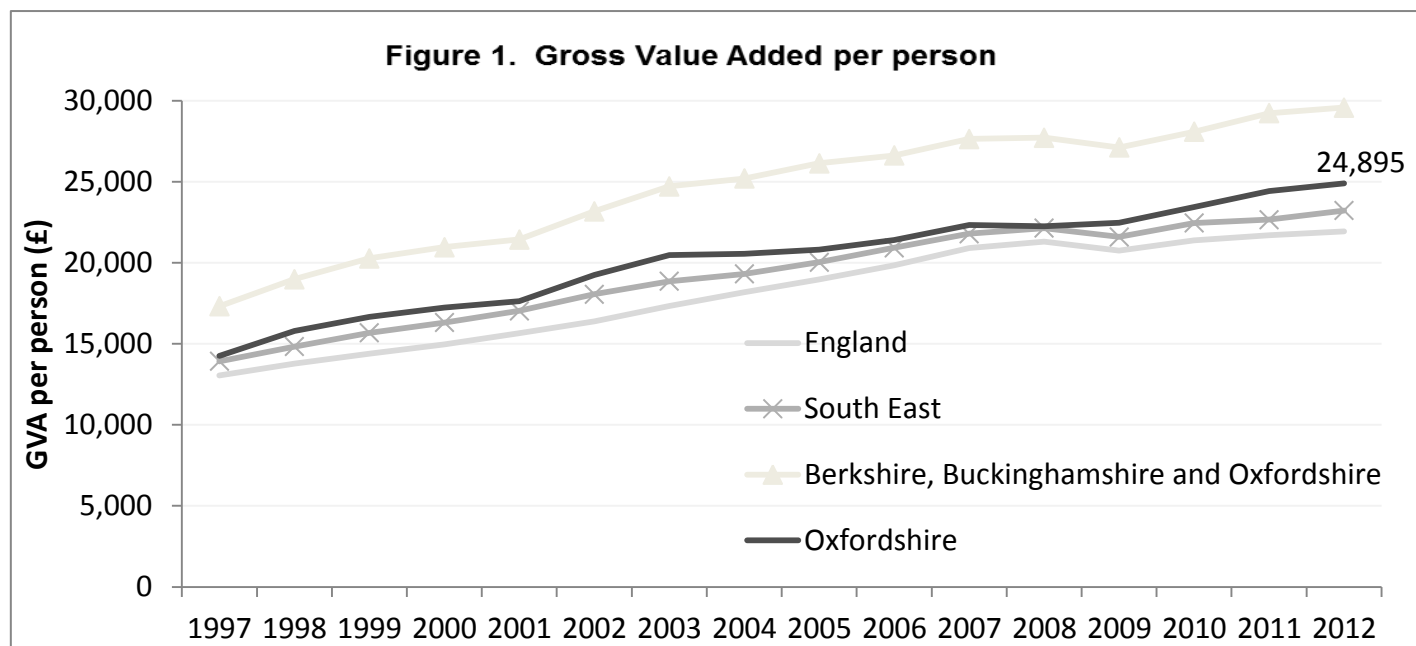
In 2012, Oxfordshire contributed £16.5 billion Gross Value Added (GVA) to the UK economy¹. This is a key measure of economic performance that shows the increase in the value of the economy due to the production of goods and services.

At £24,900 per person, Oxfordshire's GVA is well above the national (England, £21,937) and regional (£22,369) averages. There has been broadly consistent growth from 1997 to 2012, with just a slight fall from 2008 to 2009.

¹ Office for National Statistics, Regional Gross Value Added (Income Approach), December 2013



A recent report for the Oxfordshire Local Enterprise Partnership (LEP)² suggested that an additional £500m in GVA could have been created in the local economy between 1997 and 2011 had Oxfordshire's GVA grown at the same rate as Cambridgeshire's. The City Deal aims to unlock this potential.



Source: Office for National Statistics, December 2013

The largest proportion of Oxfordshire's GVA is contributed by the public administration, education and health sector (22%, up from 10% ten years ago), followed by the distribution, transport, accommodation and food sector (17%, down from 19% in 2001).

UKCI 2013, GVA per capita

	Jan-Dec 2012	UKCI 2013 Rank
Cherwell	22,013	87
Oxford	33,424	18
South Oxfordshire	19,520	129
Vale of White Horse	19,810	122
West Oxfordshire	19,274	134

Source: UK Competitiveness Index, 2013

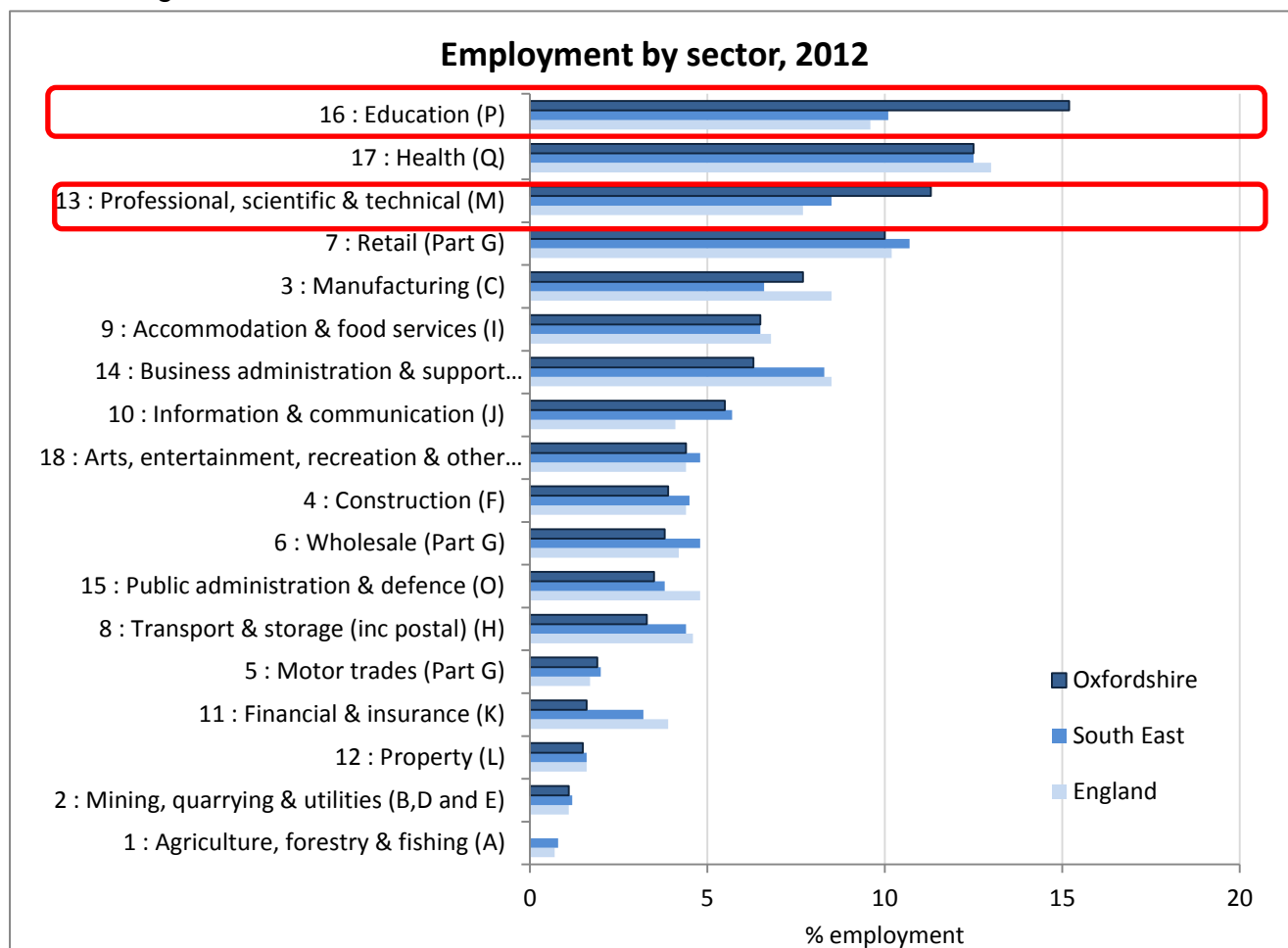
According to the UKCI 2013, Oxford ranks 18th out of 379 UK local authorities for GVA per capita, at £33,424 per person.

² SQW, Oxfordshire Innovation Engine

Employment

Latest estimates show that 347,500 of Oxfordshire's working age population (78.3%) are in employment, above the national average (71.2%).

As well as being a key contributor to the county's GVA, the education sector provides the largest proportion of employment (at 15.2%, well above the national average, 9.6%). Employment in the professional, scientific and technical (11.3%) sector is also above the national and regional averages, whilst employment in the business administration & support services, and finance and insurance is well below average.



Source: Office for National Statistics, Business Register and Employment Survey

Of key importance in Oxfordshire's economy and the focus of the City Deal, is employment in the high tech and knowledge intensive sectors. High tech knowledge intensive services accounted for around 16,000 jobs in Oxfordshire in 2012, high tech manufacturing accounted for a further 4,000.

The UK competitiveness index includes a measure of knowledge-based businesses, recognising the contribution that this plays in economic competitiveness. South Oxfordshire ranks highest of the five Oxfordshire districts in the UKCI13 measure, at 48th out of 379 UK local authorities (rank is based on proportion of knowledge based businesses compared against the UK average).

UKCI 2013, Rank by Knowledge-based business index

District	Rank
South Oxfordshire	48
Oxford	152
Vale of White Horse	126
West Oxfordshire	163
Cherwell	234

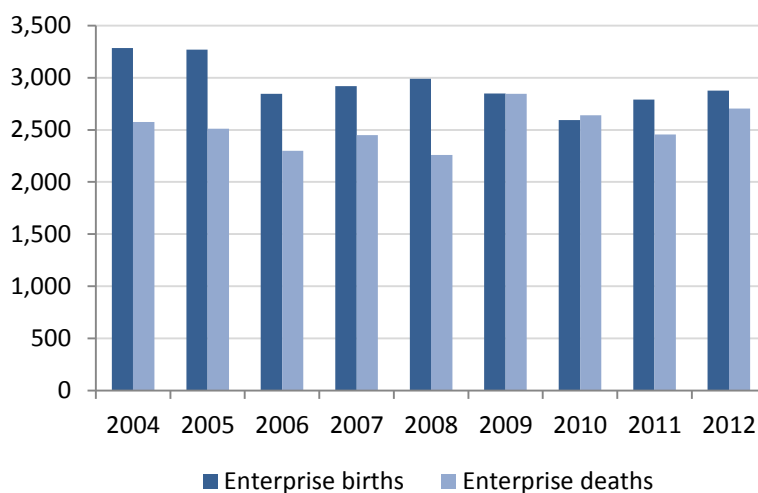
Businesses

Small and medium enterprises form the basis of Oxfordshire's economy. Of the 29,000 businesses in the county, 90% employ less than 9 staff, and less than 3% employ more than 250 staff³.

Latest data⁴ show 11.1% fewer businesses started up in the Oxfordshire Local Enterprise Partnership (LEP) area during the last month of 2013, than in the corresponding period of 2012. This growth rate ranks Oxfordshire LEP 20th out of 39 local enterprise partnerships. Figures from the Office for National Statistics show more businesses started up than closed down during 2011 and 2012, reversing the trend seen in the previous two years (figure 2).

Of the enterprises starting up in 2011, 93.7% were still operating one year later. This survival rate is in line with national and regional averages. 95.5% of businesses starting up in West Oxfordshire were continuing to trade one year later.

Business start ups and closures, 2004 to 2012

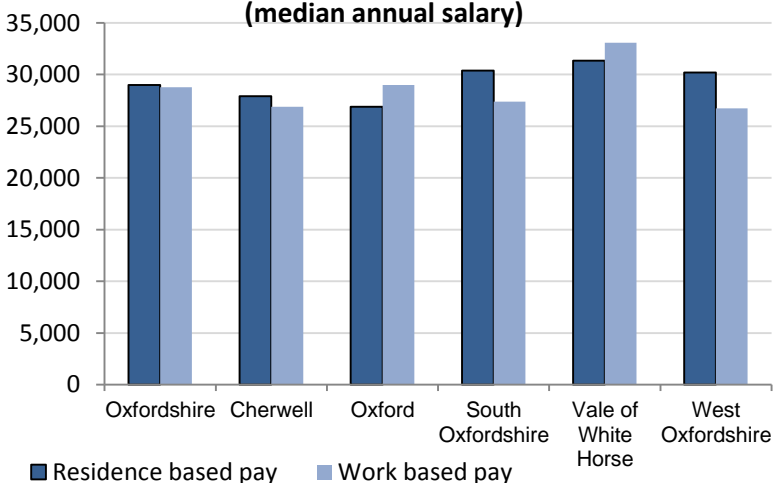


Source: ONS Business Demography, December 2012

Earnings

The median annual pay⁵ for full time employees living in Oxfordshire in 2013 was £29,393. This is up 1.4% from the previous year and is above the national average (£27,375) although slightly below the regional (£29,732).

**Workplace vs residence based pay
(median annual salary)**



Source: ONS, Annual Survey of Hours and Earnings

³ Oxford City deal submission

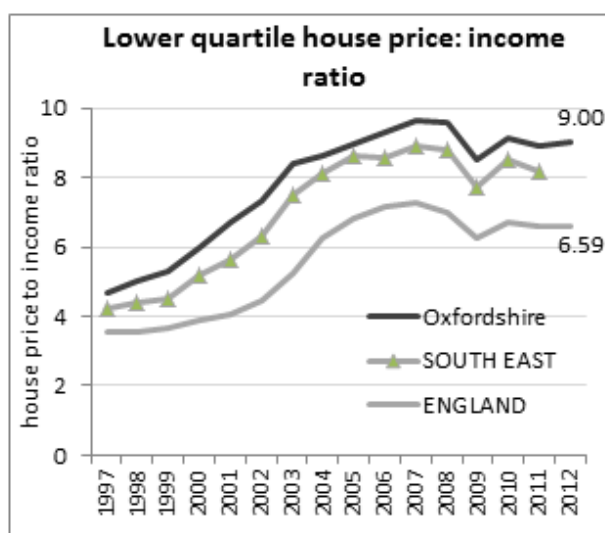
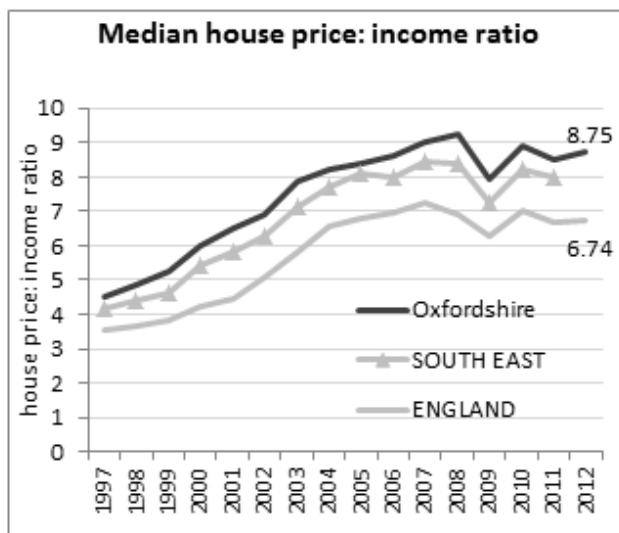
⁴ BankSearch consultancy

⁵ Median income is used to avoid the picture being skewed by individual incomes of very high earners. The average income in 2013 was £35,933.

House prices

Although earnings in Oxfordshire are above the national average, the cost of living in the county is also high. House prices are almost nine times higher than annual earnings, ranging from 10.64 times in South Oxfordshire to 7.58 times in Vale of White Horse.

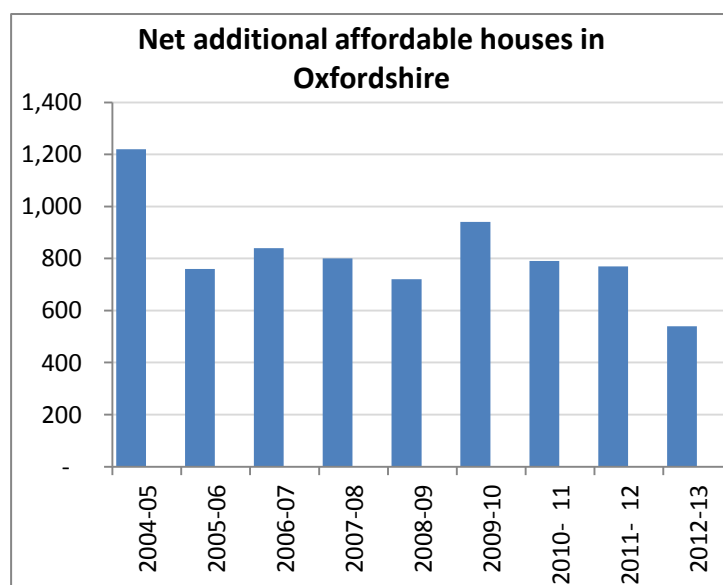
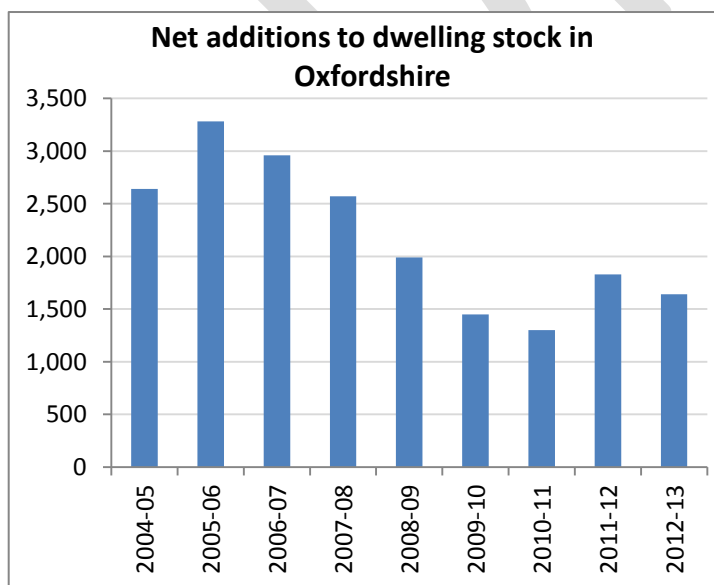
The ratio of lower priced houses to the lower 25% of incomes gives an indication of affordability – or not as the figures show: the price of the most affordable housing in Oxfordshire remains nine times higher than the lowest 25% of earnings.



Source: Department for Communities and Local Government, live housing tables numbers 576 and 577

The City Deal identifies affordable housing as a key barrier to economic growth, and aims to address this issue by accelerating house building in the county and by ensuring that a significant proportion of the new homes are affordable.

The number of dwellings in Oxfordshire increased by 19,000 from 2004/05 to 2012/13. Over the same period, the number of affordable homes increased by 7,380 (including social rent, affordable rent, intermediate rent and affordable home ownership – new builds and acquisitions).



Source: Department for Communities, Live Housing Table 122 and 1008

Skills

Almost half of Oxfordshire's working age residents (47%) are qualified to NVQ4 (degree level) or above (59% in Oxford City). This is significantly above the national average (33%) and the largest proportion of any county authority⁶.

Oxford is ranked 5th on this measure in the UKCI, 2013.

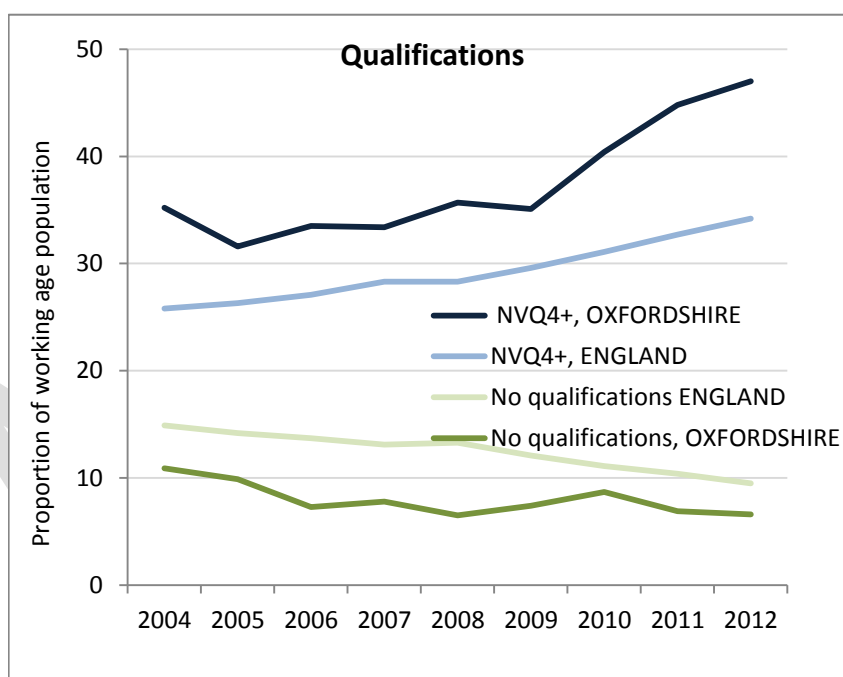
The proportion of people in Oxfordshire with no qualifications (6.6%) is significantly below the national average (9.5%).

A survey carried out in 2013⁷ found that shortages of scientific and technical skills were identified by most respondents as a constraint on growth, particularly in the engineering, motorsport and physical science sectors.

UKCI 2013, NVQ4+

	Rate Jan-Dec 2012	UKCI 2013 Rank
Cherwell	42.0	62
Oxford	62.3	5
South Oxfordshire	40.8	78
Vale of White Horse	41.5	69
West Oxfordshire	40.8	79

Source: UKCI, based on Annual population Survey, 2012



The emerging Oxfordshire Skills Strategy aims to address these issues, and includes as a strategic priority, the need to *meet the needs of local employers through a more integrated and responsive approach to education and training* - more training provision will be encouraged in priority sectors - both current and projected - to meet the needs of employers or to train future entrepreneurs, particularly in science, technology, engineering and mathematics (STEM).

The need to up-skill and improve the chances of people with few or no formal qualifications to move people closer to the labour market is also prioritised.

Find out more about the Oxfordshire Skills Strategy and the Oxfordshire Skills Board at:

<http://www.oxfordshireskillsboard.org/>



⁶ Office for National Statistics, Annual population survey

⁷ SQW, Oxfordshire Innovation Engine

UK Competitiveness Index by local authority: summary for Oxfordshire

The previous sections show that Oxfordshire districts consistently feature amongst the most highly ranked local authorities across England and Wales on each of the measures included in the UK Competitiveness Index. The ranks for each measure included in the Index are shown in the table below. The UK Competitiveness Report, 2013, published by the Centre for International Competitiveness is available to download at <http://www.cforic.org/pages/ukci2013.php>.

		Cherwell	Oxford	South Oxfordshire	Vale of White Horse	West Oxfordshire
KNOWLEDGE-BASED BUSINESSES EMPLOYMENT INDEX	Index	94.6	102.1	114.4	103.9	101.2
	Rank	234	152	48	126	163
% WORKING AGE WITH NVQ4+	Jan-Dec 2012	42	62.3	40.8	41.5	40.8
	Rank	62	5	78	69	79
BUSINESS REGISTRATIONS PER 10,000 INHABITANTS	2011	41.8	35	54.8	40.2	41.7
	Rank	133	210	54	144	134
BUSINESSES PER 1,000 INHABITANTS	2011	42.1	27.1	53.5	41.8	48.4
	Rank	101	265	29	104	56
ECONOMIC ACTIVITY RATE (WORKING AGE)	Jan-Dec 2012	88.7	76.7	83.7	82.5	84.6
	Rank	2	242	38	62	25
WORKING AGE EMPLOYMENT RATE	Jan- Dec 2012	82.5	71.8	78.9	77.7	79.9
	Rank	11	212	50	73	34
GVA PER CAPITA	2010	22,013	33,424	19,520	19,810	19,274
	Rank	87	18	129	122	134
PRODUCTIVITY	2010	45,992	45,992	45,992	45,992	45,992
	Rank	118	117	120	119	121
FT WEEKLY MEDIAN PAY	2012	489.3	550.9	502.4	632.4	499.3
	Rank	149	57	119	17	128
CLAIMANT RATE	2012/13*	1.5	2.2	1.3	1.4	1.3
	Rank	36	109	9	21	13
INDEX OF INPUTS	2013	111.1	106.2	125.8	110.3	114.2
	Rank	89	118	28	95	78
INDEX OF OUTPUTS	2013	106.2	117.4	100.5	100.5	100.6
	Rank	62	29	103	104	102
INDEX OF OUTCOMES	2013	99.5	105.2	101	113.4	100.6
	Rank	132	54	104	14	108

*(Jun, Sep, Dec, Mar average)

Source: UK Competitiveness Index, 2013

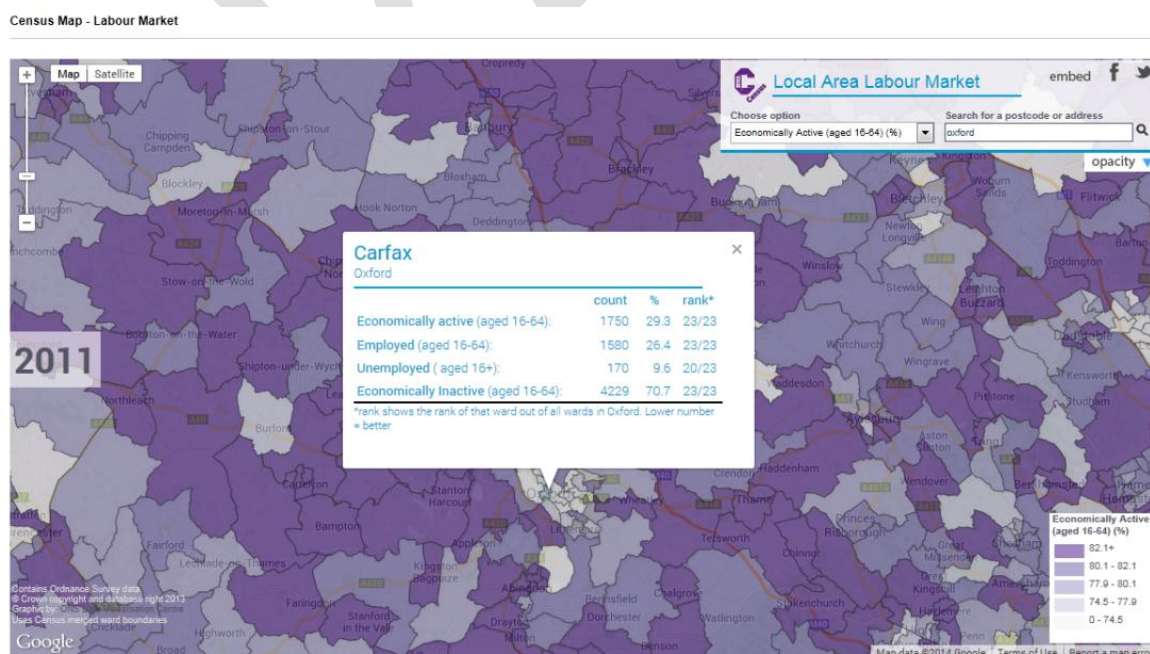
Latest economic data from the 2011 Census

The latest release of 2011 Census data is also focussed on the economy, and makes available a range of small area census data on economic activity, the labour market and qualifications.

Economic activity

- Four of the five wards across England and Wales with the highest employment rates area in Oxfordshire:
 - Bicester South, second highest rate at 88%;
 - Carterton South, third highest, 87.4% (ONS suggest this may reflect the presence of Brize Norton personnel in this area);
 - Thame North and Didcot Ladygrove rank fifth, both with employment rates of 86.7%.
- Carfax ward in Oxford recorded the fourth lowest employment rate at 26.4%. Carfax also had one of the highest economic inactivity rates (70.7%), clearly reflecting the large number of students in the ward.
- Didcot Ladygrove and Carterton South rank in the five wards with the lowest economic inactivity rates across England and Wales.

You can view the data for your local area on the interactive map on the Office for National Statistics website, <http://www.ons.gov.uk/ons/interactive/census-map---labour-market/index.html>. The data tables can be accessed directly from [Nomis](#) or follow the links from [Oxfordshire Insight](#).



Source: Office for National Statistics, 2011 Census

To find out more about the data featured in this briefing, as well as other facts and figures about Oxfordshire, visit our website at www.oxfordshire.gov.uk/insight or contact us by email at observatory@oxfordshire.gov.uk.