

4 OXFORD: THE UNIVERSITY AND THE CITY

This section provides background to the University of Oxford as well as describing the economic context in which it operates.

4.1 University of Oxford

The University of Oxford is the oldest university in the English-speaking world, with teaching taking place since 1096. It has played an important role in history and culture for centuries, educating several of the world's leading politicians and conducting research and scholarship that has revolutionised the world. In 2104/15 the collegiate University employed more than 17,620 staff, had a total income of £1.9 billion and more than 19,800 full-time students.

The University's aim is to lead the world in research and education in ways that benefit society on a national and global scale. As an internationally renowned centre for teaching and research, the University of Oxford is consistently ranked among the foremost universities in the world:

- the University is ranked first in the world in the Times Higher Education University Rankings⁶;
- the University is ranked first in the UK for research council income;
- in the disciplinary tables, the University was ranked for the sixth year running, first in the world for Clinical, Pre-Clinical and Health subjects;
- ranked second in the world and first in the UK for Social Sciences;
- placed third in the world and first in the UK for Arts and Humanities, Business and Economics, Computer Science, and Engineering and Technology;
- third in the world and second in the UK for Life Sciences; and
- sixth in the world and second in the UK for Physical Sciences.

The University of Oxford attracts students and scholars from across the globe. These students are organised into one of 38 self-governing and financially independent colleges and six permanent private halls. The collegiate system is at the heart of the University's success, giving students and academics the benefits of belonging both to a large, internationally renowned institution and to a small, interdisciplinary academic community. It brings together leading academics and students across subjects and year groups and from different cultures and countries, helping to foster the interdisciplinary approach that inspires much of the research achievement of the University and makes it a leader in so many fields.

The official UK-wide assessment of all university research, the Research Excellence Framework, found that the University of Oxford had the largest volume of world-leading research in the UK. The University submitted 2,409 members of Oxford's academic staff, researching in 31 academic areas. The assessment panels rated 48% of the University's research in the 'world-leading' category while 39% more was rated as 'internationally excellent'. The University was placed first by overall output and impact in several subjects including Mathematical Sciences, Engineering, Anthropology and Development Studies, and Philosophy.

⁶ Times Higher Education (2016), World University Rankings 2016-17

The University has also played a leading role in the creation and development of two science park facilities (Oxford Science Park and Begbroke Science Park). In addition, Oxford University Press is the world’s largest university press with offices in 50 countries and more than 6,000 employees worldwide.

4.2 Local Socio-economic Context

This section presents contextual socio-economic information about Oxford City.

4.2.1 Key Economic Sectors

Oxford City has a population of 159,600, almost a quarter of the total population of Oxfordshire. There were 121,930 jobs in Oxford City in 2015, accounting for around a third of jobs in Oxfordshire.

Together, the public sector (health, education and public administration and defence) accounts for almost 50% of jobs in Oxford City, compared to a UK average of 26%. Oxford’s unique strengths in the education and health sectors are the reason why such a high proportion of the jobs in Oxford are in the public sector.

The most important sector of employment in Oxford City is the education sector accounting for 29% of jobs, significantly higher than the UK average (9%). The second most important sector of employment is the health sector, accounting for 17% of jobs in Oxford City compared to a UK average of 9%. The University of Oxford (c.17,620 employees in 2014/15) is the largest employer in Oxfordshire, followed by the Oxford Radcliffe Hospitals NHS Trust (10,136) and BMW Manufacturing (UK) Limited (3,700 employees).⁷

Other important sectors of employment in Oxford City include: professional, scientific and technical services; accommodation and food services; retail; and information and communication.

Table 4.1 – Key Economic Sectors

	Oxford City	Oxfordshire	Great Britain
Education	29%	16%	9%
Health	17%	12%	13%
Professional, Scientific and Technical	8%	12%	8%
Accommodation & Food Services	7%	7%	7%
Retail	7%	9%	10%
Information & Communication	6%	6%	4%
Construction	5%	5%	5%
Total Employment	121,930	363,804	29,545,555

Source: ONS (2016), Business, Register and Employment Survey 2015

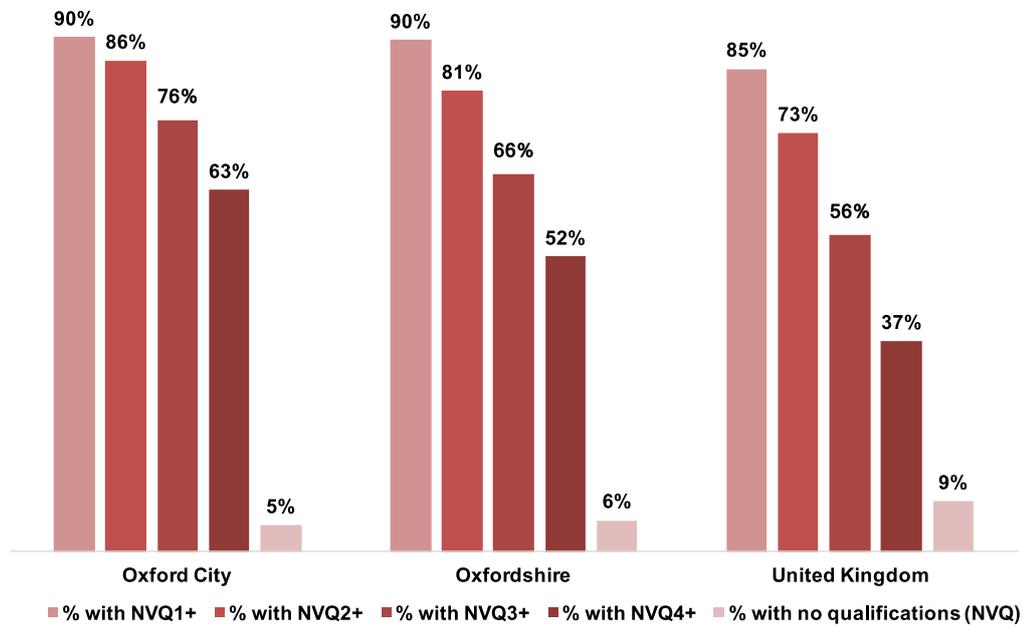
4.2.2 Education

The economic prosperity of an area is often linked with the level of education of the local population, as a highly qualified population often means higher paid jobs which in turn has knock-on effects for unemployment and average wages.

⁷ Oxfordshire County Council (2012), Oxfordshire Insight, Oxfordshire's Top 100 Employers

Qualification levels of those aged 16-64 for each of the study areas is shown in Figure 4.1. This indicates that at each level of qualifications, Oxford City has a higher proportion of people qualified than the UK average. For example, 63% of the working age population in Oxford City is qualified to degree level, substantially higher than the average for the UK as a whole (37%).

Figure 4.1 – Qualification Levels (% of 16-64 Population)



Source: ONS (2016), Annual Population Survey Jan 2015-Dec 2015

4.2.3 Income

Figure 4.2 presents two different measures of income; gross annual income by workplace and gross annual income by residence. People who work in Oxford City earn on average £31,675 per year, compared to a UK wide average of £28,213. Workplace-based annual pay in Oxford City is therefore 12% higher than the UK average. Residence-based pay is 6% lower than workplace-based pay in Oxford City, suggesting that many workers commute in and out of the area.

Figure 4.2 – Gross Annual Pay by Workplace and Residence



Source: ONS (2016), *Annual Survey of Hours and Earnings 2015, Resident and Workplace Analysis*.

4.2.4 Housing

Analysis of housing market data and local wages indicates that Oxford is the most unaffordable place to live in Britain⁸. The average cost of a house in Oxford in 2014 was £426,720. Average house prices in the city are 16.1 times local average annual income. To put this into perspective, average house prices in London are 15.7 times higher than annual income.

There is a perception that the lack of housing and the high prices are a consequence of the University's presence in Oxford. Some of the University's staff and students will add to the demand for accommodation in the city. However, Oxford is dissimilar to most university towns where the majority of students stay in private rented accommodation thereby driving up prices where supply is limited. In contrast, the vast majority (72%) of students at the University of Oxford stay in University/College accommodation and therefore cannot be the sole cause of the high house prices.

It is also important to note that Oxford's appeal as a place to live is not driven only by the University but also by its proximity to London. This is supported by the views of the research cited above, which states that Oxford's house prices have been driven up by the large number of London commuters who have moved out of the capital in search of cheaper housing. In addition, restrictive planning laws protecting the greenbelt around Oxford City from housing development have exacerbated the problem.

⁸ Financial Times (2015), *Oxford Houses Less Affordable than London*, Available at: <https://www.ft.com/content/0075f31a-bc3e-11e4-a6d7-00144feab7de>

4.2.5 Regional Development

The University of Oxford plays an important role in regional development aspirations. The Oxfordshire Local Economic Partnership (OxLEP) recognises that Oxfordshire is already a successful economy but that it operates in a globally competitive arena. OxLEP's aim is to create the conditions that make the county the location of choice for the world's leading science and technology businesses. The role of the University of Oxford in attracting and retaining science and technology businesses and talented people is crucial to realising this aim.