

OEO Briefing Paper Series

**Oxfordshire Quarterly Economic
Update – April 2008**

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Contents

1.	Introduction	3
2.	Gross Value Added	5
3.	Earnings and Income	6
4.	Business Stock	8
5.	Commercial and Industrial Property	10
6.	Employment Growth	10
7.	Other Labour Market Indicators	13
8.	Benefit Claimants	16
9.	Deprivation Indicators	18
10.	Educational Attainment	21
11.	Housing Market	23
12.	Oxfordshire's Comparative Performance	25

1. Introduction

This report is the latest in a series of regular updates looking at recent changes in the Oxfordshire economy. It has been prepared by the Oxfordshire Economic Observatory (OEO). The report draws largely on official statistics that have been released in the last six months, since the completion of the last report in October 2007.

New or updated statistics released since the last report include a number of annual updates to key economic indicators, including gross value added (GVA), average earnings, employment, VAT registrations, and exam attainment (including 2007 results at GCSE and 'A' level). The report also includes the latest monthly or quarterly data on employment rates, claimant count unemployment, numbers of working age benefit claimants and house prices. Results from the new Indices of Deprivation 2007, released in December 2007, are also included in the report. A full list of the updated indicators discussed in the report is shown below.

- Estimates of gross value added (GVA) for 2005, plus revised estimates for earlier years (released by the Office for National Statistics in December 2007);
- Average earnings data for 2007 (from the 2007 Annual Survey of Hours and Earnings, released by ONS in November 2007);
- Personal incomes of taxpayers for the 2005/06 financial year (released by HMRC in February 2008);
- VAT registrations data for 2006, showing numbers of businesses registered for VAT (released by the Department for Business, Enterprise & Regulatory Reform in November 2007);
- Commercial and industrial property statistics, updated to April 2007 (released by the Department for Communities & Local Government in February 2008);
- Annual Business Inquiry employment data for 2006, plus revised 2005 data (released by ONS in December 2007);
- Updated labour market indicators for the 12 months to June 2007, including employment and inactivity rates (from the Annual Population Survey, released by ONS in February 2008);
- Claimant count unemployment data for February 2008 (released by ONS in March 2008);

- DWP benefits data for the April-June 2007 quarter (released by the Department for Work & Pensions in November 2007);
- Indices of Deprivation 2007, which update the previous set of deprivation rankings released in 2004 (Indices of Deprivation 2004) (released by the Department for Communities & Local Government in December 2007);
- GCSE and A level exam performance for 2007 (released by the Department for Children, Schools & Families in January 2008);
- Average house prices and affordability, for the second quarter of 2007 (released by DCLG, based on Land Registry data, in December 2007).

In order to benchmark the performance of the Oxfordshire economy, the report includes comparisons with regional and national averages, and where possible with the county's geographic neighbours. These are defined as the counties or former counties immediately adjacent to Oxfordshire, i.e. Berkshire, Buckinghamshire (including Milton Keynes), Gloucestershire, Northamptonshire, Warwickshire and Wiltshire (including Swindon).

For data on educational attainment, comparisons are also made with Oxfordshire's statistical neighbours. These are defined as those local education authorities closest to Oxfordshire in terms of their socio-economic characteristics, as defined in the Children's Services Statistical Neighbour Benchmarking Model developed for the Department for Children, Schools and Families. Oxfordshire's ten closest statistical neighbours, in descending order of proximity, are:

- Cambridgeshire;
- Bath & North East Somerset;
- West Berkshire;
- Hertfordshire;
- Wiltshire;
- Hampshire;
- Gloucestershire;
- Bracknell Forest;
- Bedfordshire;
- Buckinghamshire.

A breakdown of results at local authority district level is provided for most indicators, and additional data is provided for selected towns in Oxfordshire where possible.

2. Gross Value Added

The latest estimates of gross value added for Oxfordshire were released in December 2007. Gross value added (GVA) measures the total monetary value of an economy's output, and when expressed in per capita terms it is one of the most useful indicators of an area's overall economic performance. The latest release provides new estimates of GVA for 2005 and revised figures for earlier years. The relevant data, with regional and national comparisons, is summarised in Table 1.

Table 1: Gross Value Added per Head (at Current Prices), Oxfordshire and Neighbouring Areas

Area	2000	2005	% Growth, 2000-2005
England	14,350	18,267	27.3
South East	15,218	19,434	27.7
Oxfordshire	17,265	22,277	29.0
Geographic Neighbours:-			
Berkshire	22,743	29,235	28.5
Buckinghamshire (including Milton Keynes)	17,946	23,227	29.4
Gloucestershire	14,509	19,665	35.5
Northamptonshire	14,998	18,506	23.4
Warwickshire	14,790	17,748	20.0
Wiltshire (including Swindon)	15,558	19,157	23.1

Source: Office for National Statistics, estimates of local GVA, released 14 December 2007. The table shows estimates of workplace-based GVA, which allocate income to the area in which commuters work.

- Gross value added (GVA) per head in Oxfordshire was £22,300 in 2005. This is 15% above the South East average (£19,400) and 22% above the English average (£18,300).
- However, Oxfordshire's economy still generates significantly less GVA per head than its immediate neighbours, Berkshire and – to a lesser extent – Buckinghamshire. GVA per head in Berkshire was 31% above the Oxfordshire level in 2005, and this differential in performance has remained largely unchanged during the last five years.

- The growth in GVA per head in Oxfordshire between 2000 and 2005 was 29%, which is slightly above the South East (28%) and English averages (27%). Note that these figures refer to growth in current prices, and so will include the effects of price inflation over this period.
- Oxfordshire's recent GVA growth compares well with most of its immediate neighbours. The county's economic growth has been roughly on a par with that of Berkshire and Buckinghamshire, and significantly faster than that experienced in Northants, Warwickshire and Wiltshire. Only Gloucestershire has experienced a significantly faster growth in GVA per head than Oxfordshire since 2000.

3. Earnings and Income

Results from the 2007 Annual Survey of Hours and Earnings (ASHE) were released by the Office for National Statistics in November 2007. The results provide estimates of average earnings levels for Oxfordshire and its districts, as at April 2007. Table 2 summarises the relevant data, showing average gross weekly earnings for full-time workers.

Two sets of figures are shown, one relating to the earnings of those people working in Oxfordshire (workplace-based) and the other relating to the earnings of Oxfordshire residents (residence-based). The assessment of Oxfordshire's relative performance differs depending on which of these measures is used. Both measures are of interest, but we focus here mainly on the workplace-based measure. This indicates the earnings levels of those actually working in the county and is therefore a better measure of the strength of the county's economy, since the figure is not distorted by the high earnings of those commuting to workplaces outside Oxfordshire. Table 2 also shows both mean and median earnings; we focus here mainly on mean earnings, but again the relative performance of the county varies somewhat depending on which of these measures is used.

- Mean workplace-based earnings for full-time workers in Oxfordshire were £563 per week in April 2007. This is only marginally above the English average (£560), and about 3% below the South East average (£583). Oxfordshire's average earnings levels are significantly below those found in Berkshire (£683) and to a lesser extent Buckinghamshire (£612), but above those in other neighbouring counties.
- Residence-based earnings in the county are higher than workplace-based earnings, averaging £605 per week in 2007. This is 8% above the English average (£561), but 2% below the South East regional average (£617).

Table 2: Average Gross Weekly Earnings, Full-Time Employees, April 2007

Area	Workplace-Based		Residence-Based	
	Mean	Median	Mean	Median
England	560.2	462.0	561.1	462.6
South East	583.2	480.7	617.1	499.6
Oxfordshire	563.3	488.7	605.4	503.6
Cherwell	514.6	441.6	546.1	460.7
Oxford City	605.1	513.9	545.0	487.5
South Oxfordshire	525.9	484.8	708.4	554.3
Vale of White Horse	604.1	544.7	643.4	582.4
West Oxfordshire	498.0	442.6	598.0	486.8

Source: Office for National Statistics, Annual Survey of Hours & Earnings (ASHE) 2007, released 7 November 2007.

- Variations in average earnings across the county are quite significant. Workplace-based earnings are highest in Oxford City (£605 per week) and Vale of White Horse district (£604 per week), and lowest in Cherwell (£515) and West Oxfordshire (£498). Mean earnings levels for those working in Cherwell, South Oxfordshire and West Oxfordshire are below the national average.
- Within Oxfordshire, mean residence-based earnings are highest in South Oxfordshire (£708 per week in 2007) and Vale of White Horse (£643), and lowest in Cherwell (£546) and Oxford City (£545).

Updated estimates of personal income levels for Oxfordshire residents were released by HMRC in February 2008. These estimates show the average income of taxpayers in the 2005/06 financial year (Table 3). The latest figures reveal that income levels in Oxfordshire continue to be above regional and national averages, although there are wide variations between different parts of the county.

- The mean income of taxpayers in Oxfordshire was £29,100 in the 2005/06 financial year. This is almost 4% above the South East average (£28,100) and 17% above the English average (£24,900).

- Average incomes are highest in South Oxfordshire district (£35,400 in 2005/06), followed by Vale of White Horse (£31,400) and West Oxfordshire (£27,100), and lowest in Cherwell (£25,900) and Oxford City (£25,200).

Table 3: Average Personal Incomes of Taxpayers

Area	Mean Income (£)		Median Income (£)	
	2004/05	2005/06	2004/05	2005/06
England	23,300	24,900	16,600	17,400
South East	26,400	28,100	18,300	19,000
Oxfordshire	27,200	29,100	18,900	20,000
Cherwell	23,700	25,900	17,700	18,900
Oxford City	26,400	25,200	18,100	18,600
South Oxfordshire	31,900	35,400	19,900	21,500
Vale of White Horse	27,900	31,400	20,200	21,800
West Oxfordshire	25,500	27,100	18,300	19,500

Source: HM Revenue & Customs, Personal Incomes by Tax Year.

Note: Figures show personal incomes before tax; this includes income from employment, self employment and pension income. Figures include personal incomes of taxpayers only.

4. Business Stock

Statistics on VAT registrations and de-registrations for the 2006 calendar year were released in November 2007 by the Department for Business, Enterprise and Regulatory Reform (previously the DTI). Numbers of VAT registrations are a useful proxy measure of the rate of new business start-ups in the economy. Data for Oxfordshire and its districts is summarised in Tables 4 and 5.

- Just under 2,300 businesses registered for VAT in Oxfordshire during 2006. Although this represents an increase on the 2005 figure (c.2,140), it is still slightly below the number of VAT registrations in the county during 2003 and 2004 (c.2,350). There was also a small recovery in numbers of VAT registrations at regional and national level during 2006.

Table 4: Annual Rate of New VAT Registrations

Area	VAT Registrations per 10,000 Resident Adults		
	2004	2005	2006
England	40	39	39
South East	44	43	43
Oxfordshire	47	42	45
Cherwell	50	43	45
Oxford City	27	24	26
South Oxfordshire	61	57	60
Vale of White Horse	45	44	46
West Oxfordshire	58	49	53

Source: BERR, Enterprise Directorate (formerly DTI Small Business Service).

Table 5: Stock of VAT-Registered Enterprises in Oxfordshire

Area	End of 2001	End of 2005	End of 2006	% Growth, 2001-2006
England	1,521,285	1,635,845	1,670,500	9.8
South East	281,050	300,905	306,920	9.2
Oxfordshire	22,695	24,835	25,370	11.8
Cherwell	4,805	5,315	5,440	13.2
Oxford City	3,085	3,350	3,435	11.3
South Oxfordshire	6,140	6,650	6,785	10.5
Vale of White Horse	4,305	4,735	4,815	11.8
West Oxfordshire	4,365	4,785	4,890	12.0

Source: BERR, Enterprise Directorate (formerly DTI Small Business Service).

- When expressed in relation to the county's population, the rate of new VAT registrations in Oxfordshire during 2006 was above the English and regional averages. In 2006, there were 45 VAT registrations in Oxfordshire per 10,000 adult residents, compared with an average of 43 in the South East and 39 in England. Oxfordshire's VAT registration rate continues to fall

significantly below that in Berkshire and Buckinghamshire, but is slightly above that of its other immediate neighbours.

- Within Oxfordshire, the rate of new VAT registrations is highest in the more rural districts of South Oxfordshire and West Oxfordshire, and lowest by a significant margin in Oxford City.
- The number of VAT registered businesses in Oxfordshire increased by over almost 2,700 in the five years to the end of 2006. This represents an increase in the county's business stock of 11.8%; this compares with increases of only 9.2% at regional level and of 9.8% nationally.

5. Commercial and Industrial Property

Updated statistics on the stock of commercial and industrial property were released by the Department for Communities and Local Government in February 2008. These provide data on retail, office and other business floorspace, as at April 2007. Relevant figures for Oxfordshire are shown in Table 6, along with comparative data for the previous two years.

- The latest figures confirm a continued modest growth in business floorspace in Oxfordshire during 2006/07. Total floorspace in the county increased by 62 square metres, or 0.9%, in the 12 months to April 2007. This overall increase conceals a slight decline in office floorspace, combined with small increases in retail and factory/warehouse space.
- Growth in business floorspace in 2006/07 was concentrated mainly in Cherwell (an extra 20 square metres) and West Oxfordshire (an additional 30 square metres).

6. Employment Growth

Results from the 2006 Annual Business Inquiry (ABI) were released by the Office for National Statistics in December 2007. The ABI provides estimates of the number of employees working in Oxfordshire, broken down by gender, full-time/part-time status and industry sector. The self employed are not included in this employment estimate; since the ABI is based on responses from a sample of employers, it is also subject to sampling errors. There are continuing concerns about the reliability of ABI data in recording employment trends at sub-regional level. The latest release provides employment estimates for 2006, and revised estimates for previous years. Results are summarised in Table 7.

Table 6: Commercial and Industrial Floorspace, 2005-2007

Area	April 2005	April 2006	April 2007
	(sq. metres)	(sq. metres)	(sq. metres)
Retail:-			
Cherwell	273	276	281
Oxford City	352	351	356
South Oxfordshire	148	167	168
Vale of White Horse	138	139	138
West Oxfordshire	118	118	115
<i>Total: Oxfordshire</i>	<i>1,029</i>	<i>1,051</i>	<i>1,058</i>
Offices:-			
Cherwell	221	223	230
Oxford City	403	410	406
South Oxfordshire	209	215	214
Vale of White Horse	336	366	367
West Oxfordshire	133	135	120
<i>Total: Oxfordshire</i>	<i>1,302</i>	<i>1,349</i>	<i>1,337</i>
Factories & Warehouses:-			
Cherwell	1,197	1,214	1,222
Oxford City	715	687	685
South Oxfordshire	636	629	632
Vale of White Horse	793	789	797
West Oxfordshire	531	554	597
<i>Total: Oxfordshire</i>	<i>3,872</i>	<i>3,873</i>	<i>3,933</i>
Total Floorspace:-			
Cherwell	1,742	1,765	1,785
Oxford City	1,522	1,500	1,501
South Oxfordshire	1,053	1,071	1,075
Vale of White Horse	1,318	1,346	1,354
West Oxfordshire	824	849	878
<i>Total: Oxfordshire</i>	<i>6,459</i>	<i>6,531</i>	<i>6,593</i>

Source: Department for Communities & Local Government and Valuation Office Agency, Commercial and Industrial Property Statistics, released in February 2008.

Note: Figures for total floorspace include retail, office, factories, warehouses and other bulk classes; the latter category is not shown in the table.

Table 7: Employment Growth in Oxfordshire, 2001-2006

Area	Number of Employees in Employment			
	2001	2005	2006	% Growth, 2001-2006
England	22,100,900	22,908,700	22,766,600	3.0
South East	3,663,800	3,752,300	3,668,700	0.1
Oxfordshire	302,800	310,300	316,100	4.4
Cherwell	66,800	66,300	65,200	- 2.3
Oxford City	90,500	98,300 ***	106,200 ***	17.4
South Oxfordshire	56,600	54,700	52,200	- 7.9
Vale of White Horse	53,200	54,000	55,000	3.3
West Oxfordshire	35,700	37,100	37,600	5.1

Source: Office for National Statistics, Annual Business Inquiry (NOMIS).

Note: *** Figure excludes employees in farm-based agriculture (SIC class 01.00). All figures are rounded to the nearest hundred employees.

- The latest ABI estimates show an increase in the number of employees working in Oxfordshire between 2005 and 2006, from approximately 310,300 to 316,100. This represents an increase of 1.9% during the year, and compares with reductions in employment levels over the same period at regional and national level (of 2.2% in the South East region and 0.6% in England as a whole). This is a reversal of the position 12 months previously, in which Oxfordshire recorded a reduction in employment levels, compared with increases at regional and national levels.
- Looking at the rate of employment growth over the longer five year period between 2001 and 2006, Oxfordshire's performance appears to be relatively strong. Oxfordshire has seen a 4.4% employment increase over this period (a net increase of 13,300 employee jobs), compared with an average increase of 3.0% England-wide and virtually static employment levels in the South East region. Amongst Oxfordshire's neighbouring counties, only Warwickshire recorded a stronger employment growth rate between 2001 and 2006.
- Employment trends for the Oxfordshire districts are also shown in Table 7, although it should be noted that the ABI data is less reliable at this geographic level. The county's overall employment growth between 2005 and 2006, and over the longer period since 2001, appears to conceal a

decline in employment levels in Cherwell and South Oxfordshire districts. This has been combined with modest job growth in Vale of White Horse and West Oxfordshire, and more substantial recorded employment growth in Oxford City.

7. Other Labour Market Indicators

Key labour market indicators derived from the Annual Population Survey (APS) are updated on a quarterly basis. The most recent update, released by ONS in February 2008, provides data for the 12 months to June 2007. This includes updated statistics on labour market participation rates for Oxfordshire and its constituent districts. The latest figures confirm Oxfordshire's strong performance on these key indicators (see Table 8).

Table 8: Employment and Economic Inactivity Rates for Working Age Residents, 12 Months to June 2007

Area	Employment Rate (% of Working Age Residents)	Inactivity Rate (% of Working Age Residents)
England	74.3	21.4
South East	78.5	18.0
Oxfordshire	80.5	16.7
Cherwell	85.2	12.6
Oxford City	68.8	27.2
South Oxfordshire	80.1	16.1
Vale of White Horse	83.9	14.9
West Oxfordshire	87.8	9.7

Source: ONS, Annual Population Survey.

- Employment rates in Oxfordshire continue to be at relatively high levels, with approximately 80.5% of the county's working age residents being in paid employment. This compares with rates of 78.5% in the South East and only 74.3% nationally.
- Employment rates are currently highest in West Oxfordshire (88%), followed by Cherwell (85%) and Vale of White Horse (84%). In Oxford City, only 69% of working age residents are currently in employment, although this low percentage partly reflects Oxford's large resident student population.

- Economic inactivity rates provide a measure of non-participation in the labour market amongst working age residents. The latest figures for Oxfordshire show that the county's inactivity rate (16.7%) is below the regional (18.0%) and national averages (21.4%). However, there is significant variation in inactivity levels amongst Oxfordshire's districts, ranging from less than 10% in West Oxfordshire to 27% in Oxford City.

The latest monthly claimant unemployment statistics, for February 2008, are summarised in Table 9.

- 3,700 Oxfordshire residents are currently out of work and claiming Job Seekers Allowance, representing only 0.9% of the county's working age residents. Comparable claimant unemployment rates are 1.4% for the South East region and 2.2% for England.
- Claimant unemployment rates are lowest in Vale of White Horse (0.6%), West Oxfordshire (0.6%) and South Oxfordshire (0.7%). Amongst Oxfordshire's main towns, the highest unemployment rates are found in Banbury (1.9%) and Oxford (1.5%) (Table 10). However, the claimant count rate is below 1.0%, indicating near full employment, in several of the county's remaining towns, including Abingdon (0.7%), Bicester (0.7%), Carterton (0.6%), Kidlington (0.8%), Thame (0.5%), Wantage (0.5%) and Witney (0.7%).

Table 9: Claimant Count Unemployment

Area	February 2007		February 2008	
	Number	%	Number	%
England	812,546	2.6	705,185	2.2
South East	82,753	1.6	69,827	1.4
Oxfordshire	4,465	1.1	3,697	0.9
Cherwell	1,023	1.2	865	1.0
Oxford City	1,743	1.6	1,474	1.4
South Oxfordshire	696	0.9	553	0.7
Vale of White Horse	554	0.8	429	0.6
West Oxfordshire	449	0.7	376	0.6

Source: Office for National Statistics, monthly claimant count data. Percentages show the number of claimant unemployed as a proportion of the mid-2006 resident working age population.

Table 10: Claimant Count Unemployment in Selected Oxfordshire Towns

Area	February 2007		February 2008	
	Number	%	Number	%
Banbury	543	2.0	505	1.9
Bicester	186	0.9	147	0.7
Kidlington	86	1.0	63	0.8
Oxford	1,743	1.7	1,474	1.5
Didcot	198	1.3	148	1.0
Henley	73	1.2	62	1.0
Thame	53	0.8	35	0.5
Abingdon	165	0.8	141	0.7
Wantage	48	0.7	34	0.5
Carterton	73	0.8	54	0.6
Witney	139	0.8	114	0.7

Source: Office for National Statistics, monthly claimant count data for 2003 CAS wards.
 Note: Percentages show the number of claimant unemployed as a proportion of the estimated mid-2007 resident working age population (derived from Oxfordshire County Council, population estimates and forecasts for wards and market towns, 2001-2016 (published August 2007). Percentages for Oxford differ slightly from those shown in Table 9 due to the use of different sets of population denominators.

- The number of unemployed claimants in Oxfordshire has fallen by 770, or 17%, during the last 12 months. This is similar to the reduction in claimant unemployment experienced at regional level (16%) and larger than that at national level (13%).
- All of Oxfordshire's districts have seen a reduction in unemployment levels during the last 12 months, although this ranges from falls of 15-16% in Cherwell, Oxford and West Oxfordshire to reductions of 21% in South Oxfordshire and 23% in Vale of White Horse district.
- 10% of Oxfordshire's unemployed claimants have been out of work for more than 12 months. This is below the average for both the South East (11.1%) and England as a whole (13.5%). There has been a significant reduction in the number and proportion of long-term unemployed claimants in the county during the last 12 months (see Table 11).

Table 11: Job Seekers Allowance Claimants Out of Work for Over 12 Months (Long-Term Unemployed)

Area	February 2007		February 2008	
	Number	%	Number	%
England	133,920	16.6	94,770	13.5
South East	12,455	15.1	7,705	11.1
Oxfordshire	735	16.5	365	9.9
Cherwell	200	19.7	80	9.1
Oxford City	330	19.1	170	11.7
South Oxfordshire	105	14.9	55	9.8
Vale of White Horse	60	10.9	35	8.4
West Oxfordshire	40	8.9	25	6.9

Source: Office for National Statistics, monthly claimant count data.

8. Benefit Claimants

Data on the numbers of people claiming key benefits is published on a quarterly basis by the Department for Work and Pensions (DWP). The latest figures, released in November 2007, provide information for the April to June 2007 quarter. Note that the release of data for July-September 2007, which was due to take place in February 2008, has been delayed due to a review of DWP procedures for data security and transfer.

We focus in this report on people of working age who are claiming at least one of the following key benefits: Bereavement Benefit, Carer's Allowance, Disability Living Allowance, Incapacity Benefit/Severe Disablement Allowance, Income Support, Jobseeker's Allowance, Pension Credit, and Widow's Benefit. This count of benefit claimants provides a measure of the number of working age people experiencing some form of income and/or employment deprivation.

The latest figures confirm the relatively low proportion of benefit claimants in Oxfordshire, and show a small reduction in the number of claimants during the last 12 months (see Tables 12 and 13).

- There were 29,300 people of working age in Oxfordshire claiming one of the key benefits listed above in the April-June 2007 quarter. This represents only 7.3% of the county's working age population, which is well below the South East (9.7%) and national averages (13.7%).

Table 12: Working Age Benefit Claimants

Area	April-June 2006		April-June 2007	
	Number	%	Number	%
England	4,435,160	14.0	4,342,840	13.7
South East	503,210	9.9	492,680	9.7
Oxfordshire	30,140	7.5	29,260	7.3
Cherwell	6,900	8.0	6,760	7.8
Oxford City	9,610	9.0	9,420	8.8
South Oxfordshire	5,090	6.6	4,800	6.2
Vale of White Horse	4,750	6.7	4,550	6.4
West Oxfordshire	3,780	6.2	3,730	6.2

Source: DWP, WPLS working age client group benefits data.

Note: Percentages show the proportion of working age residents who are claiming at least one key benefit.

- At district level, the proportion of benefit claimants is lowest in South Oxfordshire (6.2%), West Oxfordshire (6.2%) and Vale of White Horse (6.4%). These percentages are amongst the lowest in the South East region. Numbers on benefits are higher in Cherwell (7.8%) and Oxford City (8.8%), but these proportions are still well below the South East average.
- Amongst Oxfordshire's main towns, the proportion of benefit claimants is highest in Banbury (11.8%). However, the proportion of claimants in all of the county's other towns is below the South East average, and is particularly low in Bicester (6.7%), Carterton (5.5%), Henley (6.4%) and Thame (4.8%).
- Numbers of working age benefit claimants in Oxfordshire fell slightly in the 12 months to April-June 2007. During this quarter, there were 880 fewer persons on key benefits in the county compared with the same quarter in 2006, representing a reduction of 2.9%. This is a slightly larger reduction than that experienced at regional and national levels (both 2.1%).

Table 13: Working Age Benefit Claimants in Selected Oxfordshire Towns, April-June 2007

Town	Working Age Benefit Claimants, April-June 2007	Working Age Residents, Mid-2007	Claimants as % of Working Age Residents
Banbury	3,210	27,188	11.8
Bicester	1,335	19,897	6.7
Kidlington	630	8,384	7.5
Oxford	9,420	101,337	9.3
Didcot	1,175	15,390	7.6
Henley	390	6,138	6.4
Thame	330	6,934	4.8
Abingdon	1,490	20,617	7.2
Wantage	495	6,564	7.5
Carterton	505	9,210	5.5
Witney	1,190	16,731	7.1

Source: DWP, WPLS working age client group benefits data for 2003 CAS wards; estimates of working age residents are derived from Oxfordshire County Council, population estimates and forecasts for wards and market towns, 2001-2016 (published August 2007). Percentage for Oxford differs from that shown in Table 12 due to the use of different sets of population denominators.

9. Deprivation Indicators

Updated deprivation indicators, the Indices of Deprivation 2007 (ID 2007), were released by the Department for Communities and Local Government in December 2007. These provide an update to the previous Indices of Deprivation 2004, which were released in August 2004. A brief summary analysis of the ID 2007 results is included here, but interested readers can find further analysis on the Oxfordshire Data Observatory website (Oxfordshire Data Observatory Briefing Note, February 2008, Deprivation in Oxfordshire).

Summary rankings for each of Oxfordshire's districts in ID 2007 are shown in Table 14; this also includes the equivalent rankings in the previous sets of deprivation indicators (ID 2004 and ID 2000). These rankings are based on the average deprivation score for all super output areas in each district. They provide a measure of average levels of deprivation across each district. Table 15 provides a more detailed analysis of the ID 2007 results, showing the number of

areas within Oxfordshire that are ranked amongst the most deprived 20% in England, and how this has changed since ID 2004.

Table 14: National Deprivation Rankings of Oxfordshire's Districts

Local Authority District	Deprivation Ranking (out of 354 English local authority districts; 1 = most deprived)		
	ID 2000	ID 2004	ID 2007
Cherwell	293	274	276
Oxford City	168	144	155
South Oxfordshire	331	332	333
Vale of White Horse	334	339	341
West Oxfordshire	332	347	349

Source: DCLG, Indices of Deprivation 2004 & 2007; ODPM, Indices of Deprivation 2000.

- With the exception of Oxford City, Oxfordshire's districts have relatively low levels of deprivation. South Oxfordshire, Vale of White Horse and West Oxfordshire are all ranked in the 10% least deprived English districts. Compared with the ID 2004 rankings, all of Oxfordshire's districts have improved their rank position in ID 2007. The largest improvement has been in Oxford City, which has improved 11 places in the rankings compared with ID 2004 (from 144th most deprived English district to 155th).
- Out of the total of 404 super output areas (SOA's) in Oxfordshire, only 12 (or 3%) are ranked in the most deprived 20% in England on the overall Index of Multiple Deprivation (IMD) 2007. This compares with a total of 13 such areas in ID 2004 (Table 15). Relatively few neighbourhoods in Oxfordshire therefore suffer from multiple types of deprivation. These areas are located in Oxford (10 of Oxford City's 85 SOA's are in the most deprived 20% nationally) and Banbury (2 SOA's are in the most deprived 20%).
- Although only 3% of Oxfordshire's SOA's are amongst the most deprived 20% nationally, this proportion varies when we look at different aspects of deprivation (see Table 15). For example, 9% of the county's SOA's are ranked in the most deprived 20% in England in terms of education, skills and training, and this proportion increases to 26% when we look at barriers to housing and services. The latter high proportion reflects poor geographical access to services in the rural areas of the county, combined with difficulties in accessing owner occupation in Oxford City.

Table 15: Number of Oxfordshire SOA's in Most Deprived 20% Nationally

Deprivation Domain or Sub-Domain	SOA's in Most Deprived 20%	
	ID 2004 (out of 404 SOA's)	ID 2007 (out of 404 SOA's)
Income	13	10
Employment	5	1
Health & Disability	6	5
Education, Skills & Training	31	37
<i>Children & young people</i>	<i>50</i>	<i>52</i>
<i>Skills</i>	<i>25</i>	<i>25</i>
Barriers to Housing & Services	118	107
<i>Geographic barriers</i>	<i>146</i>	<i>130</i>
<i>Wider barriers</i>	<i>84</i>	<i>84</i>
Crime	35	26
Living Environment	17	13
<i>Indoors living environment</i>	<i>21</i>	<i>18</i>
<i>Outdoors living environment</i>	<i>22</i>	<i>27</i>
Overall Index of Multiple Deprivation (IMD)	13	12

Source: DCLG, Indices of Deprivation 2004 & 2007.

Note: Table shows the number of super output areas (SOA's) in Oxfordshire ranked in the most deprived 20% of SOA's in England. Super output areas are small areas defined by the Office of National Statistics, and are used for the presentation of a range of economic, social and housing statistics at small area level. There are 404 SOA's in Oxfordshire (each with an average population of c.1,500), and a total of 32,482 SOA's in England.

- The number of Oxfordshire SOA's in the most deprived 20% nationally has declined compared with ID 2004 across all but one of the seven deprivation domains in ID 2007. The exception is the education, skills and training domain, where the number of most deprived SOA's has increased from 31 to 37. This deterioration largely reflects the relatively poor levels of exam attainment in parts of Oxfordshire (see also Section 10 below).

10. Educational Attainment

School and college performance tables, showing GCSE and GCE 'A' level exam results for 2007, were released by the Department for Children, Schools and Families (DCSF) in January 2008. The results for pupils and students in Oxfordshire are summarised in Tables 16 and 17. In order to benchmark Oxfordshire's performance, the county's results are compared with those in its statistical neighbours. These are the local education authorities which are closest to Oxfordshire in terms of their socio-economic characteristics. Benchmarking against these statistical neighbours provides a useful indication as to whether Oxfordshire's performance is above or below the level that might be expected.

- The performance of Oxfordshire schools at GCSE continues to lag behind regional and national averages, and the performance differential widened in 2006/07. In 2007, 57.4% of pupils in Oxfordshire obtained at least 5 "good" GCSE's (at grades A*-C). This compares with averages of 62.0% across the South East and 60.1% in England. Although there was a small improvement in Oxfordshire's results compared with 2006, this was outstripped by larger performance gains at regional and national levels.
- Comparisons with Oxfordshire's statistical neighbours are even less favourable. All of the county's ten closest statistical neighbours had a superior GCSE performance to Oxfordshire in 2007. Across all ten statistical neighbours, the proportion of pupils gaining at least 5 good GCSE's was 63.2%, or almost 6 percentage points higher than in Oxfordshire.
- At local authority district level, GCSE results are relatively strong in West Oxfordshire (65% gaining at least 5 good GCSE's) and South Oxfordshire (62%), although the 2007 results in the latter were weaker than in 2006. In Oxfordshire's other districts, GCSE performance in 2007 was below the English average, although there was a significant improvement in results for schools in Vale of White Horse. Results continue to be particularly poor in Oxford City's schools (only 44% of pupils obtained 5 or more good GCSE's in 2007, which was unchanged from 2006).
- Oxfordshire students' exam attainment at GCE 'A' level and equivalent, although still below the regional average, showed a relative improvement in 2007 (see Table 17). The average points score per student in 'A' level and equivalent exams in 2007 was 714 in Oxfordshire. This is marginally above the English average (711), and only 1.4% below the South East average. This is a smaller performance gap than in 2006.
- Despite this relative improvement, Oxfordshire's 'A' level performance continues to compare unfavourably with most of its statistical neighbours. For example, compared with Oxfordshire, the average point score in 2007

was 7% higher in Cambridgeshire, 10% higher in Hampshire and 12% higher in Buckinghamshire.

Table 16: GCSE Exam Results for Oxfordshire and its Statistical Neighbours

Local Authority / Area	% of Pupils Gaining 5+ GCSE's at A*-C		
	2005	2006	2007
England	55.0	57.5	60.1
South East	57.8	59.7	62.0
Oxfordshire	54.4	56.6	57.4
Statistical Neighbours:-			
Cambridgeshire	58.8	60.2	61.1
Bath & North East Somerset	63.5	66.9	66.1
West Berkshire	60.9	65.0	63.3
Hertfordshire	61.8	64.7	67.0
Wiltshire	58.1	58.2	59.6
Hampshire	60.9	61.6	62.7
Gloucestershire	62.8	63.9	64.6
Bracknell Forest	54.3	59.8	59.7
Bedfordshire	53.8	56.2	58.1
Buckinghamshire	67.6	68.8	69.6
Oxfordshire Districts:-			
Cherwell	49.2	49.4	52.5
Oxford City	39.5	43.8	43.9
South Oxfordshire	60.0	65.6	61.8
Vale of White Horse	55.8	55.4	59.5
West Oxfordshire	62.8	63.5	65.2

Source: DCSF, GCSE and Equivalent Examination Results in England 2006/07 (Revised), released 9 January 2008; DfES, GCSE and Equivalent Examination Results in England 2005/06 (Revised), released 10 January 2007; DfES, GCSE and Equivalent Results and Associated Value Added Measures in England 2004/05 (Revised), released 18 January 2006.

Note: All percentages are based on the exam performance of pupils at the end of Key Stage 4, for pupils in maintained schools only (including City Technology Colleges and Academies).

Table 17: GCE 'A' Level and Equivalent Exam Results for Oxfordshire and its Statistical Neighbours

Local Authority / Area	Level 3 Point Score per Student	
	2006	2007
England	700.9	711.2
South East	717.2	724.3
Oxfordshire	682.6	714.3
Statistical Neighbours:-		
Cambridgeshire	754.0	766.0
Bath & North East Somerset	671.3	684.5
West Berkshire	769.4	738.3
Hertfordshire	695.3	713.6
Wiltshire	741.6	738.0
Hampshire	766.3	783.0
Gloucestershire	744.2	745.1
Bracknell Forest	633.2	671.7
Bedfordshire	708.2	706.6
Buckinghamshire	802.2	801.0

Source: DCSF, GCE/VCE A/AS and Equivalent Examination Results in England, 2006/07 (Revised), released 9 January 2008; and GCE/VCE A/AS and Equivalent Examination Results in England, 2005/06 (Revised), released 10 January 2007.

Note: Table shows the average point score per student for 16-18 year old candidates entered for a GCE or VCE A level or other Level 3 qualification equivalent in size to an A level. Figures are for students in the maintained sector only, i.e. local authority maintained schools, CTC's and FE colleges.

11. Housing Market

Information on average property prices is updated on a quarterly basis by the Department for Communities and Local Government (DCLG), drawing on Land Registry data. The latest figures cover all residential property sales during the second quarter of 2007, and are summarised in Table 18. Comparative figures are also shown for the equivalent quarter in 2006.

- The mean property price in Oxfordshire was approximately £265,000 in the second quarter of 2007. This compares with averages of £258,100 in the South East region and £216,000 in England as a whole. This means that Oxfordshire's mean house price is 3% above the South East average and 23% above the English average.

Table 18: Average House Prices, and Affordability in Relation to Average Earnings, 2007 Second Quarter

Area	Mean House Price	Median House Price
England	215,997	175,000
South East	258,068	214,000
Oxfordshire	265,025	230,000
Cherwell	222,673	191,000
Oxford City	261,339	240,000
South Oxfordshire	320,179	250,000
Vale of White Horse	275,238	239,000
West Oxfordshire	266,484	225,000
Area	Ratio of Mean House Price to Mean Earnings	Ratio of Median House Price to Median Earnings
England	7.0	7.2
South East	8.2	8.4
Oxfordshire	8.8	8.8
Cherwell	8.3	8.6
Oxford City	8.2	9.0
South Oxfordshire	10.8	9.1
Vale of White Horse	8.1	7.6
West Oxfordshire	10.2	9.6

Source: Department for Communities & Local Government, mean and median quarterly house prices based on Land Registry data; ONS, Annual Survey of Hours & Earnings.

Note: Earnings figures used in affordability calculations are workplace-based and are gross annual earnings for full-time employees, as at April 2007.

- Within Oxfordshire, average property prices are highest in South Oxfordshire (£320,200, or 48% above the national average). Prices continue to be lowest within Cherwell district (£222,700), although even here prices are above the national average.
- The affordability of owner occupation in Oxfordshire, as measured by the ratio between house prices and earnings, is worse than the average for the South East region. In Oxfordshire, the ratio between median property prices and median earnings was 8.8 in the second quarter of 2007; this compares

with a ratio of 8.4 in the South East and an England-wide ratio of 7.2 (see Table 18).

12. Oxfordshire's Comparative Performance

This final section looks briefly at how Oxfordshire compares with its geographic neighbours on selected economic indicators. Comparisons are made between Oxfordshire and the six immediately neighbouring counties (or former counties), namely Berkshire, Buckinghamshire (including Milton Keynes), Gloucestershire, Northamptonshire, Warwickshire and Wiltshire (including Swindon). Table 19 summarises Oxfordshire's ranking amongst this group of counties across 15 key economic indicators; a ranking of 1 indicates that Oxfordshire is the best performing of the seven counties.

- Oxfordshire is the top ranked of the seven counties on five of the 15 indicators shown in Table 19, and is the second ranked county on one further indicator. Oxfordshire's best rankings are on measures of claimant unemployment (including the proportion of long term unemployed), proportion of working age benefit claimants, and deprivation indicators. It also has the second highest rate of employment growth since 2001, behind Warwickshire.
- Oxfordshire's relative performance is a little weaker on five indicators, where it is ranked third out of the seven counties. These indicators include levels of GVA per capita, average earnings, business start up rates and growth in the business stock. For most of these indicators, Oxfordshire continues to lag the top performing counties of Berkshire and Buckinghamshire.
- Oxfordshire's worst rankings are on measures of exam attainment. The county is currently ranked sixth of the seven counties on both GCSE and 'A' level exam performance measures. The county also performs poorly on these measures when compared with its statistical neighbours (see Section 10 above).

Table 19: Oxfordshire Ranking Compared with Neighbouring Counties on Selected Economic Indicators

Indicator	Oxfordshire Rank (1=Best; 7=Worst)	Areas with Better Rank than Oxfordshire
GVA per capita, 2005	3	Berkshire, Bucks
Mean workplace based earnings, full-time workers, April 2007	3	Berkshire, Bucks
Mean residence based earnings, full-time workers, April 2007	3	Berkshire, Bucks
% growth in number of VAT registered enterprises, 2001-06	3	Northants, Warwickshire
New VAT registrations per 10,000 resident adults, 2006	3	Berkshire, Bucks
% employment growth, 2001-06	2	Warwickshire
Employment rate (% of working age residents in employment), 12 months to June 2007	4	Gloucestershire, Northants, Wiltshire
Inactivity rate (% of working age residents), 12 months to June 2007	4	Gloucestershire, Northants, Wiltshire
Claimant count unemployment rate, February 2008	1	None
% of claimants out of work for over 12 months, February 2008	1	None
% of working age residents claiming key benefits, Apr-Jun 2007	1	None
Average deprivation score of LSOA's in area, ID 2007	1	None
% of area's LSOA's in most deprived 20% nationally, ID 2007	1	None
% of pupils at end of KS4 gaining 5+ GCSE's at A*-C, 2007	6	Berkshire, Bucks, Gloucestershire, Warwickshire, Wiltshire
Average GCE A level point score per candidate, 2007	6	Berkshire, Bucks, Gloucestershire, Warwickshire, Wiltshire

Note: Comparative areas are Oxfordshire's immediate neighbouring counties (or former counties), i.e. Berkshire, Buckinghamshire (including Milton Keynes), Gloucestershire, Northamptonshire, Warwickshire and Wiltshire (including Swindon).