



# OUR CHANGING CITY

## Social Trends in Oxford



As you look around the old university buildings in the city centre, it is easy to conclude that Oxford is the same as it ever has been and as it always will be. But this is an illusion. Oxford is a very different place to the city it was even 20 years ago; it is continuing to change today and will do so in the future. Some of these changes we can predict, others we cannot; some of these changes will occur as a result of public policy decisions whilst others will need a reactive public policy response. We will look here at four aspects of change in Oxford: population growth, employment, housing and inequality.

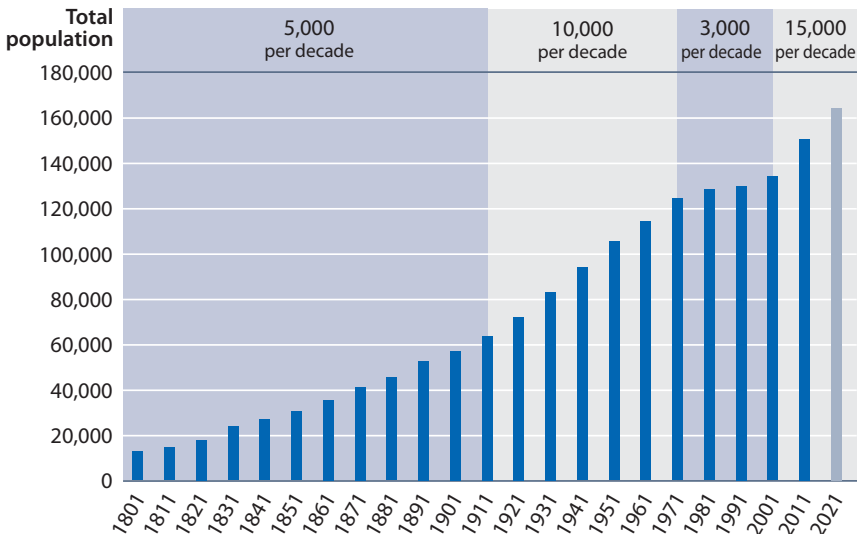
## The city is in the middle of a period of rapid growth

The growth of Oxford's population has gone through several distinct phases over the last 200 years. In 1801 – at the first national Census –

13,000 people were counted as resident in the area which is now within the modern boundary of Oxford. The city grew at a fairly constant rate of 5,000 people per decade between 1801 and 1911, a period during which the UK as a whole became more urbanised. Thereafter came a step change as Oxford became a centre of motor manufacturing. The first Morris car was produced in 1913 and from 1911 to 1971 the city's population grew by 10,000 per decade as people came to work at the Cowley plant and housing was built to accommodate them. After its peak in the 1970s employment in car manufacturing declined, which coincided with low population growth of 3,000 per decade between 1971 and 2001.

The city is now in the middle of another distinct phase, a period of rapid population growth which is adding around 15,000 people per

### Population growth in Oxford 1801–2021



Source: www.visionofbritain.org.uk / England & Wales Censuses

decade. Between 2001 and 2011 the population grew by 16,500 residents, and is projected to grow by another 13,000 by 2021.

Each year in Oxford 2,000 new residents are born, and 1,000 die – which means that the population grows by 1,000 a year simply by virtue of the excess of births over deaths.

The number of births has grown by one-third in recent years, from 1,500 a year in 2001 to over 2,000 a year in 2011. A large number of people arrive in and leave the city each year, but there is a small excess of in migration over out migration. This means that the city population grows by an additional 500 per year due to net migration.<sup>1</sup>

In common with the rest of the UK, Oxford has seen an increase in international immigration over the last decade. In particular, there has been an increase in the number of young adults – particularly from Eastern Europe, Africa and Asia – who have chosen Oxford as a place to live, work and have a family. In fact the population of UK-born residents did not grow at all between 2001 and 2011 – all population growth was amongst residents born in other countries. The growth in the number of births is also attributable to international migration. Between 2001 and 2011 the number of Oxford births to UK-born mothers remained constant – all the growth was due to births to mothers who were born outside the UK.<sup>2</sup>

The influence of international migration means that the national and ethnic diversity of Oxford residents is increasing rapidly – and this change is accelerating. In 1991 9% of Oxford's residents identified themselves as belonging to a non-White ethnic group. In 2001 this represented

13% of the population, and by 2011 there had been a sharp increase to 22%. There is a similar pattern in the proportion of residents born outside the UK – which has risen from 14% in 1991 to 28% in 2011.

The growth in the number of births means that the next decade will see a gradual increase in the total number of children living in the city. There were 20,000 residents aged under 15 years in 2001, and this is projected to be 27,000 by 2021.<sup>3</sup> The impact on primary school places has already been felt and we can expect a similar impact on secondary school places and other youth services in future years.

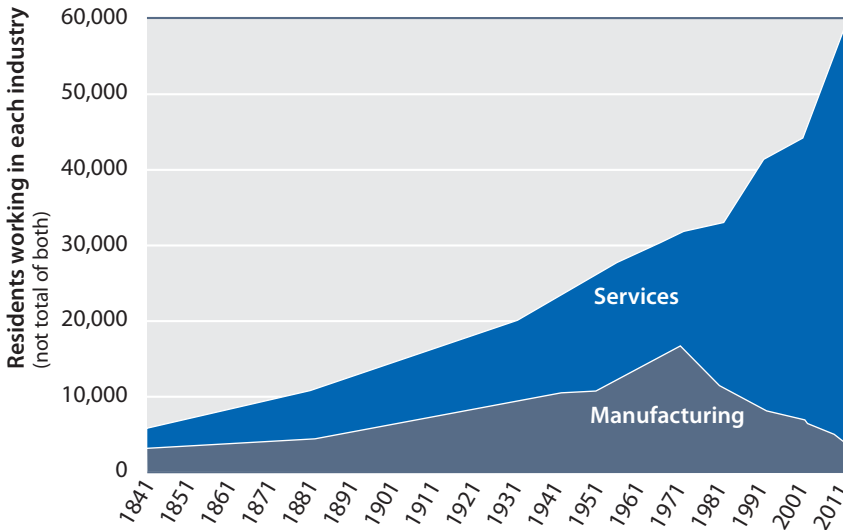
## Employment in Oxford: dramatic changes in the types of industry

Oxford's popularity as a place to live has gone hand in hand with its importance as a place to work. As the number of residents grew over the last two centuries, so did the number of employed residents.

As in the UK as a whole, there has been a very significant change in the types of industry in which people are employed. In Oxford this has been characterised by the rise and decline of employment in motor manufacturing and the subsequent rise of employment in higher education and the 'knowledge economy'. In the 130 years between 1841 and 1971 for every one Oxford resident employed in manufacturing, there were two employed in services. By 2011 for every one Oxford resident employed in manufacturing there were 17 employed in services.

This decisive shift, which has occurred within the course of a single working lifetime, is

### Oxford residents in employment by industry, 1841–2011



Source: [www.visionofbritain.org.uk](http://www.visionofbritain.org.uk) / England & Wales Censuses

something which the city may still be adjusting to. The city's great success, however, has been the diversity of its economic base – as motor manufacturing has declined in its importance, the knowledge economy has taken its place. This means that, unlike some other areas with a strong manufacturing history, Oxford has been able to replace the jobs that were lost.

If anywhere today can claim to be a knowledge economy, then Oxford can – it has the third highest proportion of 'knowledge intensive service jobs' of any UK city.<sup>4</sup>

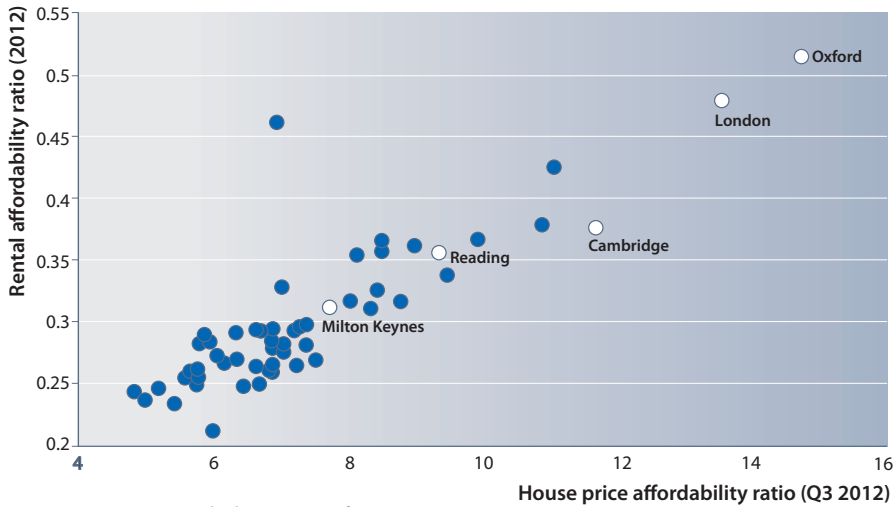
The 2008/09 recession caused unemployment to rise sharply in Oxford, just as it did across the rest of the UK. Unemployment benefit (JSA) claims doubled as a result of the recession, and remained elevated for four years.<sup>5</sup> Young people were most severely affected: the

unemployment rate at the 2011 Census was 5% for 30 to 40 year-olds but 19% for those in their early 20s. Since 2013 unemployment claims have fallen and in 2014 fell to their lowest since JSA was introduced in 1996.<sup>6</sup>

### The least affordable housing in the UK

House prices in Oxford are four times higher now than they were in the mid-1990s – the median house price in 1996 was £78,000 and in 2014 was £312,000. Prices have risen across the whole UK, but Oxford has a unique imbalance between its house prices and the average earnings of residents – house prices are much higher in terms of multiples of earnings than they are in other cities.<sup>7</sup> It is this fact that has earned Oxford the unfortunate title of the least affordable city in the UK.

## Rental affordability vs house price affordability, UK cities 2012



Source: Cities Outlook 2013, Centre for Cities

Owner occupation has been declining and private renting has been increasing, with poor affordability and high demand for private rented properties reinforcing each other. In 1991, 55% of Oxford households owned their own home, but by 2011 this had declined to 47%. The proportion of households renting in the private sector has risen over the same period from 16% to 28%. Households living in council or housing association properties fell from 26% to 21%.

A recent Office for National Statistics report has shown that in 2013, on average, UK households spent 21% of their disposable income on housing costs – which has risen from 15% a decade earlier.<sup>8</sup> We do not have figures for Oxford, but one suspects that Oxford households spend far higher proportions of their income on housing costs, which will be

particularly high for recent entrants to the housing market.

### Inequality in Oxford

The idea of Oxford as a divided city has a long history, from the 12th-Century St Scholastica Day riot to the Cutteslowe walls which were built in the 1930s. Today's city still has sharp geographical divides, none of which are starker than the difference in life expectancy across the city. People living in the most deprived parts of the city can expect to live six years less than those living in the least deprived parts of the city; a significant portion of a person's life.<sup>9</sup>

These geographical divides can be seen across a number of different indicators including social class, rates of poverty, energy consumption, adult qualifications and GCSE attainment. Nearly one-quarter of Oxford's children live in

households with incomes below the poverty line; in the most deprived areas nearly half of children live in poverty.<sup>10</sup>

We cannot know what will happen to levels of inequality in Oxford over the coming decades, but there are some trends which might drive these inequalities wider rather than narrower. A current pressing concern is cuts to local government funding which will mean reduced support for vulnerable people and future cuts to levels of welfare spending which may be made by central government.

Alongside this are two longer-term trends in the city, which are reflected in the UK as a whole. Firstly, Oxford has an increasingly polarised labour market in which there are many high-wage, high-skill jobs and low-wage, low-skill jobs, with fewer jobs at intermediary levels. Secondly, there may be an increasing divide between those who have access to good quality housing and the wealth associated with owner-occupation, and those who do not.

## A changing city

Although the 800-year presence of the University of Oxford can give the city a feel of continuity rather than change, Oxford has changed dramatically over the last 200 years. Most striking of these changes have been the rapid urbanisation of the city, the rise and decline of employment in motor manufacturing during the 20th century, and the more recent rise of the city's 'knowledge economy'.

Oxford is now experiencing another period of significant change, with a rapidly growing and increasingly diverse population, and the prospect of future change driven by investments in transport, housing and the

knowledge economy. All this means that the status quo in Oxford is not an option – the city has always been changing and will continue to change in the future. The challenge for public policy is to decide what kind of change is desired and how we want that change to benefit the many different people who live and work in and around this city.

## Notes

- <sup>1</sup> Mid-year population estimates, Office for National Statistics
  - <sup>2</sup> Live births by mother's country of birth, Office for National Statistics
  - <sup>3</sup> Housing-led population projections, Oxfordshire County Council
  - <sup>4</sup> Cities Outlook 2014, Centre for Cities
  - <sup>5</sup> Department for Work & Pensions
  - <sup>6</sup> Department for Work & Pensions
  - <sup>7</sup> Housing live tables, Department for Communities & Local Government
  - <sup>8</sup> Economic Review, November 2014, Office for National Statistics
  - <sup>9</sup> Oxford Health Profile 2014, Public Health England
  - <sup>10</sup> Child poverty 2011, HM Revenue & Customs
- Other statistics are from the 1991, 2001 and 2011 Censuses, Office for National Statistics

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