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OXFORDSHIRE PRIORITIES LOCAL SKILLS IMPROVEMENT PLAN



LSIP OXFORDSHIRE
SHAPING THE FUTURE WORKFORCE

June 2026



'This Local Skills Improvement Plan has been approved by the Secretary of State in accordance with the requirements of section 1 of the Skills and Post-16 Education Act 2022, and the relevant published statutory guidance'



FOREWORD

Oxfordshire and the Thames Valley are home to one of the most dynamic and innovation-driven local economies in the UK. The county benefits from globally recognised strengths in life sciences, space and satellite technologies, advanced engineering, digital innovation and clean energy. These sectors are supported by world-leading research institutions, internationally significant science campuses and a vibrant ecosystem of businesses ranging from start-ups to global companies. Together they make Oxfordshire a major contributor to national growth, research and technological advancement.

However, employers across Oxfordshire consistently report that access to skilled people is one of the most significant factors shaping their ability to grow and innovate. Businesses are operating in an increasingly competitive global environment, facing rapid technological change, evolving skills requirements and rising demand for specialist expertise. At the same time, Oxfordshire's labour market faces structural pressures, including an ageing population, strong employment levels and growing demand for technical, engineering and digital skills across key sectors.

This Local Skills Improvement Plan (LSIP) for Oxfordshire has been developed through extensive engagement with employers across the county. Businesses of all sizes have contributed their insights through interviews, workshops, surveys and sector discussions. This employer evidence has been combined with labour market analysis and collaboration with education providers, local authorities and other partners to build a clear understanding of current and future workforce needs.

The Thames Valley Chamber of Commerce (TVCC) is proud to lead the development of this plan as the designated Employer Representative Body (ERB) for Oxfordshire. Through our Workforce Development Partnerships (WDPs), Thames Valley Skills Champions, and wider engagement networks, we are committed to ensuring that the voice of employers remains central to how the local skills system evolves over the coming years. These partnerships bring employers and education providers together to identify challenges, shape training provision and develop practical solutions to workforce shortages.

This LSIP is intended to support shared responsibility across the local skills system. By bringing together employers, training providers, universities and local partners, the plan provides a collaborative framework for addressing workforce challenges and strengthening the pipeline of skills that Oxfordshire's economy depends upon.

Above all, the plan reflects a simple principle: that the skills system works best when employers and education providers work closely together. By continuing to strengthen these partnerships, Oxfordshire can ensure that its workforce remains adaptable, highly skilled and ready to support the opportunities and challenges of the years ahead.

Paul Britton
Chief Executive
Thames Valley Chamber of Commerce

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INTRODUCTION

This Local Skills Improvement Plan (LSIP) sets out the skills priorities identified by employers across Oxfordshire.

This LSIP covers the whole of the county of Oxfordshire.

It draws on engagement with businesses of different sizes and sectors to highlight areas where employers experience recruitment challenges, where skills gaps exist within the current workforce, and where new capabilities will be required over the next three years as technologies, business models and labour markets evolve.

The LSIP has been developed through employer engagement, supported by labour market intelligence and partner insight. It brings together evidence from businesses to identify:

- Areas where employers face persistent recruitment difficulties
- Skills gaps affecting the productivity and progression of the existing workforce
- Emerging skills that will become increasingly important as industries and job roles change over the life of the plan

The Oxfordshire LSIP is led by the Thames Valley Chamber of Commerce (TVCC) as the designated Employer Representative Body (ERB). It has been developed in partnership with employers, education and training providers, local authorities and other regional stakeholders.

At a national level, the LSIP aligns with the work of Skills England, which looks at future workforce needs across the country. The LSIP adds value by providing local, employer-led detail about jobs, skills and pressures in the county. This helps make sure national priorities reflect what businesses need on the ground.

In addition, TVCC operates across the wider Thames Valley, providing a cross-border footprint that enables collaboration between Oxfordshire and neighbouring economies, such as Berkshire, Buckinghamshire and Swindon. This broader regional perspective allows the LSIP to benefit from shared labour market insight, partnership working and aligned workforce development activity across the Thames Valley.

Employer involvement in course design, delivery and work-based learning will be strengthened through the Workforce Development Partnerships (WDPs) that were established by TVCC in 2022, led by employers volunteering as Thames Valley Skills Champions.

The new plan set out in this report is intended to continue to support the education and training system in responding more effectively to employer demand, helping to ensure that local people develop the skills needed for current and future jobs while supporting productivity and economic growth across Oxfordshire.

“The future of work is changing fast, and Skills England is leading the charge in making better skills for better jobs.

Our vision is to create better skills for better jobs building the nation’s world-class skills and enable growth and opportunity. Recognising that every area has unique strengths, challenges, and opportunities to unlock, delivering this vision in regions, like the Thames Valley, is particularly important to the UK.

Building on the foundation of some tremendous strengths, TVCC is leading the way with two LSIPs, and through partnership, successfully co-creating solutions to regional skills challenges. The presence and depth of the eight growth sectors of the UK’s modern industrial strategy, found in the Thames Valley, means we should expect ‘super-things’ from a region with the capability of turning local success into national impact and ‘super-growth.’

TVCC is helping more people into good jobs and building the skills the Thames Valley community and UK needs. I commend their work to all stakeholders.”

Phil Smith Chair of Skills England, and Honorary Life Member, TVCC

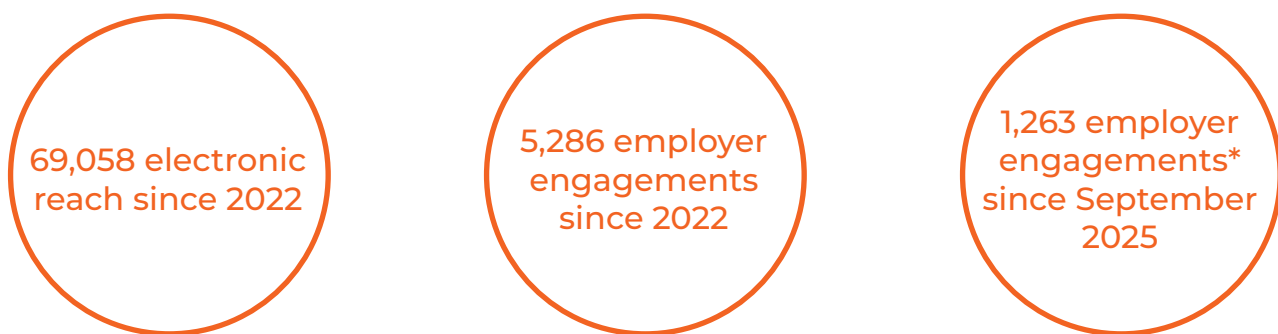
EXECUTIVE SUMMARY

The LSIP is intended for organisations involved in skills, training and economic development. This includes businesses and employer groups, relevant providers with statutory duties (further education colleges, independent training providers (ITPs) and organisations delivering technical education) and universities.

It focuses on post-16 education and training, covering the full range of provision from entry level through to Level 8. It is designed to support young people and adults to enter the labour market, progress in work and develop higher-level skills over time. Further Education (FE) providers play a central role at entry level to Level 3, delivering technical education, apprenticeships and programmes such as ESOL that support access to employment. Higher Education (HE) providers focus mainly on Levels 4 to 8, providing higher technical, degree-level and professional training. The LSIP brings these parts of the system together, with an emphasis on clear progression routes, flexible learning and alignment to employer needs, so that individuals can move through the system and respond to changing job opportunities.

The LSIP is also used by local authorities and other regional partners working on employment, growth and workforce development. By bringing together employer insight and labour market information, the LSIP supports better discussions and clearer decisions about skills priorities across Oxfordshire and the wider Thames Valley.

The LSIP Represents:



*Of which 76% were SMEs and 75% non-Chamber members
More detail on methodology and data collection in in Annex C.

The plan prioritises improving how the skills system functions as a whole, with the objective of aligning training more closely to employer needs across Oxfordshire and the wider Thames Valley. Rather than focusing on specific courses or qualifications, it emphasises structural changes that make skills provision more responsive, flexible and relevant to the labour market.

A joined-up Thames Valley wide offer of flexible, modular training is recommended to help employers, particularly SMEs, overcome practical barriers to staff development and enable people to build skills while staying in work. The LSIP places strong emphasis on shared responsibility, with employers, providers and public partners working together, supported by employer volunteer Skills Champions, to create and invest in skills solutions that meet future workforce needs.

Alongside this, there is a stronger focus on practical, workplace-based skills, ensuring that training delivers competence as well as formal qualifications. This includes improving work-readiness of new entrants and strengthening leadership and management capability, particularly at supervisor and first-line manager level. The plan also focuses on work readiness and workplace exposure through, for example, expansion of the successful Career Festival model.

There are also plans for specific partnerships and collaborations, including a Hospitality Skills Passport, Defence Careers Festival across the Thames Valley (with neighbouring areas), promotion of a new Electrotechnical Training Alliance for the Thames Valley, and a Gatsby-supported Industry Associates network to bring industry expertise into training providers, strengthening delivery of specialist skills in defence, manufacturing, engineering and construction.



The plan also reflects the increasing importance of digital capability through a recommendation of a Thames Valley wide AI framework to embed skills and knowledge for effective, ethical and responsible use.

Over the lifetime of this plan, there are significant changes and shifts in funding models and available qualifications. Accordingly, the LSIP reflects how employers and providers can work together to implement and benefit from new reforms such as the Growth and Skills Levy (GSL)¹, apprenticeship units², the Lifelong Learning Entitlement³ and modularisation. This also includes supporting FE providers and employers in the implementation of the three major changes to post-16 pathways: the introduction of V Levels⁴, the expansion of T Levels⁵, and clearer Level 2 routes⁶ through new Occupational and Further Study pathways.⁷

Delivery of the plan will be coordinated through WDPs, led by our volunteer Thames Valley Skills Champions, which bring together employers, colleges and training providers around key sectors. In Oxfordshire, some of these partnerships are aligned with wider Thames Valley sector groups, enabling collaboration across functional economic areas where labour markets and industries overlap.

The WDPs are a central part of how the LSIP is delivered and the key delivery vehicle for the model of shared responsibility for skills. They were created in 2022 to respond to a key issue raised by employers: that training and education often do not reflect the real needs of local businesses. WDPs provide a space where employers, training providers, and partners can work together to understand sector-specific challenges, share insight, and co-design practical solutions. The proposed WDPs are below.

¹ [Find training and employment schemes for your business - The Growth and Skills Levy](#)

² [Apprenticeship units – Apprenticeship Service Support](#)

³ [Lifelong learning entitlement \(LLE\): overview - GOV.UK](#)

⁴ V Level- The new flagship vocational qualification will sit alongside A Levels (academic) and T Levels (technical). V Levels will be the same size as an A Level and can be taken alongside them to create a broad study programme appropriate for a young person who wishes to progress to higher level study without specialising in one particular area.

⁵ The consultation response confirms the expansion of T Level subjects - including the introduction of new T Levels in areas such as Care Services and Sports, Fitness and Exercise Science from 2028.

⁶ Level 2- two new pathways for young people who need to continue learning at level 2 at age 16. They will have a choice of the Further Study pathway, which will help them to progress into a study programme of A Levels and/or V Levels, or a T Level - or the Occupational pathway, which is a two-year programme that supports progression to a good skilled job.

⁷ [Post-16 level 3 and below pathways - GOV.UK](#)

Workforce Development Partnerships



Thames Valley Digital WDP

To lead on cross-sector skills priorities on AI and digital transformation



Thames Valley Health and Life Science WDP

Embedded within the [Health and Life Science Working Group](#)



Thames Valley Technology and Innovation WDP

To lead on skills for green technology, energy, advanced manufacturing and quantum computing



Thames Valley Creative WDP

Aligned with [Screen Berkshire](#)



Thames Valley Defence and Security WDP

Embedded within the [Defence and Security Working Group](#)



Thames Valley Construction WDP

Aligned with the Thames Valley Electrotechnical Training and Careers Alliance



Thames Valley Visitor Economy WDP

Continuing work with UK Hospitality on Skills Passport and other initiatives to improve pipeline of talent



Thames Valley Care WDP

Continuing work with partners on initiatives to improve pipeline of talent



Thames Valley Logistics WDP

Continuing work with partners on initiatives to improve pipeline of talent

Priority Areas

The LSIP evidence base (employer feedback triangulated with other data and priorities identified- see Annex C) identified several priority sector clusters where skills development and workforce planning are particularly important for the Oxfordshire economy. These are:

Priority 1: [Health and Life Sciences](#) (including, Pharmaceuticals, Agrifood Technology and Health Technology)

Priority 2: Technology and Innovation (Green Technology, Energy, Advanced Manufacturing and Quantum Computing and Super Conducting Technologies)

Priority 3: Creative Industries (including Screen/[Film and High-End TV](#), Gaming, Digital Production and Content)

Priority 4: Defence and Security (Advanced Manufacturing, Space and space related technologies and Supply Chains)

Priority 5: Critical Services (Health, Care, Visitor Economy and Food and Farming)

Priority 6: Construction, Retrofit, Electrification and Green Infrastructure

The detailed industry classifications and occupational priorities for each of these sector clusters are set out in Annex A.

Across these sector clusters, the LSIP Plan in Annex B sets out system-level changes.

Change 1: Sharing Responsibility for Skills Across the Thames Valley- Industry and Education

Change 2: Responding to AI and Digital Transformation

Change 3: Reducing Recruitment Pressure in Specialist Roles

Change 4: Upskilling to Improve Productivity

Change 5: Building Management Strength in SMEs

Change 6: Preparing for Net Zero and Emerging Technologies

Change 7: Improving Work-Readiness and Real-World Skills

Summary of Main Content

Priority	Policy Alignment	Oxfordshire Strengths, Growth & Investment Context	Road Map Summary
AI	IS 8 Digital & technologies	Oxfordshire has established itself as a significant centre for artificial intelligence, building on the strength of the University of Oxford and its wider research ecosystem. The county hosts a growing cluster of AI-focused companies and research groups working across machine learning, data science, robotics and applied AI, with activity spanning sectors such as health and life sciences, autonomous systems, advanced manufacturing and climate technology. This strength is supported by close collaboration between academia, start-ups, scale-ups and global firms, as well as access to high-quality data, research infrastructure and investment. As a result, AI in Oxfordshire is characterised not only by cutting-edge research, but also by its application in real-world settings, driving demand for skills in areas such as software development, data engineering, algorithm design and the integration of AI into complex operational and industrial systems.	Establish a Thames Valley Digital WDP to provide clear employer-led direction on digital and AI skills, underpinned by a common Digital Skills Framework, aligning training provision across all sectors, alongside expanding flexible, modular training to support SME adoption of new technologies.
Health and Life Sciences (including, Pharmaceuticals, Agrifood Technology and Health Technology)	IS 8 Life Sciences Skills England priority- Health & Social Care	Oxfordshire is internationally recognised as one of the UK's leading life sciences clusters. The county hosts major pharmaceutical, biotechnology and health technology companies alongside world leading research institutions and science campuses such as the Oxford Science Park and Harwell Campus. Activity spans R&D, diagnostics, clinical trials, health technology innovation and agritech.	Strengthen employer leadership through the Health and Life Sciences WDP, build the evidence base on sustainability, and expand technical pathways while embedding digital and AI skills to address shortages in laboratory, R&D and production roles.
Technology and Innovation (Green Technology, Energy, Advanced Manufacturing and Quantum Computing)	IS 8 Clean Energy IS 8 Advanced Manufacturing IS 8 Digital & Technology	Oxfordshire has a significant concentration of research and innovation in clean energy (most especially Fusion Energy) and advanced engineering. National research facilities at Harwell and Culham support work in areas such as fusion energy, advanced materials, space technologies and environmental science. Businesses across the county are developing low carbon technologies, sustainable manufacturing processes and energy innovations.	Establish a coordinated, employer-led approach through a Technology and Innovation WDP to align skills provision with growth in clean energy, advanced manufacturing and emerging technologies. It focuses on strengthening technician and higher-level pathways, embedding digital and automation skills, supporting SME upskilling, and improving intelligence on frontier areas such as quantum computing to ensure a responsive and future-ready talent pipeline.
Creative Industries (including Screen/Film and High-End TV, Gaming, Digital Production and Content)	IS 8 Creative Industries	Oxfordshire has a distinctive creative economy centred on publishing, gaming, digital content and design. Oxford is one of the UK's leading publishing hubs, with internationally recognised publishers and a growing ecosystem of digital content businesses. The county also has a developing gaming and immersive media sector closely linked to digital technology skills and creative entrepreneurship.	Expand the Creative WDP to reflect the full sector, improve entry routes through supported T Level placements, embed AI and digital skills, and strengthen business and freelance capability to support sustainable careers.

Summary of Main Content

Priority	Policy Alignment	Oxfordshire Strengths, Growth & Investment Context	Road Map Summary
Defence, Advanced Manufacturing and Space Supply Chains	IS 8 Advanced Manufacturing; IS 8 Defence	Oxfordshire hosts a range of advanced engineering and high technology manufacturing firms including companies involved in aerospace, defence technologies and space systems. The Harwell Space Cluster forms a major national hub for satellite technology and space enabled applications, supporting high value employment and innovation activity.	Establish a coordinated Defence WDP to align employer priorities across the region, while strengthening the skills pipeline through improved training capacity, Industry Associates, enhanced careers awareness, and building compliance capability alongside embedding digital and automation skills.
Critical Services (Health, Care, Visitor Economy and Food and Farming)	Skills England Health and Social Care;	Oxfordshire's foundational economy includes large health and care providers, a diverse visitor economy linked to the county's cultural and heritage assets, and a significant rural economy including agriculture and food production. These sectors provide substantial employment and play a vital role in supporting communities and economic resilience.	Strengthen the frontline workforce across health, care, logistics and the visitor economy by improving entry-level pathways, embedding supervisory skills and expanding flexible training, alongside improving access, progression and careers awareness.
Construction, Retrofit and Green Infrastructure	IS 8 Clean Energy Skills England Construction	Oxfordshire faces significant demand for construction and infrastructure skills linked to housing growth, science campus expansion and investment in transport and energy systems. The transition to net zero is increasing demand for retrofit, low carbon heating, energy efficiency and sustainable construction practices.	Strengthen employer leadership through the Construction WDP and align skills provision with housing, infrastructure and Net Zero priorities, while addressing shortages in key roles, expanding green skills, embedding digital capability and improving work readiness in level 2 qualifications.

STRATEGIC AND ECONOMIC CONTEXT

This section sets out the economic and strategic context within which the Oxfordshire LSIP operates. It explains the structure of the local economy, identifies the sectors of strategic importance aligned to national Industrial Strategy priorities, and describes how the LSIP supports and complements wider local plans and strategies.

Oxfordshire is not currently part of a devolved Strategic Authority. In line with statutory guidance, this LSIP draws on the Oxfordshire Economic Strategy, local authority growth plans, national Industrial Strategy priorities, Skills England analysis, and direct employer engagement to identify current and future skills needs. It has been developed in consultation with local authorities, employers, education and training providers, and wider stakeholders to ensure alignment with local economic priorities and labour market demand.

Economic Structure and Priority Sectors

Oxfordshire has one of the most productive and research-intensive economies in the UK. The county is characterised by strong clusters in life sciences, advanced engineering, clean energy, space technologies and digital innovation, supported by a globally recognised research base and major science campuses. As set out in the Enterprise Oxfordshire Strategic Economic Plan, this innovation-led economy aligns closely with national Industrial Strategy priorities, particularly in life sciences, clean energy, advanced manufacturing and digital technologies. These sectors form the core of Oxfordshire's economic model and are reflected directly in the priority sectors identified within the LSIP.

Strategic Alignment

At the local level, the LSIP supports the Oxfordshire Economic Strategy and related local authority plans, which focus on strengthening innovation, supporting high-productivity sectors, and improving workforce participation.

The [Oxfordshire Strategic Economic Plan](#) sets the economic direction and long-term mission

The LSIP also complements the Local Get Britain Working Plan (Oxfordshire Works). While this focuses on supporting access to employment, the LSIP focuses on ensuring that training provision equips individuals with the skills required for sustainable employment and progression. Together, these approaches support both entry into work and long-term workforce development.

The LSIP sets out occupational priorities and creates opportunities for collaboration

[Oxfordshire Works](#) (local Get Britain Working Plan) focuses on workforce participation and progression

This alignment ensures that skills planning is closely linked to economic growth, labour market participation, and employer demand.

Synergies Between Neighbouring Areas

Oxfordshire and its neighbour, Berkshire, form part of a highly integrated Thames Valley economy, with shared strengths in digital technologies, life sciences, advanced engineering and construction linked to the Net Zero transition. Across both areas, employers report similar skills pressures, particularly shortages of engineers, technicians, digital specialists and skilled construction trades, alongside the need to upskill the existing workforce and strengthen entry pathways into technical roles.

These complementary specialisms reinforce the case for coordinated skills planning across the Thames Valley. Cross-boundary clusters, including defence and advanced manufacturing activity extending into Swindon, generate shared demand for specialist skills such as systems engineering, robotics and precision manufacturing. Workforce flows and supply chains also extend into neighbouring areas such as Buckinghamshire. In this context, the LSIP supports alignment through cross-county WDPs and sector-based collaboration, ensuring that provision reflects the realities of a functional economic geography rather than administrative boundaries.

There are, however, some differences in the structure of demand. Oxfordshire's economy is more research-intensive and science-led, with a high concentration of activity in research and development,

advanced engineering, clean energy and emerging technologies. This drives demand for higher-level technical and research roles, including scientists, engineers, technicians and data specialists.

In the context of potential future devolution, these similarities and interdependencies are important. The existing cross-county WDPs and sector working groups provide a foundation for more integrated skills governance as devolution progresses.

Demographics

Oxfordshire's population is growing but demographic change is increasing pressure on workforce supply. The population is approximately 730,000 ((ONS)⁸ mid-2023 estimate), with growth driven by migration and the strength of the local economy. At the same time, the age profile is shifting, with around one third of residents aged 50 and over, and this proportion expected to rise.

This creates a structural challenge. A tight labour market, combined with an ageing workforce, is increasing replacement demand while limiting the available labour pool. Even with strong inward migration and a large graduate population, employers are likely to face sustained competition for experienced technical and professional staff.

The implication is that workforce supply will depend less on population growth and more on progression, retention and effective pathways into employment. Strengthening entry routes, supporting upskilling and improving work readiness are therefore critical to addressing labour shortages in technical and specialist roles.

Labour Market Performance

Oxfordshire's labour market is strong, with employment and participation rates above the national average. This reflects the county's concentration of knowledge intensive sectors, including professional, scientific and technical activities, research and development, education, and advanced manufacturing. However, evidence from Oxfordshire Works indicates that this strength also creates structural recruitment pressures. High employment rates and a relatively small available labour pool mean many employers face difficulties recruiting staff, particularly for specialist technical roles and occupations requiring advanced qualifications or workplace experience.

Employment demand is expected to remain strong as Oxfordshire continues to develop as a centre for research, innovation and advanced technology. Expansion of science campuses, growth in spin out companies, and investment in clean energy and advanced engineering are likely to increase demand for skilled workers. Alongside this growth, replacement demand arising from retirements and workforce mobility will continue to generate substantial numbers of job openings across the labour market.

The evidence suggests that these recruitment pressures are structural rather than cyclical. Long term demand driven by economic growth, technological change and demographic change is expected to sustain competition for skilled labour. Workforce development, progression and retention will therefore remain critical to supporting economic growth and sustaining Oxfordshire's innovation led economy.

Productivity and Skills Dependency

Oxfordshire's economy performs strongly by national standards and is widely recognised as one of the UK's most productive and innovation-intensive local economies. Regional economic analysis referenced in the Strategic Economic Plan highlights sustained economic growth driven by high-value sectors including research and development, life sciences, advanced engineering, digital technologies and clean energy. The county's economy benefits from a powerful innovation ecosystem built around universities, science parks and research institutions, which support a large number of technology companies and spin-out businesses.

This strong productivity performance is a major competitive strength for the local economy. It attracts investment, supports high-value business activity and enables the continued growth of research-led industries. However, it is closely linked to the availability of highly skilled labour. Many of the sectors driving Oxfordshire's economic performance depend on professional occupations, associate professional and technical roles, and skilled technical occupations across engineering, digital technology and scientific research.

Sustaining Oxfordshire's economic performance therefore depends not only on attracting new

8 [Population estimates - Office for National Statistics](#)

investment and supporting innovation, but also on ensuring that the local skills system continues to supply the capabilities required by knowledge-intensive industries.

Business Base and Employer Demand

Oxfordshire has a large and diverse business base, with more than 30,000 registered enterprises.⁹ This has important implications for skills demand. Smaller employers often require flexible, modular and work-integrated training solutions, rather than long full-time programmes.

Employer demand is therefore characterised by:

- The need for short, targeted upskilling
- A focus on progression within employment
- Demand for specialist technical training
- Limited capacity to release staff for extended training

This reinforces the importance of flexible provision, modular learning, and strong employer-provider collaboration.

Business Register and Employment Survey (BRES) data shows that Oxfordshire has a particularly strong concentration of employment in knowledge intensive and research driven sectors. Employment is especially concentrated in:

- Professional, Scientific and Technical Activities
- Education
- Human Health and Social Work
- Manufacturing
- Information and Communication
- Wholesale and Retail

Oxfordshire ranks among the leading areas outside London for employment intensity in Professional, Scientific and Technical Activities and Research and Development. These sectors account for a higher share of total employment locally than in many other parts of England, reflecting the county's globally significant research ecosystem, the presence of major science campuses and the role of the universities in supporting innovation-led businesses.

The occupational profile of these sectors is weighted heavily towards:

- SOC Major Group 2 Professional occupations
- SOC Major Group 3 Associate professional and technical occupations
- SOC Major Group 5 Skilled trades
- SOC Major Group 8 Process, plant and machine operatives (particularly within advanced manufacturing and engineering)

Logistics plays a critical role within Oxfordshire's economy as an enabler of wider economic activity. The county sits within a strategically important corridor linking the South-East Midlands 'golden triangle' of logistics, with strong connectivity along the M40 and links to the M1 via the A43. This location supports significant and growing logistics activity, including distribution, warehousing and supply chain operations that underpin sectors such as advanced manufacturing, life sciences and technology. Planned large-scale developments along these corridors are expected to increase demand for logistics, transport and supply chain skills. Alongside this, Oxford Airport provides an important economic asset, supporting business aviation, aerospace activity, flight training and associated supply chains.

Defence and advanced engineering form an important part of Oxfordshire's high technology economy. The county hosts a range of companies involved in advanced manufacturing, aerospace engineering, space defence and satellite technologies, motorsport and specialist defence supply chains including cyber security. The [Harwell Space Cluster](#) is one of the most significant centres for space technology in Europe, supporting companies working in satellite manufacturing, space data applications and advanced engineering systems. Alongside this, a network of precision engineering firms and specialist manufacturers supply components and services to national defence and aerospace programmes.

Oxfordshire is also home to major national defence establishments that shape workforce demand across a wide range of occupations. RAF Brize Norton is the largest station in the Royal Air Force and one of the most significant employers in West Oxfordshire. RAF Benson, providing operational evaluation, trials and testing of equipment, whilst smaller, feeds similar demands. Just outside the county boundaries, there

⁹ [Business Register and Employment Survey \(BRES\): provisional results 2024, revised results 2023 - Office for National Statistics](#)

is also the MOD's [Defence Academy, Shrivenham](#) and [RAF High Wycombe](#). The base plays a central role in the UK's military and air mobility capability and supports a large workforce involved in aviation operations, engineering support, logistics, infrastructure management, security and project delivery. Its presence creates demand for a wide range of technical and operational roles, including aircraft technicians, logistics specialists, engineering support staff, digital systems operators and supervisory managers across defence related supply chains. The rich aerospace history in the region has also generated an intense concentration of elite motorsport companies in the county.

In practical terms, Oxfordshire's economic strengths also create workforce pressures. A high concentration of research, technical and professional employment means that recruitment delays, capability gaps and shortages in specialist roles can have a disproportionate economic impact. Sustaining growth in these sectors therefore depends on maintaining a strong local pipeline of skilled labour, strengthening progression into higher technical and research roles and ensuring that SMEs and innovation-driven firms can access flexible workforce development opportunities.

Foundational Economy

The foundational economy in Oxfordshire includes sectors such as health and social care, hospitality and visitor economy, logistics and transport, and construction. These sectors provide the essential services and infrastructure that support communities and enable the wider economy to function. Their importance is increasing as Oxfordshire is expected to need around 241,000 workers by 2035, while the working age population is projected to decline by 18.5% and the proportion of residents aged over 50 is expected to rise to 41.5% by 2034, placing greater pressure on essential workforce sectors. (Oxfordshire Strategic Economic Plan)

The visitor economy plays an important role in employment across Oxfordshire, particularly in rural and heritage locations. Major attractions such as Oxford, Bicester Village¹⁰, Blenheim Palace and destinations across the wider Thames Valley (e.g., Windsor) and The Cotswolds attract significant visitor numbers and support jobs across a wider range of trades supporting hospitality, events, retail and visitor services. Adding to these significant attractions, based in county¹¹, will be the potential £650m investment in [Puy du Fou UK](#) (see case study).

Puy du Fou UK is a £650m investment in an historical theme park, across 388 acres of Oxfordshire countryside. Being built over 8 phases, over 10-years, from 2026/27. When the park is opened, in 2029, [700 people will be employed](#) at Puy du Fou and as many as 2,000 new secondary indirect jobs – and this will increase to 2,000 direct jobs over the next 10 years. Responding to this short to long term need, the business has already having a [positive impact](#) with one of our LSIP partners - Activate Learning (AL). The AL team have been engaged with the park owners for over 12 months, working to better understand the types of jobs they need across all aspects of operations, including land and animal management, createch (e.g. performing/production arts, technology), hospitality, care and beauty and wider leadership and management skills.

Caroline Purdom, Group Director Change Projects at Activate Learning comments, “we are seeing so many links at so many levels – it’s an exciting, transformational, project providing long-term employment opportunities for our students. AL is adapting what we are doing to reflect these opportunities and focusing on making sure our learners are ready for work, and attractive to Puy du Fou for their first year, their second year and many years beyond”.

AL are now developing contextualised learning, employment pathways and adapting what they do and teach to prepare students, and adults, for the roles that will become available during construction and operational phases.

Activate Learning / Puy du Foy UK

¹⁰ Bicester Village is the second biggest attraction among the Chinese visitors to the UK
¹¹ Located at Junction 10 of the M40 in Oxfordshire, roughly three kilometres north of Bicester.

Latest Business Sentiment

The Quarterly Economic Survey for Q4 2025¹² shows that business confidence across the UK, including the Thames Valley region, weakened noticeably towards the end of 2025. Overall sentiment was at its lowest level for several years, with many firms reporting caution in their outlook for growth and investment and continuing to report recruitment difficulties, especially for skilled roles.

Our engagement work with employers highlights similar themes. Firms in Oxfordshire have indicated that sales and orders were flat or weaker for many businesses, while recruitment challenges continue to constrain growth ambitions, particularly in specialist technical, digital and management roles.

This suggests that although businesses remain resilient, confidence is subdued and growth expectations cautious. Labour demand remains active, but employers are adjusting hiring and investment plans in response to persistent recruitment challenges and broader economic uncertainty. This reinforces the LSIP's focus on in-work skills development, as employers seek to secure the workforce capability needed to support growth even in less certain conditions.

Inward Investment and Infrastructure- Developments Since the Previous LSIP

Since the publication of the previous LSIP, Oxfordshire has continued to strengthen its position as a nationally significant centre for research, innovation and advanced technology. Investment across major science campuses, research infrastructure and technology-led business development has reinforced the county's role within the UK's innovation economy. The most notable examples here include the 1.3bn [Ellison Institute of Technology](#) and the [Moderna's £1 bn state of the art manufacturing and R&D facility](#).

Science and Research Infrastructure

Oxfordshire's economy is strongly shaped by a network of internationally recognised research facilities and science campuses. Sites such as Harwell Science and Innovation Campus, Begbroke Science Park and the adjacent Oxford Technology Park, and Culham Science Centre have continued to attract investment in sectors including space technologies, advanced engineering, life sciences and clean energy. These campuses host a large concentration of research organisations, start-ups, scale-ups and global firms working in areas such as satellite applications, fusion energy, advanced materials and scientific instrumentation. Continued growth across these sites has reinforced demand for scientists, engineers, technicians, data specialists and highly skilled technical staff.

The presence of major universities also plays a central role in the county's innovation ecosystem. Research commercialisation, spin-out formation and university-industry collaboration contribute significantly to business growth and inward investment. This research-driven model means that Oxfordshire's labour market includes a high concentration of research, engineering and technical occupations linked to emerging technologies.

Innovation and Technology Investment

The county continues to attract investment in emerging technology sectors, including clean energy, such as [fusion energy](#), space technologies, [quantum computing](#), advanced manufacturing and digital innovation. Research programmes linked to, for example, fusion energy at Culham, alongside space and satellite technology development at Harwell, are expected to generate long-term demand for specialist engineering, technical and data skills. Building on the recently published [Fusion Strategy](#), as we may expect to see in such documents as the Fusion Prospectus, these sectors are also creating opportunities for supply chains across advanced manufacturing, digital systems and specialist services. In parallel, Oxfordshire is part of the wider Thames Valley's [health and life sciences cluster](#), which continues to expand and innovate through the growth of biotechnology companies, medical research partnerships and health technology firms. These developments reinforce demand for digital technology, laboratory technicians, research scientists, regulatory specialists and advanced manufacturing staff involved in pharmaceutical and medical technologies production.

Other Potential Investments

Potential strategic investments in Oxfordshire's pipeline include the proposed [Vale of White Horse reservoir](#) and the [Puy du Fou development](#). Subject to planning decisions and future investment timelines, both represent opportunities with potentially significant implications for skills demand and workforce development across sectors including construction, engineering, visitor economy, hospitality

¹² [Quarterly Economic Survey - Q4 Report - 2025](#)

and associated supply chains. While the scale and timing of skills requirements are likely to extend beyond the current three-year LSIP period, the LSIP will remain alert to emerging developments and committed to maintaining visibility of these projects within the wider pipeline, ensuring employers and partners are positioned to anticipate and respond to future workforce needs.

Oxford–Cambridge Growth Corridor

Oxfordshire also plays a central role within the wider Oxford–Cambridge Growth Corridor Arc, a nationally significant and world-leading innovation corridor linking major research and innovation centres between Oxford, Milton Keynes and Cambridge. The growth corridor has been identified, by government, as a key driver of UK science, technology and innovation. With long-term plans for housing growth, infrastructure investment and expansion of research and technology clusters to better connect working people to jobs, create thriving communities and boost innovation and investment across the whole of the UK.

Within this corridor, Oxfordshire acts as a major anchor for key sectors, including life sciences, space technologies, advanced engineering and clean energy research. Collaboration across the corridor strengthens research partnerships, supply chains and labour mobility between universities, science parks and high technology firms. For the local labour market, this wider innovation geography increases demand for highly skilled technical and scientific workers while also expanding opportunities for collaboration across regions. By example, TVCC's partnership with the Cambridgeshire Chambers of Commerce, enables both accredited Chambers to link LSIP work with the strong business voice we represent to help maximise impact and identify common themes.



Clean Energy and Sustainability

Oxfordshire has also become an important location for research and development linked to the transition to Net Zero. Clean energy innovation, including fusion research, advanced battery technologies and low-carbon energy systems, is generating new demand for specialist technical skills. At the same time, the construction sector is experiencing increasing demand for retrofit expertise, sustainable building methods and low-carbon infrastructure delivery as part of wider climate commitments.

Implications for Employers and the LSIP

The evidence shows:

- Strong economic growth linked to research, innovation and advanced technology sectors
- High productivity supported by a highly skilled workforce
- Continued demand for scientists, engineers, technicians and digital specialists
- Structural recruitment pressures in a tight labour market
- A business base dominated by SMEs and innovation-driven firms

Strategic Implications for the LSIP

The evidence presented in this section highlights several structural characteristics of Oxfordshire's economy that shape the priorities within this LSIP. The county combines strong economic productivity with a globally significant research and innovation ecosystem. Many of its leading sectors depend heavily on professional, technical and research occupations, alongside specialist engineering and technician roles.

At the same time, a tight labour market and continued economic growth mean that employers face sustained competition for skilled workers. Oxfordshire's SME-dominated business base and innovation-driven firms also require flexible training solutions that allow employees to develop skills while remaining in employment.

These factors reinforce the importance of strengthening technician and higher technical pathways, supporting workforce upskilling, improving work readiness and expanding flexible learning opportunities. The priorities identified in this LSIP therefore reflect both Oxfordshire's economic strengths and the workforce challenges associated with sustaining a highly productive, research-intensive economy.

LOCAL SKILLS NEEDS

This section sets out the key skills needs identified by employers across Oxfordshire for the current period and the next three years. The analysis is based on evidence gathered through the LSIP process, including employer interviews, WDP discussions, sector roundtables, written submissions and engagement events. These insights have been triangulated with labour market data, sector intelligence and local economic strategies.

The analysis focuses on the practical workforce challenges employers face rather than qualifications alone. Employers consistently emphasised that the key issue is not simply the number of people entering the labour market, but the availability of candidates who can apply technical knowledge effectively in real workplace environments. Many roles increasingly require a combination of technical expertise, digital capability, regulatory awareness and operational responsibility. In addition, this LSIP pays due regard to equality of opportunity and net zero objectives.

Equality of Opportunity

Employers and partners highlighted that some groups face greater barriers to accessing training and progressing into skilled work. In Oxfordshire this includes young people who are not yet connected to employers, adults needing to retrain or change career, people returning to work, and those facing practical barriers such as cost, caring responsibilities or limited access to flexible learning. The Oxfordshire Works (Local Get Britain Working Plan) notes that although the county has a strong labour market and high employment levels, there are still residents who remain economically inactive or disconnected from local job opportunities. The LSIP aims to support these groups by improving access to flexible training, strengthening employer engagement, supporting entry routes into critical sectors through ESOL, and creating clearer progression routes from entry-level roles into skilled occupations, working alongside partners across the skills and employment system including providers, Jobcentre Plus and careers services.

In addition, partners such as University of Oxford, the Ellison Institute of Technology (EIT), and Oxfordshire County Council have identified a need to ensure that the innovation eco-system benefits all communities in Oxfordshire and initiatives such as Equitable Innovation-Equinox and Oxfordshire Inclusive Economy Partnership (OIEP) are driving work in this space. The LSIP will support this work, helping to identify skills needed for innovation, particularly in the Health and Life Sciences sector.

Environmental and Net Zero goals

Employers across Oxfordshire highlighted that the transition to a low carbon economy and rapid technological change are reshaping skills needs across many sectors. Demand is increasing for skills linked to clean energy systems, sustainable construction, low carbon technologies, environmental data and digital tools that support more efficient and sustainable business practices. Oxfordshire's strengths in energy research, advanced engineering and environmental innovation mean these skills are increasingly relevant across industries including construction, engineering, life sciences and manufacturing. This was also confirmed in primary research TVCC undertook, as part of its [State of the Region report](#), which considers a region-wide perspective on the Thames Valley's pathway to net zero and how we are considering climate change and sustainability. This includes growing demand for skills linked to energy efficiency, low carbon construction, sustainable production and the use of digital technologies that support more efficient and environmentally responsible business practices. The LSIP sets out related plans for a follow-up survey, in partnership with the ABHI, aimed at Health Tech companies. The survey aims to build a clearer picture of how sustainability requirements - particularly those linked to the NHS Net Zero Supplier Roadmap and wider UK government policy – are shaping the operating environment for businesses in the sector.

The LSIP supports these environmental and Net Zero objectives by promoting skills development in areas such as retrofit, green construction, sustainable infrastructure, energy systems and resource efficiency. Providers, employers and partners will work together to embed environmental knowledge and sustainable practices within training programmes, alongside digital and technical skills that support innovation and productivity. This approach aims to ensure the workforce is prepared for the technological and environmental changes associated with Net Zero and the county's wider innovation ambitions.

Six priority sector clusters have emerged from the Oxfordshire LSIP evidence base.

The six priority areas are:

- Priority 1: [Health and Life Sciences](#) (including, Pharmaceuticals, Agrifood Technology and Health Technology)
- Priority 2: Technology and Innovation (Green Technology, Energy, Advanced Manufacturing and Quantum Computing and Super Conducting Technologies)
- Priority 3: Creative Industries (including Screen/[Film and High-End TV](#), Gaming, Digital Production and Content)
- Priority 4: Defence and Security (Advanced Manufacturing, Space and space related technologies and Supply Chains)
- Priority 5: Critical Services (Health, Care, Visitor Economy and Food and Farming)
- Priority 6: Construction, Retrofit, Electrification and Green Infrastructure

Seven system-level changes are also identified:

- Change 1: Sharing Responsibility for Skills Across the Thames Valley- Industry and Education
- Change 2: Responding to AI and Digital Transformation
- Change 3: Reducing Recruitment Pressure in Specialist Roles
- Change 4: Upskilling to Improve Productivity
- Change 5: Building Management Strength in SMEs
- Change 6: Preparing for Net Zero and Emerging Technologies
- Change 7: Improving Work-Readiness and Real-World Skills

This section (Local Needs) focuses on articulating the specific needs, pressures and priorities within each sector, ensuring that the evidence and employer voice are clearly grounded in sector context. Section 2 (Changes Required) then shifts from diagnosis to delivery, organising the response around the cross-cutting system changes required to address those needs collectively, recognising that many challenges such as skills pipelines, workforce participation, employer engagement and provision flexibility are shared across sectors and require coordinated system-level action.



Priority 1 Health & Life Sciences (Agrifood and Health Technology)

Oxfordshire forms part of the Thames Valley life sciences cluster and wider UK's golden triangle of life sciences. The sector includes a wide range of activities, including laboratory research, diagnostics, biotechnology, clinical trials, medical device development and agritech innovation. As a result, demand for skills extends beyond research roles into manufacturing, regulatory, commercial and technical occupations that support the wider life sciences ecosystem.

Employers consistently reported recruitment pressure in technical and specialist roles across the sector. These include laboratory technicians, research scientists, bioprocess technicians, regulatory and compliance specialists, and medical device engineers. These roles require a combination of scientific knowledge, technical capability and familiarity with industry systems such as laboratory automation, digital laboratory information systems and quality assurance processes.

Alongside technical scientific roles, employers also highlighted increasing demand for staff who can work at the interface between research, technology and commercial application. As the life sciences

ecosystem continues to expand through university spin outs and innovative SMEs, organisations increasingly require professionals who understand regulatory pathways, intellectual property, product development and the commercialisation of scientific innovation. These roles require awareness of innovation and business capability.

“Too often job descriptions focus on qualifications rather than the actual skills needed to do the job. We need to challenge that approach and design roles and training around the capabilities businesses really require, not just formal credentials.”

Large Life Sciences Company (Interview)

“AI and digital technologies are going to affect almost every role in the organisation. We are already using AI in areas such as medical imaging for stroke CT scans, and we expect wider use of tools like Copilot or ChatGPT for drafting reports, note taking and day to day productivity. That means staff at all levels will need a basic understanding of how to use these technologies responsibly and how to check their outputs.”

Small Health Innovation Company (Interview)

digital and data skills within life sciences occupations. Advances in areas such as bioinformatics, digital diagnostics, laboratory automation and AI assisted research are changing how scientific work is carried out. As a result, many roles increasingly require capability in data analysis, digital laboratory systems, modelling tools and digital compliance processes alongside traditional laboratory skills.

Employers identified the importance of strengthening employer coordination around life sciences workforce development to review occupational demand, support curriculum development and align training provision with the needs of Oxfordshire's research-intensive economy.

Linked to this, employers expressed a need for upskilling and increasing understanding of regulatory demands on the sector, particularly sustainability and net zero requirements, and the implications for business competitiveness. More work needs to be done with employers to fully understand the skills requirements in this space.

Employers also emphasised the growing importance of

“Universities provide strong technical education, but closer alignment with employers is needed to ensure curricula remain current and relevant. Greater emphasis should be placed on human skills, ethics and character development alongside technical learning. Degree apprenticeships and work-integrated learning offer significant potential to improve employability while reducing financial pressure on students. Stronger collaboration between education providers and industry will be essential to keep pace with technological change and evolving workforce needs.”

Large Life Sciences Company (Interview)

Priority 2 Technology and Innovation (Green Technology, Energy, Advanced Manufacturing and Quantum Computing)

Green technology is an important and rapidly evolving skills priority for Oxfordshire. The county has a strong concentration of research, engineering and innovation linked to clean energy, environmental technologies and advanced manufacturing. National research facilities and science campuses such as Harwell and Culham support activity in areas including fusion energy, advanced materials, environmental science and low carbon engineering. Alongside this research base, a growing number of innovative SMEs and technology companies are developing solutions linked to clean energy systems, sustainable production and environmental monitoring. As a result, demand for skills extends across engineering, scientific research, manufacturing and environmental management roles.

Recent inward investment in large-scale research and manufacturing facilities is expected to accelerate demand across the technology and innovation cluster. Major developments in areas such as fusion energy, are increasing demand not only for highly specialised roles, but also for technicians, commissioning engineers, operations staff and wider supply chain capability. This is likely to increase both the volume and urgency of demand across Levels 3 to 5, particularly as facilities move from research and construction into operational phases.

Employers reported recruitment pressure in a range of specialist advanced manufacturing, engineering and technical occupations, including energy systems engineers, environmental scientists, automation engineers, engineering technicians and advanced manufacturing specialists. These roles require a combination of engineering expertise, digital capability and knowledge of emerging technologies such as automation systems, advanced materials, energy modelling and sustainable manufacturing processes. Employers emphasised that candidates often possess theoretical knowledge but lack the practical engineering experience and industry familiarity needed to operate effectively in complex technical environments.

“Building services and industrial thermal management systems are becoming far more sophisticated. Modern systems integrate digital controls, automation and remote performance monitoring, so engineers now need much more than traditional mechanical and electrical knowledge. They must also understand digital diagnostics, software configuration, networked systems and how to interpret performance data.”

Small Manufacturing Company (Interview)

Employers also highlighted the increasing importance of digital technologies within green and advanced manufacturing sectors. Many roles now require capability in areas such as data monitoring, digital modelling, robotics, simulation tools and automated production systems. As organisations adopt more advanced technologies to improve efficiency and reduce environmental impact, engineers and technicians are increasingly expected to work with integrated digital and physical systems.

The transition to Net Zero is also creating demand for skills linked to sustainable infrastructure and energy systems. Employers across engineering, construction and environmental technology firms highlighted the need for expertise in areas such as energy efficiency, carbon monitoring, environmental compliance and low carbon system design. These skills are becoming increasingly important at higher levels as businesses respond to regulatory requirements and invest in sustainable technologies.

Quantum computing has emerged as a skills need through recent deep dives with local stakeholders, reflecting Oxfordshire's position as a leading centre for frontier research and technology development. The sector sits within a broader technology cluster and is characterised as an enabling capability rather than a standalone industry. Current demand is concentrated in high-level roles requiring advanced scientific and engineering expertise, alongside the ability to translate research into commercial applications. Over time, the

“Procurement is also becoming more closely linked to corporate sustainability reporting. Clients increasingly expect advice on sustainable sourcing, carbon impact and supplier risk alongside cost optimisation, so consultants need to balance commercial and environmental priorities in the advice they provide.”

Medium Energy Procurement Company (Interview)

sector is expected to generate broader demand across areas such as advanced computing, data science, cryogenics, electronics and specialist manufacturing. More research in this emerging sector is required to better inform providers.



Priority 3 Creative Industries (including Screen/Film and High-End TV, Gaming, Digital Production and Content)

Creative industries are an important and distinctive part of Oxfordshire's economy, with particular strengths in publishing, digital content and a growing gaming sector. Oxford is one of the UK's leading publishing centres, home to internationally recognised publishing houses as well as a range of specialist and academic publishers. Alongside this, a developing cluster of digital media, gaming and creative technology businesses is emerging across the county, often linked to wider digital innovation activity and university spin-outs. As a result, demand for skills in the creative sector spans traditional publishing roles as well as digital production, software development and content creation.

Employers reported recruitment pressure in a number of technical and specialist creative occupations. These include game developers and programmers, technical artists, digital content producers, publishing editors and digital marketing specialists. Many of these roles require a combination of creative capability, technical digital skills and commercial awareness. Employers emphasised that candidates often possess strong creative ideas but may lack practical experience with industry-standard tools, collaborative production workflows and the commercial realities of digital media production.

Technological change is also reshaping the sector. Employers highlighted the increasing importance of real-time production tools, game engines, immersive design platforms and AI-enabled creative technologies. Tools such as Unreal Engine, Unity and emerging AI content generation systems are changing the way creative work is produced, requiring workers who are comfortable combining creative skills with technical digital capability.

Employers also noted that many creative businesses operate as SMEs or micro-businesses, meaning employees often require a broad skill set that combines creative production with commercial awareness, project management and client engagement. Skills in areas such as intellectual property management, digital marketing, audience analytics and entrepreneurship were therefore highlighted as increasingly important.

“Recruiting people with the right mix of service design expertise, human centred problem solving and commercial understanding is very difficult.”

Micro Design Company (Interview)



Priority 4 Defence and Security and Advanced Manufacturing (including Supply Chains)

Defence and advanced engineering form an important part of Oxfordshire's high technology economy. The county hosts a range of companies involved in advanced manufacturing, aerospace engineering, space defence and satellite technologies and specialist defence supply chains including cyber security.

Employers reported ongoing recruitment pressure in specialist engineering and technical roles. These include systems engineers, electronics engineers, satellite communications specialists, precision manufacturing technicians and robotics engineers. Many of these roles require a combination of advanced engineering capability, digital skills and knowledge of complex manufacturing processes. Employers noted that while engineering graduates are entering the labour market, there is a shortage of candidates with the applied technical experience required to work effectively in highly specialised manufacturing and defence technology environments.

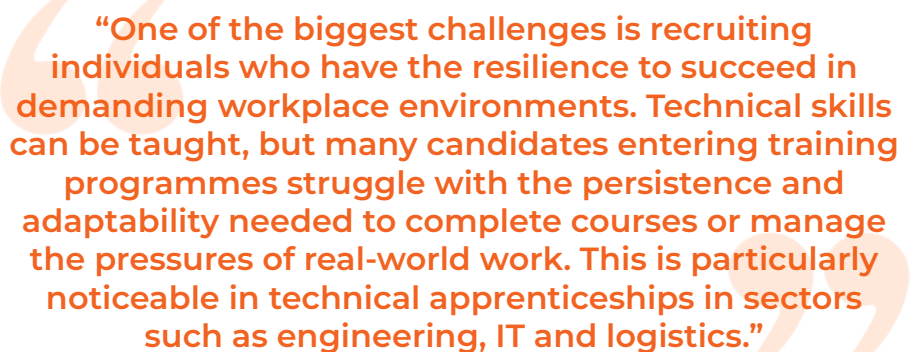
Technological change is also reshaping the sector. Employers highlighted the increasing importance of automation, robotics, digital manufacturing tools and simulation technologies within modern engineering environments. Engineers and technicians are increasingly expected to work with integrated digital production systems, predictive maintenance technologies and advanced modelling tools alongside traditional engineering disciplines. The transition to electric vehicles is driving demand for skills in EV maintenance, battery systems, charging infrastructure and diagnostics. Institute of the Motor Industry feedback indicates a growing gap between workforce capability and EV uptake, with a shortage of technicians qualified to work on electric and hybrid vehicles. Employers increasingly require a mix of electrical, mechanical and digital skills, alongside knowledge of safety and energy systems, highlighting the need for updated technical pathways and flexible training provision.

Cyber security skills needs are closely linked to both the growth in digital and AI sectors and the county's defence and security activity, where protecting sensitive systems, data and infrastructure is critical. Employers report demand for advanced cyber capabilities alongside broader digital skills. The need is driven by innovation in science and technology and the handling of high-value data, but there remain challenges in building a strong talent pipeline and keeping skills up to date as threats and technologies evolve.

The defence sector is also highly regulated, which creates additional skills requirements. Employers emphasised the need for greater understanding of compliance frameworks, export controls, security requirements and quality assurance standards that apply to defence related manufacturing and supply chains. Organisations therefore require staff who can combine technical engineering knowledge with awareness of regulatory and security requirements, alongside the professionalism and resilience needed to operate in highly structured environments.

Employers also raised concerns about careers awareness and the reputation of the sector. Defence and advanced manufacturing careers are not always well understood, particularly by young people, and are sometimes seen as less attractive than other options.

Employers reported that many potential recruits are unaware of the range of roles available or the progression opportunities within the sector. This was identified as a barrier to attracting new entrants, particularly into entry-level and technical roles. There is a need to improve how careers in defence and engineering are presented, including through more visible engagement with schools and colleges and initiatives such as sector-based careers events and festivals.



“One of the biggest challenges is recruiting individuals who have the resilience to succeed in demanding workplace environments. Technical skills can be taught, but many candidates entering training programmes struggle with the persistence and adaptability needed to complete courses or manage the pressures of real-world work. This is particularly noticeable in technical apprenticeships in sectors such as engineering, IT and logistics.”

Small Defence Training Company (Interview)

Priority 5 Critical Services (Health, Care, Visitor Economy, Food and Farming)

These sectors are grouped together as a cluster because, although they operate in different parts of the economy, they share a number of similar workforce characteristics and occupational priorities. Critical service sectors form a large and essential part of Oxfordshire's economy. Health and social care, logistics and transport, hospitality and tourism, food production and agriculture together employ a substantial share of the local workforce and play a central role in supporting both communities and wider economic activity.

These sectors have been prioritised in the LSIP because of the strong recognition of these sectors' importance in the Oxfordshire Strategic Economic Plan which highlights the importance of the foundational economy. Employer insights into skills can add a valuable dimension to improvements for these sectors.

Health and social care organisations are among the largest employers in Oxfordshire and continue to report persistent workforce shortages. Recruitment pressures exist across nursing, care work, allied health professions and operational support roles. Employers also highlighted the growing importance of digital capability across health services, as systems increasingly rely on electronic patient records, digital diagnostics and AI assisted tools.

Employer feedback indicates that workforce demand across these sectors is expected to remain strong over the coming decade. Population growth, demographic change and rising service demand are increasing workforce needs in health, care and community-based services.

“AI and digital tools are increasingly part of everyday work in healthcare, from imaging systems to automated follow-up processes. Staff at all levels will need to understand how these systems work and how to use them responsibly.”

Large NHS Employer (Interview)

At the same time, there is continuing expansion in logistics, distribution and supply chain activity. The visitor economy also remains an important contributor to employment across the county, supported by tourism assets, hospitality businesses and a growing events economy.

Health and social care organisations are among the largest employers in Oxfordshire and continue to report persistent workforce shortages. Recruitment pressures exist across nursing, care work, allied health professions and operational support roles. Employers also highlighted the growing importance of digital capability across health services, as systems increasingly rely on electronic patient records, digital diagnostics and AI assisted tools.

Employers in the Visitor Economy sector consistently reported difficulties recruiting and retaining staff in entry and operational roles, particularly those involving shift work, irregular hours or physically demanding tasks.

At the same time, the nature of many operational roles is changing. Employers reported that even entry-level positions increasingly require digital competence, regulatory awareness and strong interpersonal capability. Logistics and supply chain roles now rely heavily on digital fleet management systems, warehouse technologies and real-time data platforms. Similarly, health and care providers increasingly depend on electronic record systems, digital compliance reporting and integrated data platforms to support service delivery.

Employers also highlighted the need to strengthen progression pathways within these sectors. Many roles provide entry points into the labour market but offer limited structured routes into higher-skilled or supervisory positions. Developing clearer progression opportunities, improving access to training and strengthening partnerships between employers and education providers will be important to support workforce retention and long-term career development.

Employers across these foundational sectors report that candidates often need upskilling in essential skills such as communication; many speak English as a second language and may require specific training on occupationally relevant vocabulary or cultural conventions.

A common theme across all of these sectors is the need to improve awareness of career opportunities and progression routes. Employers reported that many potential recruits, particularly younger people, have limited understanding of the range of roles available within these industries or the potential

for long-term career development. This lack of visibility contributes to recruitment challenges and reinforces perceptions of these sectors as short-term or entry-level employment rather than viable long-term careers. The successful ERB and employer-led Care Festival in 2025 offers a model for these sectors and others moving forward.

Addressing these challenges will require a strategic focus on improving workforce awareness, strengthening skills development for workforce entry and supporting the adoption of technologies that can improve both service quality and productivity across Oxfordshire's foundational economy. Finally, the emerging evidence in food production and farming points to further deep dive research to be done in the area to flesh out potential solutions for this sector.



Priority 6 Construction, Retrofit and Green Infrastructure

Construction, retrofit and green infrastructure represent a significant skills priority for Oxfordshire over the next three years. For example, industry experts are forecasting that Oxfordshire will require around 60,000 new homes between now and 2040 to align with the region's economic growth. At the same time, the transition to Net Zero is increasing demand for skills linked to building retrofit, energy efficiency, low carbon heating systems and sustainable construction practices. Together, these trends are creating strong demand for skilled trades, technicians and construction professionals across the sector.

Evidence from industry bodies reinforces the scale of workforce pressure facing the construction sector. The Federation of Master Builders State of Trade Survey (H1 2025) reports persistent recruitment challenges across core trades nationally, with carpenters and joiners (33% of firms reporting difficulty), roofers (32%), bricklayers (28%), plumbers and HVAC trades (28%), and general labourers (29%) among the hardest roles to fill. Employers also report widening skills gaps linked to regulatory change and new technologies, with 64% struggling to recruit workers familiar with the new building safety regime and 59% reporting shortages of workers with knowledge of sustainable construction and modern building methods. In Oxfordshire these pressures are reflected in strong demand for labourers, carpenters and electricians, with the Construction Industry Training Board forecasting a need for around 540 additional labourers each year to meet local construction demand. Employers also report that many entrants lack practical workplace readiness, including familiarity with tools, site practices and basic employability skills, reinforcing the need for stronger apprenticeship pathways, work experience and employer engagement in construction training.

Oxfordshire is expected to see significant housing growth over the coming decade, with thousands of new homes required to support population and economic expansion. This will be accompanied by continued commercial development across both existing and new sites, reflecting the county's strong position as a centre for science, technology and innovation. In addition, the delivery of key infrastructure projects, such as the White Horse reservoir means demand for construction skills is expected to remain strong over the coming decade. This means that medium term actions also need to consider the future pipeline of talent.

Employers reported persistent recruitment pressure across a range of construction occupations. These include electricians, plumbers, carpenters, bricklayers, civil engineering technicians and site supervisors. Many of these roles require a combination of technical competence, practical experience and familiarity with modern building standards. Employers emphasised that while some training provision exists, there remains a shortage of candidates with the applied experience needed to work confidently on construction sites and infrastructure projects.

The electrotechnical sector faces increasing workforce pressures that are directly affecting the delivery of construction and Net Zero priorities. Employers report a widening skills gap, driven in part by reduced access to apprenticeships due to cost pressures on businesses and limited funded routes for part-qualified adults to achieve full occupational competence. At the same time, qualified electricians are often unable to access funded training in emerging "Electrician Plus" competencies, including solar PV, battery storage and EV charging, which are critical to green infrastructure delivery. Regulatory changes further restrict the role of part-qualified staff, increasing demand for fully competent electricians and placing additional strain on the pipeline.

A particular challenge highlighted by employers is the ageing workforce within several skilled trades. Many experienced workers are approaching retirement, increasing the need to attract new entrants

into construction careers and strengthen apprenticeship pathways into trades and technical roles. Employers also reported shortages of supervisors and site managers, highlighting the need for clearer progression routes from skilled trades into leadership and project management positions.

"Within the current workforce, electricians and apprentice electrical engineers are the roles most urgently in need of new skills. Electricians increasingly need training in renewable energy technologies such as solar PV and EV charger installation, alongside skills in fire safety systems, emergency lighting and alarm maintenance. Apprentices also need stronger practical on-site training, including safe use of tools, fault diagnosis and compliance with current building and electrical safety regulations."

Electrical Contractors Association (ECA) (Interview)

The transition to Net Zero is also reshaping workforce requirements within the construction sector. Employers highlighted growing demand for skills related to retrofit, energy efficiency improvements, low carbon heating technologies and sustainable building materials. Work linked to insulation, heat pump installation, ventilation systems and energy performance assessment is expected to increase significantly as buildings are upgraded to meet environmental targets.

“The regional labour market has been under pressure for some time. Construction apprenticeships have declined in recent years, and many trades have an ageing workforce. Even when applicants are available, they may lack practical exposure to multi trade work, modern construction methods or the level of independence required on site.”

Large Construction Employer (Interview)

Employers also noted that construction work increasingly involves the use of digital tools and modern construction methods. Skills related to digital design systems, Building Information Modelling (BIM), project management software and off-site construction techniques are becoming more common across the industry. As construction methods evolve, workers need to combine traditional trade skills with digital awareness and an understanding of sustainable construction practices.

Many construction firms operating in Oxfordshire are SMEs and subcontractors that work across multiple projects and supply chains. These businesses often require flexible training routes that allow staff to gain new certifications or technical capabilities without leaving employment for long periods. Employers therefore emphasised the importance of modular training, short courses and on-site learning opportunities.

Employers across the construction sector also highlighted the importance of site preparedness among new entrants. While many candidates may have completed training or hold relevant qualifications, businesses reported that learners often lack familiarity with the realities of working on active construction sites. This includes understanding site safety procedures, the pace and coordination of work across multiple trades, and the expectations around reliability, communication and problem solving in a live project environment. Employers noted that improving exposure to real construction settings through placements, simulated site environments and employer engagement during training would help ensure that learners are better prepared to transition into employment and contribute effectively from an early stage in their careers.

“In the Thames Valley we are actively recruiting apprentices, trainees and early career staff to support our construction projects but building a stable and work ready workforce remains a challenge. Even with structured programmes such as our Apprentice Site Manager pathway and the Apprenticeship Academy, there is still a shortage of candidates who are ready to work effectively on active construction sites.”

Large Construction Employer (Interview)

AGREED CHANGES AND ACTIONS NEEDED

This section sets out the changes required within Oxfordshire's skills system to address the key skills priorities identified in Section 1. The narrative is organised by the system level strategic changes required and acts as the accompanying narrative to the actions plans set out in Annex B.

The detailed delivery activity supporting these changes is set out in the sector action plans in Annex B. These plans identify specific actions, delivery partners and monitoring measures for each priority sector. The tables link occupational pressures identified in Annex A to coordinated responses across education providers, employers and regional stakeholders.

Delivery will be coordinated through Workforce Development Partnerships (WDPs) operating across each of the priority sector clusters identified in this plan. These partnerships bring together employers, training providers, universities and relevant partners to focus on workforce development within specific sectors. Each WDP will be led by a Skills Champion Group and supported by the TVCC as the ERB, ensuring that employer insight remains central to decision making.

Across Oxfordshire, the WDP model will also align with wider sector networks and collaboration across the Thames Valley. This approach reflects the reality that labour markets, research partnerships and supply chains often operate across local authority boundaries. Collaboration across neighbouring areas will allow employers and providers to share intelligence and develop coordinated responses while maintaining a clear focus on Oxfordshire's workforce needs.

Role of Partners

Delivering the LSIP requires close collaboration between employers, education providers and public partners across Oxfordshire. Colleges, universities and independent training providers respond to the priorities identified by employers by adapting courses, developing new programmes and supporting apprenticeships, higher technical qualifications and flexible short courses. Universities also play a significant role through higher level technical education, research collaboration and the commercialisation of innovation, helping connect Oxfordshire's research strengths with workforce development.

Local authorities help align skills priorities with wider economic and employment strategies and support access to training opportunities across the county.

Programmes such as Oxfordshire Works aim to improve pathways into employment and address barriers faced by residents seeking to enter or progress in the labour market.

Jobcentre Plus supports this by connecting jobseekers and people seeking to progress in work with opportunities in priority sectors, while

careers services and local careers hubs help young people and adults understand local employment opportunities and training routes.

Employers remain central to the process through WDPs and other engagement forums, helping shape training provision, offering placements and apprenticeships, and sharing industry insight. Other partners, including employer representative organisations, sector bodies, local growth and innovation organisations, and community and voluntary groups, also support the LSIP by sharing labour market intelligence, promoting opportunities to businesses and residents, and helping ensure that training opportunities are accessible to a wide range of people across Oxfordshire.



Agreed Changes

The agreed changes are cross-cutting and apply across priority sectors. They respond directly to the skills needs identified in Section 1 and focus on areas where change is required.

Change 1: Sharing Responsibility for Skills Across the Thames Valley- Industry and Education

Change 2: Responding to AI and Digital Transformation

Change 3: Reducing Recruitment Pressure in Specialist Roles

Change 4: Upskilling to Improve Productivity

Change 5: Building Management Strength in SMEs

Change 6: Preparing for Net Zero and Emerging Technologies

Change 7: Improving Work-Readiness and Real-World Skills

Change 1: Sharing Responsibility for Skills Across the Thames Valley- Industry and Education

Employers across Oxfordshire reported that one of the barriers to training is practical rather than attitudinal. Many businesses recognise the importance of investing in workforce development but struggle to release staff for extended periods of training while maintaining day-to-day operations. This challenge is particularly acute for SMEs, where small teams mean that the absence of even one employee can have a significant operational impact. Cost, inflexible course structures and limited availability of modular provision were also identified as constraints.

The LSIP action plan therefore focuses on making better use of emerging national reforms designed to support flexible learning pathways, in particular, the introduction of the LLE. This creates an opportunity for providers and employers in Oxfordshire to develop shorter technical modules that allow employees to build skills progressively while remaining in work. Similarly, the development of apprenticeship units and shorter apprenticeship-based training offers potential for more targeted upskilling, particularly for existing employees who need to update specific technical competencies. The LSIP recommends a coherent Thames Valley wide offer of modular courses in response.

At the same time, employers recognised that flexibility alone will not resolve skills challenges. Businesses themselves must also continue to invest in training and development if they want to remain competitive in a rapidly changing economy. The LSIP therefore emphasises a shared responsibility model, led by sector based WDPs, with volunteer employers acting as Thames Valley Skills Champions, where employers, providers and public partners work together to create skills solutions.

Change 2: Responding To AI and Digital Transformation

The need to respond to AI and other digital transformations is the golden thread through all the six sector priorities. The most consistent cross cutting theme was the growing interaction between technology, artificial intelligence, regulation and compliance. These issues are increasingly intertwined in how organisations operate, particularly in sectors such as life sciences, advanced manufacturing, digital services and energy related industries. Employers reported that new technologies are transforming how work is carried out, but they also introduce new regulatory, ethical and operational responsibilities.

Poorly implemented technology can introduce risks around data governance, security and regulatory compliance. In highly regulated sectors, organisations must ensure that automated processes remain transparent, auditable and aligned with regulatory frameworks.

In response, the LSIP recommends the setup of a Thames Valley Digital WDP that can support a co-ordinated Thames Valley wide training offer, alongside a Digital Skills Framework that will systemise skills for AI (technical as well as governance, safety and ethics) for learners.

In addition, the LSIP recommends co-ordinating a Thames Valley wide modular offer, providing simplified access to short training courses for businesses including SMEs.

Over time, the Technology and Innovation WDP may also act as a platform for further collaboration, including the co-design of new provision in response to cutting edge frontier technologies such as Quantum or Fusion, the development of shared curriculum content, and the identification of opportunities for joint investment in training facilities and workforce development. It may also inform future bids and funding opportunities, support cross-sector partnerships, and strengthen links between education, research and industry, helping to ensure that the local skills system remains responsive to the needs of these rapidly evolving technologies.

Change 3: Strengthening Technician and Higher Technical Pathways

Employers across Oxfordshire consistently reported recruitment pressure in specialist technical and supervisory roles, particularly at Levels 3 to 5. These roles sit at the centre of operations across many of the county's priority sectors, including life sciences, advanced engineering, clean technology and construction. Examples include laboratory technicians, engineering technicians, skilled construction trades, digital specialists and operational supervisors. Employers emphasised that vacancies are often difficult to fill not simply because of a lack of applicants, but because candidates frequently lack the applied technical competence, workplace experience and confidence required to operate independently in real working environments.

“The sector is facing what many employers describe as an ‘apprentice crunch’. We need more installers and technicians with the right trade qualifications and up to date compliance knowledge, particularly as regulations around areas such as low carbon heating continue to evolve.”

**Small Construction Supply Chain Employer
(Interview)**

The LSIP therefore prioritises strengthening technician and higher technical pathways across Oxfordshire's priority sectors. This includes expanding Level 3 to Level 5 provision, promoting HTQs and higher apprenticeships, and improving progression routes from entry-level roles into technician and specialist occupations. Greater

alignment between employer demand and training provision will be delivered through WDPs, which will support regular curriculum review and stronger employer input into programme design.

“We are seeing recruitment bottlenecks in roles that combine advanced engineering with software and digital systems. We can often find candidates with strong traditional engineering backgrounds, but there are far fewer people with the cross-disciplinary skills we now need, such as embedded systems, IoT integration and AI within product design. The biggest gaps appear where engineering fundamentals need to be combined with digital fluency and systems integration, particularly at mid-career and higher technical levels.”

Large Manufacturing Company (Interview)

In Life Sciences, it requires expansion and alignment of laboratory, production and quality assurance pathways, including the integration of Good Manufacturing Practice (GMP), digital laboratory systems and data-led processes. In Defence and Advanced Manufacturing, it requires strengthening engineering

pathways aligned to increasing demand for automation, robotics, systems integration and regulatory capability. In Construction, it requires increased capacity in retrofit and low-carbon installation roles alongside clearer progression into supervisory and site management positions.

Across all sectors, employers highlighted the need for technical pathways to reflect the increasing convergence of disciplines, with roles requiring a combination of technical expertise, digital capability and applied problem-solving. This is particularly evident in areas such as digital engineering, AI-enabled roles, automated production environments and data-driven laboratory settings. The LSIP also identifies the need to make full use of current and forthcoming qualification reforms to support these pathways. This includes

Employers also noted that roles in plumbing, heating and retrofit increasingly require broader skill sets than in the past. Installers must understand new product systems, energy efficiency standards and safety compliance frameworks, while also developing customer advisory skills to help clients navigate changing regulations and technology options. Strengthening apprenticeship pathways and practical installer training will therefore be an important part of building the workforce needed to support the transition to low carbon construction and heating systems.

Feedback from SME Event

promoting and supporting new Level 2 occupational routes to strengthen entry-level progression (particularly in construction and critical services), expanding T Levels where they align to employer demand, supporting high-quality industry placements (for example, with the pilot project for the Creative sector) and preparing for the introduction of V Levels to provide clearer technical progression at Level 3. Alongside this, there is a need to strengthen the role of HTQs and modular higher-level qualifications, ensuring that they are aligned to priority occupations and provide clear progression into specialist and higher technical roles. This also relates to the LSIP recommendation of a coherent, promoted Thames Valley modular offer.

These priorities are reflected in the LSIP action plans, which set out coordinated, employer-led approaches through WDPs to strengthen technical pathways across sectors.

Change 4: Upskilling the Existing Workforce to Support Productivity

Employers across Oxfordshire consistently linked productivity improvements to the skills and capabilities of the existing workforce. While recruitment pressures remain important, many businesses emphasised that improving productivity will depend equally on strengthening the skills of employees already in work. In particular, employers highlighted gaps in digital capability, data analysis, automation, regulatory compliance and sector specific technical skills.

Across sectors, digital competence was identified as a critical productivity driver. Employers reported that staff at many levels need greater confidence in using digital systems, analysing data and working with automation tools. These requirements extend well beyond specialist digital roles.

Operational staff, technicians and supervisors increasingly need to work with digital reporting systems, dashboards, laboratory information systems, scheduling tools and automated processes as part of their everyday work. Improving baseline digital capability across the workforce is therefore a priority.

Automation and emerging technologies are also reshaping skills requirements. Employers in advanced engineering, life sciences and technology sectors described growing demand for staff who can operate automated systems, interpret performance data and adapt processes in response to digital monitoring systems. Similarly, employers across research, professional services and creative industries highlighted the need for employees to understand how artificial intelligence tools can be applied in their work while managing associated risks such as data governance, compliance and intellectual property.

The LSIP actions focus on embedding upskilling opportunities across the training system. Digital capability will be strengthened through a cross-sector Digital Skills Framework embedded within study programmes, ensuring that learners develop baseline digital competence alongside sector specific skills. At the same time, modular upskilling opportunities will be expanded for the existing workforce, allowing

“The most urgent skills needs across life sciences and technology enabled healthcare relate to the productive and responsible use of AI. Many organisations are exploring AI without fully understanding how to apply it effectively, so laboratory scientists, research associates and operations teams need stronger skills in areas such as AI assisted analysis, automation tools and digital workflow management. The priority is helping staff use AI in a meaningful and strategic way, rather than simply adding AI to everything.”

Small Life Science Company (Interview)

“As product complexity and tolerance requirements increase, roles such as production technicians, machine setters and early-stage engineers need deeper knowledge of polymer behaviour and process control than is typically covered in standard engineering courses.”

Advanced Manufacturing Employer (Interview)

employees to update their skills in areas such as automation, regulatory compliance and digital tools without leaving employment.

A consistent theme across sectors is the need for more flexible delivery. Employers, particularly SMEs, reported that traditional training models are often not accessible due to time and operational constraints. There is therefore a need to expand modular and flexible provision that can be accessed alongside work. Across sectors, flexible modular

courses supported by the Lifelong Learning Entitlement (LLE), the new flexibilities from the Growth and Skills Levy (GSL) and new apprenticeship units will allow employees to build new capabilities over time. The LSIP will support these new initiatives and help to ensure effective implementation across our geography, including promoting a Thames Valley wide modular offer.

Change 5: Building Leadership and Management Capability Within SMEs

Small and medium sized enterprises form a large and important part of Oxfordshire's economy. The county has a strong culture of entrepreneurship and innovation, with many businesses emerging from research institutions, technology start-ups and spin out companies alongside established SMEs across sectors such as professional services, digital technology, hospitality and construction. While this dynamism supports economic growth, it also means many businesses scale quickly without always having access to formal leadership and management development.

Employer engagement during the LSIP process consistently highlighted the importance of strong first line management and supervisory capability within SMEs, particularly in Critical Sectors. Many businesses reported that employees are often promoted into management roles because of technical expertise or operational experience rather than formal leadership training. As organisations grow, these individuals must take on responsibilities such as team coordination, project delivery, regulatory compliance and the use of digital systems, often without structured preparation.

Across sectors, the required shift is towards more practical, work-based development focused on managing teams, overseeing digital workflows, maintaining compliance and supporting operational performance. This includes integrating supervisory capability within technical and higher technical provision, particularly in sectors such as Construction, Life Sciences, Defence and Critical Services where these roles are critical to delivery.

Changes to the apprenticeship system (March 2026), including a stronger focus on younger entrants and entry-level pathways, reinforce the need to embed supervisory and operational management capability earlier within the skills pipeline and also in a modular, flexible way for the existing workforce. The LSIP asks providers to integrate these skills within study programmes, including new Level 2 occupational routes and other pathways leading directly to employment, so that learners enter the workforce with the core competencies required to progress into supervisory roles. This shift reduces reliance on apprenticeships as the primary route for developing management capability and ensures that progression is supported from the outset of an individual's career. In addition, the LSIP recommended Thames Valley modular offer can incorporate leadership skills in response to need.

Change 6: Preparing The Workforce for Net Zero and Emerging Technologies

The transition to Net Zero and the adoption of new technologies are reshaping skills requirements across multiple sectors. Employers highlighted growing demand for technical skills linked to sustainability, low carbon technologies and energy systems, alongside the need for staff who can understand regulatory expectations around environmental performance and reporting. The LSIP Progress Report in 2025 showed that providers have begun responding to this demand through new provision including short courses in sustainability, carbon literacy and green technologies, as well as technical training in areas such as heat pump installation, retrofit and low carbon construction systems. However, the demand continues to increase.

The action plan reflects this need through several strands of activity. WDPs are being used to connect employers and providers so that emerging technologies and regulatory changes can be reflected more quickly in training provision. In sectors such as construction the plan sets out the requirement for short courses linked to retrofit and sustainability. In the plan for health and life sciences, a key action is partnering with the Association of Health Tech Industries (ABHI) to better understand the specific skills required for net zero in this sector.

Change 7: Improving Work Readiness and Exposure to Real Workplaces for Learners

Alongside sector specific skills needs, employers consistently raised concerns about the work readiness of people entering the labour market. While many young people and graduates have strong academic foundations, employers across multiple sectors reported that awareness of local industries, confidence in workplace settings and understanding of professional expectations remain uneven. These issues are particularly evident for smaller businesses, which often lack the capacity to provide extensive early career training but still require new entrants who can adapt quickly to workplace environments.

In response, for the construction industry, the LSIP is promoting the development of Electrotechnical Training and Careers Alliances (ETCAs), bringing together employers, providers and partners to address regional challenges. Evidence from other areas shows that these alliances can support progression into apprenticeships, expand recognition of prior learning as well as upskill the existing workforce. The introduction of an ETCA in Berkshire and Oxfordshire reflects a growing need for coordinated, locally led solutions to strengthen the electrotechnical skills pipeline and support industry demand.

In addition, the LSIP recommends a Thames Valley wide Industry Associates programme for Defence. This Gatsby sponsored project will promote training for industry experts to provide their expertise to education and training providers, bridging the gap between industry and education, and providing lived experience of the workplace.

The LSIP will help the region prepare for significant reforms to the post 16 qualifications system. Government plans to introduce new V Levels as a third major Level 3 route alongside A Levels and T Levels, while also expanding T Levels. These reforms aim to create clearer progression routes into skilled employment, apprenticeships and higher technical education, with stronger employer recognition and engagement in qualification design. The LSIP sets out local implementation plans, driving collaboration through WDPs.

The LSIP also sets out plans to help develop and promote employer input into the new occupational certificates at level 2 introduced through qualification reform (particularly in critical services and construction). This change, if implemented well at local level, offers an opportunity for young people to enter the workforce with practical work ready skills.

Employers emphasised the importance of stronger exposure to real working environments during education, including placements, project based learning and closer collaboration between employers and providers. WDPs and the successful [Care Festival](#) have already demonstrated the value of this approach by bringing employers, students and educators together in practical settings and supporting more direct dialogue about the realities of working in different sectors.

The LSIP action plan therefore places continued emphasis on strengthening relationships between employers, colleges, universities and training providers. This is particularly important in sectors where perceptions remain outdated or where career routes are not well understood, including construction, defence, health and social care and the visitor economy. A range of activities in the plan address this- from the planned careers festivals, the T Level placement pilot, skills passports, through to the potential of the Industry Associates programme.

How Success Will be Measured

Employers expect that these changes will strengthen the supply of skilled workers across Oxfordshire, improve recruitment outcomes in specialist roles and support the adoption of new technologies across the economy. Over time, the LSIP aims to improve the alignment between employer demand and local skills provision, strengthen progression pathways for learners and increase opportunities for residents to access high quality employment.

The Oxfordshire LSIP will take a pragmatic approach to monitoring progress over the three-year implementation period. The intention is not to attribute wider economic outcomes directly to the LSIP. Measures such as productivity, labour supply and recruitment pressures are influenced by a range of national and local factors beyond the skills system alone. Instead, the focus will be on whether the local skills system is responding effectively to employer priorities and whether employers, providers and partners are working together to implement the actions set out in this plan. Progress will therefore be assessed primarily through evidence of changes within the skills system itself. This includes the development of new provision aligned to priority sectors, adjustments to existing



curriculum content, increased collaboration between employers and providers, and the level of employer engagement in shaping training and workforce development activity.

The main source of evidence will come through the WDPs operating across the priority clusters. Each partnership will review workforce developments within its sector and provide an annual update summarising progress against the actions set out in the LSIP, emerging skills issues and areas where further collaboration or intervention may be required. This approach ensures that employer insight continues to inform the LSIP throughout its life, rather than being captured only during the initial evidence gathering phase.

Education and training providers will also contribute to this process through an annual response outlining how provision is evolving in response to employer priorities. Where possible, this will align with existing accountability arrangements for providers with statutory obligations and existing planning processes, such as provider strategic plans or funding agreements for providers without statutory obligations, rather than creating a separate reporting requirement. Colleges, universities and independent training providers will therefore be able to demonstrate how curriculum planning, course development and employer engagement activity respond to the priorities identified through the LSIP and the work of the WDPs.

Evidence used to assess progress will include a combination of qualitative insight and measurable indicators. These indicators are intended to track how the local skills system is responding to employer priorities and how effectively partners are collaborating to address identified skills needs. They focus on practical changes within the system rather than wider economic outcomes.

Proposed indicators for monitoring LSIP progress include:

Indicator	What will be monitored	Source of evidence	Frequency
Employer engagement	Number of employers actively participating in WDPs and related LSIP activity	WDP attendance records and OBIE	Quarterly
Delivery of LSIP Actions	Progress against the actions and milestones set out in the LSIP sector roadmaps	Updates from WDPs, quarterly reviews	Quarterly
Sector insight	Updates from WDPs summarising workforce issues and progress on LSIP actions	WDP updates and meeting summaries	Twice a year
Provider response	Evidence of curriculum changes, new courses or expanded provision aligned to LSIP priorities	Provider planning documents and annual responses	Annual
Collaboration	Examples of employer–provider partnerships supporting training development, delivery or careers activity	Case studies and partnership activity	Quarterly
Learner participation	Participation in training provision aligned to LSIP priority sectors where data is available	Provider data and national datasets	Annual

Overall oversight will sit with the employer led LSIP Board. The Board will meet twice a year to review progress, consider emerging labour market evidence and agree any adjustments required to the plan. This will include reviewing updates from WDPs, provider responses and wider labour market intelligence from regional and national sources.

An annual progress report will be published to summarise activity, highlight examples of change within the skills system and identify any areas where further action may be required. This reporting process will ensure transparency and enable partners to track how the LSIP is influencing skills provision over time. This cycle of review is intended to ensure that the LSIP remains a live plan over the three-year period.

Regular engagement between employers, providers and partners will enable the system to respond to emerging workforce needs, strengthen collaboration across Oxfordshire and the wider Thames Valley economy, and ensure that skills provision continues to evolve in line with employer demand.



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