

To: Members of the Cabinet

# Notice of a Meeting of the Cabinet

# Thursday, 20 March 2025 at 2.00 pm

# Room 2&3 - County Hall, New Road, Oxford OX1 1ND

If you wish to view proceedings online, please click on this Live Stream Link.

A coves

Martin Reeves Chief Executive

March 2025

Committee Officer: Chris Reynolds

Tel: 07542 029441; E-Mail: chris.reynolds@oxfordshire.gov.uk

Membership

Councillors

Liz Leffman Leader of the Council

Dr Pete Sudbury Deputy Leader of the Council with responsibility for

Climate Change, Environment & Future

Generations

Tim Bearder Cabinet Member for Adult Social Care

Neil Fawcett Cabinet Member for Community & Corporate

Services

Andrew Gant Cabinet Member for Transport Management

Kate Gregory Cabinet Member for SEND Improvement

John Howson Cabinet Member for Children, Education & Young

People's Services

Dan Levy Cabinet Member for Finance

Dr Nathan Ley Cabinet Member for Public Health, Inequalities &

Community Safety

Judy Roberts Cabinet Member for Infrastructure & Development

Strategy

The Agenda is attached.

Copies of this Notice, Agenda and supporting papers are circulated to all Members of the County Council.

County Hall, New Road, Oxford, OX1 1ND www.oxfordshire.gov.uk Media Enquiries 01865 323870

# Date of next meeting: 25 March 2025





# **AGENDA**

- 1. Apologies for Absence
- 2. Declarations of Interest
- quidance note below

### 3. Petitions and Public Address

Members of the public who wish to speak at this meeting can attend the meeting in person or 'virtually' through an online connection.

To facilitate 'hybrid' meetings we are asking that requests to speak or present a petition are submitted by no later than 9am four working days before the meeting. Requests to speak should be sent to committeesdemocraticservices @oxfordshire.gov.uk

If you are speaking 'virtually', you may submit a written statement of your presentation to ensure that your views are taken into account. A written copy of your statement can be provided no later than 9am 2 working days before the meeting. Written submissions should be no longer than 1 A4 sheet.

4. Initial Response to Government: Statutory invitation for Local Government Reorganisation and Devolution (Pages 1 - 52)

Cabinet Member: Leader Forward Plan Ref: 2025/047

Contact: Helen Mitchell, Head of Public Affairs and Strategy

Helen.mitchell@oxfordshire.gov.uk

Report of the Chief Executive Officer

#### The Cabinet is RECOMMENDED to:

- Note the receipt of the statutory invitation received from the Minister of State for Housing, Communities & Local Government on 5 February 2025;
- 2. Agree to submit to Government the interim plan as set out in Appendix 1 and each option for local government reorganisation set out in Appendix 2 to 4:

- 3. Agree that Oxfordshire County Council proposes and supports as its optimal model for re-organisation a single county unitary for Oxfordshire as set out as option 1 in Appendix 2.
- 4. Agree that as the constituent member of any future Mayoral County Combined Authority, the Cabinet's preferred geography for a Mayoral Strategic Authority is Berkshire, Oxfordshire and Buckinghamshire.
- 5. Endorse the Leader of the Council to correspond with Government, setting out the County Council's position with respect to local government reorganisation and devolution, and to hold meetings with Ministers on such matters in due course.

# Councillors declaring interests

### **General duty**

You must declare any disclosable pecuniary interests when the meeting reaches the item on the agenda headed 'Declarations of Interest' or as soon as it becomes apparent to you.

## What is a disclosable pecuniary interest?

Disclosable pecuniary interests relate to your employment; sponsorship (i.e. payment for expenses incurred by you in carrying out your duties as a councillor or towards your election expenses); contracts; land in the Council's area; licenses for land in the Council's area; corporate tenancies; and securities. These declarations must be recorded in each councillor's Register of Interests which is publicly available on the Council's website.

Disclosable pecuniary interests that must be declared are not only those of the member her or himself but also those member's spouse, civil partner or person they are living with as husband or wife or as if they were civil partners.

#### Declaring an interest

Where any matter disclosed in your Register of Interests is being considered at a meeting, you must declare that you have an interest. You should also disclose the nature as well as the existence of the interest. If you have a disclosable pecuniary interest, after having declared it at the meeting you must not participate in discussion or voting on the item and must withdraw from the meeting whilst the matter is discussed.

#### Members' Code of Conduct and public perception

Even if you do not have a disclosable pecuniary interest in a matter, the Members' Code of Conduct says that a member 'must serve only the public interest and must never improperly confer an advantage or disadvantage on any person including yourself' and that 'you must not place yourself in situations where your honesty and integrity may be questioned'.

#### **Members Code – Other registrable interests**

Where a matter arises at a meeting which directly relates to the financial interest or wellbeing of one of your other registerable interests then you must declare an interest. You must not participate in discussion or voting on the item and you must withdraw from the meeting whilst the matter is discussed.

Wellbeing can be described as a condition of contentedness, healthiness and happiness; anything that could be said to affect a person's quality of life, either positively or negatively, is likely to affect their wellbeing.

Other registrable interests include:

a) Any unpaid directorships

- b) Any body of which you are a member or are in a position of general control or management and to which you are nominated or appointed by your authority.
- c) Any body (i) exercising functions of a public nature (ii) directed to charitable purposes or (iii) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union) of which you are a member or in a position of general control or management.

#### **Members Code – Non-registrable interests**

Where a matter arises at a meeting which directly relates to your financial interest or wellbeing (and does not fall under disclosable pecuniary interests), or the financial interest or wellbeing of a relative or close associate, you must declare the interest.

Where a matter arises at a meeting which affects your own financial interest or wellbeing, a financial interest or wellbeing of a relative or close associate or a financial interest or wellbeing of a body included under other registrable interests, then you must declare the interest.

In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied:

Where a matter affects the financial interest or well-being:

- a) to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b) a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest.

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

# CABINET 20 MARCH 2025

# INITIAL RESPONSE TO GOVERNMENT: STATUTORY INVITATION FOR LOCAL GOVERNMENT REORGANISATION AND DEVOLUTION

# Report of the Chief Executive Officer

#### RECOMMENDATION

- 1. The Cabinet is RECOMMENDED to:
  - Note the receipt of the statutory invitation received from the Minister of State for Housing, Communities & Local Government on 5 February 2025;
  - 2. Agree to submit to Government the interim plan as set out in Appendix 1 and each option for local government reorganisation set out in Appendix 2 to 4;
  - 3. Agree that Oxfordshire County Council proposes and supports as its optimal model for re-organisation a single county unitary for Oxfordshire as set out as option 1 in Appendix 2.
  - 4. Agree that as the constituent member of any future Mayoral County Combined Authority, the Cabinet's preferred geography for a Mayoral Strategic Authority is Berkshire, Oxfordshire and Buckinghamshire.
  - 5. Endorse the Leader of the Council to correspond with Government, setting out the County Council's position with respect to local government reorganisation and devolution, and to hold meetings with Ministers on such matters in due course.

# **Executive Summary**

- 2. On 16 December 2024, the Government published the Devolution White Paper. The paper sets out the most significant reforms to local government since the Local Government Act 1972.
- 3. At its meeting on 9 January 2025, Cabinet resolved to respond to Government to request a place on the local government reorganisation fast track and a request to only postpone the elections in May 2025 if Oxfordshire could be fast tracked on the most ambitious timescales.

V2.0 Nov 2024 Page 1

- 4. On 5 February 2025, the Government shared that the County Council had not been successful in obtaining a place on the fast track and that elections would go ahead as scheduled on 1 May 2025. At the same time, the County Council and all other Councils in Oxfordshire were sent the statutory invitation in which to prepare a proposal/s to reorganise local government across Oxfordshire.
- 5. Since the receipt of the statutory invitation, all Councils across Oxfordshire have been working together on initial options accompanied by a single interim plan. That plan, and the three proposals, along with the statutory invitation are enclosed at **Appendix 1,2,3,4 and 5**.
- 6. The purpose of this report is twofold; to submit interim proposal/s by no later than 21 March 2025 and agree the position of the County Council with respect to a Strategic Authority geography.

# Background - Local Government Reorganisation and Devolution

- 7. The Government has set out its intention to significantly reform, at great pace, local government structures and implement devolution across England.
- 8. The Government wishes to see successor councils emerge from the current two-tier system of district and county councils and that those successor councils and the existing unitary structured councils of England must join a Strategic Authority.
- 9. The Government has stopped short of instructing places on how to reorganise local government, and arrive at successor councils, but instead has been clear that areas must work together on a proposal/s for the benefit of residents.
- 10. The Government has set out guidance within the statutory invitation to support local government reorganisation. That guidance includes:
  - (a) Size/council footprint to achieve efficiency saving new Councils must be a minimum of 500,000 with exceptions on a case by case basis;
  - (b) The delivery of high quality and sustainable services;
  - (c) Enable devolution to a Strategic Authority;
  - (d) Empower neighbourhoods and:
  - (e) Be informed by a level of engagement.
- 11. The Government has requested that Councils commence work to reorganise in two phases. The first phase is to share outline proposals to Government by 21 March and it is understood that Government will share feedback with Councils at some point after the local elections. The second phase is to commence the development of final proposals and the Government expects all Councils to respond by no later than 28 November.
- 12. Onward timescales are not yet known for any statutory consultation but the Government has confirmed that a new Council or Councils will go live in May 2028 with shadow elections to a Council or Councils in May 2027.

- 13. Councils across Oxfordshire have been working together to arrive at a set of initial options in which to reorganise local government and move away from the two-tier system. In summary those options are below. The names of those Councils at (b) and (c) are descriptive at this stage:-
- 14.
- (a) A single unitary Council Oxfordshire Council;
- (b) Two unitary Councils City, West and Cherwell Council and Ridgeway Council (derived from existing boundaries of South Oxfordshire District Council, Vale of White Horse District Council and West Berkshire Council);
- (c) Three unitary Councils Greater Oxford City Council, West and Cherwell Council and Ridgeway Council (all with varying degrees of boundary changes driven by an extension of the existing boundaries of Oxford City Council).
- 15. All options are in varying stages of preparedness owing to receiving the Devolution White Paper on 16 December clearly signalling fundamental change to local government structures and the statutory invitation being received confirming that change and commencing the reorganisation process on 5 February.
- 16. The Government has not suggested that any of the criteria are weighted in any way, to prioritise one over the other, and therefore the ultimate decision will be the Secretary of State's based on the relative merits of each case against the criteria set and matters arising from the statutory consultation which the Secretary of State, via their department, will launch, manage and may report the findings of.
- 17. The Government has been clear within the Devolution White Paper that it wishes to ensure total coverage of Strategic Authorities across England. Whilst not an express policy objective, it is clear through the devolution framework that Mayors are encouraged through a significant number of additional powers, funding and influence compared to those Strategic Authorities without a Mayor. To that end, it is in the interests of Oxfordshire residents, businesses, institutions and investors to not just progress, but take an active role in the shaping of a future Mayoral Strategic Authority.
- 18. Two summits have already taken place inviting partners across Oxfordshire, Berkshire, Buckinghamshire and Swindon. A further summit is scheduled to take place at the University of Reading on 24 March. There have been several discussions within Oxfordshire, and representations received from District Council leaders and the majority of its Members of Parliament, about the geography of the Strategic Authority and the position of Swindon.
- 19. Existing partnership and public sector delivery arrangements are in place across Berkshire, Buckinghamshire and Oxfordshire, as well as a coherent economic geography. It is therefore considered that a Strategic Authority covering

- Oxfordshire, Berkshire and Buckinghamshire represents the most suitable Strategic Authority geography.
- 20. The Government has been clear that local government reorganisation must not be a barrier to devolution and the establishment of a Strategic Authority. In existing two-tier areas, that will take the form of a County Combined Authority or a Mayoral County Combined Authority.
- 21. The constituent, or voting, membership of either forms of County Combined Authority will be drawn only from unitary councils or the upper tier. In the case of Oxfordshire, that council is Oxfordshire County Council and this will be the only constituent member representing Oxfordshire in a future County Combined Authority.
- 22. Whilst Buckinghamshire are yet to engage in such conversations regarding the creation of a Strategic Authority it is hoped that this will change after local elections and/or following legislative change proposed in the forthcoming English Devolution Bill.

## **Alternative Options**

- 23. Cabinet may not wish to submit any proposals to Government in which to reorganise local government. Given Government's stated expectation that areas should submit proposals, and it has received the statutory invitation, this option is not recommended.
- 24. Cabinet may not wish to express to Government its preferred Strategic Authority geography. It is unclear at this stage whether local government reorganisation, and the vesting day of a new authority or authorities will occur at the same time as a Strategic Authority. In the event that decisions by Government are made on the Strategic Authority first, the stated preference in the White Paper is for a County Combined Authority in two-tier areas. In that scenario, Oxfordshire County Council would be the only constituent member (and therefore able to express a vote) across Oxfordshire. It is therefore reasonable at this stage to correspond with Government about its devolution ambitions and geography as part of its submission with respect to local government reorganisation.

# **Corporate Policies and Priorities**

- 25. The Council has agreed strategic priorities in which to:
  - 1. Play our part in a vibrant and participatory local democracy;
  - 2. Invest in an inclusive, integrated and sustainable transport network;
  - 3. Work with local businesses and partners for environmental, economic and social benefit:
  - 4. Tackle inequalities in Oxfordshire.

Progression of reorganisation ambitions will provide a successor Council or Councils with new responsibilities in which to progress social, economic and cultural objectives on a much greater footprint.

Local government reorganisation will require partners to ensure democratic participation and voice is protected and where possible, strengthened as part of this process. Consideration should be given to a clear workstream on governance / democratic participation as part of reorganisation efforts.

# **Financial Implications**

- 26. None immediately arising from this report but resources will be required to reorganise local government. Based on experiences from previous reorganisations, the costs are expected to be in region of £19m. In light of this, Cabinet agreed to the creation of an earmarked reserve in January 2025 with an initial £5m allocation. At its meeting in March 2025, Cabinet will be recommended to increase this reserve to £10m.
- 27. From work undertaken back in 2017, it was identified that savings would arise from the move to a successor unitary authority /authorities from the removal of duplication and rationalisation across a range of services. Factors considered related to senior and middle management, duplication of back-office functions, the cost of elections, streamlining costs associated with delivery of services and optimising the way services are currently assembled.

Comments checked by:

Lorna Baxter
Executive Director of Resources and Section 151 Officer

# **Legal Implications**

- 28. The Local Government and Public Involvement in Health Act 2007 (the '2007 Act') is the legislative basis for creation of unitary councils. Under section 2 of the 2007 Act, the Secretary of State ('SoS') may invite either a county council or district council to put forward a proposal for a single tier of local government. This proposal can comprise:
  - A single tier of local government for the whole of the county (Type A proposal);
  - A single tier of local government for a district (or more) within the county (Type B proposal);
  - A single tier of local government for one of the above that also includes one or more relevant adjoining areas (e.g. all or part of an adjoining county area) (Type C Proposal);
  - A combination of the above Types B or C proposals.
- 29. Until 25 January 2008, the SoS was able to direct principal councils to bring forward a proposal, which meant that the SoS could effectively force unitarisation where proposals were not made voluntarily. However, this

provision expired on 25 January 2008. The indications in the White Paper are that the Government will reintroduce this power of direction in due course – although the 2007 Act will need to be amended to enable this. This is likely to be done in the English Devolution Bill, which is expected to come into force sometime in 2026.

- 30. Proposals under section 2 of the 2007 Act do not require a consensus from every authority affected by it. However, where a proposal is made jointly by every authority, the requirements on the SoS to consult are reduced to exclude consultation with every authority affected.
- 31. Subject to consultation requirements, following the receipt of a proposal under section 2 of the 2007 Act, the SoS may implement the proposal, with or without modification under section 7 of the 2007 Act. They may also seek advice from the Local Government Boundary Commission for England ('Commission') who may make an alternative proposal which the SoS may implement with or without modification. As the SoS has indicated that feedback on these initial proposals will follow, it is likely that the powers under section 7 may only be invoked following the submission of further proposals by 28 November 2025.
- 32. There are no other specific timescales which the SoS must adhere to when taking a decision, but the SoS must consult with authorities affected by the proposal (other than those which made it) and such other persons as they think appropriate before reaching a decision.
- 33. Combined Authorities may be established under the Local Democracy, Economy and Construction Act 2009 ('2009 Act'), whilst for the establishment of Combined County Authorities, the relevant legislation is the Levelling up and Regeneration Act 2023 ('2023 Act').
- 34. A key difference between a CA and CCA is the nature of the areas that are combined. CCAs can be established for areas consisting of the whole of one two-tier county council area and at least one other county council area or unitary area. The White Paper makes clear that CCAs will be the preferred model in two-tier areas and that CAs will not be used in these areas. Both a CA or CCA can be mayoral or non-mayoral. A CCA is established by regulations made by the SoS under the 2023 Act.
- 35. Proposals regarding the creation of a new authority (unitary or combined county authority) are executive functions. There is a statutory presumption that all local authority functions not reserved to the Council in Regulations will be the responsibility of the executive (section 9(D)(2) Local Government Act 2000.
- 36. These proposals are submitted in response to an invitation by Government and in accordance with the White Paper. White Papers are policy documents that set out Governments intention to create new legislation. The English Devolution Bill is expected to support existing legislation for the creation of new authorities.

Anita Bradley
Director of Law and Governance and Monitoring Officer

# **Staff Implications**

- 37. None immediately arising from this report, however significant resources (Member and Officer) will need to be made available to progress the changes outlined in this paper.
- 38. It is expected that there will need to be a separate team to progress the impacts on the county council and beyond drawn from governance, communications and engagement, finance, programme management, other professionals and subject matter experts. This is to maintain, as far as is reasonably possible, business as usual.

# **Equality & Inclusion Implications**

43. None immediately arising from this report.

# **Sustainability Implications**

39. None immediately arising from this report.

# Risk Management

- 40. None immediately arising from this report however reorganisation on this scale presents significant risks and issues. A risk log will be opened at an appropriate point in which to gather, monitor and manage a full suite of risks and issues. The list below is indicative at this stage: -
  - There will be one off costs for reorganisation;
  - · Council tax harmonisation will be required;
  - Loss of management time engaged in the reorganisation process;
  - New Council or Councils will require refreshed decision-making arrangements;
  - Contract harmonisation will need to take place to ensure value for money;
  - During the implementation period some Councils may take decisions that could impact on the resilience and sustainability of the new Council or Councils;
  - Risk of local government funding reform impacting on the sustainability of all Councils.

#### Consultations

41. Political Group Leaders at the County Council were appraised of the White Paper and fully acknowledge the needs of it and the pace of change proposed. All Political Group Leaders are supportive of the need for local government reform.

Helen Mitchell

# Head of Public Affairs and Strategy

Annex:

Plan

Option 1

Option 2

Option 3

Letter From His Majesty's Government – 5 February 2025

Background papers:

Devolution White Paper - Power and Partnership: Foundations for Growth

Other Documents:

None

Contact Officer:

Helen Mitchell - Head of Public Affairs and Strategy

March 2025





## chiefexecutive@oxfordshire.gov.uk

Dear Minister,

## Interim Plan for Oxfordshire

Thank you for your letter and accompanying statutory invitation to all Councils across Oxfordshire to progress local government reform. This plan has been arrived at to support our response and ensure a strong connection to Oxfordshire's devolution ambitions.

Local Government reform provides many opportunities for residents, businesses, institutions and investors to have simpler arrangements for accessing local services and democratic representation. All Councils are embracing this significant opportunity and we share a commitment to doing what is right for the place and places of Oxfordshire. We have been working together to arrive at high level options as to what a refreshed local government landscape could look like.

Partners across Oxfordshire recognise a set of common challenges to progressing this work, especially in relation to capacity. We are working together, as far as we can, to share resources and information to support one another to arrive at a response to this first milestone. Ultimately, we want to ensure that proposed changes to the system of local government in Oxfordshire will stand the test of time and reflect the interests of the residents, businesses and communities that we collectively serve.

### Support for Devolution

Oxfordshire Councils are supportive of devolution at the fastest pace possible for our region, for residents' and businesses' benefit, and are actively progressing plans alongside local government reorganisation. Discussions with Berkshire Councils about a potential Strategic Authority are highly productive, and a summit on 24 March will continue our talks on this matter.

#### New Councils Under Consideration

Three high level options are being developed in parallel for unitary local government in Oxfordshire, using common or shared data sources where possible.

Each option has been arrived at using the guidance and annex shared with us in the statutory invitation. All Councils across Oxfordshire are at varying stages of detail for their options and the extent of that progress is identified within each option submitted.

In summary, the options are for a single council for Oxfordshire (Oxfordshire Council), two councils (Ridgeway Council and Oxford City, West Oxfordshire and Cherwell Council using existing district council boundaries), or three councils (Greater Oxford Council, North Oxfordshire Council and Ridgeway Council) – with the latter two options both involving the inclusion of West Berkshire Council.







## Indicative Costs, Planning Arrangements and Transformation

Oxfordshire County Council has created an initial reserve of £5m to progress Local Government Reorganisation and Devolution ambitions with a further investment of £5m to be made at Cabinet in March 2025. Initial costs of reorganisation are likely to be in the region of £20m based on estimates and lessons learned elsewhere. It is the intention that this pool of funding is supplemented by District Councils to facilitate essential LGR and devolution activity.

## Local Engagement

Each Council has taken different approaches to undertaking light touch engagement with political group leaders, partners, MPs and other stakeholders. Following this submission, Councils will commit to a coordinated programme of engagement after feedback from Government is known.

# Indicative Costs of Preparing Proposals, Standing Up An Implementation Team and Capacity Funding

Efforts locally have been focused on developing high level proposals, however, transition plans can be arrived at, collectively, using plans that already exist and tailored to suit the future reorganisation needs of Oxfordshire. These can be sharpened using the lessons learned from previous reorganisations. Very early discussions have taken place to develop a team to progress Local Government Reorganisation and Devolution and following submission on 21 March, we will seek to return to those conversations and make subsequent decisions.

#### Cross Council Engagement and Value for Money

Oxfordshire authorities are seizing the benefits of a bold agenda of local government reform and devolution as well as renewed efforts to activate growth plans across Oxford to Cambridge Growth Corridor and within Oxfordshire through a dedicated Oxford Growth Commission.

We recognise the importance of maintaining strong partnership working with each other and with wider partners to continue delivery of projects of strategic importance and improvements to services and the place of Oxfordshire.

We cannot afford to create a 'planning blight' across this place. We have agreed to undertake this work efficiently and calmly and ensure delivery of planned growth and public services stays on track. We have also agreed to do as much work in house as possible, relying on professional bodies and representative organisations for support, and will use external organisations sparingly to develop proposals and/ or challenge our assumptions and overall thinking.







Oxfordshire Leaders and Chief Executives are meeting regularly to provide guidance on the development of proposals but decision making is for individual Councils through their legal and constitutional frameworks.

A joint meeting of s151 officers and Monitoring Officers has been highly successful in drawing attention to the immediate governance, finance and ethical nature of this work. Working collectively we can support the system of local government in Oxfordshire ensure that a successor Council or Councils are able to deliver, safely, legally and with confidence on day one.

Yours,	
--------	--

Cllr David Hingley, Leader - Cherwell District Council

Cllr Susan Brown, Leader - Oxford City Council

Cllr Liz Leffman, Leader - Oxfordshire County Council

Cllr David Rouane, Leader - South Oxfordshire District Council

Cllr Bethia Thomas, Leader - Vale of White Horse District Council

Cllr Andy Graham, Leader - West Oxfordshire District Council

\*\*Letters to be signed pending outcome of individual Cabinet or Executive meetings\*\*



#### Option 1:

#### A New Council - Our Oxfordshire

#### Foreword By Leader of the County Council, Cllr Liz Leffman

We welcome the Government's statutory invitation to submit high level proposals for local government reorganisation. This represents the most significant change in how the county is governed in over 50 years, and we take the responsibility with the utmost seriousness.

We trust this process will lead to the reorganisation that we believe will benefit the people, businesses and institutions of Oxfordshire. To that end, we submit, here, our considered response to that invitation with our proposal to create a single unitary authority covering the whole county of Oxfordshire. The working name of this Council is Oxfordshire Council, to align directly with our well understood county identity.

This proposal has been developed in clear alignment with the Government's White Paper – no exception criteria are required on size - and all high-risk people and public safety services are protected from unnecessary and costly disaggregation. In addition, this proposal has been made in full alignment with a revised local government landscape incorporating a Mayoral Strategic Authority.

This Council would create a single front door for all local authority services across the historic and recognised county of Oxfordshire, delivering high quality, value-for-money, and responsive services to residents, businesses, institutions, visitors and investors. Most importantly it would also provide the strategic and economic planning platform that can harness the potential of Oxfordshire's economy for the UK while delivering much needed benefit for Oxfordshire's residents.

The energy and focus of these issues and associated partnership working in the current system is focussed on existing inter-authority relationships rather than on outward facing collaboration which this new Council must embrace. A single Oxfordshire unitary will be an important anchor institution for the proposed Oxford to Cambridge Corridor as well as a driver for the establishment and good governance of a future Strategic Authority.

Although there are differences between the City and District councils which have led in the past to disagreements over the allocation of housing, the reality is that this place has a globally relevant and highly connected economy. To that end, planning for the whole county would remove the artificial internal barriers created and maintained since 1974 and allow for evidence-based consideration of place and community as they actually are. Alternative proposals which divide the county would aggravate rather than solve this issue.

It has been independently verified that this new council would save the taxpayer an estimated £27m annually and that the payback period, taking into consideration one off costs to transition, would be less than twelve months. Taking a five-year view for illustrative purposes, this would create a savings of £109m to the UK taxpayer. This is at a time when this country has seen the highest number of Section 114 notices ever

along with requests for emergency financial support from Government. It is worth noting that many of these Councils have been well below the 500,000 population threshold – so scale to ensure financial resilience does matter.

A significant multi-method public consultation on this proposal was undertaken independently in 2017 to support the last bid into government for a single county unitary for Oxfordshire. The response we received from the public was that 70% were in support of the proposal.

It is the desire of the County Council to see a Mayoral Strategic Authority that spans the counties of Berkshire, Oxfordshire and Buckinghamshire and we wish to progress this in tandem with our reorganisation ambitions. Whilst we recognise the role Swindon plays economically, we do not see a place for it within this MSA.

We urge the Government to recognise our progress and determination to undertake reform to a rapid timescale. We were disappointed to not be invited onto the local government reorganisation fast track but we wish to re-state clearly our commitment and leadership to prioritise this vital agenda which we here in Oxfordshire share with Government.

We are very concerned that the November deadline for submissions coincides with our focussed work on building a Mayoral Strategic Authority and accelerating work on the Oxford to Cambridge Growth Corridor. We cannot afford 'planning blight' across the county which could lead to a lack of confidence and potentially investment. We would therefore request earlier consideration of a formal submission and an early decision, so that we can get the necessary foundational work out of the way, enabling us to put our full attention into a series of interconnected agendas locally, sub regionally and nationally.

Our Place, Our Economy, Our Council

The county of Oxfordshire is a coherent economic geography with an urban city and county towns providing employment across a range of sectors highlighted below.

The county of Oxfordshire is a recognised place with a clear, understood identity and geography encompassing the City of Oxford, market towns such as Banbury and Abingdon and more rural towns and villages including Bicester, Kidlington, Thame, Henley on Thames, Wallingford, Didcot, Wantage, Faringdon, Carterton, Witney, Woodstock and Chipping Norton. Together these places make up a county that is heavily interlinked in terms of the economy, community and cultural life, and balanced in terms of wealth, demography and land use.

Our county faces a range of different places, hence our ambitions to seize the opportunities associated with a Strategic Authority as well as within a refreshed Oxford-Cambridge Corridor and connected Growth Commission for Oxford, to the Midlands via England's Economic Heartland and into London.

Since 2010, Oxfordshire has seen a 17% employment growth, 42% GVA growth, and 18% business stock growth. With 430,000 jobs and a £23.5bn GVA. Oxfordshire is a net contributor to the Treasury and has an economic identity known across the world as a leader in excellence.

## Sectoral Strengths

Oxfordshire excels in <u>all</u> of the areas contained within the 2024 Green Paper, "Invest 2035: The UK's Modern Industrial Strategy.

- Advanced Manufacturing: Home to significant businesses like Siemens Healthineers and YASA Motors.
- Clean Energy: Fusion technologies at Harwell Campus and Culham.
- Creative Industries: IT, music, film, gaming, and publishing.
- Defence: Strong military presence and links to knowledge-intensive activities.
- Digital Technologies: Al, connected vehicles, and cybersecurity.
- Financial Services: Venture capital and equity investment businesses.
- Life Sciences: World-class research and significant businesses like Oxford Biomedica.
- Professional Services: Regional firms and specialist businesses.

Assets such as Harwell, Culham and Milton Park to name a few are a demonstration of extensive investment and innovation ecosystem leading to world beating clusters of activity, economic growth and talent all of which have benefited UKplc for decades.

Like the rest of the country, Oxfordshire faces a housing crisis in terms of supply and affordability. However there are sharp challenges for affordability. Oxfordshire is one of the most expensive places to live in the country, with average house prices over 12 times higher than the median annual earnings.

Across the county, partners have been working together to bring forward housing and the table below demonstrates that progress, with the majority of development taking place in South Oxfordshire, Cherwell and Vale of White Horse.

District	Local Plan Period	Committed Growth	Completions 2011-2021/22
Cherwell	2011-31	27,240	10,981
Oxford	2016-2036	10,884	4,016
South Oxfordshire	2011-2034	30,056	9,026
Vale of White	2011-2034	25,359	11,343
Horse			
West Oxfordshire	2011-2031	15,799	5,305

A single council for Oxfordshire (and a single Local Planning Authority) would enable the key place shaping functions such as planning, economic development and housing to sit together and accelerate the delivery of a Strategic Growth Plan at a county Level and a Local Growth Plan and Spatial Development Strategy at a Strategic Authority level. It would unlock resource that could be used towards place shaping and development management roles and not core management of the service. We believe this would meet local needs and expectations to a higher standard. Critically, political decision-making across a coherent housing, economic, social and service geography would be taken by a single body taking decisions in the broadest strategic context.

To that end, this proposal would assist with unlocking Oxfordshire's nationally significant sustainable growth potential within the county – focussing on the needs of current and future residents, businesses and investors and upwardly to focus on the needs of the wider region facing into the Thames Valley and the Oxford to Cambridge Corridor.

#### **Tax Base**

The tax base for Oxfordshire has increased consistently each year as a result of housing growth across the county. This is expected to continue with anticipated growth estimated at 1.75% annually.

The table below shows that generally the largest growth in the Band D equivalent tax base in the last few years has been in the south and west with smaller increases in Oxford City. The combined increase illustrates how a single council for Oxfordshire would ensure that the benefit of the growth in the taxbase, as well as council tax surpluses, is shared across the whole county. This proposal does not create an undue advantage or disadvantage for one part of the area.

	2021/22	2022/23	2023/24	2024/25	2025/26	Change since 2021/22
Cherwell District						
Council	55,616	56,802	58,184	59,027	59,854	7.62%
Oxford City Council	45,706	45,193	45,838	46,235	47,638	4.23%
South Oxfordshire						
District Council	59,171	60,344	61,350	62,683	63,640	7.55%

Vale of White Horse District Council	53,919	55,363	56,665	58,104	59,152	9.70%
West Oxfordshire District Council	44,918	46,172	47,079	47,841	48,742	8.51%
Oxfordshire Band D Equivalent Taxbase	259,330	263,874	269,116	273,890	279,025	7.59%
Increase compared	1.20%	1.75%	1.99%	1.77%	1.87%	

#### **Our Council**

The proposal is for the creation of a single tier of local government and a single, successor council across the whole county of Oxfordshire democratically accountable for services within. For the avoidance of any doubt, this would require the abolition of Oxfordshire County Council and the five district councils of Cherwell, Oxford City, South Oxfordshire, Vale of White Horse and West Oxfordshire.

The county of Oxfordshire has a current population of 750,200. This meets the policy position of the White Paper in which new councils should have a population of 500,000 or more. A council on a recognised county footprint would create the conditions in which to review services to ensure they were resilient and efficient at scale but designed and delivered with place and our partners at the centre.

This would create a simple structure for residents, businesses, institutions and investors - a single point of contact across local government services with strong and locally accountable leadership. It would also:

- Maintain the stability of upper tier services in their current form such as children's (inc. Home to School Transport), adults, public health, fire and rescue, economic development and growth (through the Local Enterprise Partnership, known locally as Enterprise Oxfordshire) and important services like the Coroners and Registrars;
- Lower costs by releasing savings of £27m per year to protect essential services:
- Remove existing barriers between Councils to join up statutory and nonstatutory services such as strategic planning, housing and social care, waste collection and disposal, environmental health for example;
- Drive localism by exploring new ways of working to engage communities and parish and town councils in their future – rewiring our relationship and creating new community councils where there is a desire to do so. Oxfordshire County Council has been one of the few areas of the country that has actively engaged with and published a town & parish council charter;
- Drive the development of resilient services with larger staff teams as a result of realising economies of scale;
- Draw on digital and Al solutions to improve service delivery and reduce/remove cost.

A new council is a once in a generation opportunity to do things very differently. We are already progressing key pieces of strategy and policy development 'in house'

should a single county unitary and therefore all statutory and non-statutory services sit within the responsibilities of a single Council. We look forward to sharing this with the Secretary of State in due course.

The new council would be able to base future developments on our current strengths. The County Council is awaiting positive feedback following its recent CQC inspection in February 2025 and we continue to build on our 'good' rating across all domains for Children's Social Care. The Council is a 'Marmot Place', working with partners to reduce health inequalities as well as having a strong and positive trajectory for our delivery of SEND services.

A single Council for all Oxfordshire would not disrupt the delivery of high-risk services such as adults, children's or SEND and create stable conditions from which to deliver the forthcoming Children's Wellbeing Act. It would also ensure that the demand and cost for adults and children's services is spread across a wider geography.

The Fire and Rescue service sits within the County Council at present. It was last rated as adequate by our Inspectorate and an improvement plan is in place. We note the direction of travel for responsibilities to sit with the mayor and exploratory work would need to be undertaken locally in which to explore the best arrangement for the Fire and Rescue service across any emergent Strategic Authority.

That said, there are clear opportunities to bring together community safety and environmental health teams to join up work across current fire and rescue responsibilities.

#### Financials

As part of our membership of the County Councils Network (CCN), we have received insights from PwC on the savings afforded by a single county unitary for Oxfordshire (see table below). There is a compelling saving in the long term, as well as the short-term benefit of a payback of less than one year.

Whilst estimated savings have been identified, it will be the responsibility of the successor Council to *deliver* them. A £27m per year saving with less than one year payback period is a significant improvement on the current operating costs of Local Government in Oxfordshire.

Key metrics	Value
Total Annual Benefit (£m	27,011,103
One-off Transition Costs (£m)	-19,232,468
Annual Disaggregation Cost (£m)	N/A
One-year impact of disaggregation (£m)	N/A
Five-year impact of disaggregation (£m)	N/A
Net benefit after five years (£m)	109,070,273
Recurring benefit after five years (£m)	27,011,103
Payback period	Less than 1 year

In setting out the opportunities for transformation afforded by a single council, we have identified the current arrangements in place for waste collection across district Councils in Oxfordshire. There are a range of costs between £6.6m (Cherwell) to £8.9m (West Oxfordshire) across a range of different delivery models (private, in house and wholly owned companies). With this will come separate sets of contract management and overall service management costs and approaches. Whilst a level of cost variation is to be expected when collecting waste across different geographical areas, cost and service delivery improvements across waste collection and disposal will be a clear priority for any future Council.

The County Council is of the view at this early stage that it could manage the costs of reorganisation within existing budgets/funding. That, however, requires the full support of all of the Oxfordshire councils to use public funds with significant levels of responsibility during the period in the lead up to submitting a business case for reorganisation and the point in which the continuing authority is identified.

The County Council is forecasting to hold earmarked reserves totalling around £197m at the end of 2024/25 (£119m after negative DSG). While this funding is earmarked for specific future purposes, the anticipated timeline for use means that in the short term it would be possible to use some of this to support the costs of reorganisation. The funding would then need to be replaced with amounts released from future savings. The forecast underspend for 2024/25 means it has been possible to further increase funding for the council's devolution and LGR reserve to £10m as part of the 2025/26 budget (subject to Cabinet in March 2025). This fund will be used in three ways — (i) immediate preparations for future government deadlines on reorganisation and devolution, (ii) planning and funding implementation and (iii) cost of transition. It is clear that the £10m will not cover all this activity but it is the intention of Cabinet to continue to add to the budget as we make savings in year.

The County Council is financially stable and has a strong track record in delivering savings and taking action to manage spend within the budget. We have never

considered nor required Extraordinary Financial Support and have never been subject to any Best Value measures. We have managed our finances well and debt write off arrangements are not expected to feature in any reorganisation in Oxfordshire.

Funding reform of local government, including a business rates reset, is expected to provide variable impacts for all existing councils in Oxfordshire. While the impact of funding reform could also vary depending on the proposed future form of local government, we believe that reorganisation across a county level could enable the avoidance of additional financial pressures. It would provide a more resilient financial operating model to deliver services from.

The Government have told us that they will set out plans for reforming the SEND system during 2025/26. This will also include plans to help local authorities "deal with their historic and accruing deficits" against High Needs Dedicated Schools Grant as well as considering any transitional period between the current and reformed system. This work will inform any decision about the continuation of the statutory override after 31 March 2026.

The forecast deficit by the end of 2024/25 is estimated to be £84m. This is expected to continue to increase and will reach £123m by the end of 2025/26 as a result of ongoing deficits against the grant funding. If a resolution to this situation is not forthcoming (in the financial year 2025/26) then we would need to take action to maintain the financial sustainability of the county council. However, like all councils across the country we await further information.

## Identity, Community and Engagement

We are clear that Oxfordshire is a place and has a clear identity as a place. But we are also clear that there are many different places within the place of Oxfordshire. Our town and parish Councils are a significant part of that identity.

Oxfordshire has over 300 parish and town councils and has the fourth greatest number of parish meetings in England. We are one of the few upper tier councils to have agreed and live by a parish and town charter to strengthen our relationships.

These institutions are the beating heart of local democracy in rural and semi-rural areas and are critical to emerging plans around resilience, flooding, and other climate impacts. That said, the county is not fully parished.

There have been calls over many years to address this and it would be the expectation of this new council to work with local and national partners to undertake an 'Oxfordshire Conversation' to ensure the hyper local democratic structures of parish and town Councils are fit for the future and in concert with the White Paper.

We also recognise that the creation of a single council for Oxfordshire creates the loss of a clear structure of government for the City of Oxford. A globally recognised city with 1,000 years of municipal governance, civic leadership and a set of world leading assets and institutions should possess continuity and traditions for future generations to enjoy. It would be our intention to co-design and deliver a City Convention on the

future governance of the City of Oxford that reflects its historical, political, and cultural make up.

We have heard and understood the widely expressed concerns around the potential remoteness of large authorities, which is particularly potent in semi-rural counties. We will address this by exploring a new model of neighbourhood working that draws on the strengths of the district and parish tiers and a community wealth building approach that puts communities and elected members at the heart of what the successor council does.

We are having early conversations with the Oxfordshire Association of Local Councils, the Centre for Governance and Scrutiny and the Local Government Association to on how to 'localise' a large council such as a proposed unitary for Oxfordshire to complement the Oxfordshire Conversation and City Convention proposals already outlined

At this early stage, we have undertaken engagement at varying levels of intensity with our Cabinet, political group and party leaders at the County Council, all Oxfordshire MPs, key institutions, and representative organisations. The Ministry for Housing, Communities and Local Government has already received a letter from five of our MPs in support for the single county unitary. Our Police and Crime Commissioner, a former local government leader in Oxfordshire, has shared his views publicly on the issue and endorses a single county unitary.

A key message from our stakeholders at this time centres around the positive conduct of all Councils within this process and to avoid the 'planning blight' that could envelop the county and displace energy. Oxfordshire is at the centre of several highly critical government agendas relating to local government reform, devolution, the Oxford Growth Commission and the Oxford to Cambridge Growth Corridor. We also expect activity arising from the New Towns Commission in due course. It is important for UKplc that Oxfordshire be unified in purpose and working together with its neighbours. To not do so puts a set of serious opportunities, especially sustainable and inclusive economic growth and investment, at risk.

All Councils across Oxfordshire are working together and are visibly demonstrating so. An officer group is leading the development of proposals which will report to Oxfordshire Chief Executives and Leaders. Whilst different views do currently exist on the future form of local government in Oxfordshire, we all recognise that it is in the interests of residents, businesses, institutions and investors to undertake this work efficiently and calmly at the same time as balancing the need for elected representatives to express their views and assure the public that we are discharging our legal duty through efficient use of public resources.

We will work collaboratively with all councils across Oxfordshire to undertake proportionate engagement later this calendar year that is cost effective and does not cut across the statutory consultation that the Government will undertake.

We also recognise the need for independent checks and challenges on this option and are in the process of convening a set of independent experts from across local

government to support us through this process as part of a 'peer review' type process.

As a single county unitary, we will not be proposing any boundary changes but clearly there will need to be involvement of the Boundary Commission to ensure the correct council size. A working proposition in the range of approximately 90-100 Members would be in keeping with councils of a similar resident size profile. Further, and more detailed analysis, will be undertaken in due course.

#### **Future Governance**

The County Council is very supportive of devolution and the additional powers, investment and influence that a Mayoral Strategic Authority would bring. Oxfordshire has taken a clear role in the forming of a Mayoral Strategic Authority.

The County Council is of the view that Swindon is not best served in an MSA covering Berkshire, Oxfordshire and Buckinghamshire and its position is supported by the majority of District Councils. We will set out our shared position to Government in due course.

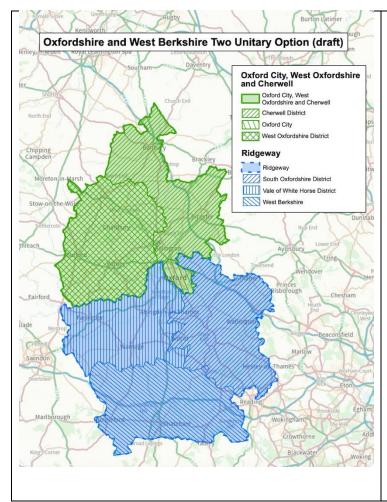
Subject to any reorganisation of Berkshire authorities, we are of the firm view that a single, clear voice for Oxfordshire is needed. We will need to ensure that the size of our county is translated into appropriate levels of voice and votes.

# Interim Plan Update to MHCLG - March 2025

# Oxfordshire and West Berkshire Two Unitary Option

- Oxford City, West Oxfordshire and Cherwell
- South Oxfordshire, Vale of White Horse and West Berkshire ("Ridgeway")

This document provides an interim plan update on a two unitary council option for Oxfordshire and West Berkshire, covering the two areas of "Ridgeway" and Oxford City, West Oxfordshire and Cherwell.



The two unitary option provides a compelling and coherent solution for local government reform across the whole of the Oxfordshire and West Berkshire area.

The new councils will balance the advantages of scale in terms of financial resilience, service improvements and a focused devolution voice whilst retaining strong proximity to communities and neighbourhoods, fostering a strong sense of place and addressing local needs.

Early indications are that this option will deliver significant efficiency savings which are likely to be of a similar order to a one unitary model based on the PwC modelling approach.

Both new unitary councils follow existing council boundaries as their constituent building blocks at this stage<sup>1</sup>.

Population (rounded to nearest '000s)	Oxford City, West Oxfordshire and Cherwell	"Ridgeway"
2023	451,000	463,000
2050 – Demographic Led Projection	509,000	524,000
2050 – Housing Target Led Projection	601,000	658,000

<sup>&</sup>lt;sup>1</sup> There may be potential value in revisiting boundaries to help with growth and housing delivery, once the two new councils are established. The proposing councils believe that this should be led by the new unitary authorities themselves.

# Interim Plan Update on the two unitary option

# Right Size to Achieve Efficiencies, Improve Capacity and Withstand Financial Shocks

- Latest population figures demonstrate that both the proposed Oxford City, West Oxfordshire and Cherwell and "Ridgeway" councils are very close to the 500k population guidance figure and will rapidly achieve that figure based on projected growth projections.
- This size will improve capacity, increase financial resilience<sup>2</sup> and provide significant scope for achieving efficiencies.
- Councils of this size can achieve these benefits without risking the potential diseconomies of scale seen with some very large unitary councils.

## **Provision of High Quality and Sustainable Public Services**

- The size and capacity of the two new unitary authorities will provide an
  excellent basis for providing high quality and sustainable public services
  across the area. These will build on good practice in areas such as Revenues
  and Benefits (Cherwell), on collaborative ventures that are already underway
  on waste (City, West and Cherwell) and UK leading recycling levels in South
  and Vale and well-regarded Social Care Services in West Berkshire
- It is anticipated that the Children and Adults Services currently provided by the County Council would form the basis of continued delivery in the Oxford City, West Oxfordshire and Cherwell area, with an opportunity to forge complementary services around the existing provision in West Berkshire across the "Ridgeway" Council. This will take a degree of disaggregation and the opportunity for the two new services to work collaboratively in the new two unitary model will be fully explored in the full proposal. This will enable a strong focus on prevention and demand management, building on the excellent work of the existing services.
- There are a significant range of other opportunities to rationalise assets and get better value from commissioned services from the market that can improve service provision and suitability under the two unitary model (e.g. leisure contracts).

# **Enabling Stronger Community Engagement and Neighbourhood Empowerment**

 The geography of the city of Oxford, the towns of Cherwell and West Oxfordshire and the rural areas between all have distinct identities whilst

<sup>&</sup>lt;sup>2</sup> Whilst a number of smaller unitary councils have suffered in terms of financial shocks it is reasonable to note that neither scale, in terms of population served and/or spending power (e.g. Northamptonshire, Kent, Hampshire) nor unitary status, appears to offer significant protection in avoiding s114 notices or warnings (e.g. Birmingham, Somerset).

- sharing a common sense of place. There are already very strong connections between the constituent parts of the area covered by the proposed Oxford City, West Oxfordshire and Cherwell area and the establishment of the new council would be able to enhance these further.
- South Oxfordshire, Vale of White Horse and West Berkshire already share deep historical, economic and geographical ties, and establishing a new unitary council on this footprint will create an opportunity to align and strengthen sustainable service delivery, whilst also reflecting the unique character of the rural area.
- The size of the two new unitary councils will mean that there is scale that enables the establishment of material and meaningful community engagement mechanisms, and funding, to enable increased neighbourhood empowerment without losing touch or connection with the local needs and places.
- The Area Oversight Boards currently in place in Cherwell are a good example of this and the new Oxford City, West Oxfordshire and Cherwell council would be able to provide a more comprehensive approach along these lines serving more communities and places. The "Ridgeway" councils have already developed work together on a community engagement plan, which demonstrates a commitment to jointly engage and understand the needs of local people and unlock community empowerment across the Ridgeway area.
- An opportunity also exists to strengthen the relationships with local communities. This could include reinvigorated roles for Town and Parish councils through a "double devolution" approach. Most of the area is fully parished, except in parts of Oxford City, where new approaches to further improve community engagement will be developed.

#### Indicative Efficiencies<sup>3</sup>

- Detailed modelling of efficiencies has not yet been completed but there is an expectation that significant efficiencies can be achieved from moving from two-tier local government to a two unitary model as proposed here. These will need to be developed over the coming months. Given the size of the population being served and the number of councils involved, experience from recent LGR exercises would suggest benefits of between £20m and £30m p.a. across the two councils should be achievable, as well as the non-cashable efficiencies gained through single tier working, particularly with regarding planning and housing delivery. These indicative estimates are evidenced from the modelling approach used in the 2020 PwC/CCN paper and experience from other LGR programmes.
- The PwC financial modelling shows that annual efficiency benefits are lower for a two unitary option when compared to a one unitary county option, but it

<sup>&</sup>lt;sup>3</sup> It should be noted that estimates of indicative efficiencies do not take into account any potential future changes to council funding nor demand changes, at this stage.

is important to note that the gap between the options will be significantly smaller than in other areas. This is because the inclusion of an existing unitary council in the two unitary option means that:

- Overall benefits for the two unitary option (modelled as a % of existing costs) will be higher because the baseline of cost (spending power, assets, staff) includes West Berkshire, in addition to Oxfordshire councils.
- The ongoing costs of disaggregation will be much lower, compared to other LGR areas, as there are already two upper tier authorities providing services such as Children's Services, Adult Social Care and Highways, meaning that adopting the two unitary model will not incur ongoing additional costs
- It should also be noted that the ability of councils to make cost efficiencies over the medium term and ongoing financial resilience, will be determined by the extent to which transformation ambitions are achieved and the effectiveness of management in the new councils. The initial transition and structural difference are rapidly overtaken by these factors.

## **Opportunities for Service Transformation**

- In addition to the benefits of transition set out above, moving to two new unitary councils will provide a catalyst to achieve significant transformation in the way that services are provided and the council is run.
- Building on existing ambitions, plans and good practice across the existing councils, transformation opportunities will arise from implementing a new operating model focusing; enhancing customer centred service design; utilising AI and automation; strengthening community resilience, prevention and partnership working; and reconsidering commissioning, cost recovery and delivery models in a comprehensive way.
- Both the Oxford City, West Oxfordshire and Cherwell and "Ridgeway" unitary councils will be able to accelerate the transformation ambitions shared by the current councils benefiting from increase capacity and scale, in due course.
- Whilst detailed analysis of the scale of the benefits associated with these transformation opportunities has not yet been conducted, evidence from previous cases and implementation experience suggests that transformation benefits will be higher than transition benefits and may total £30m-£60m across the two new unitary councils. Transformational activity will be the responsibility of the new councils to lead but an indication of potential additional costs will need to be factored into the full proposal.

#### **Councillor Numbers**

• More detailed analysis will need to be undertaken with input from the Boundary Commission, but early indications would suggest that if "member per elector" ratios were similar to Somerset, Dorset, Wiltshire and Cornwall you would expect to see between 150 and 180 members across the two new unitary councils. It is essential that the new councils establish strong democratic representation across the whole of the Oxfordshire and West Berkshire area, reflecting differences between rural and urban geographical areas. This can be achieved through engaging closely with the Local Government Boundary Commission process.

### **Supporting Devolution**

- The proposed Oxford City, West Oxfordshire and Cherwell and "Ridgeway" councils would provide strong and focused voices for their areas within a Thames Valley or similar devolution footprint, whilst maintaining strategic alignment into the Oxford-Cambridge Growth Corridor and East West Rail alignment.
- The new councils would be well placed to represent their areas in a balanced way, without losing the ability to reflect the distinct strengths and needs of the different communities and place across the current Oxfordshire and West Berkshire area.
- Oxford City, West Oxfordshire and Cherwell provides a strong platform for the
  delivery of growth to meet strategic needs with shared infrastructure needs
  well aligned within the boundaries and an impressive shared track record of
  growth to date. There is a real opportunity to enable potential to be unlocked
  across the market towns of the area and to build greater cohesion with the city
  of Oxford.
- The Oxford City, West Oxfordshire and Cherwell council would be pivotal player in driving this economic growth along the Oxford Knowledge Spine and in line with the Oxford-Cambridge Growth Corridor. The areas currently covered by West Oxfordshire and Cherwell District Councils complement the obvious economic focus and strong brand provided by the city of Oxford. Together they form a natural geography which is well suited to growth in the economy and in terms of housing delivery, particularly along the M40/A44/A40 growth corridors, whilst differentiating from the M4 corridor.
- There is strong potential to leverage the exceptional innovation community across "Ridgeway", including Aldermaston, Lambourn, Newbury, Milton Park, Culham and Harwell to achieve benefits through the new unitary councils, working with others as part of a vibrant Strategic Authority footprint.

Indicative Costs (Proposals and Implementation)

- Given the size of the population being served and the number of councils involved, it would be reasonable to expect one off transition costs of between £20m and £30m<sup>4</sup> across the two new unitary councils which fall within the same range as the annual financial benefits. This would equate to £10m-£15m for each of the two new councils. These costs will be worked up in the full proposal and may be lower than indicated due to the pre-existence of key functions within West Berkshire.
- The initial cost of developing proposals for the two unitary option is estimated to be in the region of £400,000-£600,000 depending on the availability of suitable capacity and capability across the councils.

## Working together

- The councils across Oxfordshire and West Berkshire have put in place arrangements to support joint working and data sharing. The development of a joint full proposal for the two unitary option will require the continuation of such working arrangements.
- These working arrangements, include regular meetings of the Chief Executives and Leaders of all of the Oxfordshire councils and West Berkshire Council.
- The Future Oxfordshire Partnership has recently been renamed as the Oxfordshire Leaders' Joint Committee and has revised Terms of Reference to provide a forum for discussions on devolution and LGR and associated governance. This will provide a formal committee in place should it be needed for these purposes, although it should be noted that West Berkshire are not currently members of this body. However, a joint member forum has been established for the "Ridgeway" Councils.
- Given the timescales involved, there has been limited engagement with local communities and partners beyond the immediate local councils involved. This engagement would be fully developed through the March to November period to inform the exact nature of the two unitary proposals.

<sup>4</sup> Estimates drawn from the PwC/CCN paper in 2020 and analysis of recent unitary council business cases. Detailed financial analysis will need to be conducted in support of a full proposal in November 2025

Page 28

# Interim Plan Update to MHCLG - March 2025 Oxfordshire and West Berkshire Three Unitary Option

## A vision for a Greater Oxford unitary

Oxford needs city scale governance to fulfil its huge potential. Its knowledge and innovation sector is internationally renowned, with the potential to drive not just local but national economic growth. The Government's Growth Commission for Oxford, and the Oxford-Cambridge Growth Corridor recognise this.

The creation of a Greater Oxford unitary council is the right level of governance to unleash growth that will benefit both local communities and UK plc. It would have four distinct and linked missions:

- 1. Enabling the rapid expansion of Oxford's key knowledge economy sectors to create a globally significant ecosystem
- 2. Accelerating housing delivery to unlock the economy, tackle ingrained inequality and reduce strain on public services
- 3. Empowering communities in Oxford and its surrounding area to benefit from regeneration and a more innovative approach to public service delivery
- 4. Providing a powerful voice at the Mayoral Strategic Authority table to ensure delivery of central Oxfordshire's wider infrastructure needs

A Greater Oxford unitary would provide governance to support and enhance the identity and potential of the urban heart of Oxfordshire, with unitaries to the north and south recognising their own market town and rural character.

This three unitary proposal creates sensible economic areas, each with an appropriate taxbase, and does not create an undue advantage or disadvantage for one part of the area. The proposal also creates sensible geographies that will help to significantly increase housing supply and meet local needs.

#### Intro and context

Oxford is central to the economic success of the region and must play a key part in the national agenda for growth. Yet the city has grown significantly beyond its administrative boundaries, it has very limited space for new business sites, and a severely constrained ability to provide more affordable housing for a growing workforce.

A new unitary council representing the city conurbation and its surrounding area has a key role to play in enabling Oxford to meet its full potential for UK plc. Such an authority can give clear focus to the challenges of a rapidly growing economy, the needs of a high-density local population, and deliver service efficiencies through local knowledge, partnerships and adaptability. It would also retain Oxford's distinct city identity to better meet its needs while enabling stronger community engagement and neighbourhood empowerment across the Greater Oxford area.

At the same time new councils covering the surrounding areas to the north and south of the city would be better placed to manage their different economic strategies and housing growth: A North Oxfordshire Council, comprising much of the existing West Oxfordshire and Cherwell districts, and a Ridgeway Council comprising of much of the existing South Oxfordshire and Vale of White Horse districts combined with existing West Berkshire unitary.

This proposal also considers the impact of unitarisation on devolution in our area. Discussions across the region indicate support for a strategic authority to cover a minimum of Oxfordshire and Berkshire, and potentially Swindon. In our proposed option for local government, Oxfordshire ceases to be the prism through which local government challenges and successes are defined. A Greater Oxford authority would always be rooted in the wider county, but removing the administrative county boundary would redefine the scope of shared opportunity, challenges and success. Partnerships and sectoral alignments would run across the wider strategic geography, for both urban and rural areas, shifting the paradigm for leaders in local and strategic authorities.

#### Size and boundaries

Oxford is a high growth city, held back in growth and housing terms by current boundaries which in turn holds back regional and local growth. Therefore, we believe the unique opportunity for a Greater Oxford Council to unlock housing and economic growth presents a compelling exceptional case in respect of the Devolution White Paper guidance on new unitary authorities needing a population of 500,000 or more.

We are considering a number of spatial approaches to creating a central Oxfordshire authority that will enable us to deliver the economic, population and housing growth that can unlock our potential for the UK economy. Subject to final determination of boundaries, this would see a population of between 320,000 and 495,000 within the proposed new council area.

Our approach will define an area that has sufficient population for local services sustainability, and a cohesive identity that gives residents a sense of belonging. We are developing a number of options for the optimum settlement for the city and the rest of the county, together with West Berkshire.

All options require boundary changes from the very under-bounded existing City Council, which covers a significantly smaller area than the urban settlement. Oxford is bordered by three other district councils, and close to a fourth – West Oxfordshire.

The limited available space in Oxford means the City Council is unable to meet all future city housing development need within its own boundaries. Currently all four neighbouring districts are required to contribute to the city's unmet housing need. For decades this has been an issue of disagreement between the local planning authorities played out through successive local plans and more recently a failed attempt at a joint statutory plan.

Our expectation is that a Greater Oxford authority would require boundaries to be redrawn with at least three, and possibly all four, districts in order to provide sufficient

space to meet ambitions for growth while delivering its own housing needs over the next 50-100 years. The new boundaries will present an opportunity to strengthen local, regional and national economies.

Creation of a central Oxfordshire unitary area must take account of key spatial considerations: the natural landscape and topography of a city and its satellite settlements within river valleys and among hills; the Green Belt that recognises Oxford's green and blue setting and hinterland and its need to 'consume its own smoke'; and the Knowledge Spine and opportunity to consolidate agents of change in central Oxfordshire's knowledge intensive employment and research locations.

Population estimates in the table below show ranges for the current and projected populations by 2040 for Oxford and the proposed northern and southern unitaries, associated with different boundary options. Greater Oxford's numbers have been calculated using the government's new Standard Methodology plus additional growth options. The neighbouring unitaries show population growth to 2040 using the new Standard Method only to calculate housing delivery.

Given the strength of the sub-regional economy empowered under a new Mayoral Strategic Authority, we believe the two adjoining unitary authorities covering Northern Oxfordshire and the Ridgeway would also be viable. They would have populations of between 326,000-342,000 and 424,000-562,000 respectively by 2040.

Population ranges	Current population	2040 population
Greater Oxford	217k-333k	320k-495k
Northern Oxfordshire	252k-264k	326k-342k
(reboundaried Cherwell+West)	202R-204R	320K-342K
Ridgeway (reboundaried	326k-433k	424k-562k
South&Vale + West Berks)	320K-433K	
Southern Oxfordshire	159k-266k	207k-346k
(reboundaried South&Vale)	1030-2000	

#### Identity and belonging

We recognise that an expanded footprint will require a reconsideration of how we understand our communities and our area.

Oxford's boundaries have changed many times over the centuries to incorporate villages that still retain their own identity. Iffley Village became part of Oxford in 1928, Wolvercote in 1929, Blackbird Leys was built in the Green Belt in the 1960s and incorporated in 1991 into the city along with Old Marston, Risinghurst and Littlemore.

The conurbation continues to expand, and the city exerts a gravitational influence on surrounding areas which make use of both the work and leisure facilities it offers. Redefined boundaries will crystallise this into direct and mutual responsibility. We will not simply be asking communities to join the city, we will ourselves be joining well

established communities. We will need to draw on the wider identity that exists within areas beyond the city to help them become part of a cohesive whole.

Oxford is already a very diverse city that has built strong links across our communities, and we will build on this ability to recognise and harness diversity to develop pride in belonging to different but connected groups.

Given Oxford's housing market, connections between the city and the nearby places like Kidlington and Abingdon have increased. Yet, distances across Oxfordshire as a whole are substantial, and while the experience of people within Oxford has a lot in common with those who are a short public transport ride into the city; there is much less obvious connection with those in places like Cropredy or Henley.

The creation of new unitary authorities covering Northern Oxfordshire and the Ridgeway would enable them to build on the distinct identities of their existing market towns, new development sites and the historic connections that linked Berkshire and southern Oxfordshire.

#### Unlocking economic growth

Cities are engines of growth and critical to economic success at a regional level. Oxford, as a globally significant centre for life science and other cutting edge knowledge industries is also critical to the national growth agenda. But that growth has been held back by the current boundaries, with insufficient development space for new labs and housing within the city, and different priorities in neighbouring areas.

A central Oxfordshire unitary council based around the city would provide a clear, focused partner for Oxfordshire's knowledge spine, working with the universities, industries, the MSA, the Oxford-Cambridge Growth Corridor and central government. Greater Oxford would be released from the different economic alignment and growth ambitions in the rest of the county.

There is a huge unmet demand for lab and innovation space to support these sectors, in and around the city, as the strong market pricing in the area shows. The proposed new authority would create significant new sites for economic development, in addition to that already defined in Local Plans.

Creating these new economic centres adjacent to the city, served by public transport infrastructure reduces the likelihood people would need to commute by car, increases the space utilised for development rather than car parking, and limits the growth in road traffic. The anticipated Cowley Branch Line reopening for passenger services is a further driver of connection and growth between housing, skills and business location.

The proximity for knowledge exchange, supply chains and supporting services creates an innovation ecosystem that can accelerate inclusive economic growth. Transport links via East-West Rail will enhance the connection to similar innovation ecosystems around Cambridge and Milton Keynes.

While there is a focus on the opportunity for innovation businesses, we recognise the need for growth to benefit across the whole of the population. There will be further opportunities for local and regional supply chain businesses, high demand for construction and retrofit skills, and new demand within key sectors such as hospitality and leisure to support an expanded workforce and pace of business. We anticipate more opportunities for skilled non-graduate employment, and entry-level opportunities that offer genuine career development.

In terms of the opportunity and impact for regional growth, the government has been clear that this is the key priority of devolution— something that chimes with our ambitions for a unitary council around the city. Nascent Mayoral Strategic Authorities need growth capable unitaries to achieve their ambition. An MSA will benefit significantly from having Oxford at the table, providing a distinct pro-growth voice from Oxford as one of the key engines of growth across the region.

A strategic authority needs a balance of representation for population size and rural versus urban areas. Existing unitary authorities in Berkshire include strong urban economies in Reading and Slough, and a future strategic authority will benefit from having a key city economic partner in Oxford.

#### Economic growth potential

Oxford is uniquely placed globally in terms of its own strengths but also its untapped potential as part of the wider golden triangle of Oxford, Cambridge and London. The proposed Greater Oxford Council would cover an area that includes many of Oxfordshire's high value enterprises, including start-ups, spinouts, high growth businesses, and a handful of new 'unicorns' (with a market capitalisation in excess of £1bn).

A report produced by the Oxford-Cambridge Supercluster Board in 2024 highlighted that unlocking potential growth across the region could make it the 'crown jewel' of European science and innovation and could benefit the UK by as much as £50bn per year by 2030. (Oxford-Cambridge Supercluster Board, July 2024).

The Oxford Growth Commission and its Delivery Plan came forward due to the shared ambitions of the Government, Oxford City Council and both universities. A Greater Oxford Council would use its convening and championing role in partnership with the Oxford Growth Commission to unlock the city's economic growth potential – upgrading the Thames Water Sewage Treatment Works, reopening the Cowley Branch Line to rail passengers, resolving electricity grid capacity constraints and establishing a TIF (Tax Increment Financing) for Oxford West End.

While the development of significant additional lab and innovation space within the city is already identified in the emerging Local Plan 2042, an additional 5.9m–9.6m sq ft of R&D space and 2.1m–3.2m sq ft of other commercial space could be created on new sites within the Greater Oxford Council area. According to Volterra, this is expected to generate between 17,900 and 29,100 new jobs and an additional GVA of £1.2bn–£2.0bn per annum.

## Our track record – supporting an inclusive economy

- Oxford is a GVA net contributor to the Exchequer, generating £7.6 billion of the total Oxfordshire £23.5bn GVA
- Oxford ranked as top performing city out of 50 UK cities in PwC's Good Growth for Cities Index in 2023 and 2024 – a measure of an inclusive economy
- Oxford is a leader at attracting international investment, ranked fifth in the UK for attracting overseas investment
- Commitment of £125m from the Crown Estate partnered with Oxford Science Enterprises and Pioneer Group to deliver 100,000 sq ft city centre life sciences, technology and innovation space

#### Housing delivery

Oxford is one of the least affordable cities in the country, and has a significant housing need, in excess of the new Standard Method. Our current, tightly drawn boundary prevents us delivering the land for the growth the city so desperately needs. Surrounded by Green Belt and authorities reluctant to build anything more than the minimum amount required, Oxford will never truly realise its full potential.

The way to unlock this is for an ambitious and pro-growth authority to take responsibility for supporting growth on expanded boundaries, delivering strategic Green Belt releases – involving where possible "Grey Belt" land - to meet all of the city's housing needs in excess of the Standard Method. Not only will this support city growth, but it will also ensure that there is no unmet need exported to neighbouring unitary authorities to accommodate, leaving them in full control of their own developments and housing needs.

With the Greater Oxford Council identifying and delivering additional growth within expanded boundaries, we will ensure that land is used efficiently, increasing density where appropriate to produce well-planned new communities. We anticipate that city adjacent sites will build to higher density low-rise development, while more rural areas will follow a lower density model.

In some cases that will involve increasing the housing density for already planned urban extensions. In other cases, it could see some of those already identified sites prioritised for new lab space and commercial development with new Grey Belt sites released for housing.

By 2040 an additional 43,000-67,000 new dwellings can be brought forward – a significantly higher level that in any existing or emerging Local Plans. This would include a significant proportion of new council housing (currently 40% social housing and 10% affordable housing under Oxford's 2036 Local Plan). This would help tackle a situation that sees Oxford average house prices 13 times average salary, and some 3,500 on Oxford City Council's housing waiting list. It would also open up the opportunity to deliver new council housing to areas around the city which currently have a limited supply of social housing.

## Our track record – housing delivery and housing management

- Since 2018/19, Oxford City Council has delivered 1,075 affordable homes, including 699 homes at social rent and 311 shared ownership homes
- Our 2025/26 budget includes funding for nearly 1,600 new council homes in the next eight years.
- Government-acclaimed beacon local authority for homelessness prevention outcomes
- National leader in Housing First delivery, where we are on course to have
   60 homes in the city by March 2026
- Only council in England to having introduced a licencing scheme for all private rented homes to drive up private rental standards

## **Financial Sustainability**

Oxford City Council has robust financial sustainability based on strong financial management and medium-term forecasting, a strong track record in delivering efficiency savings and an insourcing structure that enables dividends and commercial income from essential services, and a strategic asset management approach.

We call this the Oxford Model: using our wholly owned companies and assets to achieve the Council's policy aims and generate income to support a wide range of services.

This has seen the Council innovate its organisational structure over the last decade establishing three wholly owned companies: a teckal company ODSL delivering statutory services; a sister company ODSTL providing externally traded services; a housing development company OX Place building and selling market, shared ownership affordable and social dwellings within Oxford and the wider geography; and two Joint Venture partnerships with the private sector.

This will put a Greater Oxford Council in a strong position to provide its enhanced level of services to a wider geography including those neighbouring areas that would form part of a new unitary authority.

Oxford City Council has neither considered nor required Extraordinary Financial Support or been subject to any Best Value measures.

A strong financial outlook

Oxford City Council's income streams are on course to increase by an estimated £8 million per annum over the next four years. By 2029, the Council's historic property portfolio is profiled to produce c £17.5 million pa which is mostly within the city centre.

The Council is in the process of delivering city centre regeneration through our wholly-owned companies and our partnerships, producing better outcomes for residents and businesses, together with additional housing and business floorspace. Delivering new housing across a wider geography through the Council's OX Place and ODS subsidiaries, we would not only secure much needed additional new homes but also provide further revenue back to a Greater Oxford council to support the needs of an expanded population.

The delivery of additional housing will also serve to reduce the significant housing pressures all local authorities are facing, while helping support the NHS through earlier patient discharge – as already successfully demonstrated through our partnership with Oxford University Trust hospitals. Ultimately, a Greater Oxford unitary council will be better able to join up of services, using its housing function to target outcomes on reducing inequality and delivering much greater savings to the public purse.

## Our track record – robust financial management

- £15 million of dividends paid to Oxford City Council since the incorporation of its companies with future annual dividends estimated at around £5 million over the next 4-year period equivalent to 10% of its annual total revenue income.
- £17 million efficiencies achieved over the past decade with no compulsory redundancies, including 15% savings in management costs.
- A £146 million historic property portfolio enabling regeneration in the city centre with other partners. This property portfolio comprising largely commercial premises allows the Council to combine income maximisation with its placemaking role as guardian of the city centre.
- Use of prudential borrowing powers to increase borrowing to an estimated £780 million in the next four years to fund investment in Oxford: including two new community centres, upgrading our existing 8,000 housing stock, and enabling the construction and acquisition of 2,200 additional dwellings.
- New ten-year leisure contract provides the council with approx. £1.3m p.a. management fee and investment of over £3 million in the facilities

## **Transforming public services**

A Greater Oxford unitary will build on the City Council's existing culture of high standards where we see our role as a partner of choice, pioneer and activator – as recognised in the 2023 LGA Peer Review. The LGA commended the Council's approach to co-design and delivery in partnership with anchor organisations at all levels, from grass roots to major institutions. It also identified a high-performance culture with strong staff retention, and a workforce strategy based around ensuring the Council is representative of the communities we serve.

A Greater Oxford Council will be well positioned to use this successful collaborative approach to deliver whole system transformational integration of lower and upper tier public services. Our focus on preventative action - linking multiple community-based and partnership-based initiatives around tackling health inequalities and isolation, supporting the wellbeing and development of young people, and ensuring community safety – can ultimately deliver more significant savings to the public purse than those achievable simply through reorganisation of local authority structures and removal of duplicative roles.

Oxford City Council has a clear focus on always getting it right first time and continues to transform its operations and service delivery. We have identified key areas where we believe this approach on an expanded city geography can deliver service transformation. This includes the application AI and robotic processes to speed up processing time and increase efficiency.

Increasing digitisation of services and reskilling of the workforce will change how we use data, provide a 24/7 front door to services, and enable citizen self-service - in line with the transformation being see across the private and public sector.

#### Waste

Oxford City Council, Cherwell District Council and West Oxfordshire District Council as waste collection authorities are already working in collaboration, and with Oxfordshire County Council as waste disposal authority, to identify service transformation and integration of waste operations across their shared geography. Initial estimates suggest efficiencies of £1-3 million pa are achievable and should be realisable regardless of the final shape of unitarisation in Oxfordshire.

## Social care

In the provision of social care, the priority for a Greater Oxford council will be to design in prevention and early intervention as standard, to reduce pressure on the health and care system. Government itself has acknowledged the current social care system urgently needs reform, nevertheless a new Greater Oxford unitary would be closer to home for communities and neighbourhoods in central Oxfordshire and better empowered to deliver integrated, citizen-focused services and reduce demand.

Taking a whole systems approach, we would be a partner and activator for prevention focused on good housing, good environment and good community. We would provide leadership for economic inclusion that reduces inequality, focused on living wages, affordable housing, efficient transport, skills and learning. We would build on our record of activating community resilience through youth support, grass roots grants, active communities and cross-community inclusion. This approach of providing hyper-local support optimises people's access, experience and outcomes, and helps support the sustainability of services.

Alongside the prevention focus, we are working with the District Councils Network to explore the best models for the delivery of adult and children's social care to avoid unnecessary fragmentation of services. This could involve shared services, or a

Trust/Community Interest Company commissioning model, and certainly better integration into existing education, health and community services.

The table below outlines the current adult social care costs across Oxfordshire. These costs are based on current structures and services, but as outlined above a three-unitary option that enables more local design, integration and delivery of services could enable new approaches that recognise the specific needs in a more tightly defined geography. On its current boundaries, Oxford has a low proportion of older people and children compared to both county and national averages, and benefits from an urban population's proximity to services. This translates into lower costs to serve which are likely to be lower than average even with inclusion of areas around the city within a new Greater Oxford unitary authority.

Adult social care costs per person						
	Number of people enrolled	Adult population (18 and upwards)	Percentage of people enrolled (as % of total adult population)	Total Cost	Average Cost per person enrolled	
Oxford	3704	133,209	2.78%	£30,812,213	£8,319	
Rest of Oxfordshire	14604	445,379	3.28%	£152,852,565	£10,466	
Cherwell	4138	126,946	3.26%	£41,083,554	£9,928	
South Oxfordshire	3532	118,037	2.99%	£36,470,918	£10,326	
Vale of White Horse	3657	109,145	3.35%	£37,091,122	£10,142	
West Oxfordshire	3277	91,251	3.59%	£38,206,970	£11,659	

#### Education

Despite being a world centre for learning, Oxford underperforms within Oxfordshire and compared with statistical neighbours and national trends in terms of pupil outcomes in its schools. Closing the attainment gap must be a priority for the new education authority.

Engagement with school leaders suggests there is a positive case for change with a more place-based approach. We need a much clearer focus on tackling the social determinants of poor pupil outcomes in the urban setting, and the particular needs of children of deprived backgrounds, or with SEND. Such an approach has been demonstrated to work in a small geographic area through the East Oxford Community Impact Zone. Set up in 2018 as a partnership involving Oxford City Council, the County Council, Thames Valley Police, Oxford Student Hub and Lankelly Chase, the CIZ delivers family-centred support to tackle persistent school absences. This work clearly links to SEND and Education and Health Care Plans,

with interventions going much wider than the education system to include issues like housing, cost of living support, affordable transport and opportunities outside school.

We would further develop non-formal education programmes, including youth services and the city's Cultural Education Partnership to support learning and education-engagement.

We would also bring our experience as a developer and an asset manager to improving the school environment, with access to a share of the £143m Section 106 funding for Oxfordshire.

#### Transport

The transport system in central Oxfordshire is in crisis - there is a clear priority to get traffic moving in the city and to better connect surrounding areas. Urgent action is needed to address chronic congestion and provide real alternatives to the car, to help unlock the potential of the city and its hinterland.

While the MSA will take a much-needed strategic view of transport infrastructure delivery across the region, a new Greater Oxford unitary council would take a fresh approach to local transport issues. Additional bus services to villages around the city, increased active travel, improved traffic flow and reduced pollution will be pursued by integrating planning and place-based development responsibilities with transport and highways delivery within the new council.

The focus will be on listening to local residents and businesses and designing an effective transport mix into and around the city. Partnerships with transport companies, anchor institutions and communities will help create transparency, share challenges and develop shared solutions – as are already being progressed through the Zero Carbon Oxford Partnership and the Oxford Greenways initiative.

## Our track record – service transformation, partnership and innovation

- Set up an Active Lifestyles Commissioning Group to give the ICB, Public Health and Adult and Children's Social Care a voice in how a new 10-year leisure contract helps to tackle stubborn health inequalities
- Delivered a minimum of £600k pa additional funding for community prevention work, including £1.3m for a new Youth Hub in area of highest deprivation
- Key older-people health prevention programme results in 51% fewer GP appointments, 23% fewer falls and 27% reduction in out-of-hours/NHS111 calls for participants
- Key active family programme shows 52% of participants report increased activity levels, 55% of children report increased happiness in first six months
- Provide award-winning non-statutory service for c6000 young people in areas of deprivation through Youth Ambition programme
- Led on strategic rail schemes including proposal for recommissioning Cowley Branch Line for city passenger journeys, and upgrading Oxford station
- Council of the year for climate leadership 2023 in both LGA and MJ awards

- Partnered with Government and EDF Renewables on Europe's most powerful EV charging hub at Redbridge Park & Ride to activate transformation in EV take-up and better city journeys
- Partnered with Government, universities and Low Carbon Hub to deliver Project LEO - one of the UK's most ambitious, wide-ranging and innovative energy trials, seeking to accelerate the UK's transition to a zero-carbon energy system

#### Indicative transition costs

Pixel Financial has estimated realistic transition costs of between £5-10 million per district and existing unitary (West Berkshire) moving into three new unitary authorities, citing the comparable experience of local government reorganisation in Northamptonshire.

Oxfordshire County Council's Cabinet has agreed to the creation of an earmarked reserve with an initial £5m allocation to help meet the costs of LGR. At its meeting in March 2025, the County Council Cabinet will be recommended to increase this reserve to £10m. It is expected that this pool of funding is supplemented by District Councils to facilitate essential LGR and devolution activity.

Costs are expected to be recouped over the medium term through efficiency savings. We have a strong record of achieving efficiency savings, and we have good confidence that the required level of savings are available.

## Efficiency saving opportunities

Oxford City Council continuously drives efficiencies of between 5-10% per annum through the medium-term financial planning process. Further ongoing savings of around £4.4 million per annum have already been identified over the next 4-year period, through organisational redesign.

The creation of a Greater Oxford unitary council will create opportunities for significant additional efficiencies, as lower and upper tier authority operations are integrated. Pixel Financial estimates suggest further annual efficiencies of between £18 million and £27 million are achievable (savings based on expenditure only, not income) through the creation of three unitaries across Oxfordshire and West Berkshire. This differs from estimates produced by PWC that suggest efficiencies of £4m would arise from a three unitary model in Oxfordshire.

## **Councillor numbers**

As a unitary council on new boundaries, we would work with the Boundary Commission on the appropriate level of councillor representation. Looking at equivalent city unitary authorities such as Derby, Swindon and Nottingham, we estimate that the number of councillors for Greater Oxford would be in the region of 60-90 councillors based on population estimates. This delivers around 40% reduction in the number of councillors at local authority level.

#### Local empowerment

The Greater Oxford area would be supported by an expansion of Oxford City Council's existing Localities-based coordination of service integration and delivery, with dedicated officers covering groups of neighbourhoods. Alongside this new delivery model, we would want to focus on meaningful empowerment through 'double devolution' at a city area scale through parishes and other community forums.

There are currently only four parish councils within the city. A Greater Oxford unitary council would look at the best way to deliver full local democratic engagement, working with the Oxfordshire Association of Local Councils, to ensure the individual voices of all neighbourhoods can be heard. Some areas of the city have previously rejected the creation of parish councils, so the model could be to create Community Councils or something similar to the Neighbourhood Board approach, bringing together residents, local businesses, grassroots campaigners, workplace representatives, faith, and community leaders and those with a deep connection to their area.

## How the proposal supports devolution ambitions

Devolution discussions across the region are progressing positively, with full support for Oxfordshire and Berkshire as the core of a new Mayoral Strategic Authority.

It is essential Oxfordshire has a strong growth-focused voice in this important regional governance alongside those of the other economic hubs of Reading, Slough, Bracknell Forest and potentially Swindon. Oxford is the major hub of science and innovation in the anticipated MSA geography, and on expanded boundaries will have the ability to support regional growth plans. There are already partnerships and vehicles to deliver infrastructure and housing that could be scaled wider in the region, and a Greater Oxford council would have the ability to bring forward measures that support key sectors across the wider region.

A Greater Oxford council would enable democratic decision-making to reflect the communities of interest that exist within and around the city, which depend on Oxford's success and are naturally strongly aligned to the government's agenda for economic and housing growth. The MSA will need unitaries with this economic growth capacity to achieve its ambitions, and as a centre of global investment in science and innovation Oxford will be an engine of our MSA's success. Without this there is a risk that both the MSA and Oxford-Cambridge Growth Corridor plans are frustrated by those opposing higher than minimum levels of growth.

Representation on the Mayoral Board also needs to be balanced across population and geography. A three-unitary option for Oxfordshire would give appropriate balance to Berkshire's multi-unitary representation. The three authorities have distinct demographics and economies that deserve their own representation. One voice for Oxfordshire, which will demographically lean to rural areas, cannot give fair and balanced strategic representation.

## Localengagement

As a proposer of a three unitary solution for Oxfordshire and West Berkshire, Oxford City Council's Leader, CEO, and Council Leadership Team members have already been actively engaging with multiple local stakeholders, including:

- Universities Vice Chancellors
- Oxford University Colleges
- Developers
- Major businesses and Oxford Strategic Partnership members
- Oxford Civic Society
- Parish Councils Forum
- Trade Unions
- Anneliese Dodds MP and briefings with other MPs are planned

A high level survey of the Oxford Residents Panel – a representative sample of Oxford's population managed on the Council's behalf by the independent polling company Beehive – had 266 responses. The Feb 2025 survey found that:

- 82% think the current 2 tier local government arrangements could be improved;
   7% disagreed
- 67% think councils should not be too large, so they better meet the needs of local residents; 11% disagreed
- 61% think a single council covering the greater Oxford area would best meet the needs of residents; 17% disagreed
- 37% think a single council covering the whole of Oxfordshire would best meet the needs of residents; 40% disagreed

There has also been wider engagement with the LGA, District Councils Network, and with other cathedral cities, similar to Oxford that are putting forward proposals for city unitaries on expanded boundaries.

## Indicative costs implementation planning

Where possible we are using existing officer time, and supplementing with specialist skills that are not available within the council. Allocated £100k in the budget for financial year 2025-26 to resource the development of this proposal. Initial costs in 2024-25 are estimated in the region of £40k.

As these are significant changes for the delivery of public services across Oxfordshire and beyond, it is essential that decisions on structures for Local Government Reorganisation are properly backed up by evidence. A significant programme of work is required to fully develop the proposals, however, if it is possible to conclude this in advance of the November deadline set by Government, then subject to the agreement of all Oxfordshire local authorities, we would favour an earlier submission.

## Working together

The councils across Oxfordshire and West Berkshire have put in place arrangements to support joint working and data sharing for Local Government Reorganisation (LGR). Wider complementary arrangements are also in place for all Oxfordshire,

Berkshire and Swindon councils for data sharing over proposals for the creation of a Mayoral Strategic Authority.

Much of the information about the proposed unitaries that would exist to the north and south of Greater Oxford can be found within the separate outline Two Unitaries proposal that is being submitted in parallel with this Three Unitaries proposal.

While much of the LGR work is being coordinated through joint meetings of Chief Executives and Leaders of Oxfordshire Councils, the Oxfordshire Leaders' Joint Committee will also provide an important forum for ongoing discussions.

The development of full proposals for the three unitaries option including the Greater Oxford unitary will require the continuation of such working arrangements, ahead of submission of full proposals later this year.





To: Leaders of two-tier councils in Oxfordshire

Cherwell District Council
Oxford City Council
Oxfordshire County Council
South Oxfordshire District Council
Vale of White Horse District Council
West Oxfordshire District Council

#### Jim McMahon OBE MP

Minister of State for Local Government and English Devolution 2 Marsham Street London SW1P 4DF

Your reference: Our reference:

5 February 2025

#### **Dear Leaders**

This Government has been clear on our vision for simpler, more sustainable, local government structures, alongside a transfer of power out of Westminster through devolution. We know that councils of all political stripes are in crisis after a decade of decline and instability. Indeed, a record number of councils asked the government for support this year to help them set their budgets.

This new government will not waste this opportunity to build empowered, simplified, resilient and sustainable local government for your area that will increase value for money for council taxpayers. Local leaders are central to our mission to deliver change for hard-working people in every corner of the country through our Plan for Change, and our councils are doing everything they can to stay afloat and provide for their communities day in, day out. The Government will work closely with you to deliver these aims to the most ambitious timeline.

I am writing to you now to formally invite you to work with other council leaders in your area to develop a proposal for local government reorganisation, and to set out further detail on the criteria, guidance for the development of proposals, and the timeline for this process. A formal invitation with guidance for the development of your proposals is attached at Annex A. This invitation sets out the criteria against which proposals will be assessed.

## **Developing proposals for reorganisation**

We expect there to be different views on the best structures for an area, and indeed there may be merits to a variety of approaches. Nevertheless, it is not in council taxpayers' interest to devote public funds and your valuable time and effort into the development of multiple proposals which unnecessarily fragment services, compete against one another, require lengthy implementation periods or which do not sufficiently address local interests and identities.

The public will rightly expect us to deliver on our shared responsibility to design and implement the best local government structures for efficient and high-quality public service delivery. We therefore expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals.

This will mean making every effort to work together to develop and jointly submit one proposal for unitary local government across the whole of your area. The proposal that is developed for the whole of your area may be for one or more new unitary councils and should be complementary to devolution plans. It is open to you to explore options with neighbouring councils in addition to those included in this invitation, particularly where this helps those councils to address concerns about their sustainability or limitations arising from their size or boundaries or where you are working together across a wider geography within a strategic authority.

I understand there will be some cases when it is not possible for all councils in an area to jointly develop and submit a proposal, despite their best efforts. This will not be a barrier to progress, and the Government will consider any suitable proposals submitted by the relevant local authorities.

#### Supporting places through change

It is essential that councils continue to deliver their business-as-usual services and duties, which remain unchanged until reorganisation is complete. This includes progress towards the Government's ambition of universal coverage of up-to-date local plans as quickly as possible. To support with capacity, I intend to provide some funds for preparing to take forward any proposal, and I will share further information later in the process.

Considering the efficiencies that are possible through reorganisation, we expect that areas will be able to meet transition costs over time from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.

The default position is that assets and liabilities remain locally managed by councils, but we acknowledge that there are exceptional circumstances where there has been failure linked to capital practices. Where that is the case, proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation, and Commissioners should be engaged in these discussions. We will continue to discuss the approach that is proposed with the area.

I welcome the partnership approach that is being taken across the sector to respond to the ambitious plans set out in the White Paper. My department will continue to work closely with the Local Government Association (LGA), the District Councils Network, the County Councils Network and other local government partners to plan how best to support councils through this process. We envisage that practical support will be needed to understand and address the key thematic issues that will arise through reorganisation, including managing service impacts and opportunities for the workforce, digital and IT systems, and leadership support.

#### Timelines and next steps for interim plans and full proposals

We ask for an interim plan to be submitted on or before 21 March 2025, in line with the guidance set out in the attached Annex. My officials will provide feedback on your plan to help support you to develop final proposals.

I will expect any full proposal to be submitted **by 28 November**. If I decide to implement any proposal, and the necessary legislation is agreed by Parliament, we will work with you to move to elections to new 'shadow' unitary councils as soon as possible as is the usual arrangement in the process of local government reorganisation.

Following submission, I will consider any and all proposals carefully before taking decisions on how to proceed. My officials are available throughout to discuss how your reorganisation and devolution aspirations might work together and what support you think you might need to proceed.

This is a once in a generation opportunity to work together to put local government in your area on a more sustainable footing, creating simpler structures for your area that will deliver the services that local people and businesses need and deserve. As set out in the White Paper, my commitment is that clear leadership locally will be met with an active partner nationally.

I am copying this letter to council Chief Executives. I am also copying this letter to local Members of Parliament and to the Police and Crime Commissioner.

Yours sincerely,

fin mcMahon.

JIM MCMAHON OBE MP

Minister of State for Local Government and English Devolution

Annex A

# LOCAL GOVERNMENT AND PUBLIC INVOLVEMENT IN HEALTH ACT 2007 INVITATION FOR PROPOSALS FOR A SINGLE TIER OF LOCAL GOVERNMENT

The Secretary of State for Housing, Communities and Local Government, in exercise of his powers under Part 1 of the Local Government and Public Involvement in Health Act 2007 ('the 2007 Act'), hereby invites any principal authority in the area of the county of Oxfordshire, to submit a proposal for a single tier of local government.

This may be one of the following types of proposal as set out in the 2007 Act:

- Type A a single tier of local authority covering the whole of the county concerned
- Type B a single tier of local authority covering an area that is currently a district, or two
  or more districts
- Type C a single tier of local authority covering the whole of the county concerned, or one or more districts in the county; and one or more relevant adjoining areas
- Combined proposal a proposal that consists of two or more Type B proposals, two or more Type C proposals, or one or more Type B proposals and one or more Type C proposals.

Proposals must be submitted in accordance with paragraphs 1 to 3:

- 1. Any proposal must be made by 28 November 2025.
- 2. In responding to this invitation an authority must have regard to the guidance from the Secretary of State set out in the Schedule to this invitation, and to any further guidance on responding to this invitation received from the Secretary of State.
- 3. An authority responding to this invitation may either make its own proposal or make a proposal jointly with any of the other authorities invited to respond.

Signed on behalf of the Secretary of State for Housing, Communities and Local Government.



France

A senior civil servant in the Ministry of Housing, Communities and Local Government 5 February 2025

## **SCHEDULE**

Guidance from the Secretary of State for proposals for unitary local government.

## Criteria for unitary local government

- 1. A proposal should seek to achieve for the whole of the area concerned the establishment of a single tier of local government.
  - a) Proposals should be for sensible economic areas, with an appropriate tax base which does not create an undue advantage or disadvantage for one part of the area.
  - b) Proposals should be for a sensible geography which will help to increase housing supply and meet local needs.
  - c) Proposals should be supported by robust evidence and analysis and include an explanation of the outcomes it is expected to achieve, including evidence of estimated costs/benefits and local engagement.
  - d) Proposals should describe clearly the single tier local government structures it is putting forward for the whole of the area, and explain how, if implemented, these are expected to achieve the outcomes described.
- 2. Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks.
  - a) As a guiding principle, new councils should aim for a population of 500,000 or more.
  - b) There may be certain scenarios in which this 500,000 figure does not make sense for an area, including on devolution, and this rationale should be set out in a proposal.
  - c) Efficiencies should be identified to help improve councils' finances and make sure that council taxpayers are getting the best possible value for their money.
  - d) Proposals should set out how an area will seek to manage transition costs, including planning for future service transformation opportunities from existing budgets, including from the flexible use of capital receipts that can support authorities in taking forward transformation and invest-to-save projects.
  - e) For areas covering councils that are in Best Value intervention and/or in receipt of Exceptional Financial Support, proposals must additionally demonstrate how reorganisation may contribute to putting local government in the area as a whole on a firmer footing and what area-specific arrangements may be necessary to make new structures viable.
  - f) In general, as with previous restructures, there is no proposal for council debt to be addressed centrally or written off as part of reorganisation. For areas where there are exceptional circumstances where there has been failure linked to capital practices, proposals should reflect the extent to which the implications of this can be managed locally, including as part of efficiencies possible through reorganisation.

## 3. Unitary structures must prioritise the delivery of high quality and sustainable public services to citizens.

- a) Proposals should show how new structures will improve local government and service delivery, and should avoid unnecessary fragmentation of services.
- b) Opportunities to deliver public service reform should be identified, including where they will lead to better value for money.
- c) Consideration should be given to the impacts for crucial services such as social care, children's services, SEND and homelessness, and for wider public services including for public safety.

## Proposals should show how councils in the area have sought to work together in coming to a view that meets local needs and is informed by local views.

- a) It is for councils to decide how best to engage locally in a meaningful and constructive way and this engagement activity should be evidenced in your proposal.
- b) Proposals should consider issues of local identity and cultural and historic importance.
- c) Proposals should include evidence of local engagement, an explanation of the views that have been put forward and how concerns will be addressed.

## 5. New unitary structures must support devolution arrangements.

- a) Proposals will need to consider and set out for areas where there is already a Combined Authority (CA) or a Combined County Authority (CCA) established or a decision has been taken by Government to work with the area to establish one, how that institution and its governance arrangements will need to change to continue to function effectively; and set out clearly (where applicable) whether this proposal is supported by the CA/CCA /Mayor.
- b) Where no CA or CCA is already established or agreed then the proposal should set out how it will help unlock devolution.
- c) Proposals should ensure there are sensible population size ratios between local authorities and any strategic authority, with timelines that work for both priorities.

## 6. New unitary structures should enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment.

- a) Proposals will need to explain plans to make sure that communities are engaged.
- b) Where there are already arrangements in place it should be explained how these will enable strong community engagement.

## Developing proposals for unitary local government

Page 50

The following matters should be taken into account in formulating a proposal:

## **Boundary Changes**

- a) Existing district areas should be considered the building blocks for your proposals, but where there is a strong justification more complex boundary changes will be considered.
- b) There will need to be a strong public services and financial sustainability related justification for any proposals that involve boundary changes, or that affect wider public services, such as fire and rescue authorities, due to the likely additional costs and complexities of implementation.

## Engagement and consultation on reorganisation

- a) We expect local leaders to work collaboratively and proactively, including by sharing information, to develop robust and sustainable unitary proposals that are in the best interests of the whole area to which this invitation is issued, rather than developing competing proposals.
- b) For those areas where Commissioners have been appointed by the Secretary of State as part of the Best Value Intervention, their input will be important in the development of robust unitary proposals.
- c) We also expect local leaders to engage their Members of Parliament, and to ensure there is wide engagement with local partners and stakeholders, residents, workforce and their representatives, and businesses on a proposal.
- d) The engagement that is undertaken should both inform the development of robust proposals and should also build a shared understanding of the improvements you expect to deliver through reorganisation.
- e) The views of other public sector providers will be crucial to understanding the best way to structure local government in your area. This will include the relevant Mayor (if you already have one), Integrated Care Board, Police (Fire) and Crime Commissioner, Fire and Rescue Authority, local Higher Education and Further Education providers, National Park Authorities, and the voluntary and third sector.
- f) Once a proposal has been submitted it will be for the Government to decide on taking a proposal forward and to consult as required by statute. This will be a completely separate process to any consultation undertaken on mayoral devolution in an area, which will be undertaken in some areas early this year, in parallel with this invitation.

#### Interim plans

An interim plan should be provided to Government on or before **21 March 2025.** This should set out your progress on developing proposals in line with the criteria and guidance. The level of detail that is possible at this stage may vary from place to place but the expectation is that one interim plan is jointly submitted by all councils in the area. It may be the case that the interim plan describes more than one potential proposal for your area, if there is more than one option under consideration. The interim plan should:

- a) identify any barriers or challenges where further clarity or support would be helpful.
- b) identify the likely options for the size and boundaries of new councils that will offer the best structures for delivery of high-quality and sustainable public services across the area, along with indicative efficiency saving opportunities.
- include indicative costs and arrangements in relation to any options including planning for future service transformation opportunities.
- d) include early views as to the councillor numbers that will ensure both effective democratic representation for all parts of the area, and also effective governance and decision-making arrangements which will balance the unique needs of your cities, towns, rural and coastal areas, in line with the Local Government Boundary Commission for England guidance.
- e) include early views on how new structures will support devolution ambitions.
- f) include a summary of local engagement that has been undertaken and any views expressed, along with your further plans for wide local engagement to help shape your developing proposals.
- g) set out indicative costs of preparing proposals and standing up an implementation team as well as any arrangements proposed to coordinate potential capacity funding across the area.
- h) set out any voluntary arrangements that have been agreed to keep all councils involved in discussions as this work moves forward and to help balance the decisions needed now to maintain service delivery and ensure value for money for council taxpayers, with those key decisions that will affect the future success of any new councils in the area.