

## **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 **all** 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: AI, 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 UK plc 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.

<b>District</b>	<b>Local Plan Period</b>	<b>Committed Growth</b>	<b>Completions 2011-2021/22</b>
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 Horse	2011-2034	25,359	11,343
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.

	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>Change since 2021/22</b>
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%
<b>Oxfordshire Band D Equivalent Taxbase</b>	<b>259,330</b>	<b>263,874</b>	<b>269,116</b>	<b>273,890</b>	<b>279,025</b>	<b>7.59%</b>
Increase compared to previous year	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 non-statutory 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 AI 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
<b>Net benefit after five years (£m)</b>	<b>109,070,273</b>
<b>Recurring benefit after five years (£m)</b>	<b>27,011,103</b>
<b>Payback period</b>	<b>Less than 1 year</b>

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 on-going 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.