Public Document Pack

**Committee:** **Special Executive**

**Date:** **Thursday 13 November 2025**

**Time:** **6.30 pm**

**Venue** **39 Castle Quay, Banbury, OX16 5FD**

## Membership

**Councillor David Hingley (Chair)**
**Councillor Lesley McLean (Vice-Chair)**

Councillor Tom Beckett
Councillor Chris Brant
Councillor Jean Conway
Councillor Nick Cotter
Councillor Ian Middleton
Councillor Robert Parkinson
Councillor Rob Pattenden

# AGENDA

**1. Apologies for Absence**

**2. Declarations of Interest**

Members are asked to declare any interest and the nature of that interest that they may have in any of the items under consideration at this meeting.

**3. Requests to Address the Meeting**

The Chair to report on any requests to address the meeting.

Addresses may be presented by:

- A Local Government elector for the area,
- A person who is wholly or mainly resident in the area,
- A Council Taxpayer or National Non-Domestic Ratepayer for the area

Addresses must be on an item on the agenda before the meeting and not exceed 5 minutes. No person may address more than one meeting on any particular issue.

Requests to address the meeting (including the agenda item and reason for the address) should be submitted to democracy@cherwell-dc.gov.uk The deadline for requests to address this meeting is noon on Wednesday 12 November 2025.

Full details of public participation at meetings are available in the Constitution.

## 4. Chair's Announcements

To receive communications from the Chair.

## 5. Local Government Reorganisation - Full Proposal (Pages 5 - 468)

Report of Executive Director of Resources

**Purpose of report**

This report summarises the council's Full Proposal for LGR in Oxfordshire which is due to be submitted to the Government on 28 November 2025. The Full Proposal makes the case for two unitary councils underpinned by a robust options appraisal and thorough financial analysis. Two unitary councils will help ensure the future of local government in Oxfordshire is cost effective, simplified and strengthened whilst unlocking further devolution for the county.

**Recommendations**

The Executive resolves to:

1.1 To consider the views of Council of 10 November 2025 on the final proposal.

1.2 Approve the Council's final proposal for Local Government Reorganisation in Oxfordshire of a two-unitary model comprising:

- One unitary authority covering the boundaries of Cherwell District Council, West Oxfordshire District Council, and Oxford City Council, with the working title 'Oxford & Shires'.
- A second unitary authority covering South Oxfordshire District Council, Vale of White Horse District Council, and West Berkshire Council, with the working title 'Ridgeway'.

1.3 Agree that the Leader submits the final proposal to government by the 28 November 2025 deadline.

1.4 Delegate authority to the Executive Director of Resources, in consultation with the Leader of the Council, to make any final amendments to the full proposal and associated documentation prior to submission.

**Councillors are requested to collect any post from their pigeon hole in the Members' Lounge before or at the end of the meeting.**

## Information about this Agenda

**Apologies for Absence**
Apologies for absence should be notified to democracy@cherwell-dc.gov.uk or 01295 221534 prior to the start of the meeting.

**Declarations of Interest**
Members are asked to declare interests at item 2 on the agenda or if arriving after the start of the meeting, at the start of the relevant agenda item.

**Local Government and Finance Act 1992 – Budget Setting, Contracts & Supplementary Estimates**
Members are reminded that any member who is two months in arrears with Council Tax must declare the fact and may speak but not vote on any decision which involves budget setting, extending or agreeing contracts or incurring expenditure not provided for in the agreed budget for a given year and could affect calculations on the level of Council Tax.

**Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012**
This agenda constitutes the 5-day notice required by Regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in terms of the intention to consider an item of business in private.

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**Queries Regarding this Agenda**
Please contact Natasha Clark / Emma Faulkner, Democratic and Elections
democracy@cherwell-dc.gov.uk, 01295 221534

**Shiraz Sheikh**
**Monitoring Officer**

Published on Wednesday 29 October 2025

| This report is public | |
|---|---|
| **Local Government Reorganisation – Full Proposal** | |
| **Committee** | Special Executive |
| **Date of Committee** | 13 November 2025 |
| **Portfolio Holder presenting the report** | Council Leader, Councillor David Hingley |
| **Date Portfolio Holder agreed report** | 28 October 2025 |
| **Report of** | Executive Director of Resources, Stephen Hinds |

## Purpose of report

This report summarises the council's Full Proposal for LGR in Oxfordshire which is due to be submitted to the Government on 28 November 2025. The Full Proposal makes the case for two unitary councils underpinned by a robust options appraisal and thorough financial analysis. Two unitary councils will help ensure the future of local government in Oxfordshire is cost effective, simplified and strengthened whilst unlocking further devolution for the county.

## 1. Recommendations

The Executive resolves to:

1.1 To consider the views of Council of 10 November 2025 on the final proposal.

1.2 Approve the Council's final proposal for Local Government Reorganisation in Oxfordshire of a two-unitary model comprising:

- One unitary authority covering the boundaries of Cherwell District Council, West Oxfordshire District Council, and Oxford City Council, with the working title 'Oxford & Shires'.
- A second unitary authority covering South Oxfordshire District Council, Vale of White Horse District Council, and West Berkshire Council, with the working title 'Ridgeway'.

1.3 Agree that the Leader submits the final proposal to government by the 28 November 2025 deadline.

1.4 Delegate authority to the Executive Director of Resources, in consultation with the Leader of the Council, to make any final amendments to the full proposal and associated documentation prior to submission.

## 2. Executive Summary

2.1 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. It indicated the Government's aim to reorganise and simplify the structures of councils in England by replacing county and district councils with unitary authorities (LGR – local government reorganisation) and devolve more powers and funding from national to local government primarily through strategic mayoral authorities covering one or several of the new unitary authorities (devolution).

2.2 On 5 February 2025, the Government wrote to the Leaders of all principal authority two tier Councils in England, including those in Oxfordshire. This was a formal invitation to those Leaders to develop a proposal for local government reorganisation and provided guidance on the development of proposals. The government invited the submission of Interim Plans by 21 March 2025, followed by Full Proposals by 28 November 2025.

2.3 Following submission of an Interim Plan by 21 March 2025, this report proposes the submission of a Full Proposal for a two unitary model based on one new unitary council covering the entire existing boundaries of South Oxfordshire and Vale of White Horse District Councils and West Berkshire Council, with the working title of 'Ridgeway', and a second new unitary council covering the entire existing boundaries of Cherwell and West Oxfordshire District Councils and Oxford City Council, with a working title of 'Oxford & Shires'.

## Implications & Impact Assessments

| Implications | Commentary |
|---|---|
| **Finance** | Local Government Reorganisation is a process that the Government is requiring to take place in two tier local authority areas. Therefore, the council has no option but to meet the upfront costs of LGR that will be incurred prior to unitarisation taking place.<br><br>LGR will have financial consequences and require a significant funding commitment from councils to deliver. Whilst it is possible that the Government may make a financial contribution towards council costs, it is more likely that local areas will be required to meet the costs of transition themselves as indicated in the invitation letter. The Government has indicated that in its view, savings from unitarisation in line with its criteria, will be more than sufficient to address these costs. Notwithstanding that view, the councils have indicated in their two unitary model proposal, that should government funding be available to support transition costs it will enable the councils to begin with a firmer financial footing, thus aiding long-term sustainability.<br><br>Whilst the modelling has demonstrated that there is potential for significant savings to be delivered following LGR, it is highly likely that the costs of transition will be incurred both in advance and |

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| | following unitarisation and so incurred by the current local authorities. Once the Government has indicated which of the unitary options it intends to proceed with, the relevant local authorities will need to agree an equitable approach to ensure that costs are distributed appropriately whether the fall prior to or after unitarisation.<br>A review of reserves will take place prior to setting the budget for 2026/27 and a reserve relating to the potential costs of LGR will be proposed to be set aside to meet these additional costs in both 2026/27 and 2027/28. Executive approval would be required to release these reserves in line with the Council's Reserves Policy.<br><br>It should be noted that the two unitary model proposal includes a full financial case based on work undertaken by PricewaterhouseCoopers (PwC), PeopleTwo and supported by analysis undertaken by the Section 151 officers from across the five councils supporting the two unitary model.<br><br>Additional work will be required going forward, and it should be noted that the process of LGR coincides with the fair funding review and a business rates reset, resulting in a lack of clarity over future levels of government funding for all councils.<br><br>Michael Furness – S151 Officer & Assistant Director Finance |
| **Legal** | Local government reorganisation is governed by the Local Government and Public Involvement in Health Act 2007. The Secretary of State can at any time invite proposals for a single tier of local government from local authorities and also has the power to direct authorities to submit proposals.<br><br>The Council has submitted an Interim Plan for Local Government reorganisation.<br><br>A Full Proposal is required to be submitted by 28 November 2025.<br><br>The Full proposal is attached to this report. The approval of this proposal is an executive function in accordance with the Local Government Act 2000 under Section 9D(2). This means that decision on the submission of the Full Proposal rests with the Executive. Members are advised to consider all the information contained in the report and the Appendices in order to make an informed decision on the Final Plan.<br><br>There may be a need for amendments to the Full Proposal to be made at short notice and therefore delegation to make such changes is needed as set out in the recommendation in the Executive report.<br><br>Following submission of the Full Proposal, the Secretary of State may implement the proposal, with or without modification, or decide to take no action. The Secretary of State may not make an order implementing a proposal unless he consults every authority |

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| | affected by the proposal (except the authority or authorities which made it), and such other persons as he considers appropriate.<br><br>The best value duty is contained in s3 of the Local Government Act 1999 as a result of which the Council is under a duty to make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness. The report sets out the financial and other implications of Full Proposal which members are advised to consider in full.<br><br>Such a fundamental change to public sector services over a two-year timescale will have to be carefully planned and programme managed to ensure critical services are maintained and that the new Unitary Authority is 'safe and legal' on day one. The transition and implementation plan will be governed through an agreed programme methodology for each unitary proposal with additional governance arrangements in Oxfordshire geography in order to properly prepare the close down of existing councils and stand new unitary councils. This complex programme management will include risk management considerations.<br><br>Shiraz Sheikh – Monitoring Officer & Assistant Director Law & Governance | | | |
| **Risk Management** | The proposed two-unitary model for Oxfordshire and West Berkshire reflects a strategic response to national reform priorities, offering potential for improved efficiency and local accountability. However, it brings transitional financial pressures, legal complexity, and operational challenges that must be carefully managed. While no immediate risks are identified, a robust risk register and inclusive planning will be developed and maintained to ensure service continuity, stakeholder confidence, and equitable outcomes throughout the reorganisation process.<br><br>Celia Prado-Teeling, Performance Team Leader, 28 October 2025 | | | |
| **Impact Assessments** | Positive | Neutral | Negative | Commentary |
| **Equality Impact** | | X | | In making decisions, the Council acts in line with its duties under section 149 of the Equality Act 2010, including the need to eliminate unlawful discrimination, advance equality of opportunity, and foster good relations between people with and without protected characteristics. While this report does not identify any immediate equalities implications, a full equality impact assessment will be undertaken for each workstream during the transition phase of LGR to ensure any potential impacts are understood and appropriately mitigated. |

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| | | | | Celia Prado-Teeling, Performance Team Leader, 28 October 2025 |
| **A** Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality? | | X | | N/A |
| **B** Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users? | | X | | N/A |
| **Climate & Environmental Impact** | | X | | N/A |
| **ICT & Digital Impact** | | X | | N/A |
| **Data Impact** | | X | | N/A |
| **Procurement & subsidy** | | X | | N/A |
| **Council Priorities** | N/A | | | |
| **Human Resources** | N/A | | | |
| **Property** | N/A | | | |
| **Consultation & Engagement** | As detailed in the attached report, engagement was carried out aligned to the Government criteria, which included, but was not limited to the public, business, parish councils, members, members of parliament and partner organisations. | | | |

# Supporting Information

## 3. Background

3.1 The Government has set out its intention to significantly reform, at great pace, local government structures and implement devolution across England. 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.

3.2 All Oxfordshire councils and West Berkshire Council support the Government's vision for simpler and more sustainable local government structures, where councils are empowered to respond to the needs of their communities and deliver value for money, efficient and high-quality services.

3.3 At its meeting on the 19 March 2025 Cherwell District Council alongside other district councils in Oxfordshire (being South Oxfordshire District Council, Vale of White Horse District Council, West Oxfordshire District Council) resolved submission of an interim proposal for a two unitary model covering the area of Oxfordshire and West Berkshire. Since March 2025, significant work has been undertaken by officers across multiple teams to develop the Full Proposal.

## 4. Details

4.1 The Government has set out criteria and guidance within the statutory invitation to support local government reorganisation. That guidance includes:

a) A single tier and sensible geography avoiding creating (dis/)advantaged areas.
b) The right size to achieve efficiencies, improve capacity and withstand financial shocks - new Councils must be a minimum of 500,000 with exceptions on a case-by-case basis.
c) Prioritises the delivery of high quality and sustainable public services.
d) Meets local need and is informed by local views.
e) Supports devolution arrangements; and
f) Enables stronger community engagement and delivers genuine neighbourhood empowerment.

4.2 Whilst four of the six local councils in Oxfordshire and West Berkshire Council support and have developed the two unitary model proposed in this report, it should be noted that two other proposals will be submitted in Oxfordshire. Oxfordshire County Council will be proposing a one unitary model covering the whole of the current Oxfordshire county area, leaving West Berkshire Council unchanged. The proposal can be read in full, when published Oxfordshire County Council Extra Cabinet 13 November 2025.

4.3 Oxford City Council is proposing a three unitary model covering a 'Greater Oxford' area which would cover the existing Oxford City council area expanded to encompass most of the area currently designated as greenbelt that is currently in neighbouring districts, a 'Northern' council area covering the remaining parts of the existing Cherwell and West Oxfordshire district councils and a 'Southern' council covering the remaining part so the existing South Oxfordshire and Vale of White Horse district councils and the West Berkshire unitary area. The proposal be read in full, when published Oxford City Council, Special Cabinet 10 November 2025 / Oxford City Council Full Council Monday 24 November 2025.

4.4 The two unitary model for Oxfordshire and West Berkshire proposed in this report, sets out a clear, evidence-based plan to deliver better, more efficient and more locally accountable public services. It will create two new councils that offer the right balance between efficiency and local identity, each servicing around 450,000 – 500,000 people, meeting the Government's criteria and being large enough to be efficient and stable, but small enough to stay connected to communities. The Full

Proposal developed by Cherwell District Council, South Oxfordshire District Council, Vale of White Horse District Council, West Berkshire Council and West Oxfordshire District Council is attached.

4.5 The Government has outlined that Full Proposals need to be submitted by 28 November 2025. They anticipate that statutory consultation could be launched in the New Year and would likely close after the local elections in May 2026. Following this, decisions on which proposal to implement could be announced before the summer recess. Secondary legislation would then be prepared, to be laid in the House after the summer recess. The legislation could then be made, subject to Parliamentary approval. This would allow for shadow elections to the new unitary authorities on 6 May 2027. The new authorities would then go live on 1 April 2028.

4.6 There is consensus among all Oxfordshire councils in wanting to move at pace towards devolution and local government reorganisation, in the best interests of all our residents, businesses and our respective workforces. The ability of a Strategic Authority to stimulate innovation, sustainable growth and infrastructure delivery at a ‘regional’ scale, as opposed to a single local authority scale, is identified by Government as the key to long term economic growth and prosperity, and the functions and roles of new unitary councils need to be developed to compliment, rather than compete against this background.

4.7 Delay in progressing devolution and local government reorganisation, and any misalignment of timing, would significantly increase uncertainty and would not offer the clarity and pace that officers believe is essential to support sustainable growth and deliver transformative outcomes for our communities.

**Legal Powers of the Government**

4.8 The Government has invited any principal authority in the area of the county of Oxfordshire, to submit a proposal for a single tier of local government under Part 1 of the Local Government and Public Involvement in Health Act 2007 (‘the 2007 Act’). The submission of an Interim Proposals by the 21 March 2025 was an essential first step towards developing this Final Proposal, with the requirement of submission to MHCLG being before 28 November 2025.

4.9 The Local Government and Public Involvement in Health Act 2007 (the ‘2007 Act’) is the legislative basis for the creation of unitary councils. Under section 2 of the 2007 Act, the Secretary of State 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.

4.10 Until 25 January 2008, the Secretary of State (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 or replaced to enable this. This outcome is likely to be delivered in the English Devolution Bill, which is expected to come into force sometime in 2026.

4.11 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.

4.12 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.

4.13 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.

4.14 Proposals regarding the creation of a new authority (unitary) 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).

4.15 Based on the criteria within the invitation letter and White Paper on what proposals must include and what should be avoided, the two unitary model proposed in this report meets the criteria for submission.

## 5. Alternative Options and Reasons for Rejection

5.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not to submit the Full Proposal.
This would be contrary to the direction issued by the Government and therefore not recommended.

Option 2: Other options contain the Full Proposal.
The other options are set out in the attached Full Proposal and rejected for the reasons provided within.

## 6 Conclusion and Reasons for Recommendations

6.1 This report proposes the submission of a Full Proposal for a two unitary model based on one new unitary council covering the entire existing boundaries of South

Oxfordshire and Vale of White Horse District Councils and West Berkshire Council, with the working title of 'Ridgeway', and a second new unitary council covering the entire existing boundaries of Cherwell and West Oxfordshire District Councils and Oxford City Council, with a working title of 'Oxford & Shires'.

## Decision Information

| | |
|---|---|
| **Key Decision** | Yes |
| **Subject to Call in** | No |
| **If not, why not subject to call in** | Report debated at Full Council |
| **Ward(s) Affected** | All |

## Document Information

| **Appendices** | |
|---|---|
| **Appendix 1** | Full Proposal document: Two Councils. One better future. (The appendices to the proposal document are attached individually) |
| **Appendix 2** | Previous Executive LGR interim plan report and decision – Special Executive, 19 March 2025 |
| **Background Papers** | None |
| **Reference Papers** | Letter from Secretary of State to Leaders to two-tier councils in Oxfordshire, 5 February 2025 |
| **Report Author** | Shiraz Sheikh, Monitoring Officer & Assistant Director Law and Governance |
| **Report Author contact details** | Shiraz.Sheikh@Cherwell-dc.gov.uk |
| **Executive Director Approval** | 28 October 2025 |

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# Two Councils. One better future.

## The two unitary Local Government Reorganisation proposal for **Oxfordshire and West Berkshire**

Cherwell District Council North Oxfordshire

South Oxfordshire District Council Listening Learning Leading

Vale of White Horse District Council

West Berkshire Council

West Oxfordshire District Council

# Oxford & Shires | Ridgeway
# Local Government Reorganisation Proposal

## Contents

## 6. Planning for Devolution – Our Growth Offer



## 7. Service Delivery and Transformation



## 8. How the new councils will work



## 9. The Financial Case

# 1. Foreword

## 1.1 Joint letter from the Leaders of Cherwell District, South Oxfordshire District, Vale of White Horse District, West Berkshire Unitary and West Oxfordshire District Councils

This is an ambitious proposal for Oxfordshire and West Berkshire that will benefit local communities for decades to come. We are excited by the transformational opportunity to deliver two new councils for one better future.

We have embraced the chance to propose the only viable solution that is positive, innovative, and provides a sustainable model for local government reorganisation in both Oxfordshire and West Berkshire.

It is clear that reorganising local government presents a once-in-a-generation opportunity for our communities, the region and the country. We will be able to deliver better council services more efficiently and manage sustainable growth to deliver more jobs, homes and infrastructure.

Our residents have told us that they have clear priorities in terms of the change they want to see, especially in areas such as highways, planning, adult social care, and SEND. They have also been clear that they want us to be efficient and to be more representative of the communities we serve. Local government can and will do better. We will be innovative and proactive to manage the increasing demand and deliver the services our communities need.

We have approached this process not with a view to protecting what we already do, or with political boundaries in mind, but rather with a focus on how local government can deliver the best possible outcomes for all of the communities across Oxfordshire and West Berkshire.

We believe our proposal is the only suitable option that meets all of the Government's criteria. It will empower stronger communities giving all areas a voice. It will deliver tangible efficiencies and improved financial sustainability. This will provide a platform for redesigning high quality and transformed services. It will create two councils that will be the right size and geography to be effective and viable and small enough to be representative and responsive to the communities they serve. They will be ideally placed to drive effective devolution with others across the region, to fully support the Government's growth agenda.

Creating two new councils for one better future is an opportunity we will embrace with vigour, dedication and care for all our communities.

# 2. Executive Summary

## 2.1 A once in a generation opportunity to deliver two new unitary councils for Oxfordshire and West Berkshire

*“A new council needs to be bold and visionary in how the area is to retain and improve its standing as an excellent place to call home, to work and to play.”*

Our area is one of high-quality landscape and thriving economies, with the unique globally renowned and historic Oxford city working in harmony with high-tech science and engineering industries in a mix of rural and market town settings.

Following extensive engagement, people told us they want:

- **Better services - not just more of the same.**
- **Better value for money and efficiency.**
- **Councils that are locally focused and responsive.**
- **Local accountability, identity and voice.**
- **Growth enabled in a way that protects the nature of our communities.**

Our proposal **meets the government criteria** and sets out a clear, evidence-based plan for creating two new unitary councils across the Oxford & Shires and Ridgeway areas — to deliver better, more efficient, and more locally accountable public services.


**Oxford & Shires** 471,716 population
**Ridgeway** 482,703 population

| Government Criteria | |
|---|---|
| 1. A **single tier and sensible geography** to improve housing supply and outcomes avoiding creating (dis/)advantaged areas | ✓ |
| 2. Unitary local government must be the **right size** to achieve efficiencies, improve capacity and withstand financial shocks | ✓ |
| 3. Prioritise the delivery of **high quality and sustainable public services** to citizens | ✓ |
| 4. Councils work together in coming to a view that **meets local needs and is informed by local views** | ✓ |
| 5. New unitary structures must support **devolution** arrangements | ✓ |
| 6. Enable **stronger community engagement** and deliver genuine opportunity for neighbourhood empowerment | ✓ |

## 2.2 Our case for change

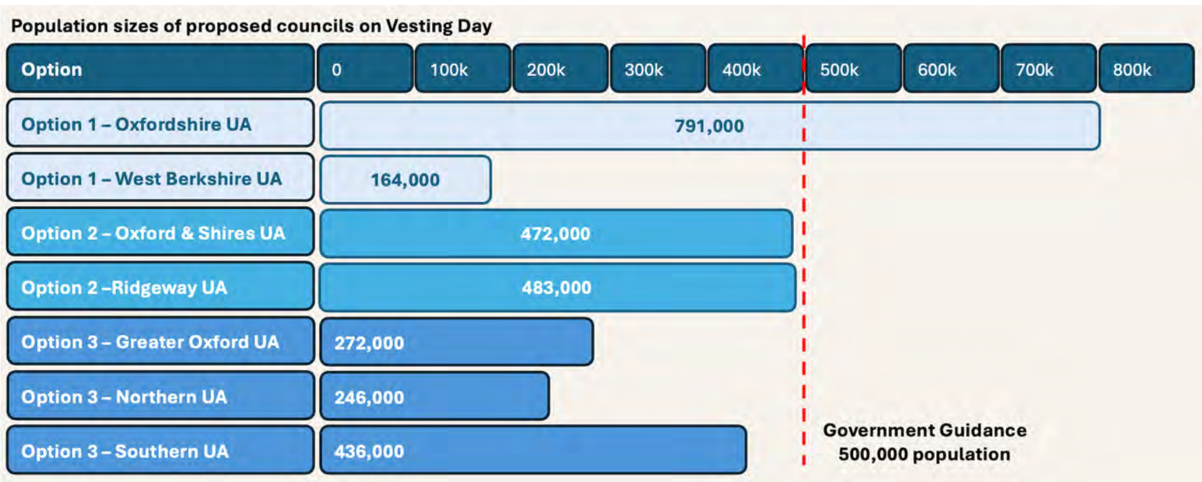
The Ministry of Housing, Communities and Local Government (MHCLG) invited the principal Oxfordshire authorities in February 2025 to submit proposals for the establishment of unitary local government across Oxfordshire, with the option of also including neighbouring authorities. Oxfordshire and West Berkshire (which is already a unitary area) make up a coherent geography for Local Government Reorganisation (LGR) with strong and historic connections from a social, economic and physical perspective. This led us to the conclusion that **a broader geography than Oxfordshire alone would be beneficial for the Thames Valley region**.

Local government across Oxfordshire and West Berkshire is under pressure. Population growth, ageing communities, and rising service demand are driving up costs and stretching services far beyond manageable levels. The current system is too complex and stretched over geographies and populations that are too large, and the current setup of multiple councils faces significant financial challenges.

Residents, businesses and communities want simpler, more local decision-making and better value for money, and **we support this need for change**. We want to deliver clearer accountability and consistent and co-ordinated service delivery with greater flexibility in service design to meet local need. Our proposal will enable greater strategic capacity whilst eliminating duplication, and it will deliver stronger alignment and collaboration at a strategic partnership level. Overall, we have a strong ambition to build a more sustainable model of government for the benefit of the communities that we serve.

## 2.3 Two unitaries - delivering the best outcomes for our communities

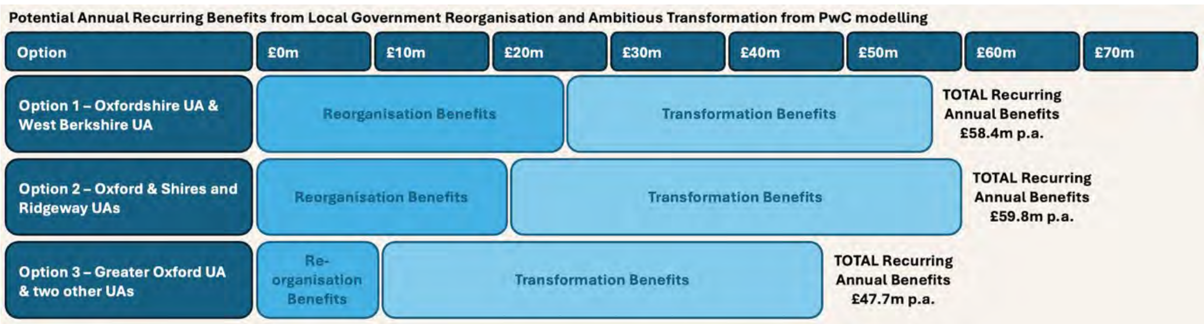
Creating two new councils offers the right balance between efficiency and local identity. Each would serve around 450–500,000 people — **large enough to be efficient and stable, but small enough to stay connected to communities**. Two other proposals are being considered for Oxfordshire, one proposal that leaves West Berkshire unchanged, but would create one council for Oxfordshire that is too large to balance the criteria that the government has set out. The other proposal is a three unitary model covering Oxfordshire and West Berkshire, but would create councils that will lack the scale and financial resilience to address the challenges we currently face.



Our options appraisal shows that only the two unitary model – Oxford & Shires and Ridgeway – meets the requirement for **strong local accountability alongside financial sustainability**. The two new councils would strike a good balance between achieving the advantages of scale in two similarly sized authorities, while establishing a strong locality working model that makes community empowerment intrinsic to the way the councils would work.

| MHCLG Headline Criteria | Option 1 – Oxfordshire UA & West Berkshire UA | Option 2 – Oxford & Shires and Ridgeway UAs | Option 3 – Greater Oxford UA & two other UAs |
|---|---|---|---|
| 1. A **single tier and sensible geography** to improve housing supply and outcomes avoiding creating (dis/)advantaged areas | Does not meet the criteria | Fully meets the criteria | Does not meet the criteria |
| 2. Unitary local government must be the **right size** to achieve efficiencies, improve capacity and withstand financial shocks | Does not meet the criteria | Fully meets the criteria | Does not meet the criteria |
| 3. Prioritise the delivery of **high quality and sustainable public services** to citizens | Partially meets the criteria | Partially meets the criteria | Does not meet the criteria |
| 4. Councils work together in coming to a view that **meets local needs and is informed by local views** | Does not meet the criteria | Partially meets the criteria | Does not meet the criteria |
| 5. New unitary structures must support **devolution** arrangements | Partially meets the criteria | Fully meets the criteria | Partially meets the criteria |
| 6. Enable **stronger community engagement** and deliver genuine opportunity for neighbourhood empowerment | Partially meets the criteria | Fully meets the criteria | Fully meets the criteria |

Independent financial testing shows that the two-unitary model is the only viable choice. The two unitary model pays back its transition costs in just over four years, and once long-term transformational savings are taken into consideration, our model would **save around £59.8 million a year**.




Furthermore, an assessment of the risks around future financial resilience based on the current financial baseline against the CIPFA Financial Resilience Index, concludes that **the two unitary model represents the lowest risk option to secure financial resilience.**

Total Risk Scores for Local Government Reorganisation options from the CIPFA Financial Resilience Index analysis

| Option | CIPFA Financial Resilience Index Risk Score |
|---|---|
| Option 1 – Oxfordshire UA & West Berkshire UA | 43.8 |
| Option 2 – Oxford & Shires and Ridgeway UAs | 24.1 |
| Option 3 – Greater Oxford UA & two other UAs | 35.3 |

These ongoing improvements and savings mean the two unitary proposal has the potential to generate **highest overall financial benefits of any of the options, with the least risk and supports financial sustainability across the whole of Oxfordshire and West Berkshire.**

## 2.4 Supporting devolution and driving growth

The two new councils will **provide a robust growth offer and a strong locally connected base for the Mayoral Strategic Authority (MSA)** for the Thames Valley. We want to ensure close, improved and valued business relationships, engaging with key sectors and clusters to strengthen the economy of Oxfordshire and West Berkshire.

Working together we can focus on growth linked to Oxford's world-class innovation and industry and the wider area's world class engineering sector and booming rural economy around the A40 and A44 corridors. We will make the most of the area's advanced research, science and technology sector, strong rural enterprise, and connectivity across the M4 and A34 corridors. Our proposal will support housing delivery, better transport links, and local job creation while protecting the very character of towns and villages that makes this area thrive.

## 2.5 Transforming public services for a better future

We know that people want **better public services that are responsive and locally focused**. Our proposal responds to the Government's priorities, but also the priorities of those we have engaged with as we have developed this proposal. Every service will be safe and legal from day one but will also be designed to transform over time to make the most of the cost-savings and service improvements from a more sustainable geography, and to maximise benefits of existing high-performing services.

Social care transformation will **focus on prevention**, benefiting from the local teams enabled by a more manageable geography than existing services, and from the smarter use of technology. Children's Services and SEND will also benefit from more **early intervention, better commissioning, and shared best practice**. Housing and Homelessness services will be integrated, opening the door to more affordable homes and stronger local partnerships. **Joined up system working** to prevent harm and reduce inequalities will boost Public Health and Safety. **Increased collaboration with partners, providers and communities** will help align and shape development and infrastructure delivery to enable growth. Delivering integrated best-in class transport solutions that integrate Oxfordshire's strategic highways asset approach with West Berkshire's innovative, responsive and effective highways operations, improves public transport accessibility and responds to Net Zero ambitions.

We're committed to improving public services, by delivering them closer to and in more integrated ways, with and for the communities they serve.

## 2.6 Empowering our communities

At their hearts, each council will be **locally accountable** and will have a firm basis in locality working. They will be **accessible while being strategically capable and effective** at representing their communities. Our model strengthens local leadership and accountability – ensuring decisions are made by representatives who understand their communities. We want to encourage deeper community engagement, convening expertise and local insight to develop a detailed understanding of the hopes and concerns of residents, businesses and visitors and then advocate for change.

We want to champion strong local voices, celebrate rural, market-town and urban distinctiveness and empower local communities. We will collaborate with individuals, our communities and partners to develop **a locality working model that works for everyone** across Oxfordshire and West Berkshire.

## 2.7 Two new councils. One better future.

The proposal for two new councils — Oxford & Shires and Ridgeway — will provide the best long-term financial value, alongside improved services while protecting local accountability. At the heart of the proposal is the creation of a robust and innovative foundation for devolution and growth. It will provide the strongest voice for our communities in a model that also provides a rational, sensible scale of local government.

**It is a plan for stronger councils, improved customer focussed services, a fairer future, and a better future for everyone living, working and learning in Oxfordshire and West Berkshire.**

# Chapter 3 Context and Background in a nutshell

## Quick Chapter Summary

- When looking at Local Government Reorganisation (LGR) it makes sense to consider the natural geography of Oxfordshire and West Berkshire combined. West Berkshire offers complementary economic strengths, experience of running unitary services and there is a clear opportunity to improve financial resilience across the whole area
- The current approach to local government is not best suited to deal with rising demand, stretched finances and ambitions around devolution and growth.
- Partnership working and driving public sector reform is key. Our new local government model must reflect community identity, geography and local economies, ensuring services are better tailored to residents.
- Without change, duplication will persist, costs will continue to rise, and outcomes for residents will not improve.

## What people told us

“...the joining of the existing smaller councils will assist in reducing inefficiencies and duplications. The cost savings can then be put towards chronic underfunding of services especially adult social care and children’s services/ education.”

“If the geographic area covered by a council is too large, it will have more potential for conflict over priority needs from different parts of the council population and one area may feel ignored to the benefit of another.

### The two unitary model will:

- **Balance scale and locality:** It needs to be efficient and resilient, and connected to communities, reflecting identity and being rooted in local economies and geographies.
- **Avoid extremes in size:** It should not be a remote “mega-council” nor fragmented, small councils lacking capacity, in line with the government guidance of 500,000 residents per council
- **Improve outcomes for residents:** Services are tailored to the place and need.
- **Improve financial sustainability:** Strong enough to withstand financial shocks and deliver service efficiency where duplication is reduced, and decisions are made faster.
- **Provide strong local leadership:** Councillors are closer to the communities they serve.
- **Be resilient:** Giving an evidence-based, proportionate model aligned with geography and economy.

# 3. Context and Background

## 3.1 Oxfordshire and West Berkshire

The combined profile of Oxfordshire and West Berkshire is one of a high-quality landscape (located within three National Landscapes and designated greenbelt) and thriving market towns connected to a rural tapestry of villages and hamlets. At the centre of this combined geography is Oxford City with its globally renowned and historic University, which is one of the UK's most visited locations.

Economically strong, with a variety of high-functioning sectors and business clusters, the area is supported by a network of transport corridors that ensure connections into, through and out to key cities and logistics hubs. Generally affluent, Oxfordshire and West Berkshire offer residents a high quality of life. However, challenges around pockets of deprivation, housing affordability and the economic ramifications of this persist. The area has high potential to address these inequalities and deliver inclusive growth that benefits all communities.

## Profiling the area

Oxfordshire and West Berkshire make up a coherent geography for LGR, with strong and historic connections from a social, economic and physical perspective.  Key indicators show that the two areas complement each other while bringing different relative strengths that will be beneficial to combine in considering the future of local government across the area.

**Together, the area of Oxfordshire and West Berkshire is an internationally significant region, known for its world-class research institutions, vibrant communities, and high-value economy.**
Together, Oxfordshire and West Berkshire are home to over 900,000 residents across a mix of urban, rural and market town communities. Oxfordshire currently operates under a two-tier system, with Oxfordshire County Council delivering county-wide services and five district councils. West Berkshire is a unitary authority, providing all services to around 163,000 residents.

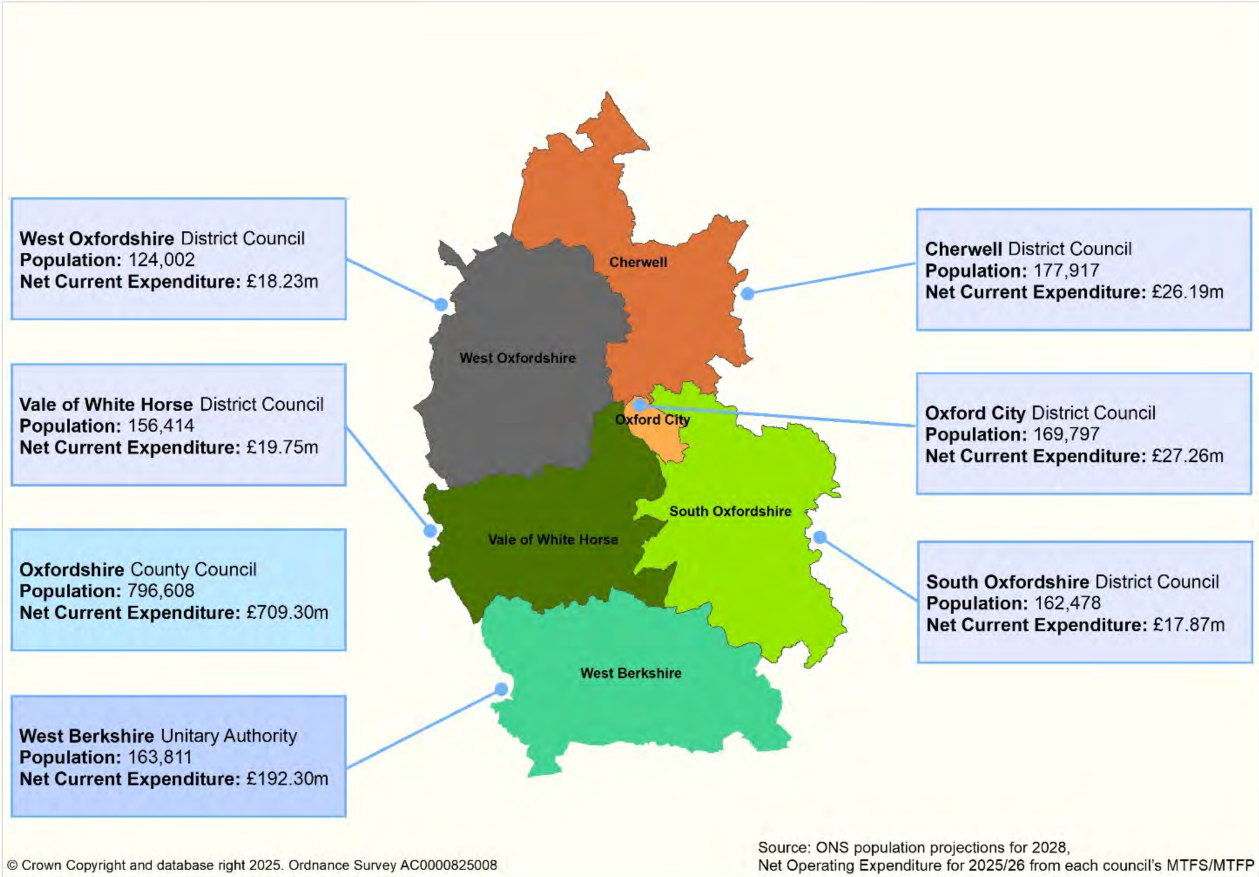
The region is a vital contributor to the South East's economy, with strong transport links including the M4 and A34 corridors, proximity to London and Heathrow, and access to key rail routes. Oxfordshire is internationally recognised for its academic excellence, innovation clusters, and science parks, while West Berkshire hosts significant logistics and defence operations.

Despite its strengths, the area faces challenges such as housing affordability, transport connectivity, and disparities in access to services. Local government reorganisation presents a chance to address these issues more holistically, equitably and collectively. This reorganisation aims to reduce duplication, improve financial resilience and ensure decisions remain close to the communities they affect. It offers an opportunity to align services more effectively, enhance local accountability, and create a more sustainable governance model.

### The area at a glance

| Area | Gross Value Added (GVA) | Business Growth | Employment | Digital Propensity Index | Children in Low-Income Families | Deprivation | Overall Health Index | Household Benefit Claim Rate |
|---|---|---|---|---|---|---|---|---|
| **Oxfordshire** | **£41.30** | **0.14%** | **61.3%** | **94.97%** | **9,643** | **11.58** | **112.8** | **11.75%** |
| **West Berkshire** | **£54.10** | **-0.80%** | **63.0%** | **95.00%** | **9,257** | **9.89** | **114.2** | **13.87%** |
| **England** | **£42.40** | **0.24%** | **57.4%** | **94.00%** | **18,981** | **21.67** | **100.8** | **21.3%** |
| **Units** | £ per hour worked, 2023 | % change, 2023/2024 | % employed, 2021/2022 | % DPI, 2021/2022 | Per 100k, 2023/2024 | IMD, 2019/2020 | 2021 | %, 2023/2024 |
| **Source** | GVA per hour, ONS | Business Demography, ONS | Economic Activity Status, ONS | Digital Propensity Index, ONS | Stat-Xplore (requires log in) | English indices of deprivation, MHCLG | Health Index scores, England, ONS | DWP benefits, GOV.UK (requires log in) |

Oxfordshire and West Berkshire are home to over 900,000 people across their seven councils. These are comprised of one unitary authority, West Berkshire Council, and Oxford County Council and its five districts: Cherwell, West Oxfordshire, South Oxfordshire, Oxford City and Vale of White Horse - operating a two-tier system.




Page 28

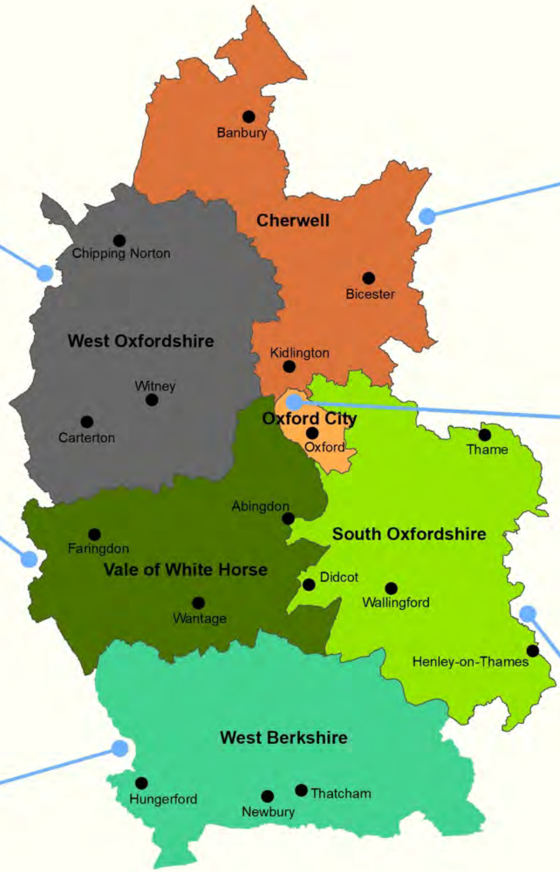
**Each of the different areas of Oxfordshire and West Berkshire has a distinct identity.**

Page 29

**West Oxfordshire** is the second most sparsely populated district in the South East of England with residents living in over 120 villages and hamlets scattered across the district or in one of three towns, Witney, Carterton and Chipping Norton. One third of the district lies in the Cotswold National Landscape. Whilst deprivation is lower than average, the dispersed nature of the district means that despite general affluence, some areas are considered the most deprived in the UK in terms of access to services and facilities.

**Vale of White Horse** spans a mix of rural and urban areas between the River Thames and the Ridgeway, including three historic market towns of Abingdon, Faringdon and Wantage, Botley at Oxford's edge and the large village of Grove. The north of the area is on the fringes of Oxford and the North Wessex Downs National Landscape covers the southern part of the district. The district is generally affluent, with low deprivation and high life expectancy. It has the lowest housing affordability ratio in Oxfordshire.

**West Berkshire** comprises three main towns, Newbury, Thatcham and Hungerford and several suburban and rural communities. 74% of the area is covered by the North Wessex Downs National Landscape. Most of the population live along the Kennet Valley and in suburban areas to the west of, or adjacent to, Reading. The area is relatively affluent, with low levels of deprivation and good health outcomes. Housing affordability is lower than in Oxfordshire.




**Cherwell** has a growing population, encompassing a mix of market towns, villages and rural settings. The majority of residents live in the three urban areas of Banbury, Bicester and Kidlington, with the remainder living in over 70 rural villages. Whilst generally affluent, with high levels of employment compared to the South East average, there are pockets of deprivation, most notably within Banbury. Housing affordability remains a challenge in the district, as does a lower than average economic inactivity rate.

**Oxford** includes several key neighbourhoods in close proximity to the historic city centre, all bound by the Oxford Green Belt. Oxford's cultural identity is closely linked to the University of Oxford. The population includes a large student population (over 36,000). Oxford is a city of contrasts. Boasting high levels of education and affluence, it also contains some of the most deprived areas in Oxfordshire. Homelessness is a particular challenge along with acute housing affordability leading to high levels of commuting from adjacent districts and beyond.

**South Oxfordshire** has four main towns – Didcot, Henley, Thame and Wallingford, and a significant number of villages. Much of the district is rural and 70% has a Green Belt designation or resides in either the Chilterns or North Wessex Downs National Landscapes. It is generally affluent, with low deprivation and high life expectancy, however it has a high housing affordability ratio. There is also a lower than national average economic inactivity rate.

## 3.2 The need for change

MHCLG invited the principal Oxfordshire authorities in February 2025 to submit proposals for the establishment of unitary local government across Oxfordshire with the aim of replacing the current two-tier system. This proposal has been developed in direct response to this invitation.

Local government is currently facing a series of systemic challenges, and the move to a unitary model is a once-in-a-generation operational opportunity to deliver meaningful and lasting change to help alleviate these issues. The key challenge to be addressed is improving the financial sustainability of local government in the area that will be well placed to meet residents' needs over the longer term. These considerations have led us to the conclusion that a broader geography than Oxfordshire alone would be beneficial for the Thames Valley region. This proposal therefore considers a geography that includes the current council area of West Berkshire (which is already a unitary council). West Berkshire offers a range of strengths including strong economic performance and complementary high tech business clusters.

Together, Oxfordshire and West Berkshire provide the opportunity to address financial resilience issues in local government, by creating two new unitary councils of the right size to withstand financial shocks. This responds to the government's intentions to address as a priority the challenge of small unitary authorities which are in financial distress. A second determining factor is the opportunity to redesign services to ensure delivery of these is maximised to address the needs of our communities now and into the future.

Councils across Oxfordshire and West Berkshire have a strong track record of collaboration to deliver services that meet shared community priorities. This legacy remains a virtue and continues to underpin effective and innovative service delivery. Despite this, as in many parts of the country, public services are coming under increasing strain. While the current two-tier system in Oxfordshire has supported innovation and proactive, interventionist approaches, there is a growing recognition that it faces long-term sustainability challenges in the face of mounting financial and operational pressures.

The changing policy direction of government towards single-tier local government presents a strategic opportunity to explore how alternative governance arrangements could offer greater resilience and efficiency, while building on the strengths of the existing system, and continuing to embed a 'prevention' approach to address service demand.

Demand for services varies across Oxfordshire and West Berkshire, reflecting the diverse demographic profiles and accessibility of rural and urban communities. Adult social care, Children's services and SEND continue to consume an ever-increasing share of limited upper-tier resources, driven by demographic change, rising demand, inflation and increasingly complex needs. Challenges at district level include surging demand for (and escalating costs) in housing and homelessness. Inflation and rising running costs further exacerbate financial vulnerabilities.

**Trends in future demand for public services**

Cherwell, Oxford City, and West Oxfordshire show distinct demographic patterns that will shape future service needs. Oxford City's younger demographic and high density will drive demand for education, transport, and healthcare services.  Cherwell has seen rapid growth due to housing development, attracting working-age adults and families, which will increase pressure on schools, GP practices, and community infrastructure. West Oxfordshire's rurality and growing older population will require expanded adult social care, rural transport solutions, and mobile health services. This area will be required to rise to its distinct challenges of tackling high-cost, complex demand and urban deprivation.

South Oxfordshire, Vale of White Horse, and West Berkshire are experiencing steady population growth and demographic shift to a rising proportion of older residents, which will increase demand for health and social care services, age-friendly housing, and accessible transport. The rural and semi-urban nature of these areas presents challenges for service delivery, especially in remote communities, and ensuring that continued housing-led development and infrastructure expansion in education, healthcare, and community services continue.  This area will need to focus on meeting the needs of the ageing population, rural access and unit cost inflation.

## 3.3 Making the case for creating unitary councils through LGR

Choosing the right option for reorganising local government in Oxfordshire and West Berkshire has the potential to significantly improve efficiency and achieve cost savings. A single-tier system in Oxfordshire and West Berkshire will eliminate the duplication of services and administration that can occur when two tiers of councils are responsible for the same area, but the levels of improvement will be dependent on the nature of the new councils that are created. Efficiency savings will be essential in meeting current and future demand and cost pressures.  Some LGR options can also enhance the financial stability of existing unitary authorities, where they merge with others to make larger councils that can be better placed to raise revenue and manage costs.

By bringing all services under one roof, a unitary council of the optimal size and scale can coordinate public services more effectively. This is particularly important for complex issues, such as social care, where seamless collaboration between different departments (e.g., adult social care and housing) is crucial for providing high-quality support to residents. It will also reunite services like waste management, where at present responsibilities for strategic planning, operational delivery and tactical efforts are split across different layers of local government.

With a unitary council, residents know exactly who is responsible for a providing local services. This simplifies the democratic process, making it easier for people to hold their elected officials accountable for local decisions. There will be no more confusion over whether to contact the county council or the district council about a specific issue.

As we move to a single tier, there is the opportunity to secure a range of benefits. These would not be automatic, and their realisation would depend on strong governance, effective implementation and consistent and persistent focus on needs and priorities. Through maintaining this focus, we would expect:

- **More consistent and coordinated service delivery** through policy and practice alignment, standards and processes across the whole area
- **Clear accountability** giving transparent lines of responsibility and streamlined decision-making processes
- **Greater flexibility in service design** enabling more responsive, proactive, bespoke approaches that best address need and respond at a neighbourhood level
- **Securing economies of scale** in back-office functions, thus freeing up resources for frontline priorities
- **Effective collaboration with strategic partners** from other public services (health, police, fire and rescue, education), the Voluntary and Community Sector and the commercial/business sector
- **Stronger alignment with regional governance** thus enabling impactful representation of local priorities, including on growth, in regional forums, such as the MSA.
- **A shared and skilled workforce** equipped to meet evolving demands and with capacity for innovation
- **Alignment of strategic planning** to deliver inclusive growth and creation of prosperous places in partnership with the MSA.

## 3.4 The importance of working in partnership in LGR

The delivery of public services across Oxfordshire and West Berkshire is enabled and enhanced by a wide network of partnership working between local councils, statutory bodies, education providers, businesses and voluntary organisations.

Rising demand for services, together with increasing complexity of need and escalating costs is placing considerable strain on system capacity and the long-term sustainability of these services. It is therefore critical that the two future unitary councils for Oxfordshire and West Berkshire build on this legacy of partnership working, to address the operational and financial pressures all partners face and improve outcomes for our communities.

**Health**

Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board (BOB ICB) currently covers the majority of the Oxfordshire and West Berkshire area. A small part of the Vale of White Horse area is covered by the Bath and North East Somerset Integrated Care Board (BANES ICB).

Health is undergoing its own reform agenda, involving major changes to ICB structures, commissioning arrangements, funding models and service delivery structures. The 10-Year Health Plan and the reorganisation of Integrated Care Boards will reshape the design and delivery of health services, increasing emphasis on community-based care, digital transformation and prevention. This will involve the introduction of new integrated neighbourhood clusters, which will continue to operate mainly on a District footprint. These provide an opportunity for continued partnership working with the sector on local interventions.

**Policing**

Thames Valley Police serves the counties of Buckinghamshire, Berkshire, and Oxfordshire and therefore includes the whole geography considered in this proposal. Operationally, the force is structured into five Local Command Units (LCUs) responsible for delivering core policing functions, including patrol, criminal investigations, and neighbourhood policing. Oxfordshire and Berkshire West are two of these. Importantly, the Police and Crime Commissioner would continue to oversee the entire area under this revised governance model.

Well-established Community Safety Partnerships (currently West Berkshire and all district and city councils in Oxfordshire have one) will continue to work jointly with the statutory and voluntary sectors to prevent crime and disorder, support victims, and protect vulnerable people.

**Fire and Rescue**

Statutory Fire and Rescue Service arrangements, providing fire prevention, protection and emergency response services, are currently provided by two fire and rescue services. West Berkshire is served by the Royal Berkshire Fire and Rescue Service. Oxfordshire is served by the Oxfordshire Fire and Rescue Service.

There are well-functioning partnership arrangements between the Fire and Rescue Services and local authorities in place for community resilience and emergency planning. The Joint Oxfordshire Resilience Team provides this structure for Oxfordshire. In West Berkshire, community resilience is facilitated through the Thames Valley Local Resilience Forum and emergency planning, which is overseen by the Joint Emergency Planning Unit, supports 3 councils across Berkshire.

The current direction of travel for the Oxfordshire Fire and Rescue Service and Royal Berkshire Fire and Rescue Service is already working towards a harmonised approach across the Thames Valley (and in line with a new Mayoral Strategic Authority), to include systems, equipment and procedures, building on the joint control room that has been operational across Berkshire, Oxfordshire and Buckinghamshire since 2015.

**Town and Parish Councils**

Town and parish councils have a vital role in delivering services to meet local needs, giving the community a voice and representation and improving quality of life and community wellbeing. Across Oxfordshire and West Berkshire, the number of town and parish councils/meetings in each geographic area is:

- Cherwell – 79
- Oxford – 4
- South Oxfordshire – 85
- Vale of White Horse – 69
- West Berkshire – 62
- West Oxfordshire – 81

In Oxfordshire, a Councils Charter was agreed in May 2024, providing a voluntary framework to help shape how Oxfordshire councils can work together in partnership to support better service delivery and outcomes and ensure thriving local democracy. In West Berkshire a District Parish Conference takes place twice a year to promote and facilitate effective dialogue and partnership working. There has been joint working over many years, with certain powers available to be devolved to Towns and Parishes when requested, which are now detailed in the Town and Parish 'Directory'. An ongoing commitment remains to working better together to empower vibrant democracy across Oxfordshire and West Berkshire.

**Voluntary and Community Sector**

Oxfordshire and West Berkshire benefit from a strong and active Voluntary and Community Sector (VCS), which is a long-standing partner of both tiers of local government, delivering bespoke support to a wide range of local groups and initiatives. This targeted localised support is greatly valued, and the need for a robust, well-functioning VCS at the neighbourhood scale is essential. Funding volatility and rising demand are specific challenges. The sector plays a crucial role in supporting vulnerable groups and delivering preventative services but is having to adapt to new commissioning expectations while operating in increasingly complex environments, so it is not without strain and challenges.

Oxfordshire Community Voluntary Action provides a forum for the sector and a range of public sector partners, including all Oxfordshire local authorities. West Berkshire benefits from two active VCS infrastructure organisations: Volunteer Centre West Berkshire and the Greenham Trust. These organisations, alongside supporting local charities, distribute significant funding to the sector.

**National Landscapes**

The Oxfordshire and West Berkshire area includes three National Landscapes: Cotswolds, Chilterns and North Wessex Downs. These designations bestow a statutory duty upon any future unitary authority under the Countryside and Rights of Way Act (2000) to ensure all decisions have regard for the purpose of conserving and enhancing the natural beauty of the National Landscape/s. In doing so, the National Landscape/s will continue to deliver essential benefits for nature, people and the economy. Long-term management of their beautiful scenery and unique geological, ecological and cultural features supports tourism and farming, enhances people’s physical and mental health and provides a stable foundation for nature recovery.

**Businesses**

Oxfordshire and West Berkshire businesses are key stakeholders, and continued engagement and support will be crucial going forward to support strong economic growth. These range from small start-ups, small to medium enterprises, large-scale employers of global significance, including the University of Oxford and the research ecosystem that surrounds it. Structures that replaced the Local Enterprise Partnerships (Enterprise Oxfordshire and the Berkshire Shared Prosperity Board) provide this secured forum and a strong voice for the business community. The Oxfordshire Local Visitor Economy Partnerships (LVEP) (Experience Oxfordshire and Cotswolds Plus) and Berkshire LVEP, provide this function for Tourism, which is a key sector in Oxfordshire and West Berkshire. These business bodies will be crucial in helping us to establish two successful new unitary councils.

It will be vital as the unitary model, and the Mayoral Strategic Authority above it, are established that this level of collaboration and partnership continues. The unitary authorities understand the imperative to work closely to enable joined-up service delivery, foster intelligence sharing, and pursue opportunities for integrated planning. The Mayoral Strategic Authority provides a platform for broader regional coordination on shared priorities, including infrastructure, skills, public services and strategic initiatives such as net zero, procurement and commissioning.

# Chapter 4 Options Appraisal in a nutshell

## Quick chapter summary

- We tested the three options that are being put forward by the principal councils in Oxfordshire and West Berkshire, against the tests set out by MHCLG, on a like for like basis.
- **Only the two-unitary model — Oxford & Shires and Ridgeway — meets the requirements** for strong local accountability alongside financial sustainability. It balances scale and identity: large enough for efficiency and resilience, but small enough to remain accountable and truly connected to local communities.
- Financial modelling shows recurring annual savings of up to £60m for transition and transformation, helping to address financial challenges across the area, with a payback of between three and four years. This represents the highest potential savings of any of the three options.
- The option being put forward by Oxfordshire County Council is for **one large Oxfordshire unitary and leaving a small unchanged unitary in West Berkshire.**
- This provides savings but creates an overly large, remote Oxfordshire authority and leaves West Berkshire in a significantly disadvantaged position. It involves the lowest initial disruption but the risk is that this results in very little transformation and does not strategically address ongoing and escalating challenges around SEND and social care.
- The option being put forward by Oxford City Council is for **three unitaries – growing the existing city boundary to create Greater Oxford and leaving two other authorities** in the north and the south of the area.
- This fragments the area, introduces two new small unitary councils that are significantly under the government guidance level, carries significant disaggregation costs and risks, weakens resilience and delivers the poorest financial return.

## What people told us

"If the geographic area covered by a council is too large, it will have more potential for conflict over priority needs from different parts of the council population and one area may feel ignored to the benefit of another

### The two-unitary model will:

- **Support devolution:** two credible building blocks for a future Mayoral Strategic Authority.
- **Improve outcomes for residents:** services shaped around local needs, supported by prevention and locality models.
- **Increase financial sustainability:** recurring savings reinvested into frontline services and prevention, building long-term resilience.
- **Improve service delivery efficiency:** duplication removed, decisions quicker, services digitised.
- **Provide strong local leadership:** councillors accountable and closer to communities.
- **Enhance resilience and deliverability:** balanced councils aligned with geography, economy and identity, supported by a phased plan and with capacity to modernise services.

When looking at Oxfordshire and West Berkshire as a whole, only **Option 2** delivers sustainable savings, protects frontline services, and provides a balanced platform for devolution. The other options fail either on being a sensible geography, local accountability or financial resilience.

# 4. Options Appraisal

## 4.1 Introduction

This chapter presents an analysis of the three options for Local Government Reorganisation being considered by the principal councils in Oxfordshire, following the invitation from the minister received in February 2025.

The strengths and weaknesses of the different options have been evaluated against the published criteria and subsequent guidance. An overall evaluation and preferred option are set out at the end of this chapter.

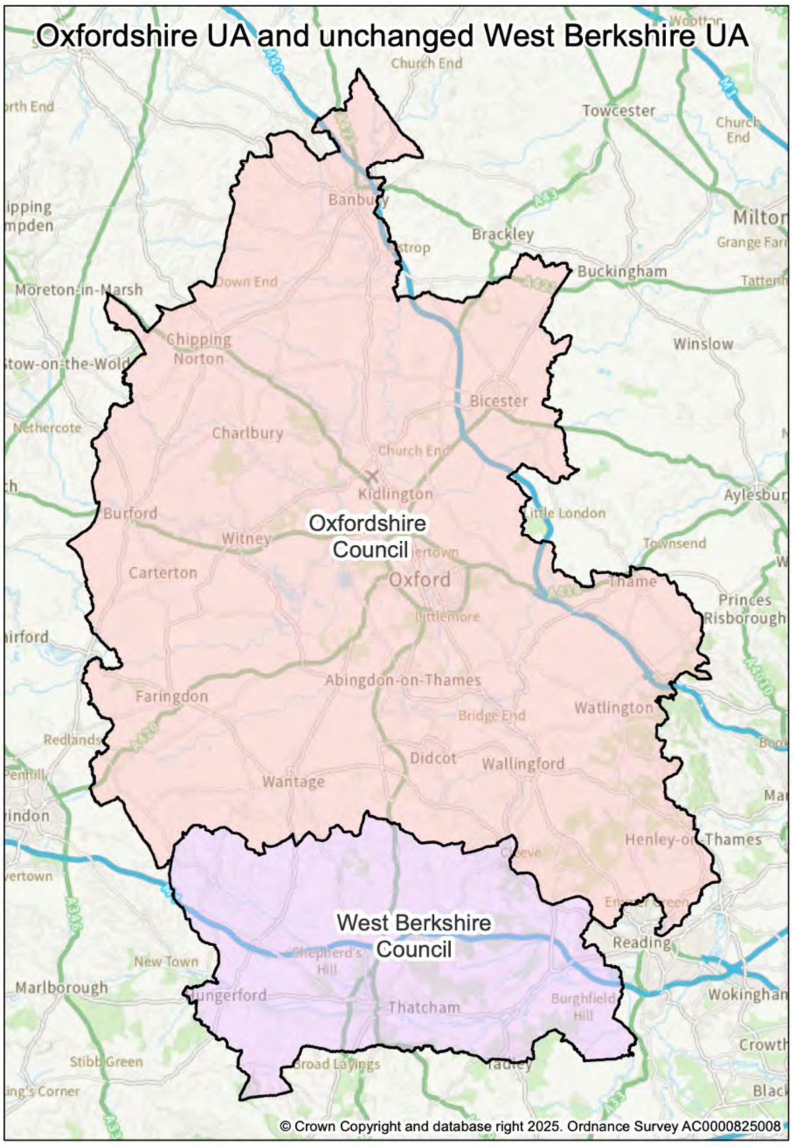
All three options have implications for the neighbouring unitary authority of West Berkshire. Options 2 and 3 include West Berkshire in the proposed new unitary authorities for Oxfordshire. Option 1 does not include West Berkshire in the proposal and so, by default, leaves it unchanged. West Berkshire has been actively supporting the two-unitary bid from the outset of this process and has been fully involved in the development of this proposal.

To ensure consistency across this options appraisal, all three options have been analysed using the same geography of Oxfordshire and West Berkshire.  This broader definition of 'the whole geographical area' has been consistently used in assessing the proposals against the criteria. This whole area is also wholly within the emergent MSA model area, as well as the current Health and Police geographies.

Each option is set out on the following pages with a map showing the boundaries being proposed.

## 4.2 Options under consideration

**Option 1 – Oxfordshire Unitary council and no change to West Berkshire Unitary council**



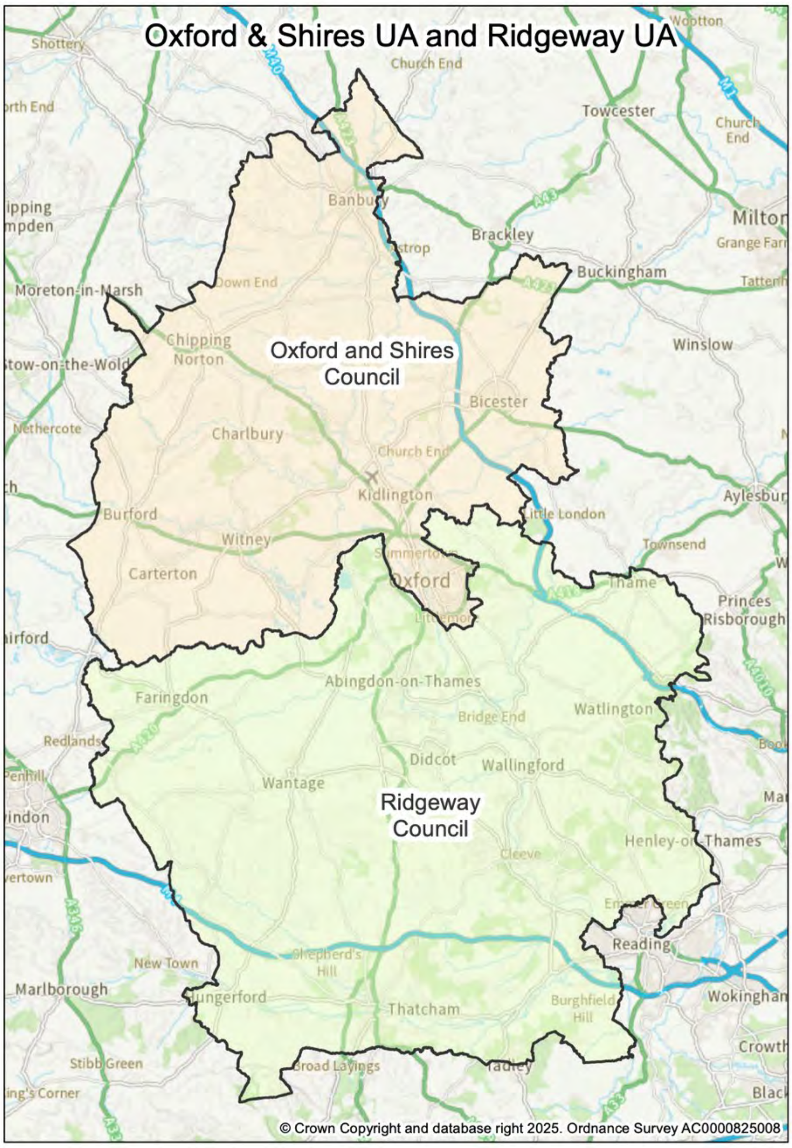

This would create **a large unitary council** (c. 790,000 population) and leave **a small unitary council** (under 165,000 population)

This option proposes the establishment of:

- **Oxfordshire Council** – replacing the six current councils with one large unitary council covering the whole of the current Oxfordshire County area c. 790,608 [1] population on vesting day based on ONS 2028 projections
- **West Berkshire Council** unitary would remain unchanged c. 163,811 population

[1] based on ONS 2028 projections. 2028 population figures have been used when describing the size of the councils that would be created on vesting day. 2025 population figures have been used in analysis by PwC, Newton, PeopleToo etc.

## Option 2 – Oxford & Shires and Ridgeway councils




This would create **two similar sized new unitary councils** (c. 465,000 population)

This option proposes the establishment of two new unitary councils:

- **Oxford & Shires** area follows the existing boundaries of the Cherwell District, West Oxfordshire District and Oxford City councils. 471,716 population
- **Ridgeway** area follows the existing boundaries of the South Oxfordshire District, Vale of White Horse District and West Berkshire unitary councils. 482,703 population

**Option 3 – Greater Oxford and two additional councils**


This would create **two small** (c. 260,000 population) **and one larger new unitary councils** (c. 430,000 population)

This option proposes the establishment of three new unitary councils:

- The '**Greater Oxford'** council area would cover the existing Oxford City council area, expanded to encompass most of the area currently designated as greenbelt that is currently in neighbouring districts c. 272,000;
- The second **'Northern'** council area would cover the remaining parts of the existing Cherwell and West Oxfordshire districts councils that would not be covered by the Greater Oxford council c. 246,000; and
- The third **'Southern'** council would cover the remaining parts of the existing South Oxfordshire and Vale of White Horse district councils that would not be covered by the Greater Oxford council and West Berkshire unitary council area c. 436,000.

## 4.3 Socio-Economic and Demographics

The following tables provide an overview of some the key supporting socio-economic and demographic data for the Oxfordshire and West Berkshire areas. These have been used to inform the Options Appraisal and other elements of the proposal. Further details can be found in Appendix A.

**Population projections based on ONS 2023-24 figures**

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
|---|---|---|---|---|---|---|---|---|---|
| **Oxfordshire** | **766,129** | **773,131** | **778,869** | **784,525** | **790,608** | **797,209** | **803,838** | **810,363** | **816,697** |
| **West Berkshire** | **163,540** | **163,712** | **163,754** | **163,725** | **163,811** | **163,953** | **164,123** | **164,303** | **164,507** |
| **South Oxfordshire** | 156,126 | 157,893 | 159,508 | 160,995 | 162,478 | 163,954 | 165,404 | 166,825 | 168,232 |
| **Vale of White Horse** | 148,246 | 150,552 | 152,620 | 154,532 | 156,414 | 158,299 | 160,110 | 161,864 | 163,566 |
| **Ridgeway** | **467,912** | **472,157** | **475,882** | **479,252** | **482,703** | **486,206** | **489,637** | **492,992** | **496,305** |
| **Cherwell** | 170,119 | 172,283 | 174,214 | 176,065 | 177,917 | 179,804 | 181,661 | 183,507 | 185,337 |
| **Oxford City** | 171,899 | 171,498 | 170,562 | 169,946 | 169,797 | 170,096 | 170,562 | 171,052 | 171,425 |
| **West Oxfordshire** | 119,739 | 120,905 | 121,965 | 122,987 | 124,002 | 125,056 | 126,101 | 127,115 | 128,137 |
| **Oxford & Shires** | **461,757** | **464,686** | **466,741** | **468,998** | **471,716** | **474,956** | **478,324** | **481,674** | **484,899** |

Population figures across Oxfordshire and West Berkshire show an average growth of 5.5% between 2024 and 2032. Cherwell, South Oxfordshire, Vale of White Horse and West Oxfordshire all see growth between 7% and 11% over that period whilst West Berkshire and Oxford City are effectively static in terms of growth. Population growth is well balanced between Oxford & Shires (5%) and Ridgeway (6.1%). Although precise figures for the Option 3 authorities is not shown, the figures suggest that there would more of an imbalance in population growth given the static numbers in the city area.

**Key socio-demographic measures**

| | GVA | Business Growth | Employment | Homelessness | Deprivation | Overall Health Index | Household Benefits Claim Rate |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| **Oxfordshire** | **£41.30** | **0.14%** | **61.27%** | **0.10%** | **11.58** | **112.8** | **11.75%** |
| | | | | | | | |
| **West Berkshire** | **£54.10** | **-0.80%** | **63.00%** | **0.11%** | **9.89** | **114.2** | **13.87%** |
| **South Oxfordshire** | £45.70 | 0.00% | 62.90% | 0.05% | 8.33 | 120.2 | 11.67% |
| **Vale of White Horse** | £45.70 | -0.56% | 63.00% | 0.07% | 8.38 | 116.4 | 11.33% |
| | | | | | | | |
| **Ridgeway** | **£49.30** | **-0.46%** | **62.98%** | **0.09%** | **8.92** | **116.9** | **11.60%** |
| | | | | | | | |
| **Cherwell** | £37.80 | 0.40% | 65.10% | 0.10% | 14.47 | 106.2 | 11.69% |
| **Oxford City** | **£40.30** | **0.46%** | **53.60%** | **0.18%** | **16.99** | **101.4** | **12.60%** |
| **West Oxfordshire** | £38.00 | 0.42% | 62.80% | 0.10% | 8.77 | 119.8 | 11.45% |
| | | | | | | | |
| **Oxford & Shires** | **£39.00** | **0.43%** | **60.15%** | **0.12%** | **13.78** | **109.1** | **11.91%** |
| | | | | | | | |
| **England** | **£42.40** | **0.24%** | **57.39%** | **0.19%** | **21.67** | **100.8** | **21.33%** |
| | | | | | | | |
| **Units** | £ per hour worked, 2023 | % change, 2023/2024 | % employed, 2021/2022 | %, 2024 | IMD, 2019/2020 | 2021 | %, 2023/2024 |
| **Source** | GVA per hour, ONS | Business Demography, ONS | Economic Activity Status, ONS | Statutory homelessness in England, ONS | English indices of deprivation, MHCLG | Health Index scores, England, ONS | DWP benefits, GOV.UK (requires log in) |



Variations in these indicators is not significant in scale, especially when considered to the England averages however, they do serve to demonstrate the potential value of being able to address specific issues in particular geographical areas.  This needs to be balanced with the scale of the council and resources that are available to be financially sustainable in responding to the opportunities and challenges that are presented. GVA is materially higher in West Berkshire compared to Oxfordshire supporting the decision to include that area in the overall LGR considerations.  Whilst the Ridgeway area has higher GVA, Oxford & Shires sees higher business growth across the whole of the area – not just the city.  Rates of homelessness and deprivation are higher in the city and overall health and levels of employment are lower. These issues may prove problematic for a smaller council to deal with but still need specific policies without the risk of these being overshadowed by other issues in a very large authority.

## 4.4 Analysis against the MHCLG criteria

### Overall summary of the options appraisal

This headline appraisal summarises the more detailed appraisal of all of the sub-criteria that is set out on the following pages. This appraisal has been conducted on a like-for-like basis considering the whole area covered by Oxfordshire and West Berkshire.

| MHCLG Headline Criteria | Option 1 – Oxfordshire UA & West Berkshire UA | | Option 2 – Oxford & Shires and Ridgeway UAs | | Option 3 – Greater Oxford UA & two other UAs | |
|---|---|---|---|---|---|---|
| 1. A **single tier and sensible geography** to improve housing supply and outcomes avoiding creating (dis/)advantaged areas | R | Positive for housing supply and outcomes in Oxfordshire. West Berkshire remains disadvantaged in terms of financial sustainability | G | Enables housing supply and outcomes over across whole area and does not create material (dis)advantaged areas | R | Challenges around nature and deliverability of housing supply. Creates (dis)advantaged areas based on financial analysis |
| 2. Unitary local government must be the **right size** to achieve efficiencies, improve capacity and withstand financial shocks | R | Creates one of the larger unitary councils in England and leaves one which is significantly below the guidance level | G | Creates two unitary councils at the optimal scale to achieve efficiencies, create capacity and avoid the risks of being too large | R | Creates two unitary councils that are materially smaller than the guidance level limiting scope to achieve efficiencies |
| 3. Prioritise the delivery of **high quality and sustainable public services** to citizens | A | Avoids disruption to key services but also risks little improvement through keeping too much of the status quo | A | Some short term alignment will need to be managed but scale and existing services offer the chance to really tailor and improve outcomes | R | Wholesale disaggregation of county & district services (with boundary change) will be required delaying improvements & increasing costs |
| 4. Councils work together in coming to a view that **meets local needs and is informed by local views** | R | Concerns over engagement of West Berkshire and in rural areas in Oxfordshire | A | Clear support for considering West Berkshire along with Oxfordshire in shaping the future of local government in the area | R | Concerns over the extent of engagement beyond city and issues over protecting the greenbelt |
| 5. New unitary structures must support **devolution** arrangements | A | Risk of distinct economic strengths being lost in a large Oxfordshire and leaves an imbalance of UAs in the Combined Authority context | G | Coherent economic geographies to support effective growth and devolution aims – with optimal sized unitary authorities | A | Could be seen to provide a strong growth hub around city but would leave small authorities in relation to Combined Authority |
| 6. Enable **stronger community engagement** and deliver genuine opportunity for neighbourhood empowerment | A | Risk that scale and lack of effective community engagement at that level could result in poor community engagement | G | Strong localities model building on proven track record of effective community engagement and growth | G | Likely to resolve issues in terms of community engagement within the city |

R Does not meet the criterion A Partially meets the criterion G Meets the criterion

**Overall summary commentary on each of the options**

| | |
|---|---|
| Option 2 – Oxford & Shires and Ridgeway UAs | Green |
| Option 1 – Oxfordshire UA and West Berkshire UA (unchanged) | Amber |
| Option 3 – Greater Oxford, Northern and Southern UAs | Red |

**Option 2** scores well in terms of the potential to improve housing supply and outcomes by taking a more strategic view on where development should happen across Oxfordshire and would also extend this reach across the West Berkshire area. It would also offer the opportunity to create more financially sustainable local government across the whole area. Devolution ambitions in the region could be materially enhanced by this proposal, based on the establishment of two optimally sized councils with distinct economic characteristics and strengths to contribute to a Strategic Authority. The risk of short-term disruption to crucial services is higher in Option 2, than in Option 1, but so is the opportunity to use more significant change as a catalyst for new thinking, culture refresh, and material improvement over 'business as usual". The two new councils would strike a good balance between achieving the advantages of scale in two similarly sized authorities, while establishing a strong locality working model that makes community empowerment intrinsic to the way the councils would work. This is likely to benefit a broad range of services and can explicitly support better outcomes and unit costs in the key care service areas.

**Option 1** would provide an opportunity to improve housing supply and outcomes across Oxfordshire, but would do nothing to secure similar improvements across West Berkshire. The financial challenges in West Berkshire (and specifically the current need for Exceptional Financial Support - EFS) are not addressed by this option. Devolution ambitions in the region could be enhanced by this proposal, but the significant imbalance in the size of the councils between Oxfordshire and Berkshire may prove problematic, with West Berkshire being less influential at a regional level due to its smaller size. While the risk of short-term disruption to crucial care services would be minimised under this option, there is a material risk that the opportunity to transform these services would be missed without the catalyst of more significant change. An Oxfordshire unitary would achieve significant scale, which could be an advantage in some respects but would need to guard against the risk of being too remote and lacking meaningful engagement at the locality level. Evidence suggests that, in relation to care services, the large scale of the Oxfordshire unitary risks higher unit costs and poorer outcomes when compared to smaller unitaries. West Berkshire would remain with significant challenges around scale, being considerably below the government guidance population level.

**Option 3** scores less well in terms of the potential to improve housing supply, with the constraints of the greenbelt area and new unitary boundaries at risk of exacerbating the challenge of accommodating housing growth in and around Oxford. Creating a Greater Oxford council may provide a strong growth hub to stimulate regional growth, but it is less clear how the economic strengths of the remaining areas across Oxfordshire and West Berkshire would be harnessed effectively. The risk of short-term disruption to crucial services is higher than in both Option 1 and 2, with the need to create three new approaches to the provision of these services and/or shared arrangements between the new authorities. This would entail a highly significant change, which could provide a catalyst for new thinking, but the risks may outweigh the potential benefits. The three new councils would have a smaller scale that may help in establishing locality working and may simplify arrangements with respect to managing the city of Oxford. By being materially smaller than the government guidance, these councils risk not achieving economies of scale, meaningful benefits and ongoing financial sustainability.

**Summary commentary on each of the criteria**

Criterion 1 – A single tier and sensible geography to improve housing supply and outcomes, while avoiding creating (dis/)advantaged areas – overview

| MHCLG Headline Criterion #1 | A single tier and sensible geography to improve housing supply and outcomes avoiding creating (dis/)advantaged areas | | | | | |
|---|---|---|---|---|---|---|
| **Sub-criteria / Overall rating #1** | **Option 1 – Oxfordshire UA & West Berkshire UA** | | **Option 2 – Oxford & Shires and Ridgeway UAs** | | **Option 3 – Greater Oxford UA & two other UAs** | |
| Sensible economic geography with tax base that doesn't create dis/advantaged areas | R | A single unitary council for Oxfordshire would be significantly advantaged in comparison to West Berkshire in terms of economic geography and financial sustainability | G | Does not create a financial (dis)advantage to councils when the balance of factors are taken into account | A | Creates a degree of (dis)advantage between the council areas but helps to address the issue of West Berkshire sustainability |
| Sensible geography to increase housing supply | A | Positive for housing supply across Oxfordshire in terms of dissolving current district boundaries, but no change in supply for West Berkshire | A | Positive impact of housing geographies across Oxfordshire and West Berkshire with a need to only manage issues across one new boundary | R | Challenges around nature and deliverability of housing supply due to Greater Oxford boundaries encompassing most of the designated Green Belt area |
| Supported by robust analysis and articulation of expected outcomes including costs/benefits | G | Robust analysis and articulation of expected outcomes including cost/benefits expected | G | Robust analysis and articulation of expected outcomes including cost/benefits included | G | Robust analysis and articulation of expected outcomes including cost/benefits expected |
| How proposal works for the whole area and how outcomes will be achieved | R | Clear articulation of proposal and outcomes for Oxfordshire expected but risk that West Berkshire is not addressed (adequately) | G | Clear articulation of proposal and outcomes for the whole area of Oxfordshire and West Berkshire included | R | Clear articulation of proposal and outcomes for Greater Oxford expected but risk that the rest of Oxfordshire and West Berkshire is not addressed (adequately) |

R Does not meet the criterion A Partially meets the criterion G Meets the criterion

**Criterion 1 – A single tier and sensible geography to improve housing supply and outcomes, while avoiding creating (dis/)advantaged areas - commentary**

| | |
|---|---|
| Option 2 – Oxford & Shires and Ridgeway UAs | Green |
| Option 1 – Oxfordshire UA and West Berkshire UA (unchanged) | Red |
| Option 3 – Greater Oxford, Northern and Southern UAs | Red |

**Option 2** does not create councils that would be materially (dis)advantaged in terms of income, expenditure, assets, liabilities and current/future demand for services and this is supported by the financial modelling undertaken by PwC to support this case. In terms of housing supply, Option 2 offers many of the potential advantages of Option 1, across the whole of Oxfordshire, but also includes West Berkshire, which increases the opportunity across the whole of the area. Moving towards two Local Plans across this larger area would help simplify the process of agreeing on how housing targets can be best met without having to reach an agreement across multiple authorities. The two new authorities will need to collaborate closely to manage planning, infrastructure and supply issues arising between the two council areas. The smaller scale of the council reduces the risk of stifling innovative approaches to enabling housing supply that have been proven to work through schemes such as Graven Hill in Bicester, the UK's largest self and custom-build housing development.

This reduced risk of inhibiting creative and agile approaches also applies to securing outcomes, without sacrificing the benefits of economies of scale offered through aggregation of services. These will enable improvements in outcomes across the entire Oxfordshire and West Berkshire geography[2]. While there will be scope to collaborate across the two new authorities, successful delivery of positive outcomes will not be entirely dependent and can be designed to be more locally appropriate. Both new councils will have their own existing upper-tier services to use as a foundation for further transformation.

**Option 1** provides the opportunity to make improvements in housing supply across the Oxfordshire geography. The creation of an Oxfordshire Local Plan could help to simplify the process of agreeing on how housing targets can best be met without having to reach an agreement across multiple authorities. Translating local plan intentions into the delivery of actual housing supply will still require innovative and agile approaches that have been proven to work at a more local scale. There is a risk that these local delivery approaches do not translate well to a larger scale authority, but that would need to be carefully managed. It is important to note that Option 1 will do nothing to secure similar improvements across West Berkshire.

[2] More information on how we ensure agile approaches in Chapter 5 (Vision and Ambition) and Chapter 8 (How the new councils will work)

In a similar manner, Option 1 also provides the opportunity to make improvements across the Oxfordshire geography. The aggregation of current district services, alongside existing upper-tier responsibilities, over a large geography should enable economies of scale but there is a risk that will need to be managed with such a large geographic area. Flexible and creative ways of working that deliver successful outcomes at a more local scale may not translate and flourish in a larger geography. Again, it is also important to note that Option 1 will do nothing to secure similar improvements across West Berkshire and will leave that area at a disadvantaged position in relation to financial challenges in comparison with a large Oxfordshire unitary council. This disadvantage is clearly illustrated by the CIPFA Financial Resilience analysis below which shows West Berkshire having a 39.9 risk score compared to an Oxfordshire unitary authority score of just 3.9.

**Option 3** creates some material risks in the potential to significantly improve housing supply across the whole of the area being considered. Unmet housing need in the city has remained high for years, and housing supply is likely to be heavily restricted across the Greater Oxford council area because of the existing space pressures and the constraints of the Oxford greenbelt (which can take years to release new sites within). This will mean that the challenge of accommodating housing growth in and around Oxford will be dependent on arrangements between the three new councils, replicating many of the existing issues. The opportunity to have more balanced growth across the whole area will be diminished. The smaller-scale councils may be more adept at delivering on local plans, but the challenges of agreeing on the plans in the first place may outweigh any advantages.



The potential to improve outcomes is also likely to be reduced with the three new councils that would be created under Option 3. The benefits of aggregation and economies of scale will be smaller (just £9.5m, in comparison to £21.9m for Option 2), while the need to create another set of upper-tier services, as well as change the two existing ones across the geography, adds a degree of complexity that is likely to make improvements harder to achieve. Option 3 does actively include West Berkshire in the proposal, meaning that the benefits to housing supply and outcomes that can be achieved will extend beyond the current Oxfordshire boundary.

Option 3 also creates important imbalances Day 1 and Financial Resilience positions in the modelling from PwC and CIPFA respectively. Taken with the small size of two of the proposed new authorities, means that there is a material risk of creating (dis)advantaged areas through this approach.

## Criterion 2 – Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks – overview part 1



| MHCLG Headline Criterion #2 – Part 2 | Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks | | | | | |
|---|---|---|---|---|---|---|
| **Sub-criteria / Overall rating #2** | **Option 1 – Oxfordshire UA & West Berkshire UA** | | **Option 2 – Oxford & Shires and Ridgeway UAs** | | **Option 3 – Greater Oxford UA & two other UAs** | |
| Proposals should set out how an area will seek to manage transition & transformation costs | A | The proposal is anticipated to set out a sensible approach to managing transition and transformation costs across the area but it is unclear if this will include West Berkshire | A | The proposal sets out a sensible approach to managing transition and transformation costs across the whole area. One-off transition costs are forecast to be slightly higher than the one unitary option | R | The proposal is anticipated to set out a sensible approach to managing transition and transformation costs across the whole area but the scale of those costs will be much higher than for the other two options |
| Best Value intervention and/or in receipt of Exceptional Financial Support to be addressed | R | The proposal does not include West Berkshire and will therefore not address their Exceptional Financial Support | G | The proposal sets out an approach to dealing with the Exceptional Financial Support being received by West Berkshire Council | A | It is not yet clear whether the proposal will set out an approach to dealing with the Exceptional Financial Support being received by West Berkshire Council but due to lower overall benefits the scope to do so will be lower |
| No proposal for council debt to be addressed centrally or written off as part of reorganisation | G | Proposal is not anticipated to suggest writing off debt or addressing it centrally | G | Proposal does not suggest writing off debt or addressing it centrally | G | Proposal is not anticipated to suggest writing off debt or addressing it centrally |

R Does not meet the criterion A Partially meets the criterion G Meets the criterion

**Criterion 2 – Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks – overview part 2**

| MHCLG Headline Criterion #2 – Part 2 | Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks | | | | | |
|---|---|---|---|---|---|---|
| Sub-criteria / Overall rating #2 | Option 1 – Oxfordshire UA & West Berkshire UA | | Option 2 – Oxford & Shires and Ridgeway UAs | | Option 3 – Greater Oxford UA & two other UAs | |
| Proposals should set out how an area will seek to manage transition & transformation costs | A | The proposal is anticipated to set out a sensible approach to managing transition and transformation costs across the area but it is unclear if this will include West Berkshire | A | The proposal sets out a sensible approach to managing transition and transformation costs across the whole area. One-off transition costs are forecast to be slightly higher than the one unitary option | R | The proposal is anticipated to set out a sensible approach to managing transition and transformation costs across the whole area but the scale of those costs will be much higher than for the other two options |
| Best Value intervention and/or in receipt of Exceptional Financial Support to be addressed | R | The proposal does not include West Berkshire and will therefore not address their Exceptional Financial Support | G | The proposal sets out an approach to dealing with the Exceptional Financial Support being received by West Berkshire Council | A | It is not yet clear whether the proposal will set out an approach to dealing with the Exceptional Financial Support being received by West Berkshire Council but due to lower overall benefits the scope to do so will be lower |
| No proposal for council debt to be addressed centrally or written off as part of reorganisation | G | Proposal is not anticipated to suggest writing off debt or addressing it centrally | G | Proposal does not suggest writing off debt or addressing it centrally | G | Proposal is not anticipated to suggest writing off debt or addressing it centrally |

R Does not meet the criterion A Partially meets the criterion G Meets the criterion

Page 50

**Criterion 2 – Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks – commentary**

| | |
|---|---|
| Option 2 – Oxford & Shires and Ridgeway UAs | Green |
| Option 3 – Greater Oxford, Northern and Southern UAs | Red |
| Option 1 – Oxfordshire UA and West Berkshire UA (unchanged) | Red |

**Option 2** proposal would create the balance of two unitary councils at the optimal scale (over 470,000 at vesting day, based on projected 2028 figures and forecasted to grow rapidly). The logic of the 'guiding principle' is evident in the context of the two-unitary proposal. The reorganisation would create two balanced councils that are the right size to deliver effective growth and devolution aims, by acting independently and as part of a Strategic Authority. The scale of the two unitary councils will create scope for efficiencies, without some of the risks associated with being too large. All parties involved will have a strong catalyst for change through the reorganisation.[3] This proposal will also help create new opportunities in West Berkshire to achieve efficiencies, create capacity, and avoid financial shocks, thereby removing the current need for Exceptional Financial Support from government.[4] **Option 2 creates the potential for a Transition and Stretch Benefits total of £59.8m which are the highest total recurring benefits of any of the options**. This is made up of transition benefits of £21.9m and higher transformation benefits than Option1 at £25.6m (base) and £37.9m (stretch).

**Option 3** would create three unitary councils, with two of them being at a population level that is materially lower than the 'guiding principle' figure (c.260,000). The rationale for creating such small unitary councils is not immediately clear beyond a desire to expand and build a strong growth hub around the city of Oxford. The scale of the three unitary councils is likely to limit their ability to create efficiencies, improve capacity and withstand financial shocks.[5] This proposal should, however, assist in creating new efficiencies and resilience in the West Berkshire area, and there should also be a significant catalyst for change for all parties. The ongoing cost of running additional upper-tier services with Option 3 means that it will create much lower transition benefits than the other options of £9.5m. This is offset, to a certain extent, by slightly higher transformation benefits than Option 2 at £25.8m (base) and £38.2m (stretch) but is forecast to create materially lower benefits for the area overall. One-off implementation costs are also the highest of any option at £59.2m (stretch).



[3] Our approach to maximising the benefits of a fresh start is outlined in Chapter 8 (How the new councils will work)
[4] For more detail see Appendix B (PwC Analysis)
[5] For more detail see Appendix B (PwC Analysis)

**Option 1** proposes that Oxfordshire would become the largest non-metropolitan unitary council in England (c. 790,000) prior to the implementation of any reorganisation in the current round. It also leaves the existing West Berkshire unitary at a population level (c. 165,000), which is significantly below the 'guiding principle' figure of 500,000. There is also a risk that distinct economic strengths of different parts of the geography are overlooked in a large Oxfordshire unitary context, where 'second-order opportunities' are missed in favour of the city of Oxford's major industries. The scale of the Oxfordshire unitary should afford scope for improving capacity, withstanding financial shocks and achieving efficiencies, however there are a number of material risks to achieving this. The first is, the risk of 'business as usual' thinking prevailing, especially in the big spend services related to adults and children. LGR should be a catalyst for change and this will be less of an imperative with this option compared to other options where redesign will be essential. The second risk relates to the scale of aggregation required to bring district and city services into a coherent unitary of this size. Multiple systems, delivery models, contracts and teams will need to be reconciled, and the number of disparate approaches will be highest with Option 1. Even if these risks are well managed, Option 1 will mean that West Berkshire, will still be left at a scale that makes addressing these issues exceptionally challenging. It is anticipated that a sensible approach to managing transition and transformation costs across the Oxfordshire will be put forward, but this will not include West Berkshire. Option 1 will create the highest transition benefits of £27.3m but transformation benefits are lower than other options, which include the whole geography, at £20.9m (base) and £31.1m (stretch).

## Criterion 3 – Prioritise the delivery of high quality and sustainable public services to citizens – overview

| MHCLG Headline Criterion #3 | Prioritise the delivery of high quality and sustainable public services to citizens | | | | | |
|---|---|---|---|---|---|---|
| **Sub-criteria / Overall rating #3** | **Option 1 – Oxfordshire UA & West Berkshire UA** | | **Option 2 – Oxford & Shires and Ridgeway UAs** | | **Option 3 – Greater Oxford UA & two other UAs** | |
| Improve service delivery and should avoid unnecessary fragmentation of services | A | The proposal is anticipated to identify service delivery improvements and will avoid the risk of fragmentation of services. There is however a risk that improvements are more limited through keeping too much of the status quo approaches | A | Proposes a range of service delivery improvements. Whilst a degree of fragmentation of current Oxfordshire services may be perceived this is deemed as necessary to build more effective services across the two new councils | R | The proposal is anticipated to identify service delivery improvements however the establishment of three smaller unitary councils is highly likely to lead to the fragmentation of services. This will need careful management |
| Opportunities to deliver public service reform and better VFM should be identified | G | The proposal is anticipated to identify opportunities to deliver public service reform and better VFM but many of the crucial services will largely remain on the same course as present | G | The proposal identifies a range of opportunities to deliver public service reform and better VFM by leveraging more local accountability along with some of the advantages of sensible scale | A | The proposal is anticipated to identify opportunities to deliver public service reform and better VFM. The extent to which these opportunities will be achievable through the creation of three smaller unitary councils is unclear |
| Impact on crucial services e.g. social care, children's services, SEND, homelessness, public safety | A | Any potentially negative impact on crucial services is likely to be avoided in the short term. A risk remains that continuation of the current approaches misses the opportunity to use LGR as a catalyst for medium to longer term transformation | A | The proposal sets out a clear transition plan to avoid any short term disruption. Many disaggregation challenges are negated by having two sets of crucial services already. Size affords economies of scale and effective place based delivery | R | It is unclear how the three unitary proposal can avoid wholesale disaggregation of county & district services (with boundary change) or the establishment of complex partnership arrangements. Either delay improvements & increase costs |

R Does not meet the criterion

A Partially meets the criterion

G Meets the criterion

**Criterion 3 – Prioritise the delivery of high quality and sustainable public services to citizens - commentary**

| | |
|---|---|
| Option 1 – Oxfordshire UA and West Berkshire UA (unchanged) | Amber |
| Option 2 – Oxford & Shires and Ridgeway UAs | Amber |
| Option 3 – Greater Oxford, Northern and Southern UAs | Red |

**Option 1** creates opportunities to secure some service delivery improvements and better value for money; however, research suggests that this is more difficult to achieve for care services for councils of this scale.[6] It is strong in avoiding the risk of unnecessary fragmentation of upper tier services. There may also be scope to improve broader public service reform; however, there is a risk that improvements are more limited if 'business as usual' thinking is adopted around existing upper-tier services. Any potentially negative impact on care and education services is likely to be avoided in the short term due to not needing to disaggregate many key services. A risk remains that continuing the current approaches will miss the opportunity to use LGR as a catalyst for medium to longer-term transformation. Again, this proposal will not support West Berkshire in improving its approach to delivering high-quality public services or achieving broader public service reform.

**Option 2** provides a strong platform for securing a range of service delivery and Value for Money improvements. While a degree of disaggregation of current Oxfordshire services will be necessary, these are likely to be offset by the improved resilience and consolidation of similar services from a West Berkshire perspective. The two new authorities will create a fresh dynamic for public service reform across both Oxfordshire and Berkshire, with a clear catalyst for improvement.[7] Option 2 entails a level of risk around disaggregation of several crucial services, including Adult Social Care, Children's Services, Education and SEND. The challenges associated with disaggregation are reduced significantly by the fact that there are already two sets of all the crucial services functioning across the Oxfordshire and West Berkshire areas. Risks of disruption will need to be managed through a clear transition plan to avoid any short-term disruption to service users, the voluntary sector, other partners, and staff. However, this will be far more straightforward than in many disaggregation scenarios. Our research shows that authorities of this scale are better placed to focus on specific demand issues and local resolution of them, than larger councils, leading to lower unit costs and improved outcomes.

[6] For more detail see Appendix E (PeopleToo Analysis))
[7] Our approach to maximising the benefits of a fresh start is outlined in Chapter 8 (How the new councils will work)

**Option 3** is anticipated to identify service delivery improvements; however, the establishment of three smaller unitary councils is highly likely to lead to the fragmentation of services. This will need careful management. The proposal is anticipated to identify opportunities to deliver public service reform and better value for money. The extent to which these opportunities will be achievable through the creation of three smaller unitary councils is unclear. It is also unclear how the three-unitary proposal can avoid the wholesale disaggregation of county and district services (with boundary change) or the establishment of complex partnership arrangements. It will either delay improvements or increase costs.

Page 56

## Criterion 4 – Councils work together in coming to a view that meets local needs and is informed by local views – overview

| MHCLG Headline Criterion #4 | Councils work together in coming to a view that meets local needs and is informed by local views | | | | | |
|---|---|---|---|---|---|---|
| **Sub-criteria / Overall rating #4** | **Option 1 – Oxfordshire UA & West Berkshire UA** | | **Option 2 – Oxford & Shires and Ridgeway UAs** | | **Option 3 – Greater Oxford UA & two other UAs** | |
| Evidence of locally meaningful and constructive engagement | A | The proposal has been prepared with a reasonable level of locally meaningful engagement across the councils in Oxfordshire and West Berkshire and with other interested parties | A | The proposal has been prepared with a reasonable level of locally meaningful engagement across the councils in Oxfordshire and West Berkshire and with other interested parties | A | The proposal has been prepared with a reasonable level of locally meaningful engagement across the councils in Oxfordshire and West Berkshire and with other interested parties |
| Consider issues of local identity and cultural and historic importance | A | The proposal is anticipated to consider the local identity and cultural importance of the current Oxfordshire boundary. The historic importance of the traditional Berkshire geography is still valued by some of the population | G | The proposal considers the local identity and cultural importance of the current Oxfordshire boundary and also embraces the historic importance of the some of the traditional Berkshire geography | A | The identity and historic importance of the city of Oxford is expected to figure heavily in this proposal. It is unclear if all residents of the proposed Greater Oxford feel part of the city and whether the broader area has been fully considered |
| Evidence local engagement and how concerns will be addressed | R | It is not clear the extent to which meaningful engagement has happened in some rural parts of Oxfordshire and whether the concerns of the broader population including West Berkshire have been addressed | A | A good level of meaningful engagement has happened across Oxfordshire and West Berkshire with the proposal seeking to address the concerns by the broader population | R | It is not clear the extent to which meaningful engagement has happened beyond the city of Oxford and whether the concerns of the broader population have been addressed. Specific issues over protecting the greenbelt are key |

R Does not meet the criterion

A Partially meets the criterion

G Meets the criterion

**Criterion 4 – Councils work together in coming to a view that meets local needs and is informed by local views - commentary**

All three proposals have been prepared with a reasonable level of meaningful local engagement across the councils in Oxfordshire and West Berkshire, as well as with other interested parties.  Regular dialogue has been held, with data and information shared to assist in the preparation of the three proposals.

| | |
|---|---|
| Option 2 – Oxford & Shires and Ridgeway UAs | Amber |
| Option 1 – Oxfordshire UA and West Berkshire UA (unchanged) | Red |
| Option 3 – Greater Oxford, Northern and Southern UAs | Red |

**Option 2** considers the local identity and cultural importance of two distinct parts of Oxfordshire.  It also embraces the historic importance of some of the traditional Berkshire geography, which is partially restored through this proposal. A high level of meaningful engagement has happened across Oxfordshire and West Berkshire, with the proposal seeking to address the concerns of the broader population (see Chapter 10).



**Option 1** is anticipated to strongly consider the local identity and cultural importance of the current Oxfordshire boundary.  It is unlikely to address the historic importance of the traditional Berkshire geography that is still valued by some of the population and would be partially addressed by the other proposals. It is not clear the extent to which meaningful engagement has happened beyond Oxfordshire and whether the concerns of the broader population, including West Berkshire, have been addressed.

**Option 3** features the identity and historic importance of the city of Oxford heavily in this proposal, but with less focus on the other parts of Oxfordshire and West Berkshire that would make up the remaining two authorities.  It is unclear if all residents of the proposed Greater Oxford authority feel part of the city, or whether they identify more strongly with the rest of the Oxfordshire area. Engagement has occurred across the city of Oxford, other parts of Oxfordshire and a little in West Berkshire but it is not clear that the concerns of the broader population have been adequately addressed.  Specific concerns over protecting the greenbelt are key.

## Criterion 5 – New unitary structures must support devolution arrangements- overview

| MHCLG Headline Criterion #5 | New unitary structures must support devolution arrangements | | | | | |
|---|---|---|---|---|---|---|
| **Sub-criteria / Overall rating #5** | **Option 1 – Oxfordshire UA & West Berkshire UA** | | **Option 2 – Ridgeway UA and Oxford & Shires UA** | | **Option 3 – Greater Oxford UA & two other UAs** | |
| Show support from any existing CA/CCA/Mayor and how arrangements will need to change | | N/A | | N/A | | N/A |
| Where no CA/CCA is already established then set out how it will help unlock devolution | A | The proposal for a large Oxfordshire unitary council has some strengths but risks the distinct economic strengths of different parts of the area being lost and could miss the opportunity to include Berkshire | G | The proposal is to create two unitary councils based around distinct and coherent economic geographies. These have been designed to best support effective growth and devolution aims – with sensible sized UAs | A | The proposal could be seen as attractive in that it has the potential to provide a strong growth hub around city. The risks are however that the focus may be placed too heavily on the city and the strengths of others may not have been fully considered |
| Sensible population size ratios between local authorities and any strategic authority | A | The difference in size between the large Oxfordshire UA and the other smaller authorities would be significant and could hinder the operation of the new CA/CCA. | G | The Oxford & Shires and Ridgeway UAs would be of a very similar size and a sensible population building block for the new CA/CCA | A | The Greater Oxford proposal would create three smaller unitary councils that whilst similar in size are probably smaller than the ideal population building block for the new CA/CCA |

| | |
|---|---|
| R | Does not meet the criterion |
| A | Partially meets the criterion |
| G | Meets the criterion |

**Criterion 5 – New unitary structures must support devolution arrangements – commentary**

| | |
|---|---|
| Option 2 – Oxford & Shires and Ridgeway UAs | Green |
| Option 1 – Oxfordshire UA and West Berkshire UA (unchanged) | Amber |
| Option 3 – Greater Oxford, Northern and Southern UAs | Amber |

**Option 2** proposes two unitary councils with complementary geographies to help drive local, regional, and national ambitions around devolution. The Oxford & Shires council connects Cherwell and West Berkshire to Oxford along the A40, A44, A4260 and A41 corridor, while the Ridgeway area connects well to the wider Thames Valley along the M4, A34, M40 and A420 and re-establishes important historic ties with parts of Berkshire. Both councils will be able to build a strong delivery record on their long history of effective collaboration and joint working. The Oxford & Shires and Ridgeway UAs would be of a very similar size and a sensible population building block (c. 470,000) for a new Strategic Authority (1.5m population target).

**Option 1** and the proposal for a large Oxfordshire unitary council has some strengths in terms of creating a strong voice for the current county area but risks the distinct economic strengths of different parts of the area being lost. It could also miss the opportunity to harness the strengths of West Berkshire and the role it could play in engaging Oxfordshire more fully with Berkshire. While many of the constituent districts have strong track records of delivering local growth, this is much less evident in delivery at the county level. An Oxfordshire Unitary Authority would need to manage the risk of perpetuating sub-optimal delivery and attempt to scale the more locally based approaches over a much larger geography. The difference in size between the large Oxfordshire UA (790,000) and the other smaller authorities, including West Berkshire (164,000) would be significant and could hinder the operation of the new Strategic Authority (1.5m population target).

**Option 3** is expected to focus heavily on the creation of a Greater Oxford authority. It is anticipated to demonstrate strong ambitions around housing and economic growth and to be a driver of broader devolution goals. While this focus on the city may have some strengths in terms of creating a strong growth hub around the city, it also risks some significant shortcomings. The risks related to housing supply, planning issues, and the protection of the greenbelt have been outlined above. In terms of economic growth, an undue focus on the city of Oxford risks misunderstanding the interconnected links that it has with other parts of the Oxfordshire and West Berkshire geography. From a practical perspective, two out of the three councils that would be created under the Greater Oxford proposal would be smaller than the ideal population building blocks for the new Strategic Authority (1.5m population target).

## Criterion 6 – Enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment - overview

| MHCLG Headline Criterion #6 | Enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment | | | | | |
|---|---|---|---|---|---|---|
| **Sub-criteria/overall rating #6** | **Option 1 – Oxfordshire UA & West Berkshire UA** | | **Option 2 – Ridgeway UA and Oxford & Shires UA** | | **Option 3 – Greater Oxford UA & two other UAs** | |
| Show plans to make sure that communities are engaged | A | The proposal is anticipated to include proposals to show how communities will be better engaged with a new unitary council. There is however a risk that the scale of the new authority could impede effective mechanisms engagement | G | The proposal sets out a strong localities model that will enable effective community engagement across the two new councils. This will go beyond simple engagement and be built into the decision making and service delivery, where appropriate | G | The proposal is anticipated to include proposals to show how communities will be better engaged with a new unitary councils. It expected to be particularly strong in how it deals with the challenge of engagement across the city |
| Explain how any existing arrangements will enable strong community engagement | A | The county council has a less well defined track record of some aspects of community engagement and "more of the same" is a risk. It will be important to build on district approaches and to scale them up to the whole Oxfordshire scale | G | Several of the councils making this proposal already have strong localities models and have a proven track record of effective community engagement and growth e.g. Bicester Local Area Committee | G | The proposal is anticipated to include examples of good practice in terms engaging with communities It expected to be particularly strong in terms of current engagement across the city |

| | | | | | |
|---|---|---|---|---|---|
| R | Does not meet the criterion | A | Partially meets the criterion | G | Meets the criterion |

Page 60

**Criterion 6 – Enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment – commentary**

| | |
|---|---|
| Option 2 – Oxford & Shires and Ridgeway UAs | Green |
| Option 3 – Greater Oxford, Northern and Southern UAs | Green |
| Option 1 – Oxfordshire UA and West Berkshire UA (unchanged) | Amber |

**Option 2** builds on the fact that several of the existing councils making this proposal already have strong localities models and a proven track record of effective community engagement and growth, e.g. Bicester Local Area Committee.  Option 2 includes a strong localities model that will enable effective community engagement across the two new authorities and help to restore public trust in government.  To be effective, this will need to go beyond simple engagement and be built into the decision-making and service delivery of the new councils.

The size of the proposed Oxfordshire unitary council in **Option 1** will immediately create an inherent risk of communities feeling remote in terms of engagement, whether that is perceived or actual.  The county council has a less well-defined track record in certain aspects of community engagement, so it will be important to build on district approaches and to attempt to scale them up to the whole Oxfordshire area.  These approaches will need to work more effectively than in smaller council areas to overcome challenges related to a lack of trust in government bodies and perceptions of remoteness from communities and their local neighbourhoods.

While the size of the unitary councils proposed in **Option 3** has some serious weaknesses in terms of other criteria, for community engagement, it could be an inherent strength, whether that is perceived or actual. Option 3 is anticipated to include proposals to show how communities will be better engaged and is expected to be particularly strong in addressing the challenge of engagement across the city.  The creation of a Greater Oxford unitary would also help partially resolve the challenges of how best to engage communities and neighbourhoods in a collective way across the city area.

## 4.5 Financial comparison of the options

**PwC cost-financial benefit modelling for LGR transition and transformation**

| Option | Level of change | Recurring net financial benefits (£m) | One-off costs (£m) | Payback period (years) | Addresses financial sustainability issues across Oxfordshire and West Berks |
|---|---|---|---|---|---|
| **Option 1** Oxfordshire Unitary council and no change to West Berkshire Unitary council | Transition | 27.3 | 23.8 | 3.1 | No |
| | Basic Transformation (Base) | 20.9 | 14.6 | 1.7 | |
| | **Transition plus Basic Transformation** | **48.2** | **38.4** | **2.8** | |
| | Ambitious Transformation (Stretch) | 31.1 | 21.7 | 1.7 | |
| | **Transition plus Ambitious Transformation** | **58.4** | **45.5** | **2.7** | |
| **Option 2** Oxford & Shires and Ridgeway councils | Transition | 21.9 | 30.4 | 4.2 | Yes |
| | Basic Transformation (Base) | 25.6 | 17.9 | 1.7 | |
| | **Transition plus Basic Transformation** | **47.5** | **48.3** | **3.4** | |
| | Ambitious Transformation (Stretch) | 37.9 | 26.5 | 1.7 | |
| | **Transition plus Ambitious Transformation** | **59.8** | **56.9** | **3.2** | |
| **Option 3** Greater Oxford, Northern and Southern councils | Transition | 9.5 | 32.5 | 8.7 | Partially |
| | Basic Transformation (Base) | 25.8 | 18.1 | 1.7 | |
| | **Transition plus Basic Transformation** | **35.3** | **50.6** | **4.7** | |
| | Ambitious Transformation (Stretch) | 38.2 | 26.7 | 1.7 | |
| | **Transition plus Ambitious Transformation** | **47.7** | **59.2** | **4.2** | |

Our work with PwC has included a financial appraisal of the three options under consideration – on a like-for-like basis.

The **recurring annual net financial benefits[8]** reflect the savings that the modelling shows are expected from:

- **Transition** to the new structures including:
    - aggregating and rationalising services, assets, contracts, roles, etc, in transitioning to the new councils
    - minus any additional recurring costs required to create new functions that have been disaggregated into smaller services; plus
- **Basic or more Ambitious Transformation** opportunities following initial transition including:
    - improving service delivery models; and
    - transforming ways of working supported by technology and culture change

In terms of transition and basic (base) transformation, Option 1 and Option 2 are very similar in terms of recurring annual benefits and implementation costs, with Option 1 paying back slightly quicker. Critically, though, this option does nothing to address the current financial challenges in West Berkshire, whereas Option 2 creates sufficient savings to resolve them, at least in the short to medium term. **When transition and more ambitious (stretch) transformation benefits are considered, Option 2 has the potential to deliver the highest annual recurring benefits of £59.8m p.a.** Option 3 can help address the West Berkshire financial challenge to a certain extent, but the lower overall benefits mean that the improvement in financial resilience prospects will not be as significant. The financial analysis shows that the lower aggregation benefits and higher additional disaggregation costs associated with creating three new unitary authorities under Option 3 result in a materially lower recurring annual benefit and a significantly longer payback period.

It should be noted that the analysis for this Options Appraisal used publicly available data and consistent assumptions applied in the same way across all three proposals for local government reorganisation. More detailed analysis was undertaken for the Detailed Financial Case of the Oxford & Shires and Ridgeway proposal to further develop anticipated benefits and costs, using local insights and tailored assumptions. That more detailed analysis resulted in more refined and slightly more prudent totals that have been included in the Detailed Financial Case. It is anticipated that the councils preparing proposals for other options will have refined their more detailed financial cases in a similar way.

[8] A more detailed breakdown of costs and benefits for transition and transformation can be found in Appendix B – PwC Financial Options Appraisal

**PwC financial viability modelling**

PwC have also assisted in modelling the Day 1 position of the proposed councils under the three options by analysing the projected income and expenditure for each.

| Option | Day 1 Income (£m) | Day 1 Expenditure (£m) | Difference (£m) | Difference % of income |
|---|---|---|---|---|
| **Option 1** | | | | |
| Oxfordshire UA | 881.5 | 906.6 | -25.1 | -2.8% |
| West Berkshire UA | 205.6 | 210.6 | -5.0 | -2.4% |
| | | | | |
| **Option 2** | | | | |
| Oxford & Shires UA | 537.6 | 555.9 | -18.3 | -3.4% |
| Ridgeway UA | 549.5 | 561.3 | -11.8 | -2.1% |
| | | | | |
| **Option 3** | | | | |
| Greater Oxford UA | 316.2 | 320.8 | -4.6 | -1.5% |
| Northern UA | 309.1 | 320.6 | -11.5 | -3.7% |
| Southern UA | 461.8 | 475.8 | -14.0 | -3.0% |

The modelling shows that collectively there will be a £30.1m difference between income and expenditure on Day 1 and this will be split in different ways across the proposed councils dependent on the geographical boundaries being put forward. Option 1 has the largest differences in absolute terms but the most balanced when considered as a percentage of population.  This needs to be considered in conjunction with the risks around financial resilience of West Berkshire as shown in the CIPFA modelling below.  Option 2 shows a level of imbalance in Day 1 position between the two proposed authorities, although this would be balanced in the short-term using reserves whilst changes and transformation take place.  Option 3 shows the largest imbalance with Greater Oxford inheriting a more advantageous Day 1 position than the other two proposed authorities.

## CIPFA Financial Resilience Index [9]

| Option | New authority | Comprised of | Total Risk Score | Top 3 risk metrics |
|---|---|---|---|---|
| Option 1 | Oxfordshire UA | All districts and Oxfordshire CC, minus West Berkshire | 43.79 | Growth Above Baseline, Fee Charges to Expenditure Ratio, Child Social Care to Expenditure Ratio |
| | West Berkshire UA (unchanged) | West Berkshire | | Interest Payable to Expenditure Ratio, Change in Reserves, Change in Earmarked Reserves |
| Option 2 | Oxford & Shires UA | Oxford, West Oxfordshire, Cherwell and 63% of Oxfordshire CC | 24.12 | Fee Charges to Expenditure Ratio, Council Tax to Expenditure Ratio, Unallocated Reserves |
| | Ridgeway UA | Vale of White Horse, South Oxfordshire, West Berkshire and 37% of Oxfordshire CC | | Child Social Care to Expenditure Ratio, Social Care Ratio, Adult Social Care to Expenditure Ratio |
| Option 3 | Greater Oxford | Greater Oxford and 27% of Oxfordshire CC | 35.28 | Overspend (£000), Council Tax to Expenditure Ratio, MRP/CFR |
| | Southern UA | Vale of White Horse, South Oxfordshire, West Berkshire and 37% of Oxfordshire CC | | Child Social Care to Expenditure Ratio, Social Care Ratio, Adult Social Care to Expenditure Ratio |
| | Northern UA | West Oxfordshire, Cherwell and 36% of Oxfordshire CC | | Fee Charges to Expenditure Ratio, Change in HRA Reserves, Total Assets / NRE |

The data used for this analysis does not reflect the impact of the Fair Funding reforms, but it gives an indication of future financial resilience based on the current financial baseline. The challenges around the ongoing financial sustainability of West Berkshire are clear. Option 1 does not address these challenges and leaves West Berkshire with a very high-risk score in comparison to any of the other proposed authorities. This imbalance is significantly reduced with Option 2 and this represents the lowest overall risk score. Option 3 creates a marked imbalance, this time between the proposed Northern authority and other two proposed authorities and a high overall risk score when compared to Option 2.

[9] The CIPFA financial sustainability tool pulls together data from a range of different data sources, to calculate 24 different metrics which are relevant to a council's financial sustainability. Each of the metrics touches on a different aspect of councils' finances, for example MRP/CFR, reserve levels, and debt ratios. These metrics are then processed to calculate an overall risk score for each council. The data primarily comes from the Revenue Summary and the Capital Outturn Return The latest year of complete financial data we have available is 2023-24

## 4.6 Overall evaluation and recommendations

**Summary of the overall evaluation of each option**

**Option 2 fully meets the government criteria when they are applied to the Oxfordshire and West Berkshire geography.** The proposal would see the creation of two, well balanced unitary authorities, that are at the optimal scale to withstand financial shocks, improve efficiency and drive devolution as part of a new Mayoral Strategic Authority. This is reflected in this option having the highest potential overall transition and transformation recurring annual benefits (£59.8m) when more ambitious change plans are achieved. Not only are these the highest overall benefits, but this proposal directly addresses the Exceptional Financial Support and financial resilience issues in West Berkshire by including them in the proposed Ridgeway authority. The proposal also scores well in terms of improving public services and meeting local need. The scale of the new authorities is ideal in terms of being large enough to benefit from economies of scale and yet small enough to benefit from a more direct connection to local need and provision. Many of the challenges of two unitary solutions are resolved with this proposal because of the fact that the authorities involved already have two sets of upper tier services to act as a foundation for the new councils in ensuring the delivery of safe and legal services from day one, but will still have the catalyst of reorganisation to drive further transformation.

Option 1 partially meets the government criteria when they are applied to the Oxfordshire and West Berkshire geography which has been used as the common basis for this appraisal. Whilst there may be some merits in a single unitary for the whole of Oxfordshire in terms of providing a positive benefit position for transition, in a relatively short timescale, there are a number of major drawbacks with this proposal. Critically, Option 1 would create a relatively large unitary authority for Oxfordshire and leave a very small unitary in West Berkshire. This is considerably below the government guidance level and it is already struggling with financial sustainability issues that would not be addressed by Option 1. Notwithstanding this missed opportunity, a unitary as large as the one proposed in Option 1 could face some considerable challenges. As unitary councils increase in size, the risks of becoming remote from local communities increases significantly. Research also shows that both outcomes and costs of critical services such as Adult Social Care can be less favourable despite the potential benefits of economies of scale. From a transformation perspective, benefits are lower than with the other two options. There is also a material risk that many of the crucial services identified in the Government criteria will not have the same catalyst for change, as with the other options, as they will remain largely unchanged in terms of structural reorganisation.

Option 3 does not meet the government criteria when applied to the same geography in the same way. The proposal would see the creation of one unitary that may have the necessary scale to succeed but two smaller councils that would face significant financial challenges from the outset. These challenges would be compounded by the proposal creating the lowest transition benefits (£9.5m) and a payback period of nearly nine years. The creation of duplicated services in areas such as Adult Social Care would be costly at a time when demand for such services is already causing material challenges for all upper tier councils. There is a significant concern that this option has been developed with a significant focus on the city of Oxford and with inadequate focus on the rest of the Oxfordshire and West Berkshire area and two other authorities. Some of the apparent benefits of the focus on Greater Oxford in terms of improving growth in housing supply also appear flawed as the requirements to redesignate greenbelt land will take significant time delaying any potential benefits. There is also strong local concern about the expansion of the urban area of Oxford and the removal of the greenbelt, and this does not appear to have been adequately reflected in the proposals.

# Chapter 5 Vision and Ambition in a nutshell

## Quick Chapter Summary

This chapter sets out each of the two new unitary councils' visions and ambitions

The current system cannot meet rising demand or deliver services in ways residents now expect. The vision for reform is clear: councils designed around people and places, not bureaucracy:

- Two new unitary councils that put communities at the heart of decision-making, delivering better outcomes, sustainable services and inclusive growth.
- Prevention-first services, modern digital platforms, and locality-led delivery.
- Large enough to plan effectively for housing, infrastructure and growth, while keeping services local, responsive and accountable.

### What people told us

"It is very important for a council to be close wherever possible to the community it seeks to serve."

"Accountability to residents is very important.  Large councils have been shown not to be sympathetic to local requirements."

### The two-unitary model will:

- **Have ambition that goes beyond reducing costs.** It is about **transforming services** - investing in early intervention and prevention to reduce demand on high-cost services like social care.
- **Provide digital-first platforms that make access simple, modern and efficient.**
- **Establish locality teams** that join up housing, health, social care and community support.
- **Build stronger partnerships** to tackle housing, skills and climate challenges.
- **Put people and neighbourhoods first**: making sure towns, villages and rural areas get a strong voice.
- **Create councils that will be trusted by residents:** moving from councils "talking at people" to genuinely empowering them to shape decisions.
- **Make every pound work harder:** using data and digital tools to cut waste and improve services.
- **Drive economic growth will be inclusive and sustainable**: utilising the benefits of Oxford city but also preventing it from being too focused by also harnessing the high-powered economies across the rural towns, villages and rural areas.

Together, the two councils will give people better services, better value, and a stronger local voice – while helping the whole region grow fairly and sustainably.

# 5. Vision and Ambition

## 5.1 Our Proposed Visions

In this chapter, we set out our vision for each new unitary authority and how we see two unitaries as the best way of securing improved outcomes for the communities, places and economies of Oxfordshire, West Berkshire and the broader region.

These long-term visions act as a guide and will help to shape all functions and activities for the new councils, not just the delivery of statutory services. They will enhance accountability and transparency in the decisions taken and provide a 'north star' to direct the changes and transformations needed as the unitary authorities shift from transition to sustained improvement. Our visions and the content of this proposal demonstrates how the proposed authorities will meet the government's six criteria and go beyond this in their ambition to improve the lives of people in Oxfordshire and West Berkshire.

**Our vision for the two unitaries**

The councils of Oxfordshire and West Berkshire have a long track record of reimagining their functions and approaches, which has been built upon in this LGR proposal. We believe that our two-unitary proposal offers tangible benefits to those who live, learn, work and play in the area, through sensible population size and a shared service ethos.

Our visions are built around being able to respond to place and neighbourhood while operating at a scale that achieves efficient and effective service delivery. We see a clear opportunity to recharge, renew and refocus our activities to deliver growth and change while protecting what is special about the communities and places of Oxfordshire and West Berkshire.

**Our Vision for Oxford & Shires**

Our vision is that:

- We will create a modern council that will hold communities at the heart of all that we do, promoting neighbourhood-based service delivery championing climate action. Our **localities model** will prioritise participation, partnership and prevention across our city, our market towns and our thriving villages
- Trusted by residents, we will develop our historic towns and urban centres to make them great places to live, work and visit. We will seek to preserve our rural places, building cohesive and sustainable communities across Oxford & Shires, **shifting from community engagement to community empowerment** ensuring no one and nowhere is left behind
- We will harness the global reputation of Oxford City and the economic excellence within North and West Oxfordshire including our world class innovation and engineering heartlands to unlock greater potential and establish genuinely **inclusive growth.** This will support new and existing industries, including our strong visitor economy, across the whole of Oxford & Shires, bringing prosperity and a higher quality of life to all of our residents and communities, across towns and rural places alike.

**Our Vision for Ridgeway**

Our key vision statements are:

- We will create a **modern and effective** council that puts people and communities at the heart of strong, healthy and robust local government, all while providing a firm base for wider regional growth.
- Our Localities approach will be tailored to **strengthen local voice, build resilience, and celebrate the distinctiveness of our towns and villages**. We will be trusted partners, working hand-in-hand with residents, parish and town councils, and the voluntary sector to co-produce solutions that meet local needs.
- We will be known as a **responsive, high-performing council** that makes the most of its resources. By being digitally confident and evidence-led, we will simplify access to services, ensure fairness across our communities, and make every pound work harder to deliver sustainable, affordable, and effective local government.

"We welcome the proposals for Ridgeway Council, which aim to strengthen and support our local communities. By improving services, investing in sustainable initiatives, and promoting efficiency and collaboration, these measures provide a practical framework for positive change. Greenham Trust looks forward to the opportunities this new council will bring."
**Chris Boulton, CEO Greenham Trust.**

These ambitions for new unitary authorities for Oxfordshire and West Berkshire are fully complementary. By establishing two new authorities, we can not only deliver well against the government's six criteria, but more importantly, refocus and recharge the role of local government. Modelling service delivery based on two broadly similar-sized organisations will be the best platform for reducing cost uncertainty, engaging and empowering local solutions and underpinning the economic opportunities derived from the larger mayoral authority they will sit within.

## 5.2 How we will help secure better outcomes

When the government invited Oxfordshire councils to bring forward proposals for new unitary councils in our area, rather than starting with an end goal and engineering the evidence to fit it, we looked at the make-up of local authorities in our area and asked ourselves – how can we make this jigsaw puzzle fit together to achieve the best outcomes for our communities, and help the government achieve its ambitions for reorganisation and ultimately devolution?

Our assessment:

- Including West Berkshire means that we can build on two existing upper-tier authorities and create two right-sized unitary councils with the optimum fit against the government criteria.
- Two councils for an area approaching a million residents at vesting day delivers resilience whilst remaining close to our local communities.
- A proposal for two councils meets the government's criteria and ambitions and has the significant bonus of taking an existing, smaller unitary authority out of receiving exceptional financial support from the government.
- A single unitary council for Oxfordshire meets some of the government criteria for LGR but it will be a very large authority, with housing growth over the next decade, and sheer scale alone will not generate efficiency and stability. It would not take the opportunity to transform and improve services prolonging existing problems of poor service delivery and financially inefficient upper-tier services. Importantly, a large unitary authority would not support local needs of the communities it serves in the most effective manner.
- More than two councils for this area would exacerbate the existing problems of small unitaries the government is seeking to eradicate. It would be costly and financially unsecure. It would not meet the government's criteria, nor would it resolve any of the more significant challenges we face.

Our proposal for new councils will create two distinct but coherent individual unitary councils that work for the communities and provide a firm basis for devolution.

- **Oxford & Shires Council** would be able to tackle the county's most complex social care and children's services challenges, as well as areas with urban deprivation in places such as Oxford, Banbury and Bicester. It would do this while using the transformational opportunities reorganisation brings to allow us to bring existing, costly services in the north of our area back to a rational and manageable scale. It would provide a firm platform for economic and housing growth to help the city of Oxford meet its needs and support the surrounding area.
- **Ridgeway Council** would focus on the needs of its older and more rural communities, improving access to care, housing and local services. It would do this while using existing strong, cost-effective services as a robust base for expansion and transformation. The area's advanced science and high-tech industries will provide a firm basis for the Ridgeway economy, while continuing to support the city and its university, and ultimately contributing to a diverse and prosperous economic growth for the wider Mayoral Strategic Authority Area.
- **Together**, these two authorities would be the right size and would create a more responsive, efficient and sustainable system.

Our two-council proposal is the strongest viable option available. It delivers genuine transformation and value for money and gives residents clearer accountability for local services. With two strong councils working in partnership, it would strengthen local democracy, provide a solid foundation for future devolution, and ensure the whole area benefits from better services, stronger communities and sustainable growth.

# Chapter 6 Planning for Devolution – Our Growth Offer in a nutshell

## Quick chapter summary

- Our proposal commits to meeting the government's housing aspiration as a foundation and driver of economic growth – in particular on affordable housing, which was also a key issue coming out of our community engagement.
- Oxford & Shires with its high-performing engineering, and Ridgeway with its advanced science, space and nuclear research industries provide two distinct but coherent economies to support strategic economic development at the MSA level.
- We will build on extensive local experience and expertise of using Local Development Orders to speed up planning and unlock economic growth and business development.
- By strengthening accountability and providing the right balance of scale and local knowledge we can ensure growth is aligned with national ambitions and local priorities.

**What people told us:**

"Focusing on small businesses is vital, attract larger ones where practicable with insistence on long term full time jobs."

"I believe benefits will come from councils supporting economic growth, through transport improvement and attracting investment. All the other priorities will then be achieved through the increased prosperity."

"We need to ensure we are part of a larger geographic footprint i.e. mayoral combined authority to ensure the regional voice we are part of is strong."

"Investment in where we live is key to the wealth and health of our communities"

**The two-unitary model will:**

- **Have a strong focus on the distinct strengths** of the two proposed council areas and how they can independently and collaboratively contribute to driving growth across the Thames Valley
- **Build on proven track records** of delivery in each proposed area
- **Create councils that are the ideal size as building blocks for the new MSA**

Our two new councils will have a single, accountable role in shaping local places and prioritising investment. Oxford & Shires will harness the economic strengths of Cherwell and West Oxfordshire and manage growth linked to Oxford. Ridgeway will coordinate larger-scale projects across shared growth corridors, ensuring transport, housing and skills investment are aligned.

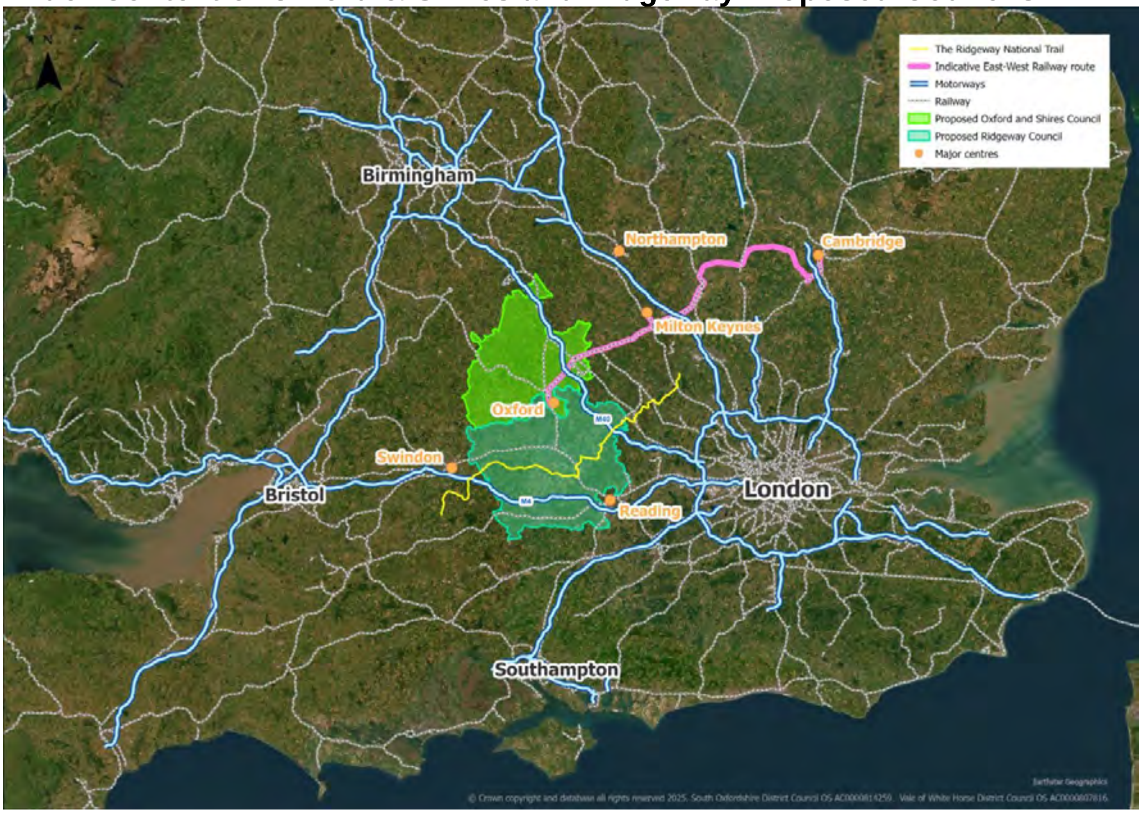
# 6. Planning for Devolution – Our Growth Offer

## 6.1 The importance of devolution

Our proposal for two unitary authorities covering Oxfordshire and West Berkshire is a foundational step towards achieving improved growth and devolution across the area.

Formation of a Mayoral Strategic Authority (MSA) for the Thames Valley region, within which Oxford & Shires and Ridgeway sit, affords an opportunity to make growth work for all our communities, create one voice for investment, scale and impact across the Thames Valley and beyond, and deliver on national growth priorities at pace. Oxfordshire and Berkshire's economy is one of significant strength, and devolution is an opportunity to release its potential as a means to drive globally significant economic growth. This strength comes not solely from the cities of Oxford and Reading but from the network of assets that lie in their hinterland across a range of sectors and clusters, and the harnessing of the interrelatedness between the two. These include high-performance engineering at RAF Brize Norton, Banbury, Bicester and the Oxford Technology Park in Kidlington, together with Oxford North and other sites in the city of Oxford, Science Vale at Harwell, Culham, Milton Park and Greenham, nuclear research at Aldermaston and Burghfield, and tourism attractions of Bicester Village and Blenheim Palace. We are seeking to tap into the unfulfilled potential of our assets through devolution to maximise our economic and commercial potential. Oxford & Shires and Ridgeway councils are the right size and with the level of ambition and connection to collaborate with established partners and the MSA to realise the area's potential as a world-class economy.

**Wider Context of Oxford & Shires and Ridgeway Proposed Councils**




Our ambitious proposition on positive growth and the contribution that Oxford & Shires and Ridgeway councils can make to the government's growth ambition is set out at Appendix D in 'Planning for Devolution – a 'Growth' Offer from the proposed 2 new Unitary Councils' (Authored by spatial and strategic planning specialists Adrian Colwell and Catriona Riddell). This includes an intention to scale up growth delivery by unlocking additional sites.

An MSA will help at a local level by facilitating joined-up strategic planning to tackle regional challenges, including those related to housing and transport, which do not stop at the Oxfordshire-Berkshire borders. This will include the unlocking of stalled sites to increase delivery. Beyond planning, targeted and regionally coordinated support can address shared challenges such as deprivation, poor health outcomes, and skills shortages and mismatches while enabling innovative preventative approaches, such as cohort-based investment. There is a real opportunity for an MSA to provide a dynamic forum where each Unitary Authority, retaining its local leadership and identity, can work in partnership across the region. By engaging effectively with our communities, including businesses, we will be able to build on individual unitary area strengths while amplifying the strengths of partner authorities across the Thames Valley and unlocking more growth than we would be able to on our own. Enterprise Oxfordshire (the former Local Enterprise Partnership) can provide an established, strong voice for the business community for Oxfordshire, from across the private sector and Oxford universities. The Berkshire Shared Prosperity Board offers the same opportunity.

By providing clear strategic leadership for the region and a coordinating role across councils, other public bodies and the private sector, an MSA will counter the current fragmented structures that can slow investment in housing, transport, energy, skills and growth corridors. By unlocking investment at scale, the MSA will help drive greater expansion of key sectors, connect and capitalise on the world-class assets in the region by bridging Oxfordshire's global research base, Berkshire's business ecosystem, and significant human capital to accelerate productivity and growth.

From a national perspective, a Thames Valley MSA offers a credible counterweight to the economic strength of London. It is one of only a few regions that is a net contributor to the UK economy and has the scale and capability to rebalance growth from the capital, even more so when considered in the context of the Oxford to Cambridge Growth Corridor, of which it is an integral part. It is polycentric but interconnected, offering a model of distributed prosperity which can serve as a template for other regions. It is well placed to help solve next-generation national challenges that the country must tackle, particularly in areas around energy, water and housing. The region has a pipeline of projects with partners and plans in place but requires the tools to deliver them at pace and at the scale needed. With an MSA in place, this region can deliver more of what the government wants – building on a strong base in advanced engineering and technology, defence, life sciences, creative industries, digital and NetZero infrastructure, among others. We can work together to accelerate the addressing of national priorities.

**How LGR helps with devolution and growth**

We recognise that Local Government Reorganisation is an integral step towards delivering the benefits of devolution, in which the relationships between our two proposed unitary authorities with the new Mayor and Combined Authority will be of critical importance.

The government has mandated Spatial Development Strategies in the English Devolution White Paper 2024. These, along with Local Plans, will shape a new era of strategic planning for positive, balanced and sustainable 'Good Growth' where enabling a higher quality of life and wellbeing for residents, reducing health inequality and where the importance of addressing the climate emergency and focusing on nature recovery are recognised as essential outcomes of planning for development and infrastructure.

These planning reforms to both the local and national planning system dovetail with a wider national approach to delivering growth, especially in relation to economic priorities, closing infrastructure gaps (in transport, water, and electricity supply), securing national infrastructure investment, energy supply and environmental recovery. The unitary structure resulting from LGR for Oxfordshire and Berkshire will play a fundamental role in supporting the delivery of devolution ambitions across the region.

## 6.2 Proposal for devolution for Oxfordshire and West Berkshire within the Thames Valley

Oxfordshire and Berkshire authorities have convened a series of Devolution Summits (November 2024 and January, March and September 2025) to pursue their commitment to a new Thames Valley Mayoral Strategic Authority and an associated devolution deal with government. Swindon Borough Council has also participated in these discussions and has stated its aspiration to be part of an MSA for the Thames Valley region from the outset. Buckinghamshire is open to collaborative working on joint economic growth initiatives, although they have declined an invitation to participate in a Thames Valley MSA.

Two substantive pieces of work have been jointly commissioned to inform the formation of a proposal for a Thames Valley MSA to government, and these have provided clarity on the scale of opportunity for the region and the scope for it to contribute even further to national prosperity priorities.

The first of these commissions by Inner Circle Consulting makes an independent 'case for change'. Early analysis identifies that the Thames Valley region's economic success has masked persistent challenges, including a rural-urban divide, housing pressures, fragmented infrastructure and skills mismatches. It noted that a new MSA offers a platform to overcome institutional fragmentation and develop collaborative solutions that deliver real benefits for residents across the region, respecting local identities and uniting communities around shared goals.

As discussions have progressed, a clear commitment to collaborate on vision, purpose and governance of the MSA has been made. A draft vision has been developed for a proposed Thames Valley MSA, which seeks to build on individual area strengths to make a compelling case for the potential collective impact of an MSA with the clear goal of driving economic innovation and inclusive growth through devolution.

A second joint commission by Metro-Dynamics provided a 'deeper dive' into the data that sits behind the Inner Circle Consulting 'case for change'. Titled 'Thames Valley Devolution: Evidence Base (Sectoral Complexity, Industrial Composition and Economic Geography) it provides insights into important indicators related to sectoral complementarity, industrial make-up and the economic geography across the Thames Valley region (Berkshire, Buckinghamshire, Oxfordshire and Swindon). These are provided to aid in reaching an agreement on a practical geographical area for the MSA and foster early agreement on how devolution might benefit local communities while also driving national growth.

Its analysis found that the Thames Valley 'does not currently function as an integrated economic area, but its constitutes share many positives including equivalent economic complexity and sectoral composition ... Such complexity reflects not only the diversity of sectors present but also the depth of specialisation and interconnectivity between them'. It suggests that the Thames Valley region is well positioned to absorb economic shocks, pivot towards emerging technologies, and sustain long-term growth.

In summary, a clear steer is provided that deeper economic integration across the Thames Valley is key to sustaining growth and global competitiveness. It cautions that the region's growth trajectory is uncertain. While the region is home to some of the UK's most advanced and productive economies and demonstrates high levels of economic complexity, sectoral diversity and export strength, there are nationally significant centres for innovation, resilience and growth, and they are not merely strong local economies, the M4 corridor is showing signs of fatigue. The divergence highlights the need to move beyond fragmented local approaches and towards a more integrated regional strategy.

Qualifying Oxfordshire and Berkshire's position that a Thames Valley MSA provides us a once-in-a-lifetime opportunity to unlock the region's full economic potential, the commission offers us a recommendation that the MSA sets a framework for doing so. Through coordinated governance and strategy, the sectoral complementarity can be harnessed to drive resilient and globally competitive growth.

Oxfordshire and Berkshire, within which the proposed Oxford & Shires and Ridgeway councils will sit, is demonstrating collective leadership to deliver a devolution solution which drives local economic development, generates wealth and fosters local prosperity for our communities.

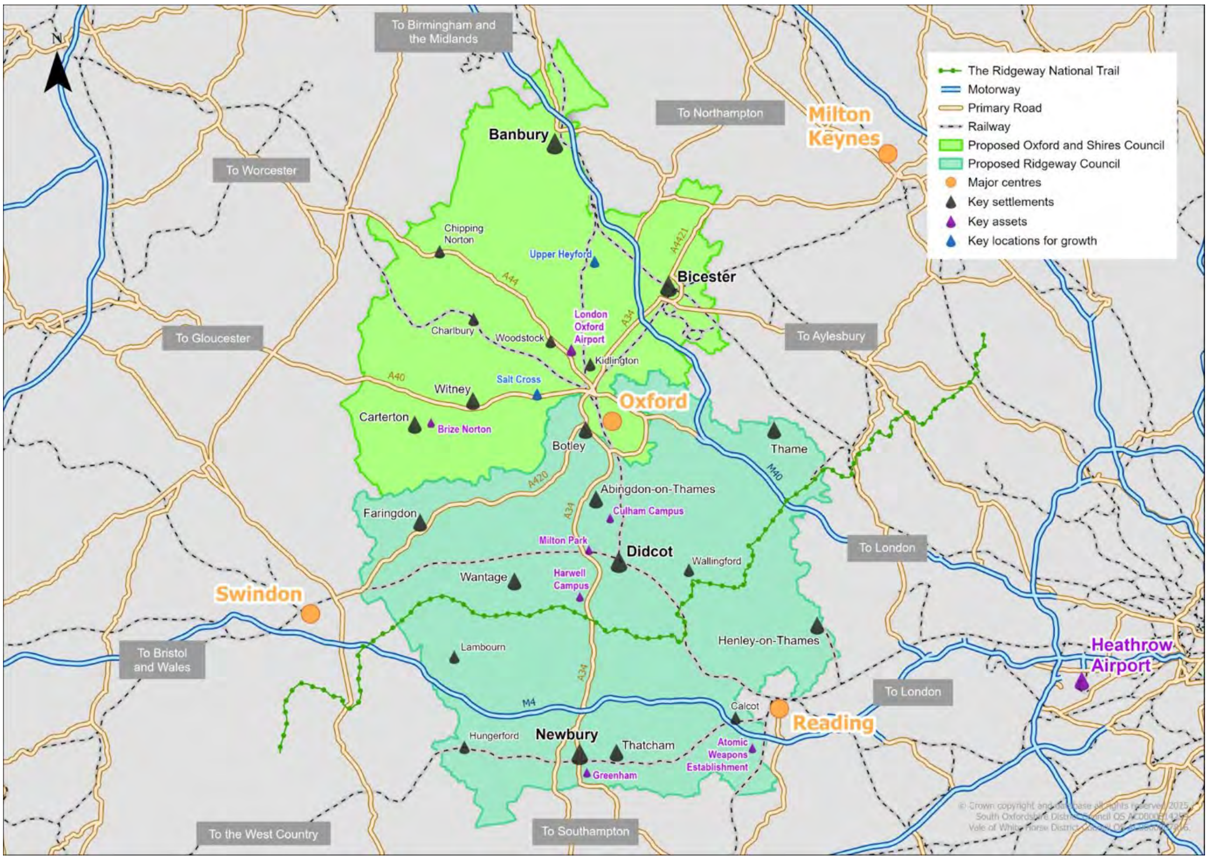
## 6.3 The benefits to devolution of two unitary councils in Oxfordshire and West Berkshire

In devising the Oxford & Shires and Ridgeway Council proposals, careful consideration has been given to the strategic and geographic context, national growth priorities and local ambitions to ensure that Local Government Reorganisation in Oxfordshire and Berkshire enables the devolution benefits for the area of the two councils, for the region and into the Oxford to Cambridge Growth Corridor and beyond.

Our statement of ambition and intent titled 'Planning for Devolution – A 'Growth' Offer from the 2 new Unitary Councils' (Appendix D authored by spatial and strategic planning specialists Adrian Colwell and Catriona Riddell) is a clear demonstration of our understanding of the opportunity afforded by devolution and our absolute commitment to working with the new mayor to plan for and deliver growth for our local area – harnessing our local knowledge of the opportunities and challenges to deliver good growth and the social, environmental and economic benefits that this will be bring our area and its residents. We want to establish two new councils, which will apply lessons from the past and take new approaches to sustain a dynamic economy in each unitary council, not deliver more of the same on a bigger footprint.

Oxford & Shires and Ridgeway Council geographies are based on a set of corridors (including A34, A44, A40, M40, A420 and M4) which link the current Oxfordshire districts and existing West Berkshire Unitary Council together. All are located in the Oxford to Cambridge Growth Corridor and the proposed Thames Valley MSA region, in which the two proposed unitary councils will sit. The ambitious 'Growth Offer' defines how the new mayor and the two unitary councils could interact and makes proposals for areas of collaboration between the mayor and each unitary council to deliver a significant package of growth at pace.

**Spatial development context of Oxford & Shires and Ridgeway Councils – a corridor approach**




The proposals recognise the importance of the Oxford City economy, as well as the surrounding economies of the four districts and West Berkshire which, taken together, total twice the Gross Domestic Product (GDP) of the City.

According to data published in June 2025, the Gross Value Added (GVA) per hour worked in West Berkshire was estimated at £50.80, compared to the UK average of approximately £38.10. Similarly, West Berkshire continues to demonstrate economic strength, with a GDP per capita of £62,603, representing a figure which is double that of the national average, placing the district among the top-performing local authorities in the UK.

By taking a networked approach, our aim is to strengthen the joint economy of all of Oxfordshire and West Berkshire.

In addition to working with the mayor, the two unitary councils will work together on cross-boundary issues to deliver the best outcomes for the area. Current Oxfordshire and Berkshire structures provide potential platforms for continued joint working with external partners, for example, the former Oxfordshire and Berkshire Local Enterprise Partnership, Enterprise Oxfordshire as a representative body for business, the Universities and skills providers, and Destination Management Organisations in relation to tourism and the Berkshire Shared Prosperity Board. We will advocate a strong ‘place’ voice for our areas on the regional and national stage.

Some of the proposed growth opportunities in our ‘Growth Offer’ are common to both new unitary councils, and we also set out the common features and ambitions for accelerated economic growth and housing delivery, including a focus on affordable housing to generate the social benefits associated with this for communities, alongside securing investment in transport and other infrastructure priorities.

Within the ‘Growth Offer’, each unitary council proposes an offer which reflects the unique strength of the locality and its relationship with and potential contribution to the Oxford-Cambridge Growth Corridor in which each sit.

Both new unitary councils will draw upon the growth record and innovation experience of the current councils. In developing the 'Growth Offer', the councils have considered how to ensure the proposals are sustainable and support 'good growth'; support major sectors and lead to a close engagement with business; take forward housing innovation and responses to climate change; and identify infrastructure priorities critical to enable growth in both unitary areas.

The offer is defined in terms of:

a) Meeting housing need
b) History of the relationship of the composite authorities
c) Our Growth aspirations
d) Maximising our economic and commercial potential
e) Our transport and infrastructure priorities

Ridgeway Council’s geographic and institutional positioning provides a unique strength to this two-unitary proposal for Local Government Reorganisation at the meeting of regional aims for the area. It acts as a bridge between Berkshire and Oxfordshire, anchoring the success of a future Thames Valley MSA and enhancing local productivity across the entire geography. In doing so, it offers a powerful vehicle for realising the transformative potential of devolution in the region.

**Our commitment to delivering on devolution**

In working with the MSA, our focus on effective placemaking and delivering new communities will include consideration of the environment, health, and stakeholder engagement to ensure that we support an inclusive economy. In so doing, we make the following commitments:

**Offer on Economy** – build on strengths, key sectors and clusters

- Provide more active support for the skills and training measures essential to economic growth and the individual and social benefits that this will bring.
- Establish a process of engagement with businesses on strategic planning matters and how the local economy is evolving, not just consultation on Local Plan stages.

**Offer on Housing** – meeting government housing aspirations, especially on affordable housing delivery. Delivering a joined-up approach to economic growth, infrastructure and housing delivery, recognising that quality housing, including affordable housing, is essential to meet the needs of industry and commerce.

- Increase the provision of more affordable housing to support economic growth and generate the social benefits of this for communities.
- Support housing innovation, self-build and climate positive housing.
- Place responding to climate change at the centre of our proposals, applying the lessons from the net-zero approval of the Salt Cross new settlement.

**Ask on Infrastructure** – transport (road and rail), power and water

- Secure investment in a programme of agreed infrastructure priorities, in transport, expansion of the energy grid and in upgrading essential water and sewerage infrastructure.
- Secure investment into a series of bus and rail transport corridors to create a new generation of transport hubs to enable growth and mixed-use development to reduce the need to travel.
- Delivering transport and digital infrastructure to drive connectivity to maximise economic growth.

**Initial priorities of the two councils model include**:

- A focus on regeneration and growth of our market towns, using design codes to secure high-quality development.
- Take measures to tackle climate change in our housing, transport and economic development initiatives
- Support the growth of Oxford without the wholesale opening up of the Green Belt by supporting the growth of a new town at the former USAF Airbase Heyford Park, with improved transport links to Oxford. Take measures to speed up the planning process, from consents to proposed development and the making of Local Plans – giving more certainty in the planning process.
- Use Local Development Orders to support economic development at all business parks across the two unitary authorities, based on the effective Milton Park model, with a commitment to a 10 working day planning approval. This new approach to planning will have the effect of 'derisking' planning as a factor in investment decisions and speeding the delivery of economic projects in critical sectors. Greenham in West Berkshire provide a similar example.
- Play a full part in the development of the Oxford – Cambridge Growth Corridor, with support for a programme of measures designed to support its development as a driver for economic growth and prosperity.

**Public Service Reform under a Unitary and Mayoral Arrangement**

Turning to the delivery of public services under a new regional MSA for the Thames Valley and unitary structure, there is an important opportunity to unify public services, where we currently have a disjointed set of boundaries that do not align with each other, causing confusion for residents and challenges for public sector delivery. The government has specified that in time the Mayor will take responsibility for wider public services in the area, potentially including the Police and Crime Commissioner and Fire and Rescue services. Shared working for efficiencies and a more sensible geography that residents can understand, and that is better aligned to local communities, could be explored.

Under a two-unitary model, we would have unitary councils in place that have both the scale to support our public sector partners, while also retaining a local focus to support partners in delivering local community needs. This would apply to:

- **Police -** we would be better aligned to our communities to aid in crime prevention and improving public safety by using the models set out in this proposal.
- **Fire and Rescue** – we can engage at a local community level to support community and neighbourhood safety and resilience, and emergency planning.
- **Environment Agency** – we can focus on the different and specific areas of the Thames catchment covered by the two unitary council proposals. This would allow strategic and practical intervention on flood prevention, which has been lacking in Oxfordshire under a county-wide model

- **Health** – by having geographies better aligned to communities and of a sensible size, we would be able to focus on prevention work for the social care sector and NHS services. We expect our innovative approach to Adult Social Care and Children's Services will have a positive impact for a range of public sector partners.

There would be opportunities for exciting new approaches to partnership working across the public sector, not just those above, with our approach to creating new, ambitious councils keen to explore the best ways to deliver services. This would build on the existing track records of district councils in Oxfordshire that have formed strong community and public sector partnerships to deliver locally and nationally significant work. An example of this is the Oxfordshire Migration Partnership involving the Thames Valley Police, Fire and Rescue Service, the Health and Voluntary and Community sectors and all local authorities. Ridgeway will provide an anchor for Oxfordshire and Berkshire and will provide an opportunity to develop interventions based on the experience and best practice of both county areas. It will help drive partnership working across the MSA and wider public services.

This proposal supports the current direction of travel for the Oxfordshire Fire and Rescue Service, whereby we are working towards a harmonised approach across the Thames Valley to include systems, equipment and procedures. In Berkshire, arrangements are already in place for the harmonisation of equipment and staff. We believe devolution provides an opportunity for further harmonisation within the proposed MSA to enhance efficiencies and follow a number of areas nationally that have successfully taken this approach. A transitional arrangement would be required, where the Oxford & Shires Council would manage the Oxfordshire Fire and Rescue service on an interim basis on behalf of the county while any restructures take place. The practicalities of this arrangement would be explored in detail during the transitional period leading up to vesting day.

## 6.4 Making it Happen – Support Required

Delivering the benefits of Local Government Reorganisation for Oxfordshire and West Berkshire and the creation of a Thames Valley MSA go hand in hand. Our ask of government, therefore, is fourfold:

1. There is a synergy between the establishment of a new unitary model for local government in Oxfordshire and Berkshire and that of a Thames Valley MSA. Enabling alignment of the establishment of each structure will help unlock the benefits of each.
2. Request prioritisation of Oxfordshire, Berkshire and the Thames Valley for implementation of devolution – we are a net contributor to the Exchequer and wish to increase this value expediently.
3. We need assistance with developing an effective model to attract and secure inward investment to help realise our collective aim of local 'good' growth, which benefits our communities and the region. This includes contributing to the achievement of the Oxford to Cambridge Growth Corridor ambitions and the national economic benefits that will flow from this.
4. Share the geography that the Spatial Development Strategies will apply to. This will enable us to align Local Plans and transport plans from an early stage and also facilitate further discussions around the geography and governance as part of our Thames Valley MSA proposal to government by the end of 2025.

With this support and certainty from government, we aim to progress a submission to government for a Thames Valley MSA in tandem with this LGR proposal submission for a two-unitary council structure for Oxfordshire and West Berkshire. We are motivated and committed to delivering the mutual benefits of each tier of local government for our area and realising the benefits of these at the most local level.

# Chapter 7 Service Delivery and Transformation in a nutshell

## Quick Chapter Summary

- **The Oxford & Shires and Ridgeway option is specifically designed to achieve transformational improvements to services as well as ensuring continuity of provision from day one.**
- We will harness the best of current working arrangements and use LGR as a catalyst for significant improvement across all of our service areas.
- Our focus is on the services highlighted in the government criteria, but we have also responded to what our communities have told us are the most important services to them. For each service area we set out our proposed future model and why we believe it is the right approach for Oxfordshire and West Berkshire.

### What people told us:

"Schools, training and education, affordable housing, local transport, children services needs investment now to avoid a lost generation."

"Housing and affordable housing is in such a shortage locally most residents do not realise this. Helping families and individuals effectively and reduce homelessness and a record increase in emergency accommodation is frustrated by a lack of joined up working between housing and adult/children's services. So much could be achieved if these stressful high-cost services worked together including looking at ways of developing new approaches and strategies."

"I live in a rural area which is poorly served by the county council due to being on the border of Berkshire and Oxfordshire. I believe the opportunity of creating 'The Ridgeway Council' would allow for a better and keener focus on local concerns, which include flooding and the incredibly poor conditions of our roads."

### The two-unitary model will:

1. **Prioritise prevention and focus on locality working:** place-based teams joining up housing, health, care and community support to prevent escalation into high-cost services.
2. **Protect statutory services:** guarantee safe and legal services from vesting day and ensure continuity for children's and adult social care, homelessness and regulatory functions.
3. **Transform the experience that people have when they interact with their council** including a single digital gateway for residents.

# 7. Service Delivery and Transformation

## 7.1 Introduction

A key component of achieving our vision statements and ambitions is the way we will design and deliver local government services by using both our economies of scale and our deep insight into localised demand to find the best ways to meet it. We will design these with authentic collaboration amongst our partners, residents and service users, agreeing on delivery models that bring the best of our collective efforts.  Central to our approach to all services is that we will create viable services for our two councils without the need to share services to be financially viable. Where sharing makes sense, we will investigate and develop these opportunities fully but we do not start from a position of being dependent on sharing to be sustainable.

It is paramount that these services are ready to deliver on day one of the new authorities. We have sought expert advice from a range of sources on how best to aggregate and disaggregate existing services, and to re-establish them with our principles at their core. In this section, we consider the transition efforts (during the initial phase of change), our aspirations for key services, and the transformation needed to achieve this (the latter phase).

As per the priority areas outlined within the White Paper, we have focussed our attention on five crucial service areas:

- Adult Services
- Children’s Services
- Education and SEND
- Homelessness
- Public Safety and Public Health

We have also considered future transformation opportunities for other services that will be materially impacted by reorganising, such as Planning, Economic Development, Highways and Transport, Waste and Street Scene, Leisure, Parks, and Communities and Culture.

The existing local authorities that make up each of the proposed two unitaries are already well placed to transition and then transform these services. The Ridgeway Council proposal will build on South Oxfordshire’s and Vale of White Horse’s expertise in delivering community-focussed, district-level services in close partnership, while integrating with West Berkshire’s well-established unitary service delivery. It will benefit from increased geographic scale while remaining local enough to relate to local communities and be responsive to communities’ needs.

Cherwell, West Oxfordshire and Oxford City share a service delivery ethos, meaning many services are currently provided in-house or through council-owned companies. This commonality offers a coherent base on which to merge existing functions with those currently provided by the County Council as the Oxford & Shires Council.

Through recent public engagement with our key stakeholders, including residents, communities, businesses, and town and parish councils, we have received clear feedback that our communities want to receive better services than they currently do, particularly in areas such as highway maintenance, strategic planning, and adult social care. We will ensure frequent and comprehensive engagement with residents, partners, and stakeholders. This further engagement will help to shape the design of new services before they are finalised and implemented. Our clear and coordinated communication plans will facilitate a full understanding of the LGR process, aiming to maintain and further improve the trust of service users throughout the transition period.

Through this proposal, we highlight opportunities for transformation, improvements and efficiencies across service delivery. In some cases, services could function better at a mayoral strategic authority scale, and we could strengthen locality working to retain close relationships with communities.

Both proposed unitary authorities can deliver significant contractual savings, primarily through consolidation, standardisation, and increased buying power across a wider population and budgetary baseline. Key areas where savings could be realised include:

- Aggregated contracts for goods and services across the current authorities which make up the proposed geography – securing better pricing through bulk purchasing.
- Reduction in duplicate contracts and renegotiation under more favourable terms.

The two-unitary proposal creates the right structural opportunity and with the right commissioning reform, prevention programmes, workforce stabilisation, digital innovation, and careful transition management, the savings and resilience benefits will be maximised.

Local government across Oxfordshire and West Berkshire faces profound demographic, demand and financial challenges over the next two decades. At the same time, residents and communities expect more visible leadership, stronger local accountability, and services designed around their distinct needs. We aim to meet these challenges through modernised, collaborative, impactful local public services.

**Transformation Elements required to deliver savings for people services**

| | |
|---|---|
| **Commissioning & Market Reform** | • Strategic market shaping to stabilise fragile residential/nursing markets<br>• Block contracts, fostering hubs, and IFA conversion to reduce volatility<br>• Outcomes-based commissioning to contain costs and improve sufficiency |
| **Prevention & Reablement** | • Home First and reablement-first approaches to reduce long-term admissions<br>• Family hubs and early intervention in children's services to reduce demand escalation |
| **Workforce Transformation** | • Joint recruitment pipelines, retention incentives, and standardised practice models<br>• Reduction in reliance on agency staff, with shared training and workforce strategies across both UAs. |
| **Digital & Data-Driven Services** | • Digital-first models: resident care accounts, AI-enabled triage, predictive analytics<br>• Improved transparency and quality monitoring (particularly in Ridgeway markets). |
| **Partnership & Integration** | • Align with NHS/ICS footprints for joint commissioning in ASC, SEND and public health<br>• Embed stronger VCSE and community partnerships for place-based delivery |
| **Financial Management & Risk Pooling** | • Recalibration of unit costs to national benchmarks<br>• Pooling risks across balanced UAs to absorb demand shocks and sustain long-term financial viability |

Note: these elements are set out in commissioned research undertaken by PeopleToo - more detail is available in Appendix E.

## 7.2 Adult Social Care

**Our proposed approach**
This section covers all social care functions for working age adults and older people, including Information and Advice, Prevention and Early Intervention, individual and carer's needs assessments, safeguarding, direct payments and housing support.

We believe that the two-unitary model provides a better service delivery platform to: [10]

- manage future demand by embedding locally driven preventative approaches across all Adult Social Care services and reducing long-term care costs.
- fully embed place-based and neighbourhood delivery models (working closely with the community and voluntary sector, and the NHS), improving our ability to tailor services to local needs and capacity that delivers a better, more sustainable workforce model.
- further develop and enhance the strategic commissioning model and approach to market management to deliver more efficient and effective local care and support services.

**Why we believe this is the right approach**
The current geography of Oxfordshire and the way in which Adult Services are organised means that service users in many parts of the county are remote and harder to reach, with the population equally spread throughout the county. The proposed smaller authorities would offer the opportunity to locate teams closer to residents, decrease travel times and increase the time available to provide services. Oxfordshire County Council's 2025 CQC assessment report highlighted inconsistencies in adult social care support provided for carers, especially in rural areas.[11] The report also indicated that people supported by adult social care who live in more rural parts of the county face barriers and inequalities.

The challenges faced by both proposed new unitary areas are stark but differ in nature. The proposed authorities will enable more tailored approaches to address these different challenges. Oxford & Shires will need to focus on managing high-cost, complex needs and reshaping the fragile provider markets.[12] Ridgeway will require a focus on ageing models, rural access and reducing older adult care admissions. Oxfordshire demonstrates a 'low demand, high cost' profile, with fewer service users than comparable areas but significantly higher per-person costs driven by market pressures, workforce shortages, and complex needs.[13] Without reform, demographic growth (24–27% aged 65+ by 2035) will severely compromise the financial sustainability of Adult Social Care.[14]

**How we will achieve this**
For this, the design and delivery of services must be tailored to the two geographies, but we have a shared vision. This is aligned with the Government's 10-Year Health Plan and CQC's assessment framework for local authority assurance. Our Adult Services principles and the way they translate into transformation opportunities are:

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[10] For more information on the service delivery models that we believe will provide better service delivery models, see Appendix E
[11] See Oxfordshire County Council's 2025 CQC Report for further information
[12] For future trend data, refer to Appendix E
[13] For further information, see Appendix E
[14] For future demographic trend data, see Appendix E

| Principle | Transformation opportunity |
|---|---|
| **Person-centred** – designed around the goals and strengths of individuals, families and carers | Multi-disciplinary triage at the front door will help understand an individual's complete needs and strengths, ensuring people are directed to universal or short-term solutions before long-term care is considered. |
| **Integrated** – joined-up across health, housing, welfare, and community support | Aligned to Primary Care Networks/ICS footprints, co-locating social workers, Occupational Therapists, NHS staff, and voluntary sector partners. |
| **Preventative** – focused on keeping people well and independent for longer | Strategic commissioning and market management at the unitary scale will adopt outcome-based contracts, micro-care ecosystems, and strong joint commissioning with the NHS/public health. |
| **Community-based** – delivered close to where people live, reflecting the diversity of needs across urban and rural areas | Carers at the Heart, adopting structured engagement with unpaid carers and service users, providing expanded access to respite, training, and peer networks. |
| **Digitally enabled** – using data, technology, and innovation to improve access, experience, efficiency, and outcomes | Including resident care accounts, online self-assessment, AI-enabled triage, and assistive technologies to support independence. |

The proposed geography for both will be large enough to benefit from the efficiencies afforded by integrated commissioning; streamlining contracts, pooling budgets, and prioritising preventative services, yet still small enough to ensure truly personalised and local care.[15]

The Ridgeway unitary will benefit by using West Berkshire's successful quality assurance framework to standardise quality assurance processes, while employing Oxfordshire's robust model for performance monitoring and complaints resolution to ensure accountability. West Berkshire Council Adult Services are currently rated 'Good' by the Care Quality Commission and are characterised as having strong leadership and safeguarding. This will provide a strong platform for building improved Adult Services in the Ridgeway area.

The Oxford & Shires and Ridgeway unitaries will work together closely when redesigning services, applying shared learning and common methodologies where appropriate, while tailoring the design to their respective demographics and geography. There are opportunities to combine West Berkshire's lower cost of care for working age adults with South Oxfordshire and Vale of White Horse, enabling the ability to manage the market in a different and more localised way.

This will help bolster service resilience and the ability to better withstand financial shocks. The unitary authorities will seek to share staffing resources across localities to reduce pressure, balance caseloads, and improve continuity of care. This will, in turn, bolster workforce resilience and avoid the risks of over-centralisation or fragmentation.



[15] For further reference to the proposed efficiencies see Appendix E

Oxford & Shires will aim to retain a small centralised coordinating function, overseeing discrete locality teams that will build relationships with complementing partner agencies. Both will implement a digital inclusion strategy to address inequality and ensure access to digital care tools and portals. This will reduce some pressure on the workforce caused by increased demand, while also tackling important equity issues.

Both unitary authority models are committed to strengthening partnerships. By working across our combined geography, we will improve coordination with health services, housing, the community and voluntary sector, and carers' organisations to provide holistic, joined-up care for our residents.

**Case Study: Strengthening independence through integrated home care**
West Berkshire Council has demonstrated strong adult social care practice by greatly reducing delays in hospital discharge through effective workforce development in the home care sector. By supporting recruitment, sponsorship, and training, the council ensures timely access to intermediate care beds and home care services. This proactive approach enables people to return home swiftly, promoting independence and reducing long-term care dependency. Carers report improved access to respite and replacement care, with support tailored to both planned and emergency needs. These efforts reflect West Berkshire's commitment to person-centred care and responsive service delivery.

## 7.3 Children's Services

**Our proposed approach**

This section covers all children's social care functions , including referral and triage, early intervention and targeted early help, assessment, multi-agency safeguarding arrangements, Children in Need, Children on Child Protection Plans, and the full range of Corporate Parenting and leaving care services, as well as specialised services including but not exclusively children with disabilities, young carers, youth justice and Unaccompanied Asylum Seeking Children.

We believe that the two-unitary model provides a more agile and responsive service delivery platform to:[16]

- deliver on the government's Family First reform agenda
- manage future demand by coproducing and delivering locally driven tailored preventative approaches across a place, thereby reducing the need for statutory intervention
- fully embed place-based and local community delivery models (working closely with the community and voluntary sector and statutory partners including the NHS and police), improving our ability to co-design services to address local needs and manage capacity in a way that delivers an agile more sustainable workforce model
- further develop and enhance the strategic commissioning approach to more effectively manage the market delivering more responsive, efficient and effective local care and support services



[16] For information on the proposed model for children's service see Appendix E

**Why we believe this is the right approach**

The two-unitary proposal represents credible and sustainable reform. It provides a balanced scale to deliver financially resilient, high-quality children's services, aligned with national reforms. By reorganising this way, we have the best opportunity to:

- Respond effectively and efficiently to meet the needs of children and families at the earliest opportunity supporting family networks within local communities
- Tackle Oxfordshire's increasing costs
- Shield West Berkshire from small-scale volatility
- Create a commissioning platform capable of reshaping sufficiency, stabilising markets, and achieving long-term savings

Despite considerable strengths in current practice (both rated 'Good' by Ofsted), Oxfordshire and West Berkshire experience challenges. Similar to adult services, Oxfordshire experiences a 'low demand, high cost' situation- while the number of Looked After Children (CLA) in Oxfordshire is 29% below the England average, weekly outturn costs are significantly higher - £2,500 per week compared to £2,193 (statistical neighbours) and £2,060 (South East average).[17] This is driven by higher complexity and fragile placement markets. Residential costs are lower than peers (7% below England) but rose by 31–42% in one year, showing acute volatility.

In West Berkshire, CLA unit costs are 14% below those of its statistical neighbours; however, as a small authority, it will struggle to absorb demand shocks.[18] Workforce costs are 30% above the national average, and residential costs rose 42% in one year, highlighting market uncertainty.[19] Together, these dynamics create a fragile baseline. West Berkshire do though have relatively high numbers of children placed with West Berkshire Foster carers and are having significant success in line with the Family First reform placing children with kinship carers thereby increasing stability for children and reducing the overall cost of care.

We believe that the two-unitary proposal begins to address these issues, while still requiring national-level system change to ensure long-term service sustainability. The reduced population size gives a more manageable scale than a single county unitary, with the diversified footprint spreading demand, reducing volatility, and increasing resilience to demographic shocks. Our modelling suggests that fostering sufficiency could improve towards 67–70%, reducing reliance on high-cost residential care.[20] Crucially, national benchmarking suggests that current authorities with a population of 350–500k delivering Children's Services achieve the best performance and Ofsted outcomes.

**How we will achieve this**

To achieve our ambitions, the design and delivery of services must be tailored for the two geographies, with our shared vision. This is based on both a deep understanding of our communities and the policy direction outlined by central government's 'Keeping children safe, helping families thrive'. Our Children's Services principles and examples of the way they translate into transformation opportunities are:

[17] Costings within Oxfordshire can be further seen in Appendix E
[18] Costings within West Berkshire can be further seen in Appendix E
[19] Workforce costings for children's services can be further seen in Appendix E
[20] For information on our modelling, see Appendix E

| Principle | Transformation opportunity |
|---|---|
| **Community-centred early help** – efforts made to identify solutions before issues require statutory intervention | Embed integrated services like family hubs, peer support, and Family Network Meetings to increase kinship placements, while improving partnership arrangements and consistency with the NHS and voluntary sectors through a more comprehensive place-based working model. Efforts will focus on expanding early intervention networks using West Berkshire's refreshed model. |
| **Tailored** – recognising the different requirements in urban/rural geographies | Shaping services based on specific demographic factors (e.g. higher rates of deprivation in Oxford City, sparser populations further afield). |
| **Co-designed** – learning from service users and those around them, not assuming we know best | Youth engagement will be strengthened by expanding West Berkshire's successful Children in Care and SEND engagement. Building on coproduction and activity delivered through Public Health and the Building Communities Together model across Ridgeway and reviewing existing practice across Oxfordshire to build on what's already in place. |
| **Outcomes-focused** – ensuring all provision delivers for residents, not just reducing short-term costs | Shift to outcomes-based contracts, along with block arrangements and tailored arrangements e.g. sibling discounts that stabilise residential market costs and improve transparency and joint working. |
| **High-functioning workforce** – helping our staff do their best work | Implement an integrated workforce strategy, with shared training, strengthened Principal Social Worker oversight, reduced agency reliance, and Social work academy driven workforce pipelines with universities and training providers. Social work practice will be enhanced through the expansion of the social work academy including the development of tailored support including the further development of joint training hubs and practice forums. |
| **Multisectoral** – close working with providers, and risk pooling across two balanced authorities to mitigate CLA demand shocks | Strengthen our relationship with private sector providers through the development of Strategic Partnerships to better understand and respond to needs with potential for cost reduction, further enhanced through inter-unitary commissioning and close alliance with the Regional Care Collaborative. |

The proposed Oxford & Shires unitary authority should focus on addressing cost volatility, tribunal challenges, and market sufficiency.[21] The Ridgeway unitary authority could consolidate strengths in fostering, parental engagement, and prevention, while tackling workforce cost pressures and improving SEN Support. Together, they can learn from one another.



[21] Children's Service current cost volatility, tribunal challenges and market sufficiency can be seen in Appendix E.

## 7.4 Education and SEND

**Our proposed approach**

We have a great opportunity to create a new, smaller, and more agile set of services, better connected to the needs of children and families, the local market and communities, and more focused on complexity drivers of demand in this geography.  If implemented in line with our vision, this should result in lower, more consistently and closely managed costs and improved outcomes for all children.[22] We believe the two-unitary proposal is better placed to drive the inclusion agenda across the education sector including for children with SEND and to tackle the growing deficit in the High Needs block of the Dedicated Schools Grant. Ensuring that children and young people are appropriately educated and supported within their communities is central to this inclusive agenda, while building trust between parents, local schools and the council whilst enhancing and strengthening the effectiveness of the mainstream offer.

**Why we believe this is the right approach**

We believe our two-unitary model provides the balance needed to further strengthen our ability to address local needs with local solutions, manage the provider market, whilst further strengthening the strong bonds with the communities we serve. This forensic understanding of local need and responsive organisational right-sizing will expedite our market shaping and strategic commissioning approaches thereby better managing demand at the right level in the right place leading to reduced costs.[23]

In particular, the two unitary authorities are well placed to drive a 'relationship-reset' with the community of SEND children, their parents and the wider education and care systems, which will pave the way for thoughtfully codesigned local early help provision that addresses need while being cost-effective.[24] The fresh start offered in establishing new unitary authorities will allow us to return to first principles in the way we engage and support.

There are increasing calls nationally for a radical rebalancing of the system towards early intervention and prevention support. The close relationships that the two new unitary authorities will develop with their communities will drive this process locally, targeting community based preventative services, securing and allocating investment aligned to need and listening to communities as to how services should be accessed.

School capital investment, pupil place planning and SEND place planning are best delivered by the new unitary authorities.[25] Their geography allows for local and responsive approaches to meet the inclusion of all children at a local level. The impact on home to school transport is expected to be positive, reducing costs where children are best educated close to home within their own community where appropriate. Solutions to local education for all children will be coproduced across the education and SEND system including all relevant stakeholders.

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[22] For further details on the two-unitary modelling for education and SEND, refer to Appendix E
[23] To further understand how the two unitary model will further our market shaping and strategic commissioning approaches to reduce demand and cost refer to Appendix E
[24] For information on the relationship reset refer to Appendix E
[25] Further information on how the new unitary authorities can best delivery school capital investment, pupil place planning and SEND place planning refer to Appendix E

**How we will achieve this**

This approach will be delivered through principle-led transformation focusing on the 'relationship-reset' with the community of SEND children, their parents and the wider education and care systems, ensuring that the changes in the initial transition period and beyond are grounded in a shared understanding of the goal:

| Principle | Transformation opportunity |
|---|---|
| **Inclusive** – championing the needs of all, including those traditionally underserved children and young people with Social, Emotional, and Mental Health difficulties, autism and complex needs | Adopting an inclusion agenda that supports families to access peer support and local community support on a universal and targeted supported services level.<br><br>Supporting the needs of children in mainstream education in line with research and the government's emerging agenda on SEND. |
| **Preventative** – giving children and young people the best start in life | Challenge ourselves to protect and increase investment in services that minimise future need, through robust multi-agency support for the very youngest children, supporting the development of and access to intervention that supports school readiness and delivers whole-family assistance. |
| **Proportionate** – ensuring good quality universal services, with enhanced tailored support for those who need it most | Reviewing and refining the balance of services available to all including targeted preventative activities, and high-intensity support.  Measuring the impact of intervention on all target groups. |
| **Assembling** – being proactive in the provider market, improving the public-private partnership | Become more active in convening providers, sharing our strategic direction, testing changes and driving costs down through improved assurance. |
| **Predictive** – using data and digital capabilities to support decision making and transparency | Enable the unification of Oxfordshire's strengths in analytics and statutory focus with West Berkshire's contextual insights. This will facilitate the creation of robust, real-time performance dashboards. |
| **Pooling** – shifting the local public sector partnership from agreeing joint strategies to committing to action through shared resources | Gathering assets and budgets to improve services like SEND provision, using Delivering Better Value frameworks and integrated funding strategies. Joint commissioning can streamline transitions and reduce waiting times. |
| **Scaling** – capturing what works well now, and expanding cover to all parts of the new geography | Broaden the work of West Berkshire's school effectiveness team, children missing education approaches, emotionally based school avoidance approaches along with the targeted early years support and intervention through the Family Hub model. |

While the principles are shared, each new authority will need to respond to its distinct strengths and challenges. As examples, Oxfordshire has Education Health and Care Plan (EHCP) growth through higher SEN support, but faces elevated tribunal challenge, while West Berkshire aligns with national EHCP levels but demonstrates strong parental confidence.[26] Our model allows each new authority to tailor responses to these distinct pressures, while sharing best practice across the system to strengthen outcomes and financial sustainability. There is a key opportunity to share what works well across the existing local authorities in the area. We propose combining West Berkshire's engagement-led approach with Oxfordshire's improvement structure to deliver optimal SEND services for families.

A key strength of Oxfordshire County Council's SEND services is its structured SEND Improvement Board, which includes the NHS and parent partnership. West Berkshire's strengths within SEND services include co-production, with the council having co-produced its SEND and Inclusion Strategy 2023-2028. It demonstrates a commitment to service improvement, having participated in the national Delivering Better Value in SEND programme, and boasts a transparent Local Offer which is regularly updated and informed by user feedback.

However, there are pressing issues to address. Oxfordshire County Council has been subject to a statutory improvement notice after an Ofsted and CQC report in 2023, which identified systemic SEND failings.[27] Challenges include an average ASD/ADHD waiting time for EHCPs exceeding 500 days, poor communication with parents, and a lack of transparency in EHCP processes.[28] West Berkshire's financial pressures in SEND school placements persist, as they do across the country, with debt projection in West Berkshire up to £37million and £84 million in Oxfordshire.[29] The foundations of SEND services in West Berkshire are strong, but resourcing constraints are evident.

We need to hold on to what works well in education too, while prioritising the functions that need to change. Oxfordshire's education services benefit from strong data systems, including statutory returns and performance analysis, and effective support for schools through the Performance and Information Team. West Berkshire's Education services comprise active school improvement services, including a focus on governance and continuous professional development.

The area is home to high-performing schools and targeted interventions for vulnerable pupils, and benefits from early years support provided through Family Hubs. Fostering good relationships with non-local authority-maintained schools in both areas remains a priority. However, the performance of disadvantaged Key Stage 2 pupils in West Berkshire is historically low, sitting in the bottom quartile, and there are challenges related to school readiness however recent developments in this area have seen West Berkshire move from 63rd to 16th place in the national league tables.[30] In addition, there is limited use of data dashboards to track and respond to school outcomes, and Home to School Transport costs are high.

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[26] To see EHCP growth in Oxfordshire and West Berkshire refer to Appendix E
[27] See [2023 Improvement Notice - Oxfordshire County Council]
[28] See [2023 Improvement Notice - Oxfordshire County Council]
[29] Debt projection in Education and SEND refer to Appendix E
[30] To see further information on school readiness refer to Appendix E PeopleToo Report

**Case study**
During a 2025 Ofsted SEND Thematic Review, West Berkshire’s multi-agency collaboration was highlighted as a key strength in supporting children with SEND who are not in school. Schools reported strong relationships with the Local Authority SEND team, which was consistently accessible and responsive. Regular joint planning meetings ensured alignment across education, health, and social care professionals, while children on the Dynamic Support Register received well-coordinated support. Health professionals, including diabetic nurses, worked closely with schools and the Medical Tuition Service to maintain attendance and build parental confidence. Social workers and Early Help teams used relationship-based approaches to keep children’s needs central. These efforts improved engagement, reduced fragmentation, and led to more timely interventions. Going forward, more strategic information sharing, use of digital solutions, and development of shared protocols could further strengthen data flow and service provision across the Ridgeway geography.

## 7.5 Homelessness

**Our proposed approach**
Our two-unitary model offers a significant opportunity to transform the way we tackle homelessness:

- recognising the different challenges for communities across our geography, not focusing solely on the towns and cities where existing provision is concentrated
- managing future demand by better understanding the causes of housing insecurity, and generating a shared mission under one banner
- applying our localities model to homelessness prevention, working in close partnership with the voluntary sector, Police and the NHS to embed place-based and local community delivery models that reduce siloes and place individuals or families at the centre of support
- increasing the delivery of and access to affordable housing, which may be assisted by using the Housing Revenue Account in the Oxford & Shires area

**Why we believe this is the right approach**
Homelessness is a traumatic and debilitating experience for anyone, affecting their health, financial and social outcomes. It also heaps pressure on local public services, where individuals require more complex and acute support from frontline services.

By reprioritising access to affordable housing as one of the cornerstones of wider social outcomes, we can reduce the burden on other frontline services. The two-unitary model offers appropriate scale, connection to communities and delivery experience to achieve this.

**How we will achieve this**

By applying the following principles, we have an improved chance to strengthen housing security and mitigate the impact of homelessness:

| Principle | Transformation opportunity |
|---|---|
| **Scaling** – using our increased resources to improve delivery, grounded in the community insights of what is needed where | Applying the combined purchasing power of the unitary authorities will enable Strategic Housing to acquire property for Temporary Accommodation, improving efficiency savings for the aggregated Homeless Service. |
| **Addressing root causes** – increasing focus on the drivers of homelessness, including domestic abuse, end of short hold tenancies, and family evictions | Homelessness is a symptom of wider social complexity, so the solution cannot be solely vested in housing services. Investing in community safety measures, mediation and poverty reduction will have a multiplying effect on the success of housing support services. |
| **Single points of access** – simplifying the way housing support is offered, through accessible systems and processes | Having a single gateway, including one registration on a single housing register and a common allocations policy across the new authorities, will assist those in need of housing support through a consistent, simplified approach to accessing housing. |
| **Common cause** – generating a shared mission for complementary public sector services | Establishing governance and accountability to prevent homelessness alongside services including Private Sector Housing, Benefits, Planning, Social Care, Public Health and Education. |
| **Enabling** – recognising that many people affected by homelessness do not want to engage with statutory agencies | Maximising the role of the Oxfordshire Homeless Alliance to ensure partners are best placed to design, commission and deliver based on their competencies and reputation. |
| **Evidencing** – building the business case for holistic preventative interventions | To ensure the longer-term financial sustainability of approaches like Housing First (intensive person-centred support via a tenancy) and assertive outreach, we will adopt a test and learn mindset to the way we design, deliver and collaborate. |

Oxfordshire boasts high homelessness prevention rates of around 80% across all districts. However, while the county as a whole has low levels of rough sleeping, general homelessness, and Temporary Accommodation usage compared to the rest of England, these levels are slowly rising.[31]

The Oxfordshire Homeless Alliance brings together Oxfordshire councils, the Integrated Care Board, and local community and voluntary sector partners to commission and provide homelessness and rough sleeping services across the county. While this is generally an efficient delivery mechanism for services, the majority are based in and around Oxford City, as it is the source of most demand. Due to Oxford's housing crisis, many housing issues are shifting further outside Oxford City into surrounding areas and increasing pressure on local services. By refreshing our shared strategy, we will ensure all partners are aware of their obligations and contributions to preventing homelessness. We will work to streamline funding and develop our workforce using the principles outlined above.



[31] For Oxfordshire Homelessness data refer to: JSNA Report on Homelessness

Through capital investment and government funding, West Berkshire Council has supported Temporary Accommodation solutions and delivered successful targeted local interventions such as Housing First. The additional scale also maximises the opportunity to increase existing Housing First models and Temporary Accommodation provision across the whole Ridgeway area.

Housing services are an inherently local service, so the two-unitary proposal would enable residents to benefit from increased efficiency afforded by a larger council without sacrificing the 'local' feel of the service. Through our proposal, we would benefit from being able to share best practice in homelessness prevention and rapid relief from our principal authorities, driving up performance standards in tackling homelessness and rough sleeping.

**Case study**
West Berkshire Council's Walnut Close project exemplifies how local authorities can repurpose assets to deliver better outcomes, reduce costs, and engage communities. Originally a care home in Thatcham, Walnut Close was repurposed to host court-mandated family contact sessions, which were previously held in unsuitable, costly venues. The new set-up significantly improved the experience for families and staff.
The centre, now known as Walnut Tree House, supports 35 families weekly and fosters a welcoming, personalised environment. Phase 2 converted the remaining space into temporary accommodation for homeless families, addressing rising housing costs and the lack of council-owned stock. With an £80k investment, the Council realised £600k in annual savings and £150k in housing benefit income, while gaining control over local housing supply.

## 7.6 Public Safety and Public Health

**Our proposed approach**
There is a broad range of public services that protect the public from harm and promote their wellbeing at both the individual and community levels. Within council services, these include:

Private Sector Housing enforcement
Disabled Facilities Grants administration
Environmental Protection
Food and Workplace Safety
Environmental Crime and Environmental Enforcement
Licensing
Community Safety
Health and Safety
Public Health
Trading Standards
Fire and Rescue
Emergency planning
Safeguarding

Our new unitary authorities will have the opportunity to merge and reconfigure these services to improve effectiveness. Despite varying technical specialisms, statutory obligations and service standards, these functions shared three common aims: promoting life-long wellbeing, protecting the public from harm and taking enforcement action where required. Our approach will reshape these services around the three aims.

**Why we believe this is the right approach**

The proposal could achieve initial cost savings by enabling the removal of duplicate management posts across the existing organisations' public safety and environmental protection services. There will also be clearer lines of accountability due to the removal of the two-tier system, both for the two proposed new unitary councils and for people accessing services. In addition, there will be an opportunity to build on the strong relationships and partnership working which already exist.

**How we will achieve this**

| Principle | Transformation opportunity |
|---|---|
| **Consistent and fair** – all universal services should be provided across the entire geography, not concentrated in areas like the city | Ensuring that universal services are evenly distributed, for example, in working with private sector landlords, administering the Disabled Facilities Grant, and establishing dedicated tasking teams for anti-social behaviour, CCTV, youth diversion, and rural crime. |
| **Cohesive** – services provided by different teams and agencies should work in unity, not in competition | Via a single Community Safety Partnership for each unitary, we can replace service fragmentation and standardise interventions across domestic abuse, modern slavery, and safeguarding, informed by Oxfordshire's frameworks and West Berkshire's trauma-informed approach. |
| **Preventative** – alongside responsive functions, we need services that identify early risks and mitigate their impact | Oxfordshire is one of 37 'Marmot Places'- adopting the principles of Prof Sir Michael Marmot to address the social determinants of health (housing quality, income, education, etc), not just 'symptoms' like smoking and obesity. By coalescing the strategic leadership of Public Health with technical service delivery via Environmental Health, Trading Standards, Licensing and wider public safety, we will help achieve the 'Marmot Place' aims and improve health protection. |
| **Systemic** – recognising the contributions of services at all geographies, in pursuit of common goals | By combining the resources and expertise of multiple councils, public protection partnerships can achieve economies of scale, streamline operations, and deliver services more effectively. This collaboration allows for a more flexible and efficient allocation of resources. |
| **Harmonising** – establishing common priorities and working practices | Competing priorities and varied ways of working across local partners make it challenging to prioritise activity. We can establish shared aims and governance, through improved back-office systems, reporting arrangements, data analysis and delivery. |
| **Developmental** – ensuring we attract and retain the best staff | Proactively attract qualified staff to fill vacant posts in specialist functions through appropriate remuneration and continuous personal development. Operating as a unitary authority will increase the availability of training and resources for the development of staff, like Environmental Health and Licensing professionals, allowing improved career progression and workforce resilience. |

Clearly, it is vital that these services work in close partnership to maximise the impact of their efforts. Existing examples of effective collaboration include:

- The Oxfordshire districts' Private Sector Housing teams work closely to share expertise, best practice and intelligence. This is particularly helpful where landlords operate across multiple districts, as it contributes to a more consistent approach to private sector housing across Oxfordshire.
- Oxfordshire County Council's Public Health team and the community and voluntary sector via initiatives like the countywide 'Better Housing Better Health' fuel poverty advice service.
- Food and workplace safety (through the Thames Valley Food Group) and health and safety (through the Thames Valley Health and Safety Group).
- Licensing functions in Oxfordshire, using a Joint Operating Framework amongst councils and Thames Valley Police to ensure harmonisation of standards and information sharing to protect residents. In addition, Oxfordshire councils carry out joint enforcement work, including with authorities outside of Oxfordshire.
- West Berkshire's Building Communities Together Partnership delivers a strong public-health-informed approach to serious violence and successful youth and anti-social behaviour interventions in its key towns. Through the use of restorative approaches, 'Safe Places', and home security, there is a commitment to supporting vulnerable residents to feel safe. In addition, strong partnership working with Thames Valley Violence Prevention Partnership and engagement with the health sector help to secure positive outcomes for residents.
- The West Berkshire Council hosted Public Protection Partnership is a shared service which delivers a wide range of public safety and regulatory services across West Berkshire, Reading, and Wokingham. This improves efficiency and value for money across environmental health, trading standards, licensing, food safety, and consumer protection services. The model, which combines the capabilities and expertise of three local authorities, enables the pooling of resources, increases service coverage, and delivers a consistent experience for service users.

Fire and Rescue Services provide a range of public safety services, including fire prevention, protection and emergency response services. Locally, these are delivered by the Royal Berkshire and Oxfordshire Fire and Rescue Services. As mentioned in Chapter 3, the government has specified that in time the regional Mayor will take responsibility for wider public services in the area, potentially including the Police and Crime Commissioner and Fire and Rescue services.

We will continue working towards a harmonised approach across the Thames Valley, including systems, equipment and procedures. In Berkshire, arrangements are already in place for the harmonisation of equipment and staff. Transitional arrangements covering both new unitary authorities will be required to maintain current service standards and further embed Fire and Rescue in local public sector partnerships.

## 7.7 Other service areas

A range of other service areas will be materially impacted by reorganising. The transition to two unitary councils presents an opportunity to harness the benefits of a new footprint through transformation, thereby enhancing service delivery.

**Planning and Development**

The Planning and Infrastructure Bill will create statutory strategic planning powers that will apply to the proposed Oxford & Shires and Ridgeway authorities. Unitaries will be responsible for providing universal coverage of up-to-date Local Plans for the geography that, along with the new Spatial Development Strategy (SDS), will form a new statutory development plan for each area. In aligning with the SDS, we will look to share specialist skills/resources with emerging strategic planning teams.

Through the transition of placemaking functions to the new unitaries (such as minerals and waste planning and the Lead Flood Risk Authority function), there is an opportunity to reshape the approach to be more responsive to the smaller geography of Oxford & Shires and Ridgeway allowing integration to align development and infrastructure delivery to enable growth. Spatial planning, transport, regeneration and housing delivery will see increased collaboration with partners to influence their direction. Central to this will be working with the MSA to secure investment and joined-up approaches to cross-boundary issues.

There will be opportunities to establish new working relationships with stakeholders (especially infrastructure providers) and communities that can be used to inform unitary service planning and shape strategic policies managed through the MSA.
Appendix D ‘Planning for Devolution – A ‘Growth’ Offer from the two new unitary councils advises how the new Planning and Development service may function and interact with key stakeholders to deliver growth for Oxford & Shires and Ridgeway. Suggestions include:

- Collaboration of the planning and development functions of the two unitaries through a new forum linking into Berks and wider TV area.
- Area Delivery Boards established within each unitary for joint working with partners in shaping identified localities, the market towns and areas of Oxford City to consider delivery coordination, infrastructure and cumulative impacts of development. Note that these are distinct from Local Neighbourhood Areas, which collectively cover the whole unitary area and cover matters beyond planning and development, but they would work closely with them.
- Establishment of Area Panels to address the lack of consistency in engagement with the development sector.
- A concerted focus on service design to speed up planning decision-making, including the use of Local Development Orders to expedite planning approvals of business parks.
- The approach to meeting the growth needs of Oxford and the economic and infrastructure challenges associated with this will be shaped by the findings of the Oxford Growth Commission.

**Housing Delivery**

Moving to a two-unitary model is a fresh opportunity to prioritise the acceleration of housing delivery, particularly affordable housing, of the right mix and tenure to meet locally identified need. This is crucial to addressing the homelessness challenge and wider economic barriers arising from a lack of housing supply.

Current arrangements unique to Oxford City Council will accelerate housing delivery for Oxford & Shires. Oxford City's Housing Revenue Account (HRA) will enable Oxford & Shires to efficiently grow the collective stock of properties, making more suitable properties available, enabling wider management moves and assisting in reducing housing waiting lists. In addition to this, the Ox-Place delivery mechanism (owned by Council-owned Oxford City Housing Limited) could open up further opportunities to acquire housing stock, develop collective land assets, manage property and contribute to the stock of the HRA.

A number of transformation opportunities apply to both Oxford & Shires and Ridgeway to achieve accelerated housing delivery with the required infrastructure through the two-unitary model across the whole of Oxfordshire and West Berkshire:

- The aggregation of land assets presents opportunities to bring forward development in key locations across the Unitary Authority.
- A larger authority will have greater influence with Homes England as funder and facilitate more productive relations with delivery partners, Registered Housing Providers, and housebuilders.
- The potential for land assembly will be improved as assets can be reviewed as a unified single tier rather than the existing two-tier system.
- Increased opportunities for wider regeneration through maximising initiatives such as the 'One Public Estate' (OPE) programme.
- Increased competitiveness when bidding for Brownfield Land Release Funds (BLRF), thus supporting regeneration aims and placemaking objectives.
- Greater efficiency and effectiveness in how we approach Town centre regeneration projects from a housing delivery perspective across both public and private sectors.
- Access to wider housing markets across the Unitary Authority presents opportunities to diversify housing products and display innovation. This offers greater scope to take a strategic view of cross-subsidy and increase affordability options for residents in need of social rented accommodation.
- Amalgamated delivery of social rented homes from a unitary authority will include more move-on accommodation and permanent settled accommodation across the area, thus reducing housing demand.
- A unitary structure can benefit the delivery of specialised and extra care needs through close links between commissioning teams and delivery teams. Strategic Housing can offer better enablement of commissioning requirements by negotiating for Adult Care services from the outset of the proposed development.
- Spatial planning can be improved through strategic analysis of collective housing need and market areas. Planning decisions can be made with improved, collective intelligence of the wider spatial picture.
- Policy requirements can be well coordinated to deliver a coherent and consistent stance on key strategic housing matters (such as tenure requirements across the unitary).

**Economic Development**

Bringing together the strengths of strategic economic development functions that currently sit with Oxfordshire County Council and West Berkshire Council with the more localised, interventionist economic development approach of District Councils through the establishment of Oxford & Shires and Ridgeway Councils presents an opportunity to accelerate inclusive economic growth across the whole geography in a more joined up collaborative way, with the scope for economies of scale and impact that come with this.

Through the creation of the two-unitary model working in conjunction with the Mayoral Strategic Authority, we will achieve a holistic approach to economic development in conjunction with infrastructure, housing, social and leisure facilities and enviro quality. Each council will ensure that both areas:

- Continue to pursue inward investment, enabled through high-calibre and globally significant sectors, including those affiliated with the global brand of Oxford, and business clusters linked through strong transport corridors to regionally and nationally significant logistics and transport hubs.
- Continue to invest in their mature and well-functioning economic partnerships, facilitating the active involvement of regional partners.
- Structure teams to operate on key strategic economic priorities: business engagement, regeneration, infrastructure and strategic planning, including accelerated employment site delivery, digital infrastructure, tourism and the rural economy.
- Focus on skills development to support the growth of existing businesses and attract new.
- Have greater accountability for economic development with clear streamlined governance, thus expediting economic growth initiatives and improved cohesion between different economic development disciplines and other council functions, which are core to their delivery (for example, Planning Policy). This rationalisation will bring cost savings, enabling the targeting of resources to initiatives with the greatest impact.

In following the principles above to inform the structure and resourcing of two new economic development functions for Oxford & Shires and Ridgeway councils, the total area will benefit by bringing together the high-performing economies of Oxfordshire and West Berkshire closer together, further forging regional links, and bringing more economic growth than they would be able to do on their own.

Unique to Oxford & Shires is the opportunity for Oxford as a globally significant destination with 32 million annual visitors. A dedicated tourism team will address the challenges presented by this overheated market by facilitating greater linkages to the wider visitor economy within Oxford & Shires and adjacent areas, including Ridgeway and further afield.

**Transport, Highways and Public Rights of Way**

Highway services are outsourced across Oxfordshire and West Berkshire, with the exception of Public Rights of Way. Oxfordshire maintains a Highways Strategy and implements this through an asset management approach guided by condition surveys to target services. This has reduced reactive maintenance repairs and maintenance of the substantial rural highway network has been deprioritised. West Berkshire employs a lifecycle-based asset strategy and condition surveys to deliver service, along with innovative use of low-carbon surfacing technologies. A performance-based approach to contract delivery is also central to their approach.

In preparing for the transition to Oxford & Shires and Ridgeway Highways services, it is essential to scope current contractual arrangements, key milestones, and succession arrangements, as well as how they will apply to the new geography, as they do not currently align.

**Current contract arrangements**

| Authority | Contractor | Contract expiry |
|---|---|---|
| Oxfordshire | Milestone Infrastructure | 2033 with a possible extension of up to 14 years |
| West Berkshire | VolkerHighways | Currently preparing for the procurement of a 10-year maintenance contract expected to start in 2027. Engaging the market to shape, scope and deliver the model with a focus on innovation, net-zero and local supply chains |

The establishment of highway services in both Oxford & Shires and Ridgeway provides an opportunity to develop an effective Highway model which incorporates elements of Oxfordshire's strategic highways asset model with West Berkshire's innovative, responsive, and effective operations. By uniting these approaches, Oxford & Shires and Ridgway will benefit from a best-in-class Highways service with improved equity, sustainability, and resilience for residents in both rural and urban areas.

In establishing the function, we will look at other authority models for the direct delivery of integrated public transport solutions as a means of expanding solutions that improve accessibility and respond to NetZero ambitions.

The Public Rights of Way statutory duty under the Highways Act 1980 centres on ensuring that the substantial network of Public Rights of Way across Oxfordshire and West Berkshire is not obstructed, routes are maintained and kept in reasonable condition. Both Upper Tier authorities meet this statutory duty in-house and with the support of volunteers – Parish Path Wardens in Oxfordshire and, less formally, the Ramblers Network Party and Local Access Forum in West Berkshire.

An updated Rights of Way Improvement Plan for West Berkshire will run from 2025-2035. The Oxfordshire Plan ran from 2014 to 2024, and a successor Plan is under development. There is scope to reshape the geography to which the forming Oxfordshire Plan will apply, reflecting the Oxford & Shires geography and transition arrangements for Ridgeway as its Public Rights of Way function moves from an Oxfordshire to delivery under a West Berkshire Rights of Way Improvement Plan.

**Waste and Environmental Services**

The current authorities that form Oxford & Shires are already collaborating to deliver waste and environmental services for the area. West Oxfordshire and Cherwell District Councils have been working with Oxford City Council and Oxfordshire County Council to develop a new operating model for Waste Collection, Disposal and Environmental Services (including Street Scene). This model would be implemented for Oxford & Shires post 2028.

A detailed business case has been produced that identifies significant opportunities to transform waste and environmental services for Oxford & Shires, including:

- The creation of a shared company model to provide an agile approach to the transformation and delivery of the Government's waste and climate targets
- Delivery of significant financial efficiencies
- Investment in 'end of life' infrastructure

A Waste and Environmental Services Transformation Programme has been established, and the authorities are completing a shared companies option appraisal to determine the future delivery model.

South Oxfordshire and Vale of White Horse are following their own procurement pathway with a retendering of their current joint Waste Management contract for waste collection (and street cleansing) with Biffa due to end in June 2026. Oxfordshire County Council currently provides the disposal function. Under a two-unitary model, the disposal function for Ridgeway would shift from Oxfordshire to West Berkshire. A 25-year waste management contract (including street cleansing) with Veolia for West Berkshire runs until 2032. Under the Ridgeway model, alignment and strengthening performance across the area through a shared waste collection and disposal contract would eliminate duplication and enable a standardised cost-effective service model, driving a higher standard of environmentally responsible waste management delivering waste reduction and improving recycling.

**Parks and Grounds Maintenance**

*Oxford & Shires:* Cherwell maintains parks, play areas and open spaces through an in-house team of landscape officers, with some capacity outsourced to contractor Krinkel UK. Ubico Ltd provide this function in West Oxfordshire, as a Council owned company jointly owned with Gloucestershire authorities. Similarly, Oxford City wholly owns Oxford Direct Services (ODS), which delivers a range of facilities management capacity, including grounds maintenance, for its geography.

A single model of direct delivery for parks and grounds maintenance will be established to cover Oxford & Shires. A strength of ODS as an option is its strong track record in these spaces in Oxford, which can be rolled out to adjoining West Oxfordshire and Cherwell, offering a ready-established model that is Council-owned and benefits from direct control, performance management, and the efficiencies that come with that.

Oxfordshire County Council and West Berkshire both have an in-house countryside service which, along with Public Rights of Way and countryside access (see above), provides capacity on nature recovery and land management. A future model should identify how both Oxford & Shires and Ridgeway will support the delivery of their respective Local Nature Recovery Strategies covering their respective geography and ensure active membership of the Oxfordshire and Berkshire Local Nature Partnerships.

*Ridgeway:* Currently, in-house teams oversee parks and grounds maintenance with some outsourced capacity through grounds maintenance contracts. In West Berkshire, this sits within the Countryside Service. In South Oxfordshire and Vale of White Horse, a dedicated Parks Team is responsible for managing a range of parks, open spaces, and play areas, as well as riverside moorings and wildflower meadows. A new service delivery model under a Ridgeway footprint would consider how to further reinforce the strengths, knowledge and skills of in-house teams, as well as any further outsourcing of grounds maintenance capacity through a single, streamlined, cost-efficient contract.

**Leisure**

*Oxford & Shires:* Oxford City embarked on a new 10-year Leisure Services contract in 2024 with Serco and More Leisure Community Trust as an operating partner. The contract includes a number of planned improvements, with a focus on inclusive access, youth engagement, and carbon reduction. Cherwell leisure provision is partly contracted to Parkwood Project Management and Cherwell Leisure, with some functions being brought back in-house to achieve contract savings. West Oxfordshire has a contract with not-for-profit charitable enterprise Greenwich Leisure Limited, which is due to expire in April 2027. In establishing a new footprint for leisure services, aligning with a new single model offering a greater range of services across a wider geography, with a focus on improved accessibility, carbon reduction, and greater investment, will see an improved leisure offer for residents of Oxford & Shires.

*Ridgeway:* South Oxfordshire and Vale of White Horse hold a joint leisure services contract with Greenwich Leisure Limited (ending August 2026 and a three-year extension to this is underway), while in West Berkshire, leisure services operate under a 10-year outsourced management contract with Everyone Active (to July 2033 with scope for a 5-year extension). There is some commonality in scope across the contracts, including: community outreach, social value and inclusion, helping people stay active and healthy, increasing participation in sports and leisure activities, decarbonisation and capital investment. In establishing a new footprint for leisure services across the area, aligning with a single model that addresses this scope will result in a more diverse leisure offer for the residents of Ridgeway.

**Cultural, Arts and Communities**

Oxfordshire and West Berkshire provide a strong cultural and arts offer to communities, whether through Upper Tier authorities such as libraries and culture and heritage services, or through localised community teams working at a District level who have a solid understanding of their residents and the local Voluntary and Community Sector. The richness of this offer can be carried through to the Oxford & Shires and Ridgeway Councils through the integration of both levels of service to provide a more comprehensive service that benefits rural and urban communities alike.

Working with partners, including the Voluntary and Community Sector in particular, both areas will sustain and further develop a network of cultural facilities, museums, libraries and heritage assets. The quality of these services will be supported by a combination of investment, community participation, and efforts to integrate cultural provision with broader priorities, such as education, tackling isolation and health. The sustainability of these services will be of paramount importance, and structures that are cognisant of financial viability through demonstrating adaptability, high standards of delivery and innovation will ensure that this offer to communities continues under a two-unitary model.

Transformation opportunities for a Cultural, Arts and Communities Service include:

- Development of combined locality teams in urban and rural areas utilising council assets to meet communities where they are
- Enhanced career progression, retention and development opportunities for staff
- Supercharging of local delivery with the use of currently underutilised buildings for community benefit
- Streamlining of processes to distribute resources for community and cultural enhancement through Section 106 and Community Infrastructure Levy (CIL)
- Ease of access for residents to key services and opportunity to consider cultural hubs to maximise use of built assets

# Chapter 8 How the new councils will work in a nutshell

## Chapter Summary

- The Oxford & Shires and Ridgeway councils will be designed as brand new councils from the outset. We will fully grasp the chance to rethink ways of working through this process.
- Our councils will share many common principles but will be fully independent, sustainable modern councils focused on the distinct needs of their different geographies.
- We will adopt an approach to locality working and community empowerment that will mean we can manage the risk that larger councils face of being too remote from their communities.
- We will build on existing strengths and collaborative working with town and parish councils, public and voluntary sector partners and the business community.
- Two councils will have fewer councillors than the current arrangements but our approach ensures strong local accountability and democratic representation.

### What people told us

"Local councillors must be active in promoting local improvements in all the areas that effect local people, local services, local amenities, all of the community features that provide improvements to the modern features that benefit our life and enjoyment within our own home and community."

### The two-unitary model will:

- **Provide clear accountability:** simplifies governance, making councils easier to navigate.
- **Increase capacity and resilience:** each council large enough to sustain specialist statutory teams.
- **Preserve and enhance localism:** locality teams and parish links not only maintain but enhance grassroots accountability – formalising it for the first time on this scale.
- **Deliver efficient corporate services:** shared platforms and consolidated teams reduce duplication.
- **Secure credible partnerships:** two balanced councils provide strong footprints for collaboration with health, police, transport and regional bodies.

# 8. How the New Councils will Work

## 8.1 Introduction

**Introduction**

LGR provides a ‘once in a generation’ opportunity to redesign the way that local government will work across Oxfordshire and West Berkshire. The vision, ambition, and service outcomes outlined in the previous sections can only be achieved through a significant reimagination of how local government will operate to deliver them successfully.

This section sets out the proposed target operating model (TOM), a desired way of working, for the two new councils.  A TOM helps us highlight the things that the councils will need to do, such as community engagement or customer service, and the enablers that will need to be in place to support these capabilities, like assets, technology, skills or culture.

At this stage, this is a combined model that describes the direction of travel, providing a strong sense of how it will feel to engage with or work in the new councils.  More detailed design and implementation decisions will be the preserve of the shadow authorities for each council.  We will continue to consider the way the proposed councils work, beyond the submission of this proposal and will begin to design specific features, as required, to meet the different needs of the two distinct areas.
Throughout the development of this proposal, significant stakeholder and public engagement was undertaken, and a number of workshops and strategy sessions involving officers and members who have worked jointly on this proposal were held. These have informed the following principles, which will underpin how we work as local authorities, regardless of our operating model. These principles reflect the needs of those we serve, the views of local people, and the practical considerations of operating as a unitary authority.

## 8.2 Target Operating Model

**Underlying design principles**

The design principles for the Oxford & Shires and Ridgeway councils are intended to guide a forward-thinking and future-proofed approach to shaping the way the new councils will work in practice.  The principles have informed the high-level design undertaken so far and will inform more detailed design in due course. These principles are organised into seven categories.

Our **customer** core principles are that we will:

- Collaborate on solutions with our individuals, communities and local partners to enable them to help themselves wherever possible – focusing on prevention rather than intervention
- Design services to achieve the best outcomes, focusing on the needs and experience of service users and always striving to be proactive and get things right the first time
- Strive for easy-to-access, easy-to-understand, self-service, digital interactions for our internal and external customers as a default, while providing non-digital channels where necessary

Our **delivery model** core principles are that we will:

- Maintain a long-term plan of future delivery decisions with appropriate lead-in times, to enable options to be fully appraised
- Always look at who is best placed to provide our services, acknowledging that it might not always be ourselves but we will always strive for delivery options that produce the best outcomes for our customers
- Consider carbon impact, climate change and adaptation

Our **finance** core principles are that we will:

- Continually monitor and benchmark the true cost of our statutory and discretionary services and adopt a more commercial mindset to identify areas of efficiency
- Embed effective financial management practices, driving budget-based decision making and cost/benefit assessments
- Pool budgets, assets and resources across the local public and voluntary sector, wherever this makes sense, to maximise outcomes and benefits for our communities

Our **people** core principles are that we will:

- Match our workforce numbers and skills to our service priorities
- Empower our staff to own their service delivery and outcomes, and to get things right for our communities
- Support our workforce to evolve with us, providing upskilling opportunities and succession planning, with a strong focus on employee wellbeing

Our **ways of working** core principles are that we will:

- Embed a high-performance working culture framed by clear and appropriate parameters with effective escalations
- Acknowledge and manage risk to maximise positive service delivery outcomes and opportunities to improve
- Use a test-and-learn approach to support the continuous development and innovation of our services

Our **supplier and partner** core principles are that we will:

- Maximise both value for money and the social value that we achieve from our contracted services
- Manage our suppliers effectively and proportionately, to achieve the standards of delivery for our customers that we expect
- Maintain productive and mutually beneficial partnerships that contribute to our strategic objectives

Our **process, data and technology** core principles are that we will:

- Simplify, standardise and share our ways of working, with a focus on good customer outcomes and continuous improvement
- Drive a culture of evidence-based decision-making across all of our work, with the right data being available, at the right time, to drive improved performance
- Invest in our use of modern technology, using common platforms and off-the-shelf products wherever possible and ensuring we exploit all available functionality and process automation when implementing new systems

**Key Council-Wide Transformation Opportunities**

Through LGR transition and further transformation, there are some significant council-wide opportunities to make material improvements to the way the two councils work by adopting these principles. These go beyond the service-specific improvements that have already been outlined and include:

- Fundamentally redesigning services from an 'outside-in' perspective (resident centred design), starting by collaboration on solutions with individuals, communities and partners, including access and delivery approaches, where appropriate
- Significant rationalisation and improvement of the technology used to underpin council operations
- Investment in richer data collation and analysis capabilities to create more valuable insights to drive decision-making
- Systematic simplification, standardisation, automation and sharing of processes across the new councils
- Consolidating and reviewing contracts and their management to better achieve council objectives
- Focusing on employees and encouraging high levels of empowerment, performance, development and recognition

**Example of how these principles could inform key capabilities for a Target Operating Model**
To be most effective, the two councils will need to apply these principles by designing and implementing consistent capabilities across all service areas. The key capabilities that will be required are set out below. This approach offers a way to directly address feedback from residents who expressed a desire to reduce local government bureaucracy and multiple access points across Oxfordshire and West Berkshire.

**Prevention, Community Empowerment, Place Making and Locality Working**

- Investing in dedicated capabilities that will undertake thorough engagement and will actively and consistently encourage, equip and empower people and communities to create their own solutions without the need for council intervention. They will also undertake place-making activities, forging partnerships with key stakeholders such as town and parish councils, the private sector, and third-sector organisations to solve problems collaboratively and significantly enhance local outcomes.

**Communication and Engagement**

- Building enhanced proactive communication capabilities which can tailor targeted engagement to reinforce prevention and locality working supported by the skills and tools to enable richer data analysis, predictive analytics, and appropriate use of AI. This will assist in the early identification of situations where people will need more intensive or specialist support.

**Self Service, Information Provision and Customer Management**

- Investing in the right technology, skills and service design to provide genuinely effective, self-service and integrated customer management for all council services and other agencies where appropriate. Dedicated provision will continue to be made for specific services that deal with issues that are sensitive or time-critical, such as safeguarding or emergency response.

**Complex Assessment and Case Management**

- Building simplified, standardised and automated systems and processes to support effective complex assessments and case management to improve user experience, reduce bureaucracy and avoiding double handling. Vulnerable residents should not be expected to share their stories more than once, and service users can expect proactive updates on progress to help in managing their expectations.

**Service Delivery**

- As the new councils deliver services we will maximise time spent in communities where it is most impactful. Services will be designed and prioritised to reflect need, and will always be based on a deep understanding of customer insights and locality context

**Enabling and Support**

- Building enhanced data management, big data, AI and analytics capabilities to underpin better decision-making, supporting improved service design, performance management, financial oversight, and strategic prioritisation. There will be a strong focus on promoting customer-focused internal services that recognise the end goal of supporting effective external service delivery.

**Commercial Focus**

- Fostering a strengthened commercial approach will enable the council to be highly effective at managing costs, deriving maximum value from market shaping and engagement, improving contract management, and carefully balancing revenue generation against potential hidden costs and service failure.

**High-Performance Culture**

- Cultivating a culture of high performance across the new councils will promote ownership and accountability across all levels of the organisations. Clearly articulated strategic goals and empowered leadership will facilitate decisive and timely action, supported by rigorous performance management systems.

## 8.3 Democratic arrangements and governance

**Democracy and governance**

The approach to governance for Oxford & Shires and Ridgeway councils ensures that the move to a unitary authority maintains existing structures wherever possible, with some flexibility for the new authority to adapt and evolve from these structures once established.

The political leadership structure will be a Leader and Cabinet model as prescribed by Government. Local democracy for Oxford & Shires and Ridgeway councils will be strengthened by executive governance arrangements, providing strong political and strategic leadership in each of the two unitary councils.

Under unitary councils, communities will be clear who the elected representatives are. Councillors will be supported to champion their local area.

| Current Councillor Numbers | Ridgeway UA Population[32]: 472,000 | Oxford & Shires UA Population: 464,000 |
|---|---|---|
| County Councillors | 25 | 40 |
| Unitary / District Councillors | 117 | 145 |
| **Totals** | **142** | **185** |

**Proposed councillor numbers and boundary issues**

We propose to generally reflect the existing County Council electoral divisions in the new unitary arrangements for the administrative areas covered by the 5 current district councils, and with the existing wards for the West Berkshire Administrative area.

To ensure we can progress LGR at pace, the proposed Ridgeway authority will not involve any changes that require any boundary reviews. The proposed Oxford & Shires authority, however, recognises the need to balance the overall reduction in Councillor numbers as per Government ambitions set out in the English Devolution White Paper with the need to provide residents with the right level of access to political representation over a largely rural area.

We have modelled councillor numbers for the shadow authority elections and will seek a view from the Local Government Boundary Commission for England (LGBCE) on the right level of democratic representation in the new unitary authorities in due course. Our modelling is based on LGBCE guidance that the number of councillors should be below 99 per authority as a starting point.

This level of representation has been informed by due consideration of future strategic leadership, accountability and community leadership for the proposed new councils. The councillor-electorate ratio for both authorities is in line with research into other LGR areas with a geographically large and similar rural-urban mix, such as Cornwall, North Yorkshire and Buckinghamshire. Our



[32] ONS 2025 projected population figures

proposal also maintains effective representation for each division within the new councils. Councillors will have the right powers to focus on delivering for residents.

We propose a model of whole council elections every four years to ensure effective scrutiny and facilitate more stable and strategic leadership. This will create clearer accountability for residents, lowering costs by reducing the frequency of elections and reducing voter fatigue, with the aim of seeing increased voter participation at each election.

This is a shift from the current approach of some districts and boroughs within Oxfordshire, where elections are held in thirds or halves.

**Ridgeway**

- **Totalling 96 Councillors** within the area currently administered by South Oxfordshire and Vale of White Horse District Councils and West Berkshire Council

**Oxford & Shires**

- **Up to a maximum of 92 Councillors** within the area currently administered by Oxford City, Cherwell and West Oxfordshire District Councils

The formation of committee structures will be an important priority for the shadow authority in due course, reflecting the need for effective scrutiny and the separation of executive and council functions. Based on the experience of previous of LGR we would anticipate a boundary review within two years of the new authorities being created.

**Civic and Ceremonial Tradition**

We are committed to protecting historic assets and civic traditions across Oxfordshire and West Berkshire, as it is integral to local identity and democratic heritage.

This proposal is therefore seeking to continue with the existing Lord Lieutenancy arrangements in place across Oxfordshire and Berkshire, and recognises the crucial role that the Lieutenancy plays in our communities.

The particular importance of the heritage and ceremonial traditions to the city of Oxford, along with the significance of its City Charter and Lord Mayoralty, is recognised, and the future model will seek to protect these as a priority. Government also recognises that civic identity and service distinctiveness can and should be protected within wider governance structures. We therefore propose a structure that allows the two unitaries to deliver the efficiency and capacity that the government requires, while ensuring Oxford, as part of the Oxford & Shires council retains the appropriate powers, identity, and accountability befitting a city of its scale, pan-regional economic influence and global profile.

The model we propose builds on these elements, and existing arrangements in Oxfordshire and West Berkshire, ensuring communities retain the traditions that connect them to place, history and public life.

## 8.4 Future Engagement Model

**Key principles of engagement**

The two new unitary councils will develop their own consultation and engagement strategies, but the universal principles of strong consultation and community engagement will always be applied, meaning that all activities will be:

- **Timely** – give respondents sufficient time to absorb the information and provide a considered response, and before decisions are set in stone
- **Fully informed** – ensure respondents have the full details in an easy-to-understand way so they can give an informed opinion
- **Meaningful** - ensure communities have a genuine opportunity to influence decisions
- **Accessible and inclusive** – strive to reach all members of our communities and ensure the engagement is provided in a way they can access and understand it
- **Fed back** – communicate openly with communities on how their feedback has influenced decisions and services

**Community Engagement Activities**

The two new councils will be structured from the outset to enable all our diverse communities to take an active role in influencing services, strengthening local accountability and participation. Examples of community activities could include:

- **Engagement impact monitoring –** during our extensive LGR public engagement activities, most of the respondents told us they thought their views had little or no impact on how councils do things, and so restoring and maintaining trust at a larger, single-tier council is vital to ensuring local accountability.
- **Town and parish engagement –** during our LGR engagement, towns and parishes councils were clear that better clarity over who and how to get in touch with questions and requests for support would significantly support their productivity and enable them to provide greater input.
- **Community engagement forums and focus groups –** forums by which all our diverse communities could engage in a meaningful way supporting locality working.
- **Data driven approach –** targeted engagement using data sets to focus our activities based on local need.
- **Partnership working –** meaningful engagement with all partners to ensure the best use of our collective resources to support the communities we serve.

## 8.5 Localities working and community empowerment

**Locality working**

Our proposed approach to 'locality working' could lead to a significant shift from traditional, top-down service delivery to a more preventative, localised, and collaborative approach. It aims to improve public services by delivering them closer to and in more integrated ways with and for the communities they serve.

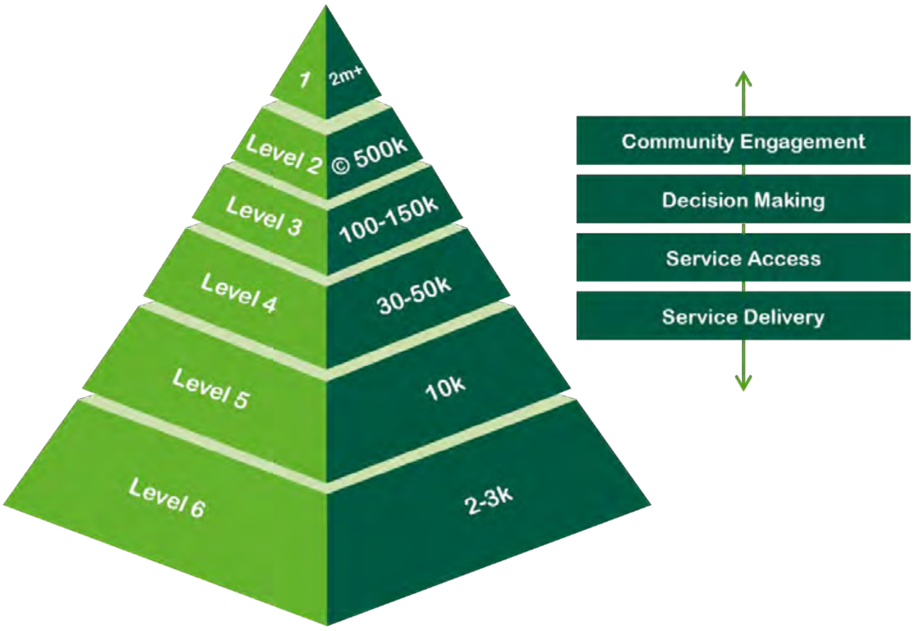
Our key principles and features of how a new locality model would work include:

- **Place-based, not service-based:** Instead of services being simply organised by a specific function (e.g. social care or housing), they are increasingly structured around a particular geographical area or 'locality'. This allows for a deeper understanding of the characteristics of different localities and a much more holistic and tailored approach to meeting the needs of that specific community
- **Joined up and integrated services:** breaking down the silos between different public sector organisations such as local authorities, the NHS, the police, and the voluntary and community sectors. Seeking to create more multi-agency functions that work together to address the root causes of issues for individuals and families, rather than just treating the symptoms
- **Early intervention and prevention:** A core aim is to intervene more consistently, 'upstream' to prevent problems from escalating. By working more closely with communities and partners, services can identify and address issues at an earlier stage, which is more impactful and less costly than dealing with them in high-intensity, high-cost care services later
- **Shared resources and assets:** promoting the joint use of resources, including staff, data, and physical assets like buildings, across different partner organisations where this adds most value. This can lead to more effective use of public funds and better accessibility to services
- **Improved democratic accountability:** The model will help to strengthen the role of local councillors, who, working more closely with frontline officers and community groups, can better represent their constituents and address local priorities

Locality working is a cultural and operational transformation designed to make public services more responsive, efficient, and effective by decentralising decision-making and fostering a collaborative, community-focused approach.

**The role of Locality Working in Local Government and wider Public Services**

Public services, including local government services, are designed and delivered at various geographic levels that serve different-sized population groups. These geographies are complex and overlapping, but many of them follow a pattern of being at a series of levels that are characterised in the "place pyramid' below.




Different public services are currently organised at different geographic levels across Oxfordshire and West Berkshire. The White Paper sets out to make significant changes to the scale at which different aspects of local public services are organised. Oxfordshire and West Berkshires examples include:

| | Current | Likely future changes |
|---|---|---|
| Level 1 | The Buckinghamshire, Oxfordshire and Berkshire Integrated Care Board (BOB ICB) serves a population of over 2 million people. Thames Valley Police are of a similar scale | A new Mayoral Strategic Authority<br>A new Thames Valley Fire and Rescue Service |
| Level 2 | Oxfordshire County Council currently provides services for c. 750,000 people<br>Separate Fire and Rescue Services for Oxfordshire and Berkshire | New Oxford & Shires and Ridgeway Unitary councils providing services to c. 470,000 population<br>Removal of county councils and existing FRS |
| Level 3 | The other five principal local authorities across Oxfordshire and West Berkshire unitary authority all serve populations c. 150,000 | Removal of district, city and smaller unitary councils |

| | | |
|---|---|---|
| Level 4 | Primary Care Networks are specifically designed with the NHS to help organise services for populations of between 30,000 and 50,000, and the BOB ICB oversees over 50 Primary Care Networks across the area | Local Neighbourhood Areas covering 30,000 to 50,000 people |
| Level 5 | GP surgeries typically provide services for around 10,000 people | |
| Level 6 | The majority of Town and Parish Councils serve populations of between 2,000 and 3,000 people, but some serve significantly larger numbers | |

More effective alignment within and between these different geographic levels is crucial to improving public services in any given place. Critically, Devolution and LGR are going to fundamentally change the way local government operates alongside other public services in Oxfordshire and West Berkshire.

In establishing unitary government in Oxfordshire and West Berkshire, it will be imperative to recognise and retain the unique identity and function of key significant communities, such as the City of Oxford, alongside smaller and rural communities. Government has recognised this risk and has placed a requirement on the new authorities to put in place effective arrangements for neighbourhood governance, proposing Area Committees as an example of such arrangements.

Local Neighbourhood Areas will therefore be an important consideration for both proposed authorities to channel engagement and deliver accountability. As part of the overall governance arrangements, Local Neighbourhood Areas provide the potential to establish a dedicated link between the new authorities and residents and businesses in their localities, as well as enabling strengthened relationships with other public service providers, such as town and parish councils and existing partner groups.

The new authorities will have the opportunity to be bolder in their new form by reimagining how local authorities can collaborate and coordinate the services they provide to meet the needs of local people. Reshaping the influence of neighbourhood working and linking this to local communities will be essential for both new unitary areas. Building on work already underway in the BOB ICB, a new model of locality working can be developed with communities to work alongside and listen to their aspirations; working with them to achieve better resident outcomes and offer value for money.

**Financial**

The financial benefits of locality working primarily come from prevention and efficiency. By addressing issues early and in a coordinated manner, public services can avoid the high costs associated with crisis intervention.

- **Reduced Demand on High-Cost Services**: Evidence shows that early, proactive intervention can lead to a significant decrease in the use of expensive statutory services. In 2024, a group of leading organisations across social care found that earlier action and support interventions save approximately £3.17 for every £1 spent[33]
- **Operational Savings**: Locality working promotes the more efficient use of resources, through reduced bureaucracy, pooled budgets, better asset management through co-location; connecting communities to the right service locally helps build cohesion and resilience
- **Economic Empowerment**: focusing on place helps to direct public procurement spending to local suppliers, supporting community enterprises and providing skills training that leads to local jobs. This approach keeps money circulating within the community and increases business rates

**Non-financial**

Neighbourhood belonging, social connectedness, and community control all contribute to supporting the wellbeing of families and individuals. These benefits are harder to quantify, but arguably just as important as the financial efficiencies.

- **Better Outcomes for Citizens**: instead of treating a single problem, integrated teams can address the root causes of issues, such as poverty, social isolation, and poor health, leading to lasting change
- **Strengthened Community Cohesion and Resilience**: involving communities in decision-making and service design leads to a greater sense of community ownership, purpose, and identity. It also builds social capital, fostering stronger relationships and networks between neighbours, which makes communities more resilient and better able to support themselves
- **More Responsive and Empowered Workforce**: For public sector staff, locality working means breaking down departmental silos. This fosters a more collaborative and innovative culture, allowing frontline workers to be more responsive to local needs and exercise greater professional judgment. This can lead to increased job satisfaction and a more effective workforce

**Building on our strong local context**

Drawing on a rich landscape of good practice, existing authorities can promote their innovation and partnership working to bring about change for residents.  Working closely with communities in different localities led to Cherwell District Council identifying specific needs for improve activity levels.  This led to a pilot of Families Active Sporting Together (FAST) with funding from Sport England. This programme proved so successful in improving the health outcomes of low-income families by increasing their physical activity levels that it was adopted by the ICB and the Public Health team and funded for roll-out across the whole county area as You Move.



[33] https://www.local.gov.uk/publications/earlier-action-and-support-case-prevention-adult-social-care-and-beyond

A new locality model for unitary government in Oxfordshire and West Berkshire will align well with the ICB neighbourhood health strategy and draw on the expertise within our communicates and with the voluntary sector, ranging from larger umbrella organisations to smaller, place-based or issue-driven groups. It also builds on the Asset Based Community Development (ABCD) approach that Oxfordshire's district local councils already work to. This is a community-led approach that focuses on building from a community's strengths and existing assets, rather than addressing problems and deficits.

The pandemic revealed the real strength and depth that communities possess. Groups established at that time have continued to grow and thrive. Constituent district authorities have a solid track record of engagement and support with their residents, community and voluntary organisations, and the communities they serve. The two-unitary proposal offers the best opportunity to build engagement into empowerment and devolve activity to a level where communities decide outcomes for themselves.

The exact nature of how our two new councils will adopt our principles of locality working and community empowerment will be shaped by:

- Local engagement and consultation with communities and a range of local partners across Oxfordshire and West Berkshire
- Further research into the most successful examples of this approach locally and across the country
- Further government guidance on the nature of effective neighbourhood governance it expects to see; and
- Detailed design work informed by the above

Local Neighbourhood Areas will give us the opportunity to reimagine the relationship between local government and the communities and localities it serves. We have set out in our proposal our strong ambition and firm commitment to achieve this in accordance with the framework that government has committed to provide. We will collaborate with individuals, our communities and local partners to develop a locality working model for that works for everyone across Oxfordshire and West Berkshire.

**An example of what this might mean in practice for Oxford & Shires**

We have set out an example of how this could look in the Oxford & Shires area below. Our approach is specifically designed for the Oxford & Shires context and the fact that the city of Oxford is largely unparished in contrast to the rest of the area.

We are proposing the establishment of a series of Local Neighbourhood Areas across the Oxford & Shires area. These Local Neighbourhood Areas will provide a critical building block for the new council to establish effective locality working across the area. The nature and proposed boundaries of the new Local Neighbourhood Areas will be subject to engagement and consultation in due course. We anticipate that each Local Neighbourhood Area would serve a population of between 30,000 and 50,000 people.

The exception to this typical size, may be the city of Oxford, where a larger Local Neighbourhood Area, perhaps encompassing the entire city, may be optimal for providing effective neighbourhood governance. It is also recognised that, given the limited number of parish and/or town councils currently in the city of Oxford area, there may be a fuller future role for one or more directly elected bodies, at the local council level (e.g. town or parish councils). Further careful consideration will be required but the Local Neighbourhood Area approach has some clear benefits including:

- Embedding Oxford's economic and international role within the unitary framework, it does not absorb Oxford but provides a platform for recognising and building on its unique strengths;
- Creating clear subsidiarity, with powers devolved to the most effective level, including local councils (parish, town or city) where appropriate; and
- Establishing Local Neighbourhood Areas, ensuring every community – city or Shires – has a meaningful voice.

Each Local Neighbourhood Area would provide a forum for local elected members to work closely with the local community, local town and/or parish councillors, the voluntary sector, representatives of key public services such as health and police with responsibility for each area, local unitary council service teams and dedicated neighbourhood support teams. This approach has been successfully adopted in areas such as Cornwall, Somerset, Durham and others. Local Neighbourhood Area would be expected to have a purpose across four key aspects of the new unitary authority:

| Key purpose | Key considerations |
|---|---|
| Community Engagement and Development | Each Local Neighbourhood Area will be responsible for encouraging deeper community engagement. They will use their convening expertise and local insight to develop a deeper understanding of the hopes and concerns of residents, businesses, and visitors and then advocate for change. Taking a strengths-based approach to this is crucial, ensuring that a community's assets are fully understood when considering solutions to local issues. Highly effective Local Neighbourhood Areas would be able to support community development, growing community capacity over time. |
| Specific Localised Decision Making | Each Local Neighbourhood Area would have a committee, including local elected members, at its core. Where appropriate, this would provide the opportunity to devolve some decision-making to a more local level for certain issues. For some services, direction may be provided at the unitary authority level, but some decisions could be taken at the Local Neighbourhood Area level about how best to enact this. For others, there will be services where a uniform approach across the whole of the unitary authority will achieve more consistent quality and lower delivery costs. |
| Local Service Access | By developing a deep understanding of their local areas in terms of both needs and available capabilities, Local Neighbourhood Areas can help in informing the most effective ways for people to access services. Strong local networks can provide more integrated support for individuals and customers, ensuring they receive the right help without being passed around between services or signposted to help elsewhere. Developing single points of access in communities would further enhance this, using existing trusted spaces such as libraries and VCS organisations. |

| | |
|---|---|
| Footprints for Service Delivery alignment | Local Neighbourhood Areas will also offer a geographical footprint for different services to help organise their delivery teams in a more aligned way in different localities. There is real benefit where service teams from the different parts of the new unitary council and a range of partner organisations can collaborate in a common geography. This can foster better, more trusted relationships and enable more integrated multi-agency practice to thrive. This approach would allow services that already tailor their services to the specific needs of a particular neighbourhood (for example areas with higher homelessness rates) to be even more effective by aligning with others working in the same locality. |

In designing these Local Neighbourhood Areas, work will be guided by the following principles:

- We will design services and engagement mechanisms according to a locality's specific geography and demographics - what's right for Oxford as a city may not be for the countryside or a market town
- We will build on current strengths in each area, for example in terms of town and parish councils and also support the development of new strengths in areas where this would make the most difference
- We will collaborate, co-design, and co-deliver services wherever it makes sense, and we will seek to make more decisions closer to where the responsibility for outcomes sits and near where actions are taken.
- We will recognise that different services need different approaches and will embrace what works for each service, commissioning and delivering these at appropriate scale and geographies to harness economies of scale, embracing digital solutions where possible

Local Neighbourhood Areas will give us the opportunity to reimagine the relationship between local government and the communities and localities it serves.

**An example of what this might mean in practice for Ridgeway**

The entire proposed Ridgeway geography is already comprehensively served by town and parish councils, which provide well-established and locally accountable governance structures.

Town and parish councils across Ridgeway play a central role in representing local communities, influencing service delivery, and supporting civic engagement. These councils are embedded into the governance of rural and urban areas and are often the first point of contact for residents on hyper local matters. Their presence ensures that all communities, regardless of their size or location, have access to democratic representation and a mechanism for shaping local priorities.

Several rural unitary and district councils across England have adopted forms of neighbourhood governance that rely on and build upon their existing network of parish and town councils. Examples of this include:

*Herefordshire Council,* which works closely with its extensive network of parish councils to deliver local services and engage communities.

*North Yorkshire Council*, which, despite its large geographic footprint, has not adopted local area committees, instead leveraging its strong parish council infrastructure. In this example, however, there are committees at Parliamentary constituency level which feed into the work of the Mayoral Strategic Authority. This could be considered as an additional community governance option once the MSA is established.

*Shropshire Council*, which supports community governance through its town and parish councils and area-based partnerships.

These councils demonstrate that in areas with comprehensive town and parish coverage, such as the proposed Ridgeway area, this provides a strong basis for community enablement. Town and Parish engagement forums already operate successfully across Ridgeway and provide a structured platform for dialogue between the Council and local town and parish councils. These forums could be refined and scaled up to further strengthen and enhance community governance across sectors and interested partners.

The consultation and engagement work regarding these proposals highlighted that Parishes were 'cautiously' optimistic and eager to play an enhanced role supporting their communities. It is clear that to be effective, town and parish councils will need to be engaged from an early part of the design process to help shape the future of what good and effective neighbourhood governance would look like to ensure sufficient capacity and capability in neighbourhood areas. This will help to maximise the benefit of those arrangements for those living, working and learning in Ridgeway.

Ridgeway Council would work closely with Towns and Parishes to ensure that the needs of communities are understood, so that relevant services are delivered to our communities in the most effective manner. Working collaboratively with the existing network of Town and Parish Councils will ensure that those councils in collaboration with Ridgeway Council, will continue to play a vital role in supporting their communities.

**In summary**

The proposed neighbourhood governance arrangements for the Oxford & Shires and Ridgeway council areas reflect their distinct local contexts, while offering complementary solutions to ensure strong community representation across both geographies. The ability to create governance structures that better reflect the communities they serve is an important benefit of the two unitary proposal for the whole of the Oxfordshire and West Berkshire area.

Together, these tailored approaches demonstrate a commitment to place-based governance, ensuring that each council area is equipped with the right tools to meet the needs of its communities, whether through new structures or by enhancing existing ones. Most importantly, these proposals align with the objectives of the Devolution White Paper, which emphasises the importance of bringing decision-making closer to communities, even within larger local authority areas.

Our roadmap for implementing the new arrangements may include:

<table>
<tr><th colspan="2">November 2025 - Summer 2026</th><th>Summer 2026 – May 2027</th><th>May 2027 – May 2028</th><th>May 2028 – onward</th></tr>
<tr><td colspan="2">Submission to Decision Point</td><td>Decision Point to Establishment of Shadow Authority</td><td>Shadow Authority to Vesting Day</td><td>Vesting Day – Transformation</td></tr>
<tr><td colspan="3">Further research into optimal neighbourhood approaches including learning from other LGR proposals</td><td></td><td></td></tr>
<tr><td></td><td colspan="2">Discussions with Central and Local Government colleagues over optimal models plus potential Independent Expert Review</td><td></td><td></td></tr>
<tr><td></td><td></td><td>Deep engagement with communities and local partners</td><td></td><td></td></tr>
<tr><td></td><td colspan="2"></td><td>Design firm proposals for agreement with Shadow Authority</td><td></td></tr>
<tr><td></td><td colspan="2"></td><td></td><td>Begin Implementation of new arrangements</td></tr>
</table>

We have set out in our proposal our strong ambition to achieve this. We will collaborate with individuals, our communities and local partners to develop a locality working model that works for everyone across Oxfordshire and West Berkshire.

# Chapter 9 The Financial Case in a Nutshell

## Quick Chapter Summary

The Oxford & Shires and Ridgeway proposal provides the strongest case for making savings and significantly improving financial resilience

- **Option 1:** £27.3m recurring savings from LGR transition only; payback ~3.1 years; leaves West Berkshire financially exposed. With transformation, total recurring savings could reach £58.4m
- **Option 2:** £21.9m recurring savings from LGR transition only; payback ~4.2 years; secures West Berkshire's future. With transformation, total recurring savings could reach £59.8m
- **Option 3:** £9.5m recurring savings from LGR transition only; payback ~8.7 years; weakest case, highest risks. With transformation, total recurring savings could reach £47.7m

Option 2 can potentially deliver the highest recurring annual benefits from LGR transition and transformation across its geography and is the only deliverable model that secures sustainable finances across Oxfordshire and West Berkshire.

### What people told us

"Local council funds should be spent on local benefits. Councils should facilitate the creation of jobs by creating an environment (planning, transport, rates) that encourages inward investment. Councils creating jobs removes money from the local economy as they do not, for the most part, create value."

"Value for money does not equal lowest cost to make do and mend... it means best value in terms of quality, sustainability, longevity, pride, contribution to reduced operating costs or increased revenues and general positive impact to people in terms of cost of living and wellbeing."

### The two-unitary model will:

- **Deliver sustainable savings:** £21.9m recurring annually from LGR transition which could rise to £59.8m with associated transformation, reinvested into frontline and prevention.
- **Be fair and balanced:** both councils start life relatively financially stable, avoiding a two-speed system.
- **Fix current challenges:** helps to resolve West Berkshire's deficit and reliance on government support.
- **Support credible delivery:** manageable one-off costs and a payback of 4.2 years for LGR transition alone.
- **Support transformation:** savings create headroom for digital, prevention and locality services.
- **Improve outcomes for residents:** savings reinvested into care, housing and prevention.
- **Enhance service delivery efficiency:** streamlined corporate services and stronger commissioning.
- **Support strong local leadership:** stable finances allow focus on community priorities.
- **Resilience and deliverability:** clear payback, credible costs, and phased implementation.

# 9. The Financial Case

## 9.1 Introduction

This section details the financial case for two unitary authorities across Oxfordshire and West Berkshire. The financial case is compelling for the following key reasons:

- The two proposed unitary councils provide a solid basis for future financial sustainability, which is far more robust than the current scenario, helping to manage the impact of cost pressures and changes to funding.
- The proposal also provides a route map to resolving significant financial challenges across the geography in line with the government criteria.
- The analysis shows that neither of the two proposed councils can be deemed to be materially advantaged or disadvantaged from a financial perspective when the balance of demand, income, assets, liabilities, debts, workforce and other associated factors are considered.
- As with all LGR, this proposal requires an upfront investment of £30.4m, but it is anticipated that it will create significant transition benefits of £21.9m per annum and potential transformation benefits of up to £37.9 million. How this compares to the other options is shown in the table below[34].

| Option | Level of change | Recurring net financial benefits (£m) | One-off costs (£m) | Payback period (years) |
|---|---|---|---|---|
| **Option 1** Oxfordshire Unitary council and no change to West Berkshire Unitary council | Transition | 27.3 | 23.8 | 3.1 |
| | Basic Transformation (Base) | 20.9 | 14.6 | 1.7 |
| | **Transition plus Basic Transformation** | **48.2** | **38.4** | **2.8** |
| | Ambitious Transformation (Stretch) | 31.1 | 21.7 | 1.7 |
| | **Transition plus Ambitious Transformation** | **58.4** | **45.5** | **2.7** |
| **Option 2** Oxford & Shires and Ridgeway councils | Transition | 21.9 | 30.4 | 4.2 |
| | Basic Transformation (Base) | 25.6 | 17.9 | 1.7 |
| | **Transition plus Basic Transformation** | **47.5** | **48.3** | **3.4** |
| | Ambitious Transformation (Stretch) | 37.9 | 26.5 | 1.7 |
| | **Transition plus Ambitious Transformation** | **59.8** | **56.9** | **3.2** |
| **Option 3** Greater Oxford, Northern and Southern councils | Transition | 9.5 | 32.5 | 8.7 |
| | Basic Transformation (Base) | 25.8 | 18.1 | 1.7 |
| | **Transition plus Basic Transformation** | **35.3** | **50.6** | **4.7** |
| | Ambitious Transformation (Stretch) | 38.2 | 26.7 | 1.7 |
| | **Transition plus Ambitious Transformation** | **47.7** | **59.2** | **4.2** |



[34] The detailed analysis underpinning this table is provided in Appendix B

- Based on the options appraisal, the proposed two-unitary model would payback the upfront investment in 4.2 years and create a potential ongoing benefit position of £59.8m p.a. from Year 5 onwards.
- This cost-benefit compares favourably to the proposal to create a large unitary council for the whole of Oxfordshire and to leave West Berkshire Council in a position of being deemed too small in relation to government guidance to achieve economies of scale.
- This cost-benefit also compares very strongly in relation to the proposal to create three unitary councils for the whole of Oxfordshire and West Berkshire.
- The two-unitary model proposal therefore presents the best Value for Money option in terms of providing better local representation at a similar cost-benefit level.
- It is important to note that the benefits of LGR will be essential in helping to bridge forecast funding gaps and for better meeting increasing demand in terms of Adult Social Care and Children's Services.

All the Oxfordshire councils, together with West Berkshire Council, are predicting increasing budget challenges over the coming years, with significant demand pressures expected in areas such as adult and children's services and homelessness. Government funding has not kept pace with increasing costs and service pressures, and council tax referendum limits restrict the income that councils can collect locally to support services.

Inflationary pressures in recent years have led to an increase in the cost of services councils receive from third parties. Additionally, councils that have borrowed externally have experienced an increase in borrowing costs due to rising interest rates. Councils without significant borrowing have seen an increase in income from their investments in recent years, but this will reduce as interest rates are expected to fall in future years.

These pressures manifest in the councils' Medium-Term Financial Plans (MTFPs)[35], which show an increasing pressure on future budgets that is either met through the use of reserves or savings targets. There is also considerable uncertainty over the level of future government funding and retention of business rate income.

As a two-tier area, the unitarisation of the existing Oxfordshire councils is expected to generate savings against current expenditure, though the timing and quantum of such savings depend on the proposal going forward. West Berkshire Council is currently in receipt of Exceptional Financial Support (EFS), having received its first allocation relating to financial year 2024/25. West Berkshire's population is currently under the threshold limit for a unitary authority deemed as financially sustainable by central government. The two-unitary proposal and the proposal for a single Oxfordshire authority are very similar in terms of the overall cost-benefit analysis. However, the two-unitary proposal has the potential to make the largest savings *and* the opportunity to create two financially stable unitary councils within the guidelines set out by central government, taking into consideration the current financial constraints faced by West Berkshire.



[35] Known in some organisations as Medium Term Financial Strategies (MTFSs)

## 9.2 Baseline, Approach and Assumptions

**Baseline costs used for cost-benefit analysis**

The estimated total net current expenditure of the proposed two new unitary authorities has been sourced from the MTFPs published in February 2025, or, where applicable, publicly available revisions. These projected the estimated budgets for the pre-existing authorities for 2027/28, and have been used to determine the core baseline for expenditure of the future unitary authorities on vesting day.

The February 2025 MTFP estimates of total government grant funding, council tax, and retained business rates income for each existing organisation have also provided the core baseline for the income of the future unitary authorities. The resulting transfers to or from reserves to balance the budgets on vesting day are also shown, as reflected in the February 2025 MTFPs.

| Income and Expenditure | | | |
|---|---|---|---|
| | 2 UA (£m) | | |
| Category | Oxford and Shires | Ridgeway | Notes |
| **Income*** | | | |
| **Council Tax** | 377.4 | 431.5 | Currently 27/28 view. Includes Council Tax Surpluses. |
| **Grants (inc. non-AEF)** | 45.8 | 63.0 | Currently 27/28 view |
| **Business Rates** | 114.4 | 55.0 | Currently 27/28 view |
| **Total Income** | 537.6 | 549.5 | |
| **Expenditure**** | | | |
| **All Staff** | 171.8 | 164.5 | Does not include any staffing consolidation impact. Proportion based on FY25/26 establishment data shared. |
| **All Non Staff** | 384.1 | 396.7 | Expenditure excluding staff |
| **Total Expenditure** | 555.9 | 561.2 | Total Expenditure for all authorities in Oxfordshire and West Berkshire. FY27/28 |
| **Net Position** | -18.3 | -11.7 | |
| **Total Reserve Draws** | 13.4 | 6.8 | Draws from reserves for FY27/28 to cover budget deficit |
| **Final Position** | -4.9 | -4.9 | |

**(Source – Oxford & Shires | Ridgeway Detailed Financial Case October 2025 – Appendix C)**

*Income Sources: Draft statement of accounts (24/25), MTFS and MTFPs, Pixel Outputs
**Expenditure Sources: Statement of Accounts 24/25, Net Operating Expenditure (25/26 onwards), Newton Analysis, Establishment data (provided by LAs).

### Approach to financial model, including estimating costs and benefits

To project forward the financial position of the two proposed unitary councils on vesting day, the first task is to allocate out the existing councils' budgets. This task is made easier in this proposal by the inclusion of two existing upper-tier authorities. As the costs of the districts and West Berkshire Council can be allocated in full to the two proposed unitaries, since there are no proposed boundary changes, the main focus in this area of work has been on allocating Oxfordshire County Council costs, income, assets and liabilities across the two proposed councils.

To support this work, and the work of estimating costs and benefits across transition and transformation, PwC and the Chartered Institute of Public Finance and Accountancy (CIPFA) have been engaged as consultants. The work of PwC and CIFPA has built on the already constructive working relationships between the chief finance officers of the councils supporting these proposals, as well as the long-standing work of the Oxfordshire Treasurers' Association.

PwC has prepared two documents in support of this proposal; an options appraisal looking at all three of the unitary options under consideration, and a detailed financial case looking at the two-unitary authority proposal. These are shown in appendices B and C respectively. The documents draw on the experience of the consultants in working on current and previous LGR proposals elsewhere and in previous Oxfordshire LGR reviews. They are based on published data and using assumptions that have been agreed across the relevant S151 officers.

The options appraisal (appendix B) offers an objective view of the costs and benefits of different reorganisation options. It looks to illustrate the high-level financial implications of implementing and operating a single unitary authority, two unitary authorities or three unitary authorities across the geography. The appraisal has been undertaken on a like-for-like basis across the three options to allow for direct and fair comparison.

The detailed financial case (Appendix C) sets out the implications of the proposed two unitary option. It helps to model what future budgets will look like, provides a more detailed view on the starting financial position, and draws out the financial implications of local government reorganisation and wider transformation benefits. It provides a more detailed review of costs/benefits of the two-unitary proposal and begins to break down that analysis between the proposed Oxford & Shires and Ridgeway councils. It is important to note that the deeper analysis included in the detailed financial case produces differences in numbers to those included in the options appraisal.

**Assumptions applied**

As noted earlier, a key focus of work in estimating the budgets of the two unitaries on vesting day has been in allocating the costs, income, assets and liabilities of Oxfordshire County Council to the new councils. The assumptions used to allocate these costs are as follows:

*Net revenue expenditure*

Oxfordshire County Council's revenue costs have been primarily allocated between the two councils based on population, as per ONS population projections for 2025. The exception to this is Adult and Children's services, which have been allocated using modelling of demand on day one carried out by Newton Associates on behalf of the County Councils' Network.

*Income from government grants, council tax and business rates*

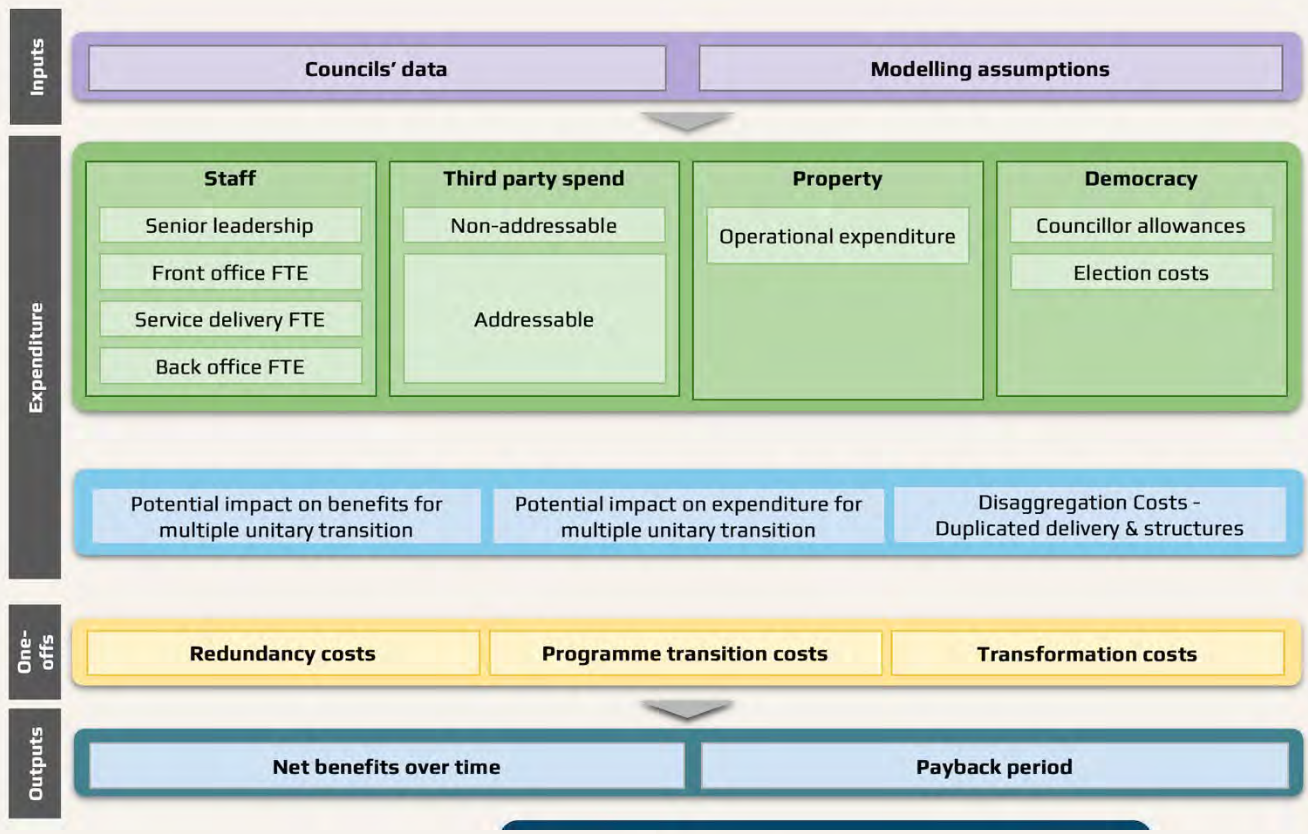
Income from government grants, council tax and business rates for the two unitaries has been projected using estimates included in the councils' MTFPs. Oxfordshire County Council's income has been allocated between the two unitaries based on modelling undertaken by Pixel. The projections do not include any estimates of the impact of the government's fair funding review, other than those made by the councils in preparing their MTFPs in February 2025 (and some revised positions in September).

In estimating future council tax levels, the weighted average council tax method has been used. This was modelled on 2028/29 Band D Council tax levels by applying tax base growth and expected precepts included in the councils' MTFPs, then harmonised to that rate on day one.

*Transition and transformation costs and benefits*
To determine the costs and benefits of transitioning to the new unitary councils and the transformation opportunities once in place, the councils have worked with their consultants to determine areas of opportunity and the likely costs to be incurred in delivering them.

*SEND Deficits*
For the purposes of this financial modelling it has been assumed that central government will assist local government in resolving the issue of SEND deficits.

## Financial model approach




**Inputs**

Include data supplied by County and District councils, public data and assumptions based on prior LGR activity. This relates to General Fund only and excludes HRA.

**Benefits of Reorganisation**

Weightings applied to three types of spend, with proportionate percentage reductions applied. Democracy benefits are based on the number of councils involved in the analysis, and the cost per vote cast in most recent elections.

**Benefits of Transformation**

Increased leverage of the above benefits available through transformation.

**Disbenefits / Disaggregation Costs**

In many LGR scenarios resulting in multiple unitaries, there are typically additional disbenefits and assumed costs of disaggregating county-level services, including children's services and adult social care. However, this options appraisal reflects the existing infrastructure available in West Berkshire for the 2UA and 3UA scenarios and addresses these costs accordingly.

**Costs of Transition**

One-off costs and proportional redundancy costs incurred to transition / implement the new UAs.

**Outputs**

Projected net benefits from different re-organisation scenarios.

## 9.3 Cost-Benefit Analysis - Transition

**Transition benefits**
Under this proposal, the transition from seven councils to two presents significant opportunities for immediate and ongoing savings benefits estimated at £21.9 million per annum. These are detailed below. Savings and associated costs are taken from the options appraisal to enable comparison with the alternative proposals.

*Salary savings*
The existence of the two-tier system in Oxfordshire means there is significant duplication of senior management roles, which will be rationalised under the two-unitary proposal. The inclusion of West Berkshire Council in the proposal, however, means that many of the ongoing disaggregation costs that would be incurred if this were a two-unitary proposal wholly within Oxfordshire would be avoided, given the existence of two upper-tier management structures.

Analysis by PwC identifies ongoing annual savings, before additional on-going costs, of £17.2 million from year 5 onwards, resulting from the creation of the two unitaries. There are additional ongoing annual equalisation costs of £3.1 million for the proposed Ridgeway council, reflecting upper-tier services currently offered in Oxfordshire but not currently available in West Berkshire. It will be for the future Ridgeway council to determine whether these additional services are available in the future. These estimates exclude the impact of pay harmonisation.

*Democratic savings*
The transition to two unitaries will see a reduction in the number of elected councillors and a saving in the costs of running elections.

In terms of elected members, there are currently 331 district, county and unitary councillors across the seven existing councils, at a cost of £4.4 million per annum. Under the two-unitary proposal, this would reduce to between 160 and 200 councillors.

In terms of elections, the Oxfordshire district councils have a range of election cycles ranging from halves, thirds and all-out elections every four years. Oxfordshire County Council and West Berkshire Council both have all-out elections every four years. Transitioning to two unitaries and assuming that a four-year cycle is adopted will, together with the reduction in councillor numbers, lead to an annualised saving of £2.5 million per annum.

*Savings from property*
The existing councils all have extensive property assets, valued at over £3.6 billion, not all of which will be needed by the new unitary councils. Following discussions, PwC's analysis suggests that just under £10 million in one-off capital receipts and income could be delivered through property rationalisation as part of local government reorganisation, producing revenue savings of just over £2.2 million.

*Third party spend*
All seven existing councils procure a wide range of services, often individually, which means that there is significant scope for economies of scale in future procurements. PwC estimates the savings opportunity here to be of the order of £3.0 m per annum, based on applying a modest efficiency assumption in line with reductions found in other local authorities to have undergone LGR.

**Transition Costs**

The move from seven councils to two comes at a cost.

Having considered experiences elsewhere, PwC estimates that the transition costs of moving to a two-unitary model are likely to be around £30.4 million as set out in the table below:

| *One off transition / implementation costs* | Total (£M) | Note |
|---|---|---|
| **New unitarities setup & closedown costs**<br>• External Comms, Rebranding & implementation:<br>• Internal Programme Management:<br>• Creating the new council<br>• Organisation closedown<br>• Public Consultation<br>• Shadow Chief Exec Costs | *7.5* | Programme management, administrative and legal activities linked to new council creation and closedown, public consultation, rebranding and communications ahead of vesting day, and shadow member and executive costs. Based on other actuals from other previous LGR experience. |
| IT & Systems Costs | *6.9* | Costs of data migration, systems migration, setting up new systems, hardware costs, integrating business systems etc. Based on other actuals from other previous LGR experience. |
| External transition, design and implementation support costs | *7.7* | Based on other actuals from other previous LGR experience. |
| Redundancy costs | *5.1* | Redundancy cost as a proportion of salary (current assumption) x total FTE saving |
| Contingency | *3.2* | Estimated 40% of total one off transition / implementation cost (excl. ICT) |
| TOTAL | *30.4* | |

PwC's analysis of these costs compared to the two other proposals estimates the one-off transition costs of the one unitary council to be lower at £23.8 million, while those for the three unitary proposal are higher at £32.5 million. The one unitary proposal does not include West Berkshire, so it is not directly comparable.

**Cost-Benefit Analysis and Profiling**
The table below shows total forecasted benefits and costs of the reorganisation.  The equivalent tables for the two other options can be found in appendix B.

| BENEFITS OF AGGREGATION | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Category | Staffing Front Office | Staffing Service Delivery | Staffing Back Office | Staffing Management | Third Party Spend | Property | Democracy | Total aggregation benefits (annual) |
| Saving (£) | 4,993,230 | 1,924,474 | 2,808,692 | 7,508,699 | 3,028,930 | 2,214,130 | 2,463,724 | **24,941,879** |

| TRANSITION COSTS | | | |
|---|---|---|---|
| Category | Programme transition costs | Redundancy costs | Total transition costs (one-off) |
| Cost (£) | 25,297,020 | 5,135,299 | **30,432,319** |

| DISAGGREGATION COSTS | | | | |
|---|---|---|---|---|
| Category | Additional senior leadership costs | Additional service delivery costs | Additional democratic costs | Total disaggregation costs (annual) |
| Cost (£) | 0 | 3,058,000 | 0 | **3,058,000** |

| NET BENEFITS | | |
|---|---|---|
| Total net benefit after one year | Total net benefit after five years | Payback period |
| -24,909,667 | 16,632,379 | 4.2 years |

Note: these only refer to transition benefits, not wider transformation benefits

Based on experience elsewhere, a conservative approach has been adopted to realising savings. Despite that, transitioning to two unitary councils is expected to payback within 4.2 years. This is compared to 3.1 years for the one unitary proposal, which focuses solely on Oxfordshire and does not consider the financial position of West Berkshire Council. The three unitary option has a payback period of 8.7 years.

## 9.4 Cost-Benefit Analysis - Transformation

Transformation benefits represent additional efficiency savings and income growth that the new authorities could achieve post-vesting day through localised service delivery agreements and transformation. These are over and above transition benefits. For the options appraisal PwC focussed on three key areas:

- Full Time Equivalent (FTE) staffing
- Addressable third party spend
- Income generation.

PwC's analysis shows likely benefits and costs of transformation against two scenarios, "base" – relatively conservative programme of change and "stretch" – a more ambitious programme of change (see table in section 9.1).  PwC identified the two-unitary authority option as having the potential to deliver the highest level of savings through transition and transformation, noting that this is over the whole geography including West Berkshire. Examples of the type of transformation that underpins these figures are given in Chapters 7 and 8.

## 9.5 Detailed financial case

Building on the options appraisal, the second PwC document, the detailed financial case (appendix C) offers further details on the benefits and associated costs of the two-unitary authority proposal. This analysis has followed in-depth discussions between chief financial officers and their staff with PwC colleagues to produce a more refined view of the impact of transition and transformation, and to start to build a picture of the likely finances of the two councils.

**Detailed financial case – transition**

The transition benefits outlined earlier in section 9.3 have been refined. and the table below shows how the refined benefits are shared across Oxford & Shires and Ridgeway, as well as how they compare to the figures in the options appraisal.

| | Option appraisal vs Detailed financial case | | | | |
|---|---|---|---|---|---|
| | Option | Detailed financial case | | | |
| | appraisal | Oxon & Shires | Ridgeway | Total | Variance to opt app |
| | £m | £m | £m | £m | £m |
| **1) Benefits of aggregation** | | | | | |
| **Staffing** | | | | | |
| Front office | 5.0 | 2.4 | 2.3 | **4.7** | (0.3) |
| Service delivery | 1.9 | 0.9 | 0.9 | **1.8** | (0.1) |
| Back office | 2.8 | 1.4 | 1.3 | **2.7** | (0.1) |
| Management | 7.5 | 5.6 | 1.9 | **7.5** | (0.0) |
| **Total staffing** | **17.2** | **10.3** | **6.4** | **16.7** | **(0.5)** |
| **Third party spend** | 3.0 | 1.0 | 0.9 | **1.9** | (1.1) |
| **Property** | 2.2 | 1.4 | 1.4 | **2.8** | 0.6 |
| **Democracy** | 2.5 | 0.8 | 0.9 | **1.7** | (0.8) |
| **Total benefits** | **24.9** | **13.5** | **9.6** | **23.1** | **(1.8)** |
| **Additional service costs** | (3.1) | 0.0 | (3.1) | **(3.1)** | (0.0) |
| **Net benefits** | **21.9** | **13.5** | **6.5** | **20.0** | (1.9) |

As can be seen there is a modest reduction in the transition benefits as compared to the options appraisal, which used assumptions to enable comparability across the options.

## Transition costs

Transition costs are as estimated in the options appraisal, and a detailed breakdown of that estimate is shown in the table below.

| Category | Transition Costs | Oxfordshire 2UA Cost (£'000) |
|---|---|---|
| Programme transition costs | **External Comms, Rebranding & implementation**<br>*Examples include: Staff Advertising, Venue/Room Hire, Subscriptions* | 659 |
| | **External transition, design and implementation support costs**<br>*Examples include: Other Hired & Contracted Services & Consultants Fees* | 7,686 |
| | **Internal programme management**<br>*Examples include: Staff Admin Recharge* | 3,426 |
| | **Creating the new council:**<br>*Examples include: Training, Vehicle Parts/Maintenance and Contents Insurance* | 1,464 |
| | **Contingency**<br>*Examples include: Other Expenses General & Miscellaneous Small Projects* | 3,228 |
| | **Organisation closedown**<br>*Costs involved with legally and financially closing down councils and create sound budgetary control systems* | 732 |
| | **Public consultation**<br>*Examples include: Survey Professional and Other Fees, General Materials, Entertainment and Refreshments* | 494 |
| | **ICT costs**<br>*Examples include: IT Hardware, IT Repair Installation Maintenance and Training, IT Software & IT Licences* | 6,862 |
| | **Shadow Chief Exec / member costs**<br>*Examples include: Electing the shadow cabinet, training costs* | 747 |
| **Total Programme Transition Costs** | | 25,297 |
| **Redundancy Cost -** *Examples include: Redundancy payments (does not fully factor in pension strain)* | | 5,135 |
| **Total One-off transition costs** | | 30,432 |

## Transformation opportunities

The detailed financial case offers further insight into the transformation possibilities available to the new authorities. The table below is a high-level summary of what additional avenues can be explored, allocated against:

- Assets
- FTE
- Third party Spend (TPS).

| Service Area | General Projections* | High-level Opportunities for Oxfordshire |
|---|---|---|
| Adult's | 1-5% | • **Assets:** Examine opportunities to repurpose existing assets to support the provision of community-based services.<br>• **FTE:** Organisational redesign to support effective service delivery model using latest technology to enhance impact and efficiency. Cross-cutting opportunities related to customer and contact management, as well as cultural and behavioural change.<br>• **TPS:** Improved strategic commissioning across housing, mental health, and care homes to reduce duplication and improve' provider rate. |
| Childrens | 1-5% | • **Assets:** Potential reduction in administrative buildings and integration of co-located services (e.g. care with housing, co-locating Family centres).<br>• **FTE:** Rationalisation of commissioning teams and support staff across 2UA option. Cross-cutting opportunities related to customer and contact management, as well as cultural and behavioural change. Review use of data to support with enhance demand management, prediction and holistic care.<br>• **TPS:** Review the care cycle, enhance preventative approach to care provisions and aim to reduce the rate of escalation for high-cost placements. |
| Place | 6-10% | • **Assets:** Develop an asset strategy, identifying additional opportunities for income generation and cost recovery (eg. disposal of surplus assets post-reorganisation and review cost-recovery in comparison to similar Councils).<br>• **FTE:** Review the service delivery model, to identify current service levels and standards, use of digital, efficiencies in existing operating model. Cross-cutting opportunities related to customer and contact management, as well as cultural and behavioural change.<br>• **TPS:** Improved long-term contract management, commissioning and procurement capabilities to support greater grip over long-term management. |
| Corporate Services | 6-15% | • **FTE:** Organisational redesign to remove duplicative activity and shadow spend within services, leveraging automation and emerging technology to streamline processes (eg. recruitment, P2P) and improve self-serve capacity. Cross-cutting opportunities related to customer and contact management, as well as cultural and behavioural change.<br>• **TPS:** Review current use of agency spend as part of organisational redesign and assess opportunities to reduce reliance on external agency spend, particularly relating to specialist services (eg. Legal), and use of data to drive performance management. |

**Transformation portfolios developed from working with Councils elsewhere, may vary depending on previous savings delivered, existing transformation in place, resource capacity. Savings projections draw on demand management, FTE release and reduced third party spend.*

Shown below is an assessment of additional transformation opportunities that may be explored following reorganisation, taking into account planned savings and existing transformation programmes, and drawing on conversations with officers.

| Category | Reasoning |
|---|---|
| **Front office FTE** | Two Customer Experience Programmes are set to be delivered ahead of vesting day, which may give the incoming authorities with more digitised, capability-driven Front Office operations. However, given that this is only being explicitly delivered in two organisation, the overall size of opportunity is likely smaller than Back Office redesign. |
| **Service delivery FTE** | Benefits here would be focused on realising the benefits of more effective and efficient service delivery models, including implementing fundamental changes to service provision to reduce demand. Anticipated savings are lower than in the Front and Back Office, as service delivery activity is less impacted by digitisation but would still benefit from process optimisation. |
| **Back office FTE** | There are some planned transformation for back office and service delivery as part of OCC's organisational redesign, but there has overall been a greater focus on transforming the front office. Back office services are also more influenced by digitisation, improvements to ways of working and reduction of shadow or duplicative activity via the centralisation of operations. |
| **TPS** | There are opportunities to strengthen the grip over the future authorities' commissioning cycle, building on the initiatives underway in Oxfordshire County Council and enhancing the future organisation's overall commissioning, procurement and contract management capabilities. |
| **Income** | Some gains from income generation through review of sales. fees and charges for District charging of key services (eg. green waste, planning) and harmonising to new standards. Based on 23/24 RSX data, Oxfordshire has similar fees and charges rates with its comparator group (eg. Gloucestershire, Surrey, Buckinghamshire). |
| **Assets** | Review of current use of assets to assess cost recovery and usages of typically income generating assets (eg. car parks) and to align the strategic use of assets with service delivery models (eg. better co-location of services, repurposing certain buildings to enhance place-based service provision). |

Potential savings from transformation firstly at Oxford & Shires, followed by Ridgeway, are shown in the tables below:

| Category | Baseline (£'000) | Base % | Base (£'000) | Stretch % | Stretch (£'000) |
|---|---|---|---|---|---|
| Front office FTE spend | 56,213 | 3% | 1,686 | 5% | 2,811 |
| Service delivery FTE spend | 59,279 | 1% | 593 | 3% | 1,778 |
| Back office FTE spend | 42,599 | 5% | 2,130 | 7% | 2,982 |
| TPS | 382,662 | 2% | 7,636 | 5% | 19,089 |
| Income | 73,496 | 0.5% | 367 | 1% | 735 |
| Assets (Operational Spend) | 11,225 | 0% | 0 | 0.5% | 49 |
| Total | | | 12,412 | | 27,444 |

| Category | Baseline (£'000) | Base % | Base (£'000) | Stretch % | Stretch (£'000) |
|---|---|---|---|---|---|
| Front office FTE spend | 57,429 | 1% | 574 | 5% | 1,723 |
| Service delivery FTE spend | 60,561 | 1% | 606 | 3% | 1,817 |
| Back office FTE spend | 43,520 | 3% | 1,306 | 5% | 2,176 |
| TPS | 367,094 | 1.5% | 5,506 | 3% | 11,013 |
| Income (Sales, Fees and Charges) | 126,284 | 0.5% | 631 | 1% | 3,671 |
| Assets (Operational Spend) | 11,117 | 0.5% | 49 | 1.5% | 146 |
| Total | | | 8,672 | | 20,546 |

In comparison to the options appraisal, the combined total of potential annual base transformation savings is £21.1 m compared to £25.6m the options appraisal, but the potential stretch saving is £47.9m compared to £37.9m in the options appraisal.

## Council tax income

Within the detailed financial case are assumptions around what the Band D council tax could be for the proposed new authorities in 2028/29. This takes assumed Band D council tax, and estimated tax base growth, from the existing councils' MTFPs and uses a weighted average to harmonise these into a single rate for the new councils from day one.

Under this method, which has been favoured by most councils in recent rounds of LGR, there is no material change to aggregate council tax income. The decision on the level of Band D council tax for the new councils will be a matter for those councils, and they could choose not to use this method to harmonise, but whatever method is chosen will need to align with the government's referendum limits in place for the new councils. Based on the current referendum limits, the weighted average council tax levels calculated in this proposal are with those limits.

The 2028/29 weighted average Band D council tax for the proposed Oxford & Shires council would be £2,441.60. How this compares to the existing council's council tax is shown in the table below.

| District | Tax base | County Precept (£'000) | County Band D (£) | District Precept (£'000) | District Band D (£) | Total Council Tax (£'000) | Total Band D charge (£) | Harmonised Band D (£) | Change on Band D (£) | Change % |
|---|---|---|---|---|---|---|---|---|---|---|
| Cherwell | 62,034 | 137,223 | 2,212.1 | 10,765 | 173.5 | 147,989 | 2,385.6 | 2,441.6 | 56.0 | 2.35% |
| Oxford City | 48,730 | 107,793 | 2,212.1 | 18,989 | 389.7 | 126,782 | 2,601.7 | 2,441.6 | -160.2 | -6.16% |
| West Oxfordshire | 50,868 | 112,523 | 2,212.1 | 7,344 | 144.4 | 119,868 | 2,356.4 | 2,441.6 | 85.1 | 3.61% |
| Totals | 161,632 | 357,540 | | 37,099 | | 394,639 | | | | |

As shown in the table below, the equivalent 2028/29 weighted average Band D council tax for the proposed Ridgeway Council would be £2,325.80.

| District | Tax base | County Precept (£'000) | County Band D (£) | District Precept (£'000) | District Band D (£) | Total Council Tax (£'000) | Total Band D charge (£) | Harmonised Band D (£) | Change on Band D (£) | Change % |
|---|---|---|---|---|---|---|---|---|---|---|
| South Oxfordshire | 66,547 | 147,205 | 2,212.1 | 11,063 | 166.2 | 158,268 | 2,378.3 | 2,325.80 | -52.5 | -2.21% |
| Vale of White Horse | 62,404 | 138,040 | 2,212.1 | 11,034 | 176.8 | 149,074 | 2,388.9 | 2,325.80 | -63.1 | -2.64% |
| West Berkshire | 72,705 | £0 | £0 | 161,669 | 2,223.6 | 161,669 | 2,223.6 | 2,325.80 | 102.2 | 4.59% |
| Totals | 201,655 | 285,245 | | 183,766 | | 469,011 | | | | |

## 9.6 Investment

**Approach to be taken to funding transition**

As identified earlier, transition costs are estimated at £30.4 million for this proposal. There are currently sufficient reserves, including the ability to utilise the flexible use of capital receipts, across the seven existing councils involved in this proposal to meet these transition costs. Whilst no external funding is therefore required to support this transition, should government funding be available for transition costs we would expect all proposals for LGR to be treated equitably in terms of financial support. Further, we anticipate government funding for at least some of the transition costs will enable the councils to begin with a firmer financial footing, thus aiding long-term sustainability.

**Approach to be taken to funding transformation**

As it is transformation activity that will help support long-term financial sustainability and deliver better outcomes for residents, we would look to government to match fund our investment in these services to accelerate delivery.

## 9.7 Funding and Financial Sustainability

**Key Assumptions around funding, including national policy developments**

The timing of submission of LGR proposals coincides with the fair funding review, resulting in a lack of clarity over future levels of government funding for all councils.

In preparing the 2025/26 budgets, all seven councils prepared MTFPs covering the period to vesting day. All councils will have made their best estimates of funding levels for future years, based on the funding received for 2025/26 and on the direction of travel indicated in the initial Fair Funding Review 2.0 consultation.

Although there has been a further round of consultation on Fair Funding Review 2.0, uncertainty remains regarding future funding levels. As such, the key assumptions around future funding remain those reflected in the councils' latest published MTFSs.

**Summary of financial sustainability of the two new councils**

The two-unitary authority proposal for LGR offers the best solution for the future viability of local government in Oxfordshire and West Berkshire. It provides a unique opportunity to simultaneously address West Berkshire's exceptional financial support position, while creating two similarly sized, relatively low risk councils, that will be best placed to deliver the transition savings and transformation benefits outlined earlier.

The proposal enables these benefits by allowing existing unitary experience and infrastructure to be utilised in the creation and running of the two new unitary councils. The opportunity to utilise existing infrastructure allows for transformational efficiencies and limited disaggregation costs compared to the three-unitary proposal, which require an additional upper tier management structure to be created and produces smaller unitaries that may prove less financially resilient. The single-unitary proposal does not address the financial pressures experienced by existing unitary councils (social care commissioning budgets), which have created significant financial pressures in both Oxfordshire County Council and West Berkshire Council, the latter now being in receipt of exceptional financial support.

The analysis in this section demonstrates that the councils created under the two-unitary authority proposal will realise significant savings from transition and will have the potential to realise further savings from transformation. This will leave the new councils well placed to face future financial challenges.

# Chapter 10 Implementation Plan and Approach in a Nutshell

## Quick Chapter Summary

Creating two new councils is a complex task that must safeguard services, reassure staff and maintain public confidence. Without a clear plan, the risks of disruption, cost overrun and loss of focus on statutory responsibilities would be high.

The implementation plan addresses these risks through the following:

- **Objective:** Deliver two new councils smoothly and safely by vesting day, protecting statutory services, staff and residents.
- **Approach:** Phased, risk-managed implementation led by shadow authorities, overseen by an Implementation Board, and independently assured.
- **Continuity first:** Statutory services (children's, adults, housing, public protection) prioritised for safe transition.
- **Transformation next:** Early consolidation of corporate services (finance, HR, IT, procurement), followed by locality-led transformation.

Delivery will be sequenced and governed: shadow authorities and an Implementation Board will oversee the transition, supported by Senior Responsible Officers for each workstream, independent assurance and transparent reporting. Phased milestones, contingency reserves and

### What people told us

"For the new council to secure trust from the residents, this will have to be set up from the beginning so that the new unitary council is seen as better than the previous councils."

### The two-unitary model will:

- **Assure continuity:** clear leadership and accountability within each footprint.
- **Increase transformation capacity:** scale sufficient to modernise systems and roll out locality models.
- **Be future-proofed:** builds councils that are stable from vesting day and positioned for devolution.
- **Improve outcomes for residents:** continuity first with safe and legal services, then modernisation and prevention.
- **Enhance financial sustainability:** early corporate consolidation generates savings to protect services.
- **Improve service delivery efficiency:** streamlined contracts, shared systems and locality models reduce duplication.
- **Strong local leadership:** shadow authorities and early appointments ensure visible leadership during transition.
- **Resilience and deliverability:** phased milestones, independent assurance and risk mitigation provide confidence.

# 10. Implementation Plan and Approach

## 10.1 Introduction

This implementation plan has been prepared to guide the transition process towards the creation of two new unitary authorities for Oxfordshire and West Berkshire, ready for an assumed Vesting Day of 1 April 2028.

In developing the plan, we have had regard to the timetable issued by MHCLG and looked to local authorities that have already been through similar processes so that we can learn from their experiences and build on their successes.

Our approach will be guided by the principles of openness, transparency and collaboration. We will seek to involve local communities, stakeholders, and delivery partners in designing local government arrangements that respond to local needs and ambitions. We will build opportunities for co-production and ensure robust formal scrutiny mechanisms are in place throughout the process.

Our ambition is to create new unitary authorities that will operate safely and legally from day one, while providing a seamless transition for customers, staff, elected members, delivery partners, and other stakeholders.

The transition of services currently delivered by Oxfordshire County Council, including key services such as Social Care and SEND, will require detailed planning and an orderly implementation programme to minimise disruption and ensure outcomes for residents are unaffected across both proposed unitary authorities. This proposal has the benefit of having two councils which already provide upper tier services, with West Berkshire Council already operating as a unitary council and therefore providing good mitigation against the risks of disaggregation.

Services will be designed by those with the expertise and experience to do so and engagement with all stakeholders will be effective and timely. Robust governance will support the process and transition governance boards will oversee delivery and scrutinise progress, drawing on additional technical, legal, and financial expertise where needed to support sound decision-making. Elected members will play a vital role in this, providing democratic accountability and critical friend oversight to progress.

Recognising the different starting points for the two unitary authorities (Oxford & Shires merging services from three districts and a county council, Ridgeway combining two districts, a county council and an existing unitary authority), their approaches to ensuring a safe and legal transition will differ. There are learnings to share as well, as services across Oxfordshire and West Berkshire already have experience in aggregating and disaggregating, through previous initiatives like shared service delivery.

This will be a complex process, with many unknowns and hundreds of different strands that need to be brought together. There are also many risks associated with the transition that must be carefully managed. This will require an agile approach, and it is envisaged that the implementation plan will continue to evolve as the business case emerges and even after its rollout commences.

Vesting Day will be a key milestone. We are confident that the new arrangements will provide a sound platform for future transformation, to realise operational efficiencies and financial savings, while delivering improved outcomes for residents and service users.

Figure 1 sets out a high-level timeline with key phases and milestones, covering preparation, transition, implementation, and post-implementation transformation. Further detail on each of these phases is provided below.

## 10.2 Our phased approach

### Phase 1 - Preparation and Mobilisation (December 2025 – Summer 2026)

During this phase:

- The proposals and supporting business cases will be submitted to government by the deadline of 28 November 2025.
- Government will review all the competing proposals for the area before deciding how to proceed.
- Government will then carry out a statutory consultation with affected local authorities, and other parties - it is anticipated that this will commence in early 2026.
- Once the consultation has concluded, Ministers will decide, subject to Parliamentary approval, which, if any, proposal is to be implemented, with or without modification. It is anticipated that an announcement will be made in the summer of 2026.
- Programme management arrangements will be put in place for each of the two new unitary authorities in advance of the government announcement to allow for rapid mobilisation in line with the government's ambitious timetable.
- The LGR process will be overseen by an LGR Board, which will include senior management representation from the constituent authorities. A series of thematic officer boards will be set up to progress particular workstreams. It is currently proposed to have seven boards, but the number and focus of the boards will be reviewed periodically to ensure they remain fit for purpose and reflect the priorities at the time. The programme board and project boards will be supported by a dedicated programme management office. The proposed programme management arrangements are shown in Figure 2 below.
- Communications with residents and stakeholders will continue throughout this and future phases to keep all parties informed of planned changes and developments, and to highlight opportunities for those living, working and learning in our communities to engage fully with this process whenever it is appropriate.
- A range of activities will be undertaken during this period to prepare for design in Phase 2. This will include working across all of the principal councils on preparation work that will be valuable irrespective of the option chosen by the minister. A degree of option specific work will also be undertaken to ensure that Phase 2 is best placed to proceed at the necessary pace.

## Phase 2 – Design (Summer 2026 – April 2027)

Design and detailed planning work will begin once the government has confirmed the proposal it wishes to see progressed for LGR in Oxfordshire.

Once a decision is taken on which proposal to implement, the MHCLG will prepare the necessary legislation (Structural Change Order (SCO)) for Parliamentary approval.

New governance arrangements will be required during the transition period until the existing local authorities are abolished, and the new unitary authorities go live. Arrangements will be set out in the SCO; however, it is anticipated that a Joint Executive Committee will be established for each of the new authorities, with membership drawn from the constituent authorities' cabinets/executives. A Joint Scrutiny Committee will also be set up for each of the two new authorities to provide oversight and critical challenge of the transition process. Membership will be determined with regard to political proportionality. Member Task and Finish Groups may also be required to progress particular pieces of work.

Other activities that will take place during this phase will include:

- Confirming 'day one' requirements for all essential services so the new unitary authorities are safe and legal.
- Scoping of future requirements for all services.
- Reviewing existing contracts, including break clauses and expiry dates.
- Reviewing the property portfolio of each local authority, including any commercial investments.
- Developing service transition plans, including planning for the disaggregation and transfer of Oxfordshire County Council services and assets, and the aggregation of services across the constituent authorities of the new unitary authorities.
- Developing and agreeing HR plans for the transition of staff.
- Developing and implementing ongoing staff and trade union communications and engagement plans.
- Reviewing baseline ICT architecture and planning transition ready for day one (e.g. email addresses, building passes, Wi-Fi, printing, and systems access).
- Developing and agreeing on a budget for the transition year.
- Formulating governance proposals for adoption by the Shadow Authority, including:
- A new executive and committee structure
- A member code of conduct
- Member allowances
- Constitution
- Reviewing any ward boundary changes and making arrangements for the election of the shadow authority.
- The governance arrangements during the transition period will be determined by the SCO, but it is anticipated that this will involve the creation of a shadow authority for each of the new unitary authorities.
- Agreeing an external communications strategy and undertaking key stakeholder engagement to support transition.

## Phase 3 – Implementation (May 2027 – April 2028)

The joint committees and joint scrutiny committees set up to oversee the transition will be stood down following the first annual meeting of the shadow authorities in April or May 2027.

Shadow authorities consist of elected members and appointed officers. Once created, the shadow authorities for Oxford & Shires and Ridgeway Councils will oversee key activities such as:

- Shadow authorities will be set up to support the smooth transition to the new local authority structure by Vesting Day on 1 April 2028. It is expected these authorities will be in place one year prior to Vesting Day, with the election of the shadow councils before 1 April 2027.
- Detailed integration planning and preparations for the transition of services to the new unitary authorities, including preparation of fully costed service plans based on previously developed blueprints.
- Development of the Council Strategy, and ensuring that all necessary services, policies and plans are in place for a safe and legal day one operation.
- Refining organisational structures set out in the design stage.
- Appointing the interim and permanent Head of Paid Service, other statutory officers and senior leadership roles.
- Budget setting for the new authorities, including consolidation of funding arrangements, such as council tax harmonisation, business rates collection, etc.
- Managing the transition of ICT systems.
- Overseeing the transfer of staff to the new authorities, with a focus on retaining a skilled workforce.
- Establishing payroll and pension arrangements.
- Ongoing staff and trade union negotiations.
- Ongoing stakeholder engagement, including reinforcing current partnerships and forming new partnerships, where appropriate.

## Phase 4 - Post-transition (April 2028 onwards)

Once the new authorities formally come into existence on Vesting Day on 1 April 2028, the focus will move towards developing strategies for the medium- and long-term, which may include the following:

- Establishing a transformation programme.
- Implementing new enterprise resource planning/customer relationship management systems.
- Detailed review of existing contracts and third party spend, consolidating and rationalising spend, while seeking to take advantage of economies of scale.
- Harmonisation of fees and charges.
- Alignment of employee pay and terms and conditions.

Following Vesting Day, the focus will rightly be on delivering improved services for all those living, working and learning in the new council areas, but there will also be considerable work to close down the accounts of the former councils.

## 10.3 Key risks

We will adopt and apply the principles of effective risk management to support the transition to the new unitary authorities. This approach will follow an agreed-upon risk management framework, approved by the constituent authorities, and in due course, the shadow authorities, which will involve reviewing risks at the corporate, directorate, and service levels, while also ensuring that cross-cutting risks are captured to ensure appropriate identification, analysis, assessment, mitigation, reporting and review. There will also be appropriate levels of formal scrutiny throughout the process. Key risks and corresponding mitigations are set out in the table below.

**Table 1: Key Risks and Mitigations**

| Risk | Mitigation |
|---|---|
| 1. **Scale, complexity and pace of change** | |
| The LGR proposal involves a significant amount of change in a relatively short period, across multiple organisations, with the disaggregation and integration of assets, budgets, and services, while still delivering business-as-usual activity. | Our proposal lays the foundations for an efficient and seamless transition. Our proposed approach to programme management will ensure that the right skills, capabilities and governance are in place to deliver complex changes involving multiple workstreams.<br>The constituent authorities have a successful track record on previous transformation and service improvement programmes that have delivered significant efficiency savings.<br>Also, West Berkshire Council has the added benefit of being an existing unitary authority. Established in 1998, it has over 25 years of experience in delivering the full range of local government services, including services rated as good by Ofsted across Children's and Adults Services. |
| 2. **Stakeholder support** | |
| The proposal involves multiple stakeholders who may have differing goals and priorities. This may result in disagreements in approach and preferred solutions. It may also result in a lack of alignment across other public services (e.g. police, health, etc). | We will work closely with stakeholders, both internally and externally, to build consensus and trust, identifying where there are different targets and agreeing on approaches to resolve issues as they arise. Decisions will be taken in an open and transparent manner, with reasons given for the decision made.<br>A communications strategy will be developed to further support clear and consistent messaging throughout the transition process and beyond. |
| 3. **Decision making and governance** | |
| There needs to be clarity on who is responsible for making decisions, when those decisions need to be taken, and that they are taken with the appropriate authority and consideration. Without this, there may be delays in implementing LGR, and the process may be open to legal challenge. | A framework will be established setting out the governance for the transition process, including roles and responsibilities (terms of reference for Boards, Committees, etc.). A clear timeline will be developed to show when each decision needs to be made.<br>We will seek to learn from other authorities that have undergone this process, and we will consult regularly with colleagues in MHCLG to ensure that we have a safe and legally compliant setup from day one. |

| | |
|---|---|
| 4. **Staffing** | |
| LGR will result in considerable changes for staff employed by the affected councils, including the transfer of staff to new employers, and changes to existing roles and responsibilities. The process will also place additional demands on staff, who will be required to support the transition while continuing to deliver business-as-usual activity. This could potentially result in additional stress, low morale, increased levels of staff sickness, and higher rates of staff turnover. | All staff across the affected councils will need to be involved in planning for the new unitary authorities.<br>The HR process will be designed to support managers and staff, with comprehensive and timely communications throughout the process. Targeted support will be provided to specific individuals who have particular concerns or worries.<br>Retention activity will be increased in areas where high turnover is anticipated, and prompt recruitment will be undertaken to fill any gaps created as a result of increased turnover. This will use secondments and agency staff if appropriate where shortfalls are forecast to be temporary. |
| 5. **Finance** | |
| Budgets will be set to cover the costs of implementing the LGR process. However, there is a risk that these may be insufficient to cover the associated costs, especially if unforeseen activities are required. Also, there are uncertainties about the treatment of SEND High Needs Block deficits, which are currently off the balance sheet, but this arrangement is due to end in April 2028. | There will be close monitoring of costs throughout the LGR implementation process. This will ensure that any potential shortfalls or funding gaps are identified promptly as they arise. |

## Figure 1 - Implementation Timeline and Phasing

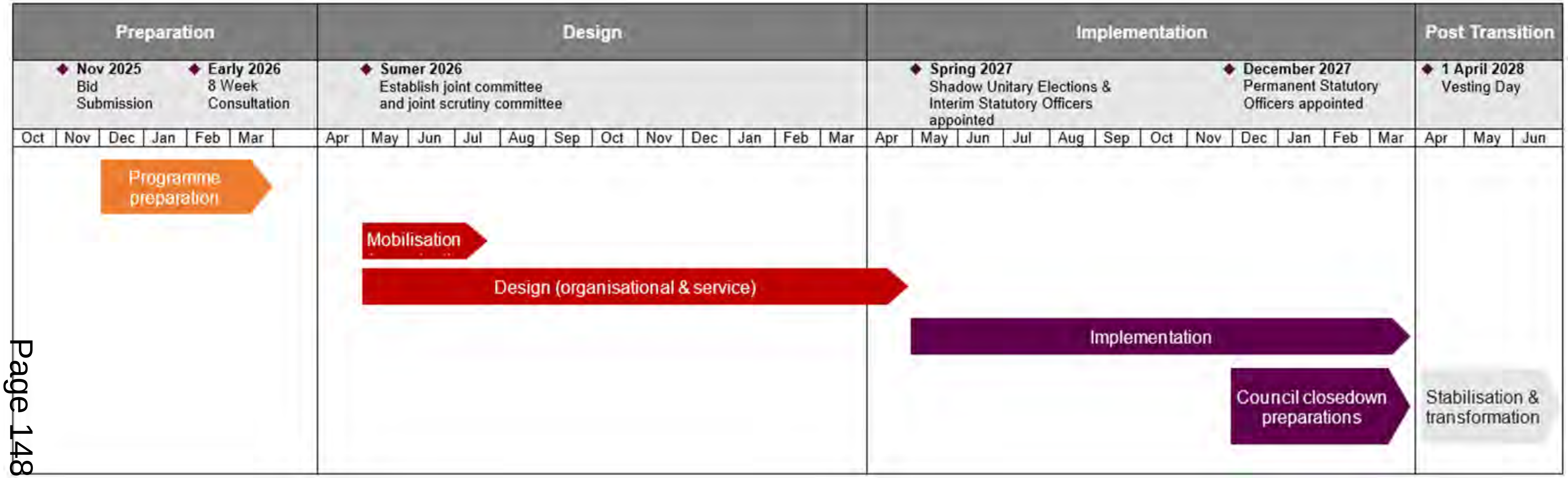


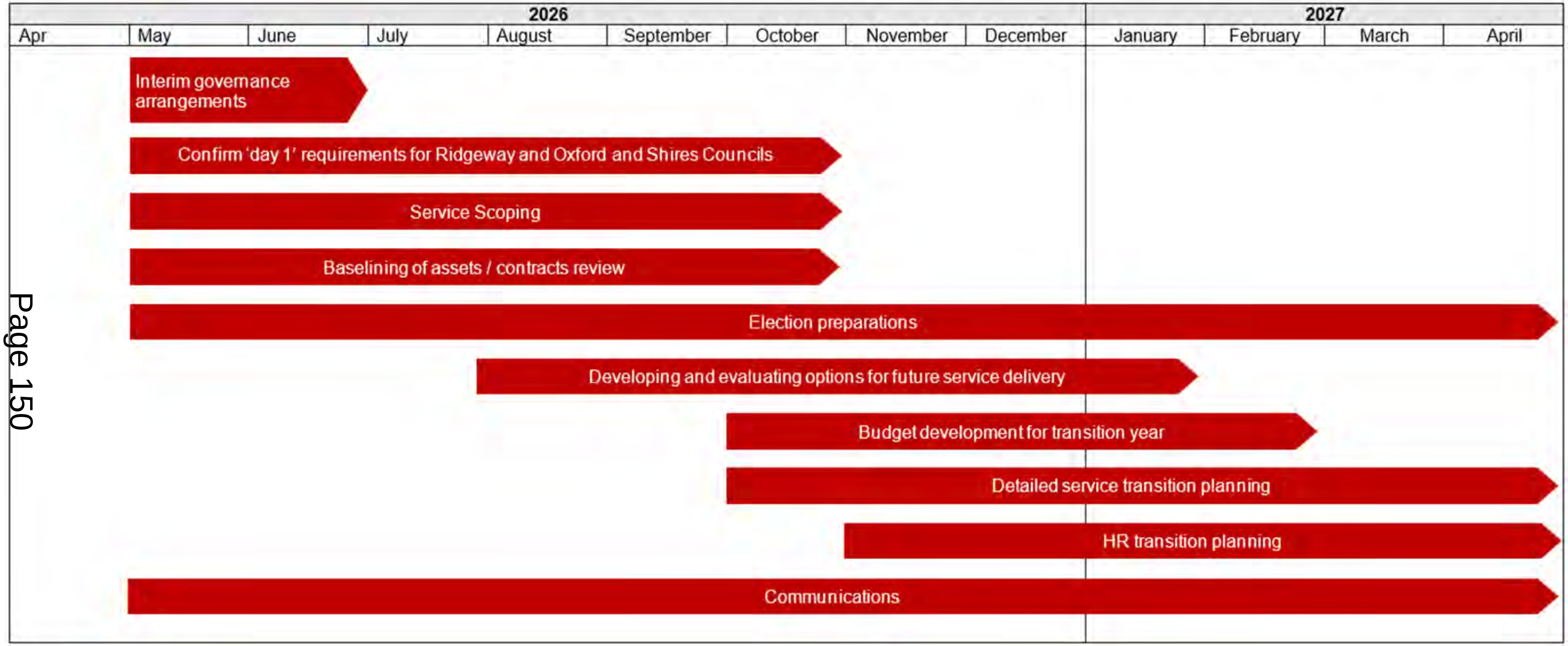
**Figure 2: Programme Management Structure**

**LOCAL GOVERNMENT REORGANISATION PROGRAMME BOARD**

| PEOPLE | PLACE | FINANCE | ICT | CUSTOMER and DIGITAL | CORPORATE | HR |
|---|---|---|---|---|---|---|
| Children and Family Services / Education<br><br>Adult Social Care / Public Health | Development and Regulation / Emergency Planning /<br><br>Environment<br><br>Community Services (Community Safety, Culture & Leisure) | Procurement / Revenues and Benefits / Budget Disaggregation and Integration / Balance Sheets / Medium Term Financial Strategy (MTFS) | ICT Infrastructure / ICT Equipment / Security / Service Continuity | Customer Services / Digital Services / Council Website / External Communications | Governance / Boundary Changes / Elections / Data Management | TUPE / Payroll / Pensions / Union Engagement / Cultural Change / Staff Communications |
| Workstreams | Workstreams | Workstreams | Workstreams | Workstreams | Workstreams | Workstreams |

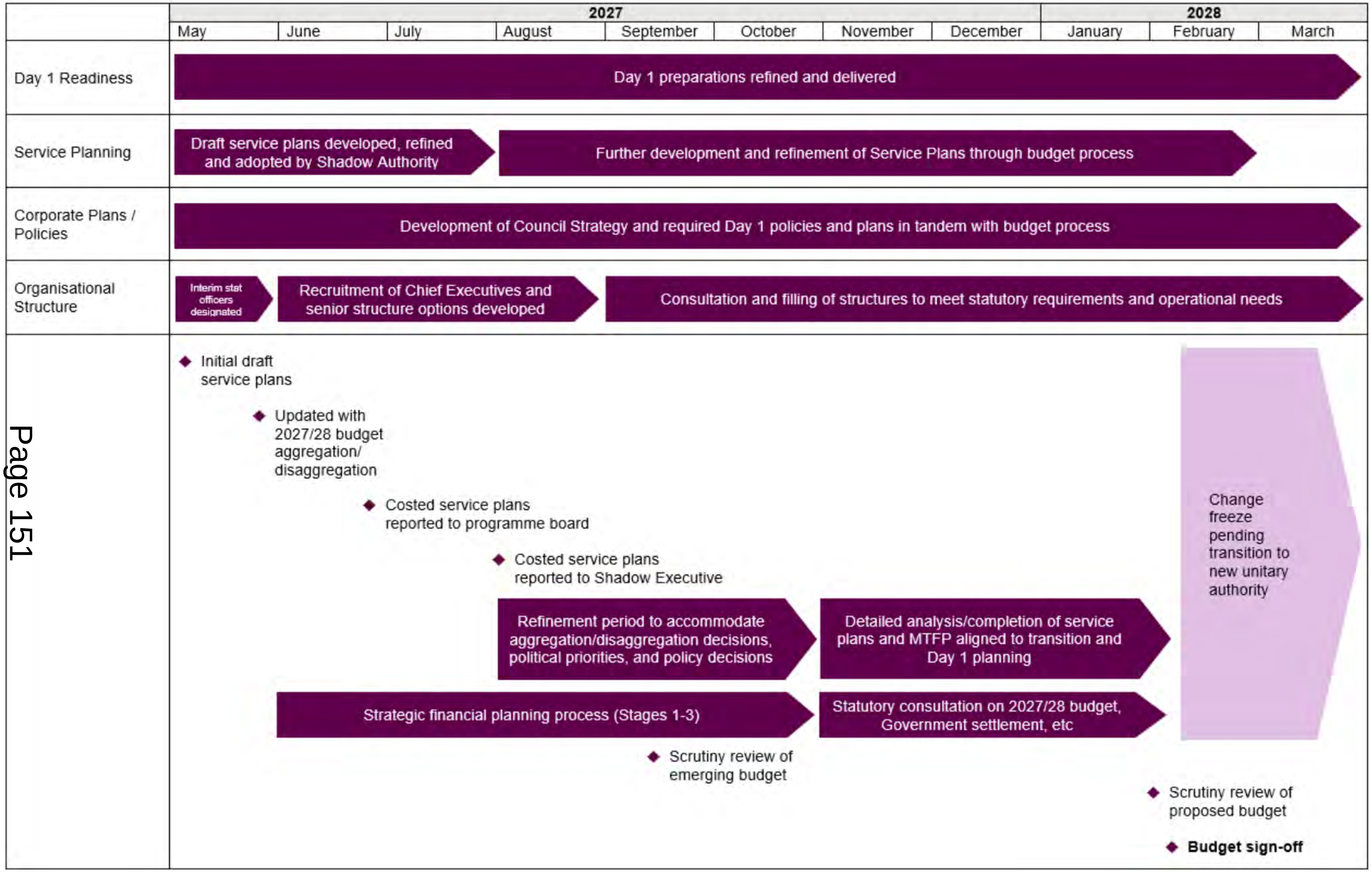
**PROGRAMME MANAGEMENT OFFICE**

**Figure 3 – High Level Timeline for Design Phase**




Page 150

## Figure 4 – High Level Timeline for Implementation Phase



# Chapter 11 Engagement Summary in a Nutshell

## Quick Chapter Summary

- **Our key engagement objective:** Reorganisation designed *with*, not *to*, communities — ensuring trust, legitimacy and local ownership.
- **This involved an unprecedented approach:**
  - Widespread and extensive engagement with residents, staff, parish councils, businesses, communities, public bodies, local partners and much more.
  - Engagement online, through surveys, face-to-face, in exhibitions in village and town halls, social venues like cafes, bars and pubs.
  - Many thousands of comments in response.
  - The most-extensive public engagement we've ever done, possibly the biggest ever carried out by councils in our area.

### What people told us

"It is important that people feel they have a voice that will be listened to."

### The two unitary option will:

- **Address the key findings of our engagement including:**
  - People want improvement.
  - They don't just want more of the same.
  - They want councils that are locally focused and responsive.
  - They want local accountability, identity and voice.
  - They want value for money, efficiency, better services, and protection of their communities.
  - They recognise the need for housing growth but are clear it needs to be managed strategically and carefully.

- **Outcome:** The engagement we carried out and the feedback we received has had a demonstrable and meaningful impact on our proposal.

# 11. Engagement summary

## 11.1 Introduction and response themes

From the outset of our proposal development, we knew that genuine, wide-reaching engagement would be critical to getting this right. We were clear that our engagement must be meaningful so that the proposal is based on a robust foundation of local views.

Local government reorganisation is clearly a big deal — it can fundamentally change how people access services that are vital to their lives and livelihoods, it affects how communities are represented, how future decisions are made, and it can have a generational impact on how people view their local identity. We wanted our communities to input into the design of new councils so that the proposal tackles the issues raised by our residents and creates a better future for the areas in scope.
And so, we ran a thorough and inclusive engagement process that informed people about what was happening but crucially also gave them a meaningful say in shaping the two-unitary proposal. The process was built around the simple principles of being open, local and collaborative. This chapter sets out how we did that, what we heard, and how it shaped the Oxford & Shires and Ridgeway proposals.

Top 3 most important council services
  - Education and schools
  - Roads and transport
  - Adult social care
- Top services that need improving
  - Roads and transport
  - Planning and development
  - Adult social care
  - Education and schools
- Most important economic priorities
  - Improving transport links
  - Revitalising high streets
  - supporting local business
  - Providing affordable housing
- Should decisions be made locally to help support economic growth and encourage new investment? - Yes 85%
- It is important that the council represents my local community's needs – Yes 75%
- It is important for the council to be based around an area that has a shared history and culture – Agree and strongly agree 75%
- It is important my council provides good quality services and value for money – strongly agree 83%

## 11.2 Our key takeaways from the engagement work

**Summary breakdown of what we heard and what we learned**

The following table breaks down the key points raised by different stakeholder groups

| Stakeholder group | Key points raised |
|---|---|
| Residents | • Most important services are education/schools, roads and transport and adult social care.<br>• A lot of services need improvement, mainly roads and transport, planning and development, adult social care and education.<br>• Councils should do more to communicate, listen to residents and demonstrate that resident feedback is influencing decision-making. There is considerable concern about this currently, especially for county-wide services.<br>• Economy is a big priority, especially improving transport, revitalising high streets, supporting local business and providing affordable homes.<br>• Councils need to represent local needs.<br>• Councils need to provide good quality services and value for money.<br>• Concerns around a loss of their area's rural identity – this was common across the rural areas, but most acute in the areas immediately surrounding Oxford and to the east of West Berkshire near Reading. Conversely, those in Oxford itself were concerned that the city might lose its sense of identity.<br>• Many people at our engagement events and in our survey expressed concern about the current performance of council services and want to see improvement. These were mainly county-wide services such as highways, transport and SEND. |

<table>
<tr><td>Town and parish councils</td><td><ul><li>Real concerns and cautious optimism about what’s to come, whichever proposal goes forward - but they need support to play their role.</li><li>Strong concern that the larger the unitary, the more parish and town councils will lose influence, feel ignored, or be marginalised. They pointed to the current lack of engagement or response from the county council on a range of issues and lamented the potential loss of district level.</li><li>Significant anxiety over the prospect of increased responsibilities for towns and parishes without the funding or staff to deliver them. Funding is the main barrier to taking on more.</li><li>Fears that power will concentrate in urban centres at the expense of rural and small communities. This was heightened in relation to the single county unitary and the Greater Oxford models.</li><li>Similar views were also expressed by residents living in the eastern part of West Berkshire, many of whom expressed a desire to remain part of a predominantly rural council rather than look to become part of any ‘Greater Reading’ urban settlement.</li><li>Town and parish councils want to be true stakeholders, involved in shaping their areas, but only with the support, respect and resources to do so.</li></ul></td></tr>
<tr><td>Businesses</td><td>SME feedback:<br><br>Strategic growth and business development:<ul><li>They would value better collaboration and partnership programmes with the public sector.</li><li>Accessing support across all levels and departments of local government is a challenge, and a single point of contact would be beneficial.</li><li>They would value local government providing them with a doorway to networking opportunities and idea creation.</li><li>They wanted clearer pathways to selling their services to local and national government.</li><li>Business rate support, particularly in town centres where bricks and mortar businesses rely on each other for footfall.</li></ul>On a day-to-day business operation basis:<ul><li>Better direct communication to businesses on service delivery updates and disruptions.</li></ul></td></tr>
</table>

| | |
|---|---|
| Community and voluntary sector | • Overwhelming support for locality-based working.<br>• Questions raised about the continuity of care and maintaining safeguarding links.<br>• Need mechanisms in place to ensure genuine local voice and accountability.<br>• Concerns raised about potential overlap, competition, and closures due to boundary changes.<br>• There is a strong call for scenario planning and transitional support to help community and voluntary sector organisations to adapt.<br>• Protections need to remain in place for vulnerable individuals, especially those supported by non-commissioned services such as some domestic violence charities. |
| Developers | • Developers welcomed the opportunity to hear more, and the overriding concern was that they're keen for the transition process to be managed as smoothly as possible. In particular, they would like to see the Strategic Authority come forward as soon as practicable to enable regional spatial planning to support their growth plans. |
| Schools | • At the Head Teachers Forum, attendees were interested to learn about local government reorganisation and the positive opportunities that would arise from the proposals being presented for West Berkshire<br>• Secondary school pupils told us they see South and Vale as being like West Berkshire. In West Berkshire they said they did not want to be aligned more closely to Reading as they do not see the geographical similarities between the two, and that it felt like a distinct place. |

We have not included feedback from stakeholders where they may be identified, as we do not wish to put them in a difficult position or misrepresent their views in a published document. However, they have provided valuable input that has helped to shape the proposal. These stakeholders include:

- Local MPs
- Public sector partners such as police, health, local hospitals and fire service
- Oxfordshire County Council
- Oxford City Council
- Cotswold National Landscape
- Employers like Berkshire Youth, Greenham Trust and Newbury Racecourse
- Sports organisations like the Oxfordshire Football Association
- Oxford Civic Society
- Thames Valley Berkshire Local Enterprise Partnership
- Newbury Business Improvement District (Newbury BID)
- Oxfordshire Local Enterprise Partnership (Enterprise Oxfordshire)
- Housing associations
- Oxfordshire Association of Local Councils.

## The feedback

Throughout our engagement work, we consistently identified several key themes. These themes have helped shape the design of this proposal, ensuring that we address the concerns raised and strive for the ambitions of our communities. The key themes are:

**Our communities want change; they want improvement**
Our survey responses were clear that people see a number of services currently performing poorly, such as highway maintenance, strategic planning and adult social care. Carrying on as we are should not be an option, and our communities want to see local government deliver better services than those they currently receive. This was reinforced in conversations with parish councils and other stakeholders, who felt that a change in the way services are delivered, and the geography in which they are delivered, is needed.

**Our communities want councils that are locally focused and responsive**
A concern raised again and again was that any new council should not be so big that it would lose touch with its residents. Communities already felt that they had experienced a loss of contact with services currently delivered on an Oxfordshire-wide scale. They also wanted to see councils based on an area relevant to their communities.

**Our communities have ambition around our local economy**
Responses to our survey and conversations with businesses and stakeholders highlighted that we should be ambitious about economic growth, both in our big towns and in the city, as well as in our rural communities. People want to see better strategic transport planning to link the areas, more jobs created and a coherent strategy for business growth.

**New councils should provide value for money**
The cost of council tax and the need for councils to be efficient were other repeated themes. Not only should we look to improve services, but we should also explore how we deliver them differently to achieve savings and minimise future council tax rises.

**The expansion of housing needs to be managed strategically and carefully**
There is a recognition that we need more homes, but the delivery of those homes must be managed effectively, protecting the environment, creating suitable infrastructure and improving affordability. While it wasn’t part of our proposal, there was a lot of concern about the growth of Oxford encroaching on the green belt.

**Our conclusions**
These themes all point to creating new councils that effectively balance the need for efficiency with the need to maintain local representation and responsiveness. It suggests that we should look to deliver services differently and improve what we do as councils, rather than continuing with our current approach, which people don’t think is working. The main discussion that seemed to enthuse people was that of a fresh start and a positive outlook for change.

The geography is crucial to unlocking housing and economic growth in a way that benefits communities across the area, ensuring we have the right transport in place, the right community facilities and the right jobs.

These themes, along with the more detailed feedback outlined below, have all fed into the proposal. We have highlighted throughout the proposal some of the places where stakeholder comments have shaped our thinking.

There is also more specific detail on some of the feedback we received – and what we've done with it – in the "How your feedback has influenced our proposal" section below.

## 11.3 Our approach to engagement

### Who we engaged with

In summary, we spoke with:

- **Residents**, through more than 20 community events across the entire geography, and an extensive public survey.
- **Town and parish councils**, via a wide variety of online and in-person briefings and meetings, mailings and direct conversations. This included events we arranged, and ones we were invited to, including the Oxfordshire Association of Local Councils' Talking Tables event, and a number of parish council meetings.
- **Businesses, other public services and community representatives**, through targeted webinars, written updates, briefings, meetings and letters.
- **Council staff**, both directly and through internal communication channels.
- **Other key partners**, including voluntary groups, faith groups, MPs and neighbouring authorities.

This wasn't just about meeting a requirement — it was about designing something better for our communities, and doing that with them, not to them. We made every effort to engage as far as possible to gather a wide range of views and perspectives.

### What we did

Working together as five councils, we developed and delivered a coordinated programme of engagement to provide stakeholders with clear information about the proposed changes and to gather input on key topics that would shape the proposal.

Our activities included:

- A public survey, open for six weeks to ensure residents had enough time to provide a carefully considered and informed view. Over **2,100** people and organisations responded to this survey. It focused on geography, identity, service delivery and local representation—core elements of the government criteria for the LGR proposals.
- Over **20 drop-in events** across Oxfordshire and West Berkshire attended by over 300 people. These were held in libraries, markets, community centres, cafes and other everyday venues. They allowed residents to speak directly with councillors and senior officers, ask questions, and share their views.
- Dedicated websites (twocouncils.org, ridgewaycouncil.org, and oxfordandshires.org) to provide clear and accessible information, FAQs and ways to take part.
- A tailored stakeholder programme, including letters, calls, meetings and online sessions for parish councils, MPs, businesses, public sector partners and other organisations.
- Consistent communications, with branded materials, digital media and social content, posters, newsletters, press releases, media interviews, and more to raise awareness and encourage participation.

Throughout, we worked collaboratively to avoid duplication, reduce costs, and maintain consistent messaging while tailoring delivery to local contexts.

## What we didn't do

This wasn't an exercise in comparing the three proposals being developed in the Oxfordshire and West Berkshire area. We were clear and upfront that three proposals were being developed and directed stakeholders to the publicly available details of the other two, but we did not invite comments on them.

The best time for stakeholders to perform their own side-by-side comparison of the different options is once the proposals are fully developed, and during the government's statutory consultation phase.

## 11.4 Summary of how feedback has influenced our proposal

From the outset, we were determined that our public and stakeholder engagement would not be just a box-ticking exercise; instead, it would be the activity that kicked off, inspired, and thoroughly influenced our proposal.

We circulated a detailed summary report of the early engagement findings to the numerous officers who contributed to the development and authoring of this proposal, along with our detailed public survey report – accompanied by a guide to ensure colleagues used the feedback appropriately and correctly.

In the interest of transparency – and to practice what we preach in the Future Engagement Model section of the proposal – we have outlined below some of the most significant areas where community and stakeholder feedback have influenced our proposal.

The feedback we received is reflected throughout this proposal; therefore, the table below is by no means the full picture, but it gives a flavour of the extent to which our communities have been involved in the development of this proposal.

## Shaped by engagement: **seven** important ways our communities have fundamentally influenced our proposal

| You told us | What we've done | Where you can find this in the proposal |
|---|---|---|
| **1. LOCALISM**<br>Councils should be locally focused, responsive and based on areas relevant to their communities. Some 75% of respondents to our public survey said that councils should represent the local community's needs.<br><br>Residents were concerned that rural areas would be left behind, with power being centralised.<br><br>The community and voluntary sector called out for mechanisms to ensure a genuine local voice and accountability | Chapter 8 of our proposal sets out a new approach to locality working.<br><br>The concept of locality working and community empowerment runs throughout the proposal. | Throughout, including:<br><br>**Chapter 8.4** Localities working and community empowerment. |

| | | |
|---|---|---|
| **2. QUALITY**<br>83% of public survey respondents agreed that new councils should prioritise good services and provide value for money. You told us that service delivery in roads and transport, planning and development, and adult social care needs significant improvement.<br><br>Economic growth is important, but it must go hand-in-hand with strong services and support for communities. | Our proposal (Chapter 7: Service Delivery and Transformation) takes a detailed look at service delivery and transformation. In part, this focuses on aggregating and re-establishing existing services along new boundaries, but also looks at some of the areas identified during public engagement as those requiring the most improvement. | **Chapter 7** Service Delivery and Transformation<br><br>**Chapter 7.7** Other services |
| **3. TRUST**<br>80% of respondents to our public survey felt like their input wouldn't have much – or any – impact on how councils do things. This perception turned them off from participating in local democracy. | We're building the new councils from the ground up to ensure community feedback is hardwired into the decision-making process, and that there is a robust mechanism to ensure people see how their feedback has influenced things – restoring trust and increasing participation in local democracy – this ensures robust | **Chapter 8 Future Engagement Model** |
| **4. VOICE**<br>Town and parish councils need a more coherent and formalised way to interact with all levels of the primary authorities to have a voice. | In Chapter 8 (How the new councils will work), we set out our Future Engagement Model, which identifies a Town and Parish Liaison function that will facilitate day-to-day engagement and support for parishes. It also provides an in-depth look forward to how community and stakeholder engagement becomes hard-baked into the democratic processes of the new councils. | **Chapter 8.4** Localities working<br><br>**Chapter 8 Future Engagement Model** |

| | | |
|---|---|---|
| **5. IDENTITY**<br>You want to protect rural communities and the countryside.<br><br>You want a strong voice for the city of Oxford and to ensure its sense of identity and history is preserved. | Chapter 5 sets out our vision and ambition for the two new unitary authorities, and in part, this identifies where the unique characteristics of different parts of our area will be supported. | **Chapter 5.2** How we will help secure better outcomes.<br><br>**Chapter 8.3** Democratic arrangements and governance |
| **6. EMPOWERMENT**<br>Businesses want better collaboration and partnerships with the public sector, as well as a single point of contact.<br><br>The voluntary and community sector demonstrated overwhelming support for locality-based working. | Our localities model sets out processes to empower all parts of our communities to contribute meaningfully to the decisions made by the future councils. The local business sector will both help to co-design aspects of this process and, once the new councils are up and running, will become active participants. | **Chapter 8.4** Localities working and community empowerment. |
| **7. SUPPORT**<br>There was a strong desire from Town and Parish Councils and the Voluntary and Community sector to ensure that the most vulnerable members of our communities, as well as our partner organisations, retain the support they get through the transition and adapt to what follows. | A carefully phased approach to preparation, mobilisation, and implementation will ensure the new councils are safe and legal from day one.<br><br>The implementation plan sets out clear steps to ensure that no one is left behind. | **Chapter 10** – Implementation Plan and Approach |

You can read the full report on our public survey at twocouncils.org/get-involved

# 12. Conclusion

## 12.1 Our case for change

This proposal sets out our vision for **two unitary councils for the area that offers the best balance of scale, efficiency and local empowerment and accountability.** The two new councils would be large enough to be resilient, withstand financial shocks and deliver services efficiently, but small enough to stay close to local communities.

At the very first step in this process, the government invited Oxfordshire councils to think innovatively before submitting a proposal. We looked at the make-up of local authorities in our area with the government's criteria, objectives and ambitions in mind. It became very clear to us that by considering **Oxfordshire and West Berkshire together** we could embrace the opportunity to create something new and better for all of our residents and communities. We have all worked enthusiastically to identify the best way to achieve these joint goals.

It speaks to our rational and pragmatic approach to identifying the best option that the financial analysis has shown that this model is the one that provides the **best potential annual financial benefits** when you take transformation into account. By developing existing upper-tier authority services across more sustainable footprints, we can protect those who need it most while securing the long-term viability of local services.

This model **builds on the strong track record of community involvement** already seen across Oxfordshire and West Berkshire and writes it into the DNA of how the new councils work, while allowing each council to focus on its own distinct but complementary identities.

The new council geographies represent a bit of a departure from what local people have known for the past 50 years or so but solving difficult problems has never been possible without new ideas. We know that our new unitary councils will be **the right building blocks for the government's ambitions for devolution** – and by getting the balance right, we can provide a firm base for the Mayoral Strategic Authority, and a genuinely local link to the communities it will serve. Doing so will support the government's aim to ensure devolved powers are truly in the hands of local people.

**Five out of the seven councils across Oxfordshire and West Berkshire support this proposal**, and we're excited about the opportunities solving those challenges will provide, and we're excited that we can do all of this with a strong foundation in historical ties and community identity.

**This proposal embraces the once in a generation opportunity to create two new councils for one better future.**

# 13. Appendices

Current appendices:

A. **PwC Comparative Data**
B. **PwC Financial Options Appraisal**
C. **PwC Detailed Financial Case**
D. **Planning for Devolution – A 'Growth' offer from the proposed 2 new Unitary councils**
E. **PeopleToo technical social care and SEND analysis**
F. **Glossary of terms**
G. **Government criteria checklist**

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# Oxford and Shires | Ridgeway

LGR Comparative Demographic, Economic, Social and Environmental Analysis



A once-in-a-generation opportunity

Two Councils

Oxford and Shires | Ridgeway

# Executive Summary | Headline Demographic, Economic, Social and Environmental indicators (1/2)

The table below shows the indicators in tabular format including how these compare to the South East and England data for each area (where appropriate and available). Within a two unitary scenario, the majority of indicators describe a more challenging scenario for Oxford & Shires authority than for Ridgeway. The three unitary proposal is not included here, due to the boundary changes required that do not allow accurate analytical comparison.

**Statistics** (input source)

| Option | Area | Children in Low-Income Families | GCSE Attainment vs National Average | Overall Health Index | Household Benefit Claim Rate | Adults with No Qualifications | Developed Land Use |
|---|---|---|---|---|---|---|---|
| **1UA** | | 9,643 | 0.11 | 112.8 | 11.75% | 13061 | 7.9% |
| **West Berkshire UA** | | 9,257 | 2.3 | 114.20 | 13.87% | 13,957 | 7.2% |
| **2UA** | **Oxford & Shires** | 10,836 | -0.51 | 109.1 | 11.91% | 13738 | 8.6% |
| | **Ridgeway** | 8,372 | 1.74 | 116.9 | 11.60% | 12704 | 7.2% |
| **England** | | **18,981** | **-** | **100.80** | **21.33 %** | **17682** | **8.7%** |
| **South East** | | **12,355** | **1.2** | **106.1** | **11.10%** | **15054** | **9.9%** |
| **Units and Period:** | | Per 100k, 2023/2024 | % Point Difference, 2023/2024 | 2021 | %, 2023/2024 | Per 100k, 2022/2023 | %, 2022/2023 |
| **Sources** | | Stat-Xplore (requires log in) | Parliamentary constituency of school location data, GOV.UK | Health Index scores, England, ONS | DWP benefits, GOV.UK (requires log in) | Highest level of qualification, ONS | Land use in England, GOV.UK |

# Executive Summary | Headline Demographic, Economic, Social and Environmental indicators (2/2)

The table below shows the indicators in tabular format including how these compare to the South East and England data for each area (where appropriate and available).

**Statistics** (input source)

| Option | Area | Business Growth | Gross Value Added | Obesity Prevalence in Adults | Adult Social Care spend per resident | Job Density | Deprivation |
|---|---|---|---|---|---|---|---|
| 1UA | | 0.14% | £41.30 | 20.86% | £347 | 0.94 | 11.58 |
| West Berkshire UA | | -0.80% | £54.10 | 21.99% | N.A | 1.17 | 9.89 |
| 2UA | Oxford & Shires | 0.43% | £39.0 | 20.45% | £340 | 1.01 | 13.78 |
| | Ridgeway | -0.46% | £49.30 | 21.29% | £364 | 1.00 | 8.92 |
| England | | 0.24% | £42.40 | 26.5% | | 0.87 | 21.67 |
| South East | | 0.14% | £36.90 | 24.6% | | 0.86 | 15.48 |
| Units and Period: | | % change, 2023/2024 | £ per hour worked, 2023 | %, 2023/2024 | £ per resident, 2025 | Ratio, 2023/2024 | IMD, 2019/2020 |
| Sources | | Business Demography, ONS | Gross Value Added (GVA) per hour, ONS | Public Health Profiles, NHS | Newton | Job Density, Nomis | English indices of deprivation, MHCLG |

# Supporting Appendix

# Appendix

**Financial Factors** | Financial Health

- GDHI per head at current prices - ONS
- Core Spending Power per individual - MHCLG
- Net Assets per individual - District Councils
- Total debt per head - GOVUK
- Total operating expenditure per capita - MHCLG
- Current DSG deficit - GCC SoA
- Projected DSG deficit - GCC SoA



**Local Economic Factors** | Economic Output and Growth

- GVA per hour worked - ONS
- Business Growth - ONS
- Developed Land Use - GOVUK

**Local Economic Factors** | Employment & Access to Work

- Employment - ONS
- Adults with No Qualifications - ONS/CENSUS
- Travel to work patterns - ONS
- Job Density - ONS

**Local Economic Factors** | Digital Economy and Infrastructure

- Digital propensity - ONS
- Digital Connectivity - OFCOM
- Housing land supply - District Councils

**Service Delivery Factors**

- No. of residents supported ASC / CSC - Newton
- % of total population supported by People Services - Newton
- Total cost of service 2025 - Newton
- ASC / CSC spend per resident 2025 - Newton
- Benefit Claim Rates - GOVUK
- Homelessness - ONS
- Schools rated 'good' & 'outstanding' - OFSTED
- Rate of pupils receiving SEN support - HoC
- Rate of pupils with an EHCP - HoC
- Educational Attainment - GOVUK
- Children in Low Income Families - GOVUK
- Overall Health Index - ONS
- Obesity Prevalence in Adults - NHS
- Deprivation - MHCLG
- Life Satisfaction - ONS
- High Anxiety - NHS
- Low Happiness - NHS
- Common Mental Health Disorders - NHS
- Children looked after - GOVUK

# 1. Population & Taxbase

# Population Projections

Overall, Oxfordshire's over-65 population is projected to grow between 2026-2030, and more in Ridgeway compared to Oxford & Shires, however, the difference is marginal each year.

- Not accounting for population size, broad age group population growth is highest in the over-65 population.
- The 0–19 population declines in both LGR scenarios, with a greater decrease in growth in Oxford & Shires.
- Ridgeway will outpace Oxford & Shires in overall population growth each year.



## LGR Implications

The number of older people in Oxfordshire is rising, which could increase future demand for adult social care; noting that the 65+ population in the Ridgeway has reduced demand for social care relative to Oxford & Shires. At the same time, the 20–64 growth is steady but doesn't peak beyond 0.6%, which limits how much council tax and business rate income can grow to fund these services. Local government reform offers a chance to share resources more fairly and manage this ageing demand better, if it strikes the right balance between financial stability and delivering services.

**Cumulative population change projection (% change)**

| | | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|---|---|---|---|---|---|
| Single UA | Total | 0.7% | 0.7% | 0.8% | 0.8% | 0.8% |
| | 0 - 19 | -0.2% | -0.3% | -0.5% | -0.2% | -0.3% |
| | 20 - 64 | 0.5% | 0.5% | 0.6% | 0.6% | 0.6% |
| | 65+ | 2.5% | 2.7% | 2.7% | 2.6% | 2.6% |
| Oxford & Shires UA | Oxford & Shires | 0.4% | 0.5% | 0.6% | 0.7% | 0.7% |
| | 0 - 19 | -0.6% | -0.5% | -0.7% | -0.4% | -0.4% |
| | 20 - 64 | 0.2% | 0.2% | 0.4% | 0.4% | 0.5% |
| | 65+ | 2.5% | 2.8% | 2.8% | 2.8% | 2.6% |
| Ridgeway UA | Ridgeway | 0.8% | 0.7% | 0.7% | 0.7% | 0.7% |
| | 0 - 19 | -0.2% | -0.4% | -0.6% | -0.4% | -0.6% |
| | 20 - 64 | 0.6% | 0.5% | 0.5% | 0.6% | 0.5% |
| | 65+ | 2.4% | 2.4% | 2.5% | 2.3% | 2.4% |

# Population Figures

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
|---|---|---|---|---|---|---|---|---|---|
| **Oxfordshire CC** | **766,129** | **773,131** | **778,869** | **784,525** | **790,608** | **797,209** | **803,838** | **810,363** | **816,697** |
| **West Berkshire** | 163,540 | 163,712 | 163,754 | 163,725 | 163,811 | 163,953 | 164,123 | 164,303 | 164,507 |
| **South Oxfordshire** | 156,126 | 157,893 | 159,508 | 160,995 | 162,478 | 163,954 | 165,404 | 166,825 | 168,232 |
| **Vale of White Horse** | 148246 | 150,552 | 152,620 | 154,532 | 156,414 | 158,299 | 160,110 | 161,864 | 163,566 |
| **Ridgeway** | **467,912** | **472,157** | **475,882** | **479,252** | **482,703** | **486,206** | **489,637** | **492,992** | **496,305** |
| **Cherwell** | 170,119 | 172,283 | 174,214 | 176,065 | 177,917 | 179,804 | 181,661 | 183,507 | 185,337 |
| **Oxford City** | 171,899 | 171,498 | 170,562 | 169,946 | 169,797 | 170,096 | 170,562 | 171,052 | 171,425 |
| **West Oxfordshire** | 119,739 | 120,905 | 121,965 | 122,987 | 124,002 | 125,056 | 126,101 | 127,115 | 128,137 |
| **Oxford and Shires** | **461,757** | **464,686** | **466,741** | **468,998** | **471,716** | **474,956** | **478,324** | **481,674** | **484,899** |

# Taxbase

| | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Oxfordshire CC** | **279,025** | **282,904** | **286,742** | **290,583** | **294,454** | **298,458** | **302,519** | **306,639** | **310,818** | **315,057** |
| **West Berkshire** | 68,511 | 69,882 | 71,279 | 72,705 | 74,159 | 75,642 | 77,155 | 78,698 | 80,272 | 81,877 |
| **South Oxfordshire** | 63,640 | 64,595 | 65,563 | 66,547 | 67,545 | 68,558 | 69,586 | 70,630 | 71,689 | 72,765 |
| **Vale of White Horse** | 59,152 | 60,216 | 61,300 | 62,404 | 63,527 | 64,670 | 65,834 | 67,019 | 68,226 | 69,454 |
| **Ridgeway** | **191,303** | **194,692** | **198,143** | **201,655** | **205,231** | **208,871** | **212,576** | **216,347** | **220,187** | **224,096** |
| **Cherwell** | 59,854 | 60,572 | 61,299 | 62,034 | 62,779 | 63,532 | 64,294 | 65,066 | 65,847 | 66,637 |
| **Oxford City** | 47,638 | 47,999 | 48,363 | 48,730 | 49,099 | 49,472 | 49,847 | 50,225 | 50,606 | 50,990 |
| **West Oxfordshire** | 48,742 | 49,522 | 50,216 | 50,868 | 51,504 | 52,225 | 52,957 | 53,698 | 54,450 | 55,212 |
| **Oxford and Shires** | **156,234** | **158,093** | **159,878** | **161,633** | **163,383** | **165,229** | **167,098** | **168,989** | **170,902** | **172,839** |



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# 2. Financial Factors



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# Financial Factors | Summary

## Why have we selected these measures?

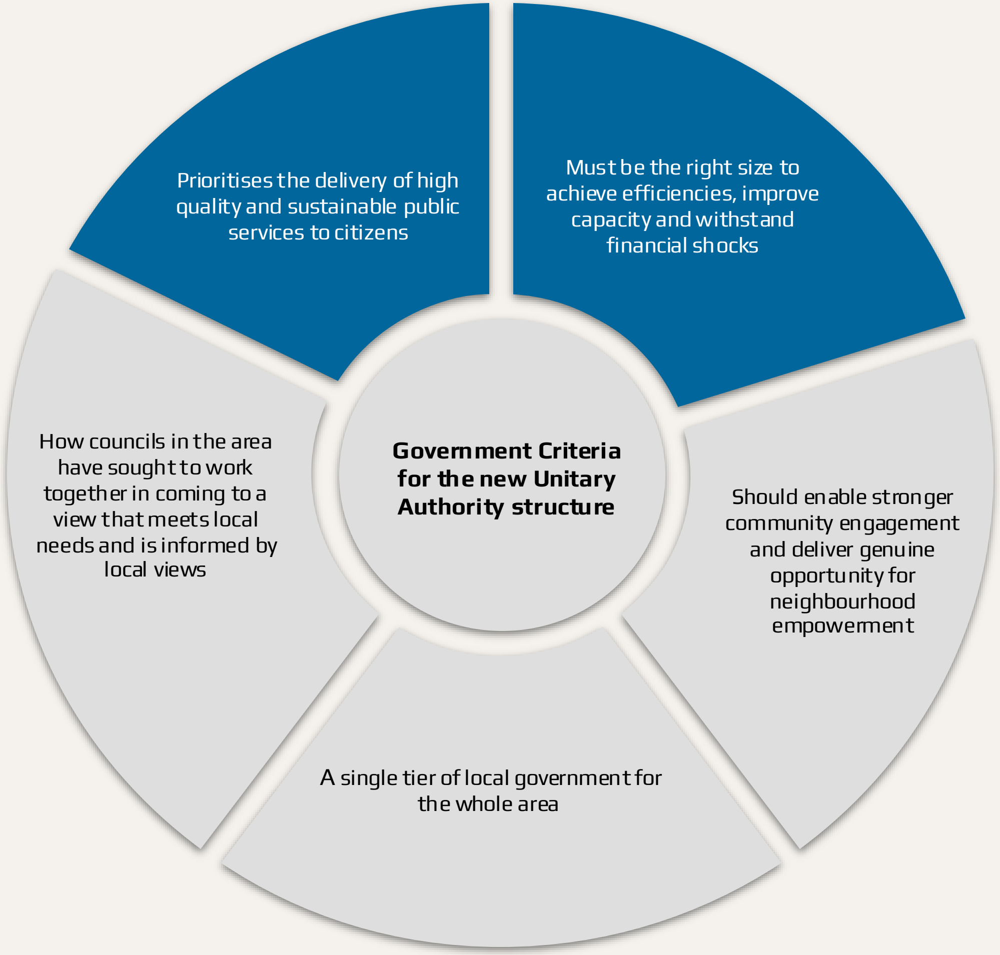
These measures show how financially strong each council in Oxfordshire is. They give a snapshot of things like debt, assets, spending, and key pressures such as DSG deficits.

They help us judge whether future council structures, either one or two unitary authorities would be financially sustainable. They also show how well each area could cope with financial shocks, manage past deficits, and continue running services. These indicators are a key part of the government's financial tests when deciding if a unitary model is viable.

## What do these measures tell us?

These figures give an overview of each area's financial health. Local Authority Debt, borrowing compared to reserves, and assets per person show how resilient and stable each area is. Council tax, business rates, and household income (GDHI) reflect the strength of the local economy and funding base.

Operating expenditure per capita and core spending power show how much it costs to run services in each area. DSG deficits highlight pressures from high-needs education.



# Financial Health

## Description of Indicator

Financial health indicators provide a snapshot of a local authority's fiscal resilience and ability to handle future pressures. Measures such as debt per individual, council tax, and business rates income reflect the authority's funding base and how much it relies on borrowing. Gross Disposable Household Income (GDHI) per capita shows how much money residents have, which can affect both local revenue and demand for services. Operating expenditure per capita, net assets per individual, and core spending power per individual help us understand how much is spent and how financially strong the authority is overall. The current and projected DSG deficits highlight risks linked to funding for high-needs education.

## LGR Implications

Ridgeway has lower Local Authority (LA) debt per capita (£527 compared to £961), and higher GDHI per capita (£28,272 compared to £24,736). It also collects more through council tax. Ridgeway also has a higher operating expenditure per capita (£262 compared to £231) and lower reserves per capita (£4433 compared to £2,392). Ridgeway shows a higher level of Core Spending Power, Dedicated Schools Grants (DSG) deficits in 2023 to 2024 and will have higher projected DSG deficits in 2026. This is supported by the Newton analysis which also indicates a higher demand for Children's services within Ridgeway.

## **Statistics** (input source)

The table overleaf presents the headline statistics, with units and sources, for the following data categories:

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| LA Debt | Total Council Tax Receipts | GDHI per capita | Operating Expenditure | Total Reserves | Core Spending Power | Dedicated Schools Grant Deficit | Projected Dedicated Schools Grant Deficit |

# Financial Health

| | LA Debt | Total Council Tax Receipts | GDHI per capita | Operating Expenditure | Total Reserves | Core Spending Power | Dedicated Schools Grant Deficit | Projected Dedicated Schools Grant Deficit |
|---|---|---|---|---|---|---|---|---|
| **Oxfordshire CC** | £1,234 | 595,909 | £25,406 | £251 | £1620.6 | £1,941 | £92.5m | £137.0m |
| **West Berkshire** | £1,493 | 137,752 | £28,055 | £459 | £1714.8 | £2,122 | £16.3m | £37.0m |
| **South Oxfordshire** | £309 | 137,267 | £29,938 | £192 | £1372.2 | £217 | - | - |
| **Vale of White Horse** | £702 | 126,752 | £24,995 | £104 | £879.2 | £252 | - | - |
| **Ridgeway** | **£2,054** | **401,711** | **£27,709** | **£420** | **£2392.5** | **£2,130** | **£57.0m** | **£97.3m** |
| **Cherwell** | £1,460 | 128,933 | £23,757 | £141 | £345.2 | £256 | - | - |
| **Oxford City** | £2,330 | 101,235 | £21,662 | £369 | £6400.8 | £384 | - | - |
| **West Oxfordshire** | £206 | 101,722 | £27,658 | £136 | £1237.8 | £211 | - | - |
| **Oxford and Shires** | **£2,689** | **331,890** | **£23,999** | **£474** | **£4432.9** | **£2,255** | **£51.8m** | **£72.7m** |
| **England** | **£2,054** | 37,176,692 | **£23,104** | **£715** | **-** | **£2,371** | **-** | **-** |
| **South East** | **£1,347** | **7,261,811** | **£25,796** | **£307** | **-** | **£850** | **-** | **-** |
| **Units and Period** | £ per capita, 2024/2025 | £ '000s, 2023/2024 | £, 2022/2023 | £ per capita, 2023/2024 | £ per individual, 2023/2024 | £ per dwelling, 2023/2024 | £m, 2024/5 | £m, 2025/6 |
| **Source** | Statement of accounts data | Receipts of Council Taxes, MHCLG | Regional gross disposable household income, Nomis | Revenue Outturn, MHCLG | District / Unitary Councils | Core Spending Power, MHCLG | District Councils | District / Unitary Councils |

Page 177

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# 3. Local Economic Factors



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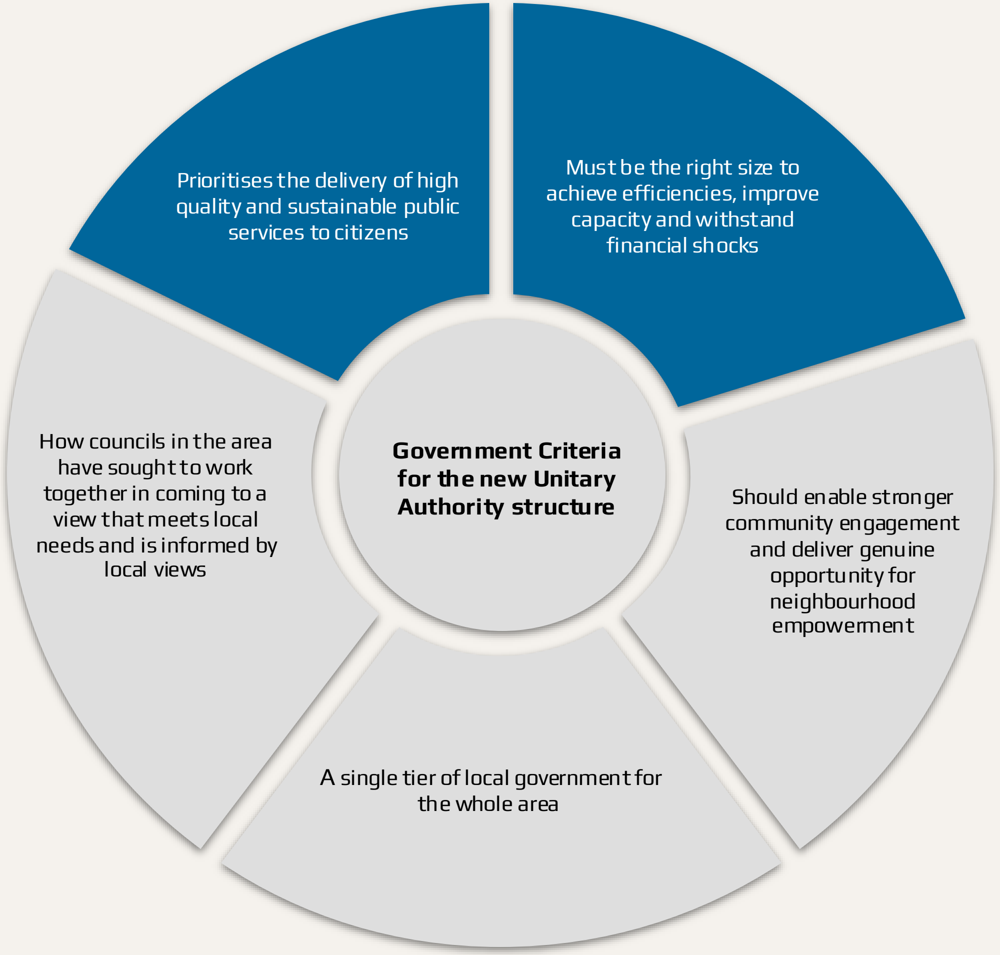
# Local Economic Factors | Summary

## Why have we selected these measures?

These indicators provide insight into Oxfordshire's economic conditions and potential for future growth. They show both how strong the local economy is right now, using measures like GVA, employment rate, and job density, and whether the infrastructure is in place to support future success, such as digital connectivity, access to travel, and housing supply. These factors affect how much demand there is for public services and what level of funding may be needed. In areas with fewer jobs or weaker growth, there is often more pressure on public services and financial support. In contrast, stronger economies can ease those pressures and make service delivery more sustainable. For Local Government Reorganisation, these indicators help us understand whether new councils would be starting from a balanced economic position or taking on deeper economic challenges.

## What do these measures tell us?

These measures tell us how ready an area is to grow and cope with change. If a place has good transport links, fast internet, and enough homes, it is more likely to attract new businesses and workers. This can lead to more local jobs and higher incomes. On the other hand, places that lack these things may find it harder to grow and may rely more on help from government services. By looking at these indicators, we can see where extra support or investment might be needed. This helps make sure that any changes to local government are fair and take into account the different needs of each area.



# Economic Output and Growth

## Description of Indicator

These figures help us understand how productive and resilient each area's economy is. Gross Value Added (GVA) per hour worked shows how much economic value is created for every hour worked. It gives a clear picture of how efficient and productive the local economy is. Business growth shows whether the number of businesses in an area is going up or down, which reflects economic strength and stability. The percentage of Developed Land Use shows how much land is already built on, which helps us see the differences in development patterns and what infrastructure each area might need.

## LGR Implications

Ridgeway has a higher GVA per hour worked at £49.3, compared to £39.0 in the Oxford & Shires. This means Ridgeway produces more economic value for each hour worked. However, business growth is also stronger in Oxford & Shires, with a positive growth rate of 0.43 percent, while Ridgeway saw a decline. The percentage of developed land is higher in Oxford & Shires at 8.6 percent, compared to 7.2% percent in Ridgeway (these figures are somewhat skewed by the presence of Oxford city at 38% developed land). These figures show that while Ridgeway has stronger productivity, Oxford and Shires has more developed land and greater economic performance.

| | GVA | Business Growth | Developed Land Use |
|---|---|---|---|
| **Oxfordshire CC** | **£41.30** | **0.1%** | **7.9%** |
| **West Berkshire** | £54.10 | -0.8% | 7.2% |
| **South Oxfordshire** | £45.70 | 0.0% | 6.8% |
| **Vale of White Horse** | £45.70 | -0.56% | 7.6% |
| **Ridgeway** | **£49.30** | **-0.46%** | **7.2%** |
| **Cherwell** | £37.80 | 0.40% | 9% |
| **Oxford City** | £40.30 | 0.46% | 38.1% |
| **West Oxfordshire** | £38.00 | 0.42% | 6.3% |
| **Oxford and Shires** | **£39.00** | **0.43%** | **8.6%** |
| **England** | **£42.40** | **0.24%** | **8.7%** |
| **South East** | **£36.90** | **0.14%** | **9.9%** |
| **Units and Period** | £ per hour worked, 2022/2023 | % change, 2023/2024 | %, 2022/2023 |
| **Source** | Gross Value Added (GVA) per hour, ONS | Business Demography, ONS | Land use in England, GOV.UK |

# Employment and Access to Work

## Description of Indicator

These indicators show how easy it is for people to find and access jobs in each area. Employment rate tells us how many working-age adults are in paid work. Job density shows how many jobs are available compared to the number of working-age people, helping us understand how well the local job market matches the size of the workforce. The number of adults with no qualifications shows how prepared the local workforce is, and where there may be a need for more training or support. Travel to work patterns show how far people need to go to reach their jobs, which can highlight transport or access issues, especially in rural areas. Together, these indicators give a picture of both the number of jobs and how accessible they are for local residents.

Page 181

## LGR Implications

Ridgeway has a larger employment rates, with 62.98 percent compared to Oxford & Shires at 60.15 percent. Both are better than the regional and national averages. Oxford & Shires has more adults with no qualifications, at 13,738 per 100,000 people, compared to 12,704 in Ridgeway.

Job density shows there are greater jobs available in relative to the working-age population against national and regional averages and similar across both regions. These figures suggest that workforce skills, job opportunities, and access to employment vary between the two areas. Local Government Reorganisation should consider these differences when planning for skills, job growth, and transport improvements.

| | Employment | Adults with no qualifications | Job density | Travel to work |
|---|---|---|---|---|
| **Oxfordshire CC** | **61.27%** | **13,061** | **0.94** | **12.29** |
| **West Berkshire** | 63.0% | 13,957 | 1.17 | 12.65 |
| **South Oxfordshire** | 62.9% | 12,052 | 0.73 | 13.88 |
| **Vale of White Horse** | 63.0% | 11,989 | 0.91 | 13.13 |
| **Ridgeway** | **62.98%** | **12,704** | **1.00** | **13.22** |
| **Cherwell** | 65.1% | 15,577 | 0.92 | 13.19 |
| **Oxford City** | 53.6% | 12,283 | 1.19 | 8.21 |
| **West Oxfordshire** | 62.8% | 13,297 | 0.83 | 13.06 |
| **Oxford and Shires** | **60.15%** | **13,738** | **1.01** | **11.49** |
| **England** | 57.39% | **17,682** | **0.87** | - |
| **South East** | 59.19% | **15,054** | **0.86** | - |
| **Units and Period** | %, 2021/2022 | Per 100k, 2022/2023 | Ratio, 2023/2024 | Km/person, 2021/2022 |
| **Source** | Economic Activity Status, ONS | Highest level of qualification, ONS | Job Density, Nomis | Travel to work, England and Wales, ONS |

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# Digital Economy and Infrastructure

## Description of Indicator

These indicators show how strong each area's infrastructure is and whether it can support future growth. Low digital connectivity shows where people have poor internet access, which can limit access to services and opportunities. High digital connectivity measures how much of the area has 5G coverage, showing how ready the area is for faster, more advanced digital services.

The Digital Propensity Index shows how likely people are to use digital services, giving an idea of digital skills and comfort with technology. Housing land supply tells us how many years' worth of land is available for building new homes, which helps us understand whether the area can keep up with future housing needs.

## LGR Implications

Oxford & Shires performs slightly better on low-speed internet, with only 1.33 percent of properties having access below 30mbps. It also has greater high-speed coverage overall, due to Ridgeway having more rural areas. However, Oxford & Shires has less land available for new housing, with only 4.31 years of supply compared to 5.23 years in Ridgeway. Both areas have similar levels of digital propensity, meaning residents are equally likely to use digital services. These figures suggest that decisions on Local Government Reorganisation should consider fair access to digital infrastructure and support for sustainable housing and infrastructure growth.

| | Digital Connectivity (Low) | Digital Connectivity (High) | Digital Propensity Index | Housing Land Supply |
|---|---|---|---|---|
| **Oxfordshire CC** | **1.54%** | **86.90%** | **94.98%** | **4.59** |
| **West Berkshire** | 1.8% | 63.6% | 95.0% | 5.7 |
| **South Oxfordshire** | 1.7% | 76.8% | 94.9% | 4.07 |
| **Vale of White Horse** | 2.0% | 83.1% | 95.4% | 5.93 |
| **Ridgeway** | **1.83%** | **74.52%** | **95.1%** | **5.23** |
| **Cherwell** | 2.0% | 86.0% | 94.7% | 3.1 |
| **Oxford City** | 1.4% | 100% | 95.6% | 5.93 |
| **West Oxfordshire** | 0.6% | 88.5% | 94.3% | 3.9 |
| **Oxford and Shires** | **1.33%** | **91.52%** | **94.87%** | **4.31** |
| **England** | **2.5%** | **76.18%** | **94.00 %** | **-** |
| **South East** | **2.50%** | **79.3%** | **94.50 %** | **-** |
| **Units and Period** | % < 30mbps access, 2024/2025 | % with 5G access, 2024/2025 | % DPI, 2021/2022 | Years of Supply, 2023/2024 |
| **Source** | Premises below 30Mbps, OFCOM | 5G coverage, OFCOM | Digital Propensity Index, ONS | District / Unitary Councils |

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# 4. Service Delivery Factors

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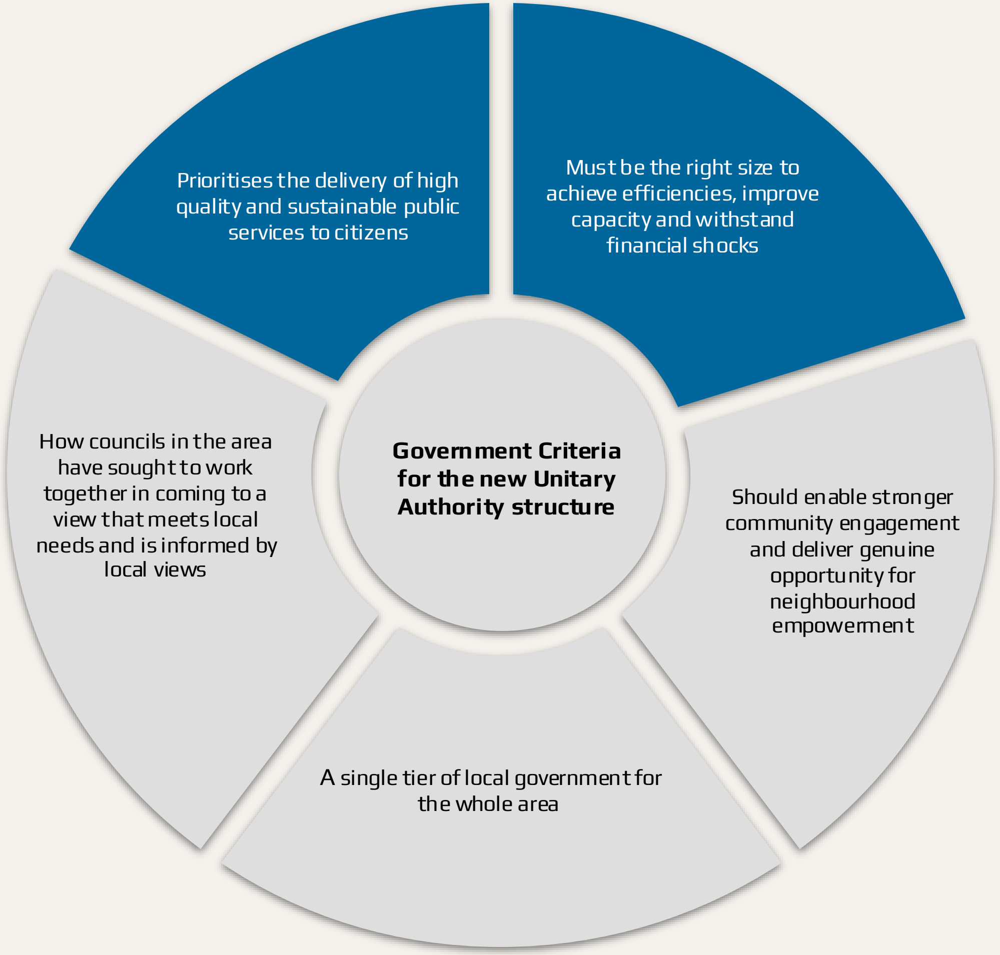
# Service Delivery Factors | Summary

## Why have we selected these measures?

These measures provide insight into the scale, distribution, and complexity of service demand. They help illustrate how need varies by geography, age group, and service type, offering a view of future demand pressures a new authority would have to manage. By looking at outcomes across social care, education, housing, and health, we can assess how well existing services are coping. This helps identify whether a new unitary model would benefit from economies of scale and consistency, or whether disaggregation could risk deepening local inequalities. The indicators also reflect broader challenges such as deprivation, long-term health conditions, and educational disadvantage, all of which will shape the sustainability and financial resilience of any new local government structure.

## What do these measures tell us?

These indicators highlight variation in service demand, population needs, and social outcomes across the proposed unitary areas. People services data reflect differences in the volume and complexity of social care, particularly in adult services. Adult service indicators show levels of economic vulnerability, disability, youth disengagement, and housing need. Children's indicators capture variation in special educational needs, attainment, and child poverty. Health and wellbeing measures reflect physical and mental health outcomes, deprivation, and life satisfaction. Together, these measures illustrate differing service pressures and community needs that would influence future delivery and resource planning under any new structure.



# Adult Services

## Description of Indicator

The Household Benefit Claim Rate and Disability Allowance Claim Rate reflect the proportion of residents relying on financial support, highlighting economic vulnerability and potential pressure on welfare services. The NEET rate (young people not in education, employment, or training) measures youth disengagement across the areas. Also, Homelessness rates provide a snapshot of housing need and acute service demand.

## LGR Implications



Both regions record similar levels of household benefit claim need and disability allowance claim rate. Both rates are below that of national and regional averages. Oxford & Shires faces a homelessness rate of 0.12%, only 0.03% higher than Ridgeway (0.09%). These factors are important when weighing up LGR options particularly in managing social need relative to resources and enabling more targeted, needs-based investment and planning.

| | Household Benefit Claim Rate | Disability Allowance Claim Rate | Homelessness |
|---|---|---|---|
| **Oxfordshire CC** | 11.75% | 1.73% | 0.1% |
| **West Berkshire** | 13.87% | 1.90% | 0.11% |
| **South Oxfordshire** | 11.67% | 1.60% | 0.05% |
| **Vale of White Horse** | 11.33% | 1.85% | 0.07% |
| **Ridgeway** | 11.60% | 1.75% | 0.09% |
| **Cherwell** | 11.69% | 1.87% | 0.10% |
| **Oxford City** | 12.6% | 1.55% | 0.18% |
| **West Oxfordshire** | 11.45% | 1.80% | 0.10% |
| **Oxford and Shires** | 11.91% | 1.74% | 0.12% |
| **England** | **21.33 %** | **2.06%** | **0.19%** |
| **South East** | **11.10%** | **1.93%** | **0.22%** |
| **Units and Period** | %, 2023/2024 | %, 2023/2024 | %, 2024 |
| **Source** | DWP benefits, GOV.UK (requires log in) | DWP Benefits Statistics, GOV.UK (requires log in) | Statutory homelessness in England, ONS |

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# Children’s Need and Educational Outcomes

## Description of Indicator

These indicators highlight where children’s educational challenges are most concentrated across Oxfordshire. These figures are critical for understanding where demand for children’s services is most acute, identifying where school improvement and inclusion efforts will need targeted coordination, and flagging the need for consistent service quality and resource alignment. For any new unitary arrangement, these indicators help assess where inequalities in children’s life chances could widen or be addressed through joined-up governance and delivery.
**Statistics are by parliamentary constituency so do not map onto District areas.**

## LGR Implications

Oxford & Shires has slightly higher levels of pupil need, with greater SEN support demand. Ridgeway outperforms Oxford & Shires for GCSE (1.74% vs -0.51%) and EBacc, as well as national and regional averages. Oxford & Shires also has a higher rate of children in low-income families (10,836 per 100k vs 8,372). These differences should be considered when deciding how to reorganise local government, to ensure the new councils have enough funding, staff, and support to meet the specific needs of their local populations.

**Statistics** (input source)



| Option | Area | Pupils Receiving SEN Support | Pupils with an EHCP | GCSE Attainment minus National Average | Pupils Receiving grade 4+ in EBacc | Pupils Receiving Grade 4+ in English/Maths | Children in Low-Income Families |
|---|---|---|---|---|---|---|---|
| Oxfordshire 1UA | | 15.7% | 3.2% | 0.11 | 23.9% | 65.6% | 9,643 |
| West Berkshire UA | | 14.5% | 3.2% | 2.3 | 31.7% | 69.7% | 9,257 |
| 2UA | Oxford & Shires | 15.7% | 3.1% | -0.51 | 22.6% | 64.1% | 10,836 |
| | Ridgeway | 14.9% | 3.1% | 1.74 | 28.2% | 69.3% | 8,372 |
| **England** | | **13.6%** | **2.9 %** | **-** | **25.4 %** | **65.4 %** | **18,981** |
| **South East** | | **13.3%** | **3.1 %** | **1.2** | **27.3 %** | **67.4%** | **12,355** |
| **Units and Period:** | | %, 2023/2024 | %, 2023/2024 | % Point Difference, 2023/2024 | %, 2023/2024 | %, 2023/2024 | Per 100k, 2023/2024 |
| **Sources** | | Special educational needs and disabilities, House of Commons Library | Local area data: Special educational needs and disabilities, House of Commons Library | Parliamentary constituency of school location data, GOV.UK | Parliamentary constituency of school location data, GOV.UK | Parliamentary constituency of school location data, GOV.UK | Stat-Xplore (requires log in) |

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# Health and Wellbeing Indicators

## Description of Indicator

These indicators provide a snapshot of the general health and wellbeing of residents across Oxfordshire. The Overall Health Index scores reflect physical and mental health outcomes, behaviours and environmental influences. Life expectancy and obesity prevalence indicates long-term health inequality, while deprivation highlights broader socioeconomic disadvantage. Measures such as high anxiety, low happiness, life satisfaction and prevalence of common mental disorders offer insight into mental wellbeing across age groups. Collectively, these indicators point to underlying demand for health and care services.

## LGR Implications

Ridgeway consistently performs better, with higher life expectancy, a stronger overall health index (116.93 vs 109.13), although has slightly higher adult obesity rates (21.29% vs 20.45%). Ridgeway also has lower levels of deprivation. Oxford & Shires reports lower levels of anxiety, less people experiencing low happiness, and a greater prevalence of common mental disorders in both 16+ and 65+ populations. When considering the deliverability of unitary options, the balance between needs and resources should be addressed, alongside health strategies, investment in prevention and allocation of public health and adult social care resources.

## **Statistics** (input source)



The table overleaf presents the headline statistics, with units and sources, for the following data categories:

| Overall Health Index | Obesity Prevalence in Adults | Deprivation | Life Satisfaction | High Anxiety | Low Happiness | Common Mental Disorders - 16+ | Common Mental Disorders - 65+ |
|---|---|---|---|---|---|---|---|

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# Health and Wellbeing Indicators

| | Overall Health Index | Obesity Prevalence in Adults | Deprivation | Life Satisfaction | High Anxiety | Low Happiness | Common Mental Disorders - 16+ | Common Mental Disorders - 65+ |
|---|---|---|---|---|---|---|---|---|
| **Oxfordshire CC** | **112.80** | **20.86%** | **11.58** | **7.76** | **18.4** | **6.5** | **13.70** | **8.60** |
| **West Berkshire** | 114.2 | 21.99% | 9.89 | 7.50 | 24.38 | 8.8 | 13.16 | 8.29 |
| **South Oxfordshire** | 120.2 | 17.33% | 8.33 | 7.81 | 16.00 | 6.2 | 12.32 | 7.86 |
| **Vale of White Horse** | 116.4 | 21.99% | 8.38 | 7.73 | 28.75 | -* | 12.48 | 7.98 |
| **Ridgeway** | **116.93** | **21.29%** | **8.92** | **7.68** | **23.0** | **7.5** | **12.7** | **8.0** |
| **Cherwell** | 106.2 | 26.43% | 14.47 | 7.57 | 16.96 | 6.8 | 14.20 | 8.81 |
| **Oxford City** | 101.4 | 16.17% | 16.99 | 7.80 | 11.26 | -* | 17.75 | 10.88 |
| **West Oxfordshire** | 119.8 | 21.23% | 8.77 | 7.94 | 18.92 | -* | 11.89 | 7.70 |
| **Oxford and Shires** | **109.13** | **20.45%** | **13.78** | **7.75** | **15.7** | **6.8** | **14.6** | **9.10** |
| **England** | **100.80** | **26.5%** | **21.67** | **7.44** | **23.32** | **8.85** | **16.90** | **10.25** |
| **South East** | **106.10** | **24.6%** | **15.48** | **7.49** | **22.1** | **8.50** | **15.60** | **9.90** |
| **Units and period** | 2021 | %, 2023/2024 | IMD, 2019/2020 | Mean %, 2022/2023 | %, 2022/2023 | %, 2022/2023 | %, 2017 | %, 2017 |
| **Source** | Health Index scores, England, ONS | Public Health Profiles, NHS | English indices of deprivation, MHCLG | Personal well-being estimates, ONS | Public health profiles, NHS | Public health profiles, NHS | Public health profiles, NHS | Public health profiles, NHS |

**Value suppressed for disclosure control due to small count*

# 5. Demographic and Economic indicator sources and description

# Comparative Demographic, Economic, Social and Environmental Analysis | Data Source Key

| Heading | Source, Period | Unit | Description |
|---|---|---|---|
| Total council tax receipts | MHCLG, 2023/2024 | £'000s | Cumulative amount a household must pay annually to cover local government services, based on property valuation bands, localauthority rates, and any additional charges like precepts, net of council tax support. |
| Business rates Income | MHCLG, 2023/2024 | £'000s | Business rates, also known as non-domestic rates, are a tax levied on commercial properties by local councils in the UK to help fund local services. The amount is calculated based on the property's rateable value and a uniform business rate multiplier set by the government,allowing councils to raise revenue from businesses operating within their jurisdiction. |
| LA Debt per capita | GOV.UK, 2023/2024 | £ | LA Debt per head refers to the average amount of public or governmental debt allocated to each individual within a population It is calculated by dividing the total public debt by the number of people, providing a measure of the debt burden on a per-person basis in a particular jurisdiction |
| Operating Expenditure per capita | MHCLG, 2023/2024 | £ | Operating expenditure per capita refers to the average amount of money spent on operating expenses for each individual in a specific population or area. It is calculated by dividing the total operating expenditures by the number of people, providing insight into how resources are allocated relative to the population size. |
| Net Assets per capita | District Councils, 2023/2024 | £ | Net assets refer to the total value of a council's assets (such as property, equipment, and financial reserves) minus its liabilities. This measure indicates the underlying financial strength and resilience of the authority, showing its capacity to absorb fiscal shocks, invest in services, and support long-term financial planning (£). |
| Current DSG Deficit | GCC SoA, 2025 | £m | Current DSG deficit refers to the cumulative shortfall between Dedicated Schools Grant (DSG) funding received and the local authority's spending on high needs and other DSG-supported services. We have apportioned by EHCPs by area. |
| Projected DSG Deficit | GCC SoA, 2026 | £m | Projected DSG deficit refers to the cumulative shortfall between Dedicated Schools Grant (DSG) funding received and the local authority's spending on high needs and other DSG-supported services based on Statement of Accounts. We have apportioned by EHCPs by area. |
| Deprivation | MHCLG, 2019/2020 | IMD | Deprivation refers to the condition of lacking essential resources, opportunities, or advantages, resulting in a lower standard of living and well-being. It encompasses various dimensions such as income poverty, poor access to education, inadequate housing, limited healthcare, and employment opportunities, often leading to social and economic disadvantages |
| Population | ONS, 2023/2024 | Num | Population refers to the total number of individuals or inhabitants living in a specific geographic area, such as a city, country, or the world |



A once-in-a-generation opportunity
Two Councils
Oxford and Shires | Ridgeway

# Comparative Demographic, Economic, Social and Environmental Analysis | Data Source Key

| Heading | Source, Period | Unit | Description |
|---|---|---|---|
| GVA per hour worked | ONS, 2022/2023 | £ per hour worked | GVA, or Gross Value Added, is a measure of the economic productivity of a particular region, industry, or sector within an economy. It represents the value of goods and services produced, minus the costs of inputs and raw materials used in production, serving as an indicator of economic performance and contribution to GDP. |
| Business Growth | ONS, 2023/2024 | % change | Business growth is measured as the difference between the number of business births and business deaths over the past year. T his provides a net change in the local business population and serves as an indicator of economic dynamism and the overall health of the busines s environment. |
| Job Density | ONS, 2023/2024 | Ratio | This represents the number of jobs in an area divided by the working-age population. In a local government context, it helps assess the balance between available employment opportunities and the resident workforce, indicating potential pressures on commuting, skills alignment, and local economic capacity. |
| Employment | ONS, 2021/2022 | % of adults | Employment refers to the condition of having paid work, where individuals engage in tasks or activities in exchange for wages or salaries. This indicator measure % of working age adults in employment in a given area. |
| GDHI per capita | Nomis, 2022/2023 | £ | Gross Disposable Household Income, measuring the total income households have available for spending and saving after accounting for taxes, social contributions, and receiving benefits. It serves as an indicator of the economic well-being of households, reflecting their ability to consume goods and services and maintain living standards |
| Net assets per head | Financial Statements | £ | Net assets per head is a financial metric that represents the average value of an entity's net assets allocated to each individual within a population. It is calculated by dividing the total net assets (assets minus liabilities) by the number of people, providing insight into the we alth or economic resources available on a per-person basis. |
| Digital connectivity (Low) | OFCOM, 2024/2025 | % | Low digital connectivity indicates inadequacies in access to or quality of digital networks and technologies, such as limited internet availability, slow connection speeds, or poor mobile network coverage. This can hinder effective communication, access to information, and participation in digital services, impacting both economic opportunities and social engagement. |
| Digital connectivity (High) | OFCOM, 2024/2025 | % | High digital connectivity signifies robust access to digital networks and technologies, characterized by widespread internet availability, fast connection speeds, and reliable mobile network coverage. This facilitates efficient communication, seamless access to information and digital services, and enhanced opportunities for economic and social engagement.of area with 5G coverage from at least one mobile network provider. |

# Comparative Demographic, Economic, Social and Environmental Analysis | Data Source Key

| Heading | Source, Period | Unit | Description |
|---|---|---|---|
| Digital propensity | ONS, 2021/2022 | % | Digital propensity refers to the likelihood or tendency of individuals or groups to use and adopt digital technologies and services in their daily lives. It encompasses behaviors and preferences related to online activities, such as internet usage, digital communication, e-commerce, and engagement with digital platforms, reflecting readiness and inclination towards incorporating digital solutions into various aspects of life. |
| Travel to Work | Census, 2021/2022 | Km per person | This measures the average kilometres residents travel from home to their workplace. It reflects accessibility of employment, reliance on transport infrastructure, and spatial distribution of jobs, helping identify areas with potential transport or service accessibility challenges |
| Housing Land Supply | Council Data, 2023/2024 | Years of supply | Availability of land that is designated and approved for residential development, ensuring sufficient capacity to meet current and future housing needs within a specific area. It is a critical component of urban and regional planning, influencing housing affordability, growth strategies, and the availability of new housing units to accommodate population growth and reduce housing shortages |
| ASC Need (18-64) | District Councils / NHS, 2022/2023 | No. of adults | ASC need for 18-64 year olds typically refers to the requirement for Adult Social Care services among individuals within this age group. This encompasses support and care needed due to physical disabilities, mental health issues, learning disabilities, or other health conditions that impact daily living and independence, thereby necessitating intervention or assistance from social care services. |
| ASC Need (65+) | District Councils / NHS, 2022/2023 | No. of adults | ASC need for 65+ year olds refers to the demand for Adult Social Care services among older adults who may require support due to age-related challenges. This includes assistance with activities of daily living, managing health conditions, providing mobility support, and ensuring safety and well-being, often necessitated by physical frailty, cognitive decline, or chronic health issues associated with aging. |
| Household Benefit Claim Rate | GOV.UK, 2023/2024 | % | This reflects the percentage of households claiming one or more income-related benefits. It serves as a proxy for financial vulnerability and demand for welfare and support services across different areas |

# Comparative Demographic, Economic, Social and Environmental Analysis | Data Source Key

| Heading | Source, Period | Unit | Description |
|---|---|---|---|
| Disability Allowance Claim Rate | GOV.UK, 2023/2024 | % | This measures the proportion of the population receiving disability-related benefits, indicating the prevalence of disability and associated care needs that local authorities must plan for in service delivery and social care support. |
| Homelessness | ONS, 2024 | % | This reflects the percentage of individuals or households without stable housing, including those in temporary accommodation or rough sleeping, and highlights pressure on local authority housing, social services, and public health support systems. |
| Children in Care | District Councils / GOV.UK, 2023/2024 | No. of children | CSC need refers to the demand for Child Social Care services, which are designed to support and protect children and young people who may be at risk or in need due to various factors such as abuse, neglect, disability, or family difficulties. These services aim to ensure the safety, well-being, and development of children, often involving interventions like foster care, family support, and safeguarding measures. |
| Pupils Receiving SEN Support | House of Commons Library, 2023/2024 | % of pupils | Pupils receiving Special Educational Needs support are students identified as requiring additional assistance in school due to learning difficulties that affect their ability to learn compared to their peers. It involves tailored interventions and resources designed to meet these students' individual needs, helping them achieve their full potential in an educational setting. |
| Pupils with an EHCP | House of Commons Library, 2023/2024 | % of pupils | Pupils with an Education, Health, and Care Plan, are students who have been assessed as needing comprehensive support due to significant special educational needs. An EHCP provides a detailed outline of the support required across education, health, and social services, ensuring a coordinated approach to meeting the child's specific needs and facilitating their development. |
| GCSE Attainment vs National | GOV.UK, 2023/2024 | % Point Difference | The percentage point difference between the local area's GCSE performance and the national average. It shows how far ahead or behind pupils in the area are compared to national attainment levels, typically based on key measures like achieving Grade 5 or above in English and Maths. |

# Comparative Demographic, Economic, Social and Environmental Analysis | Data Source Key



| Heading | Source, Period | Unit | Description |
|---|---|---|---|
| **Pupils Receiving grade 4+ EBacc** | GOV.UK, 2023/2024 | % | Refers to the proportion of students who achieve at least a grade 4 (equivalent to a C in the old grading system) in all the subjects required for the English Baccalaureate (EBacc). The EBacc is a set of subjects at GCSE level, including English, mathematics, science, a language, and either history or geography, and indicates the student's proficiency in these core academic areas. This metric helps in assessing the school's effectiveness in guiding students toward achieving foundational educational standards across a broad range of disciplines. |
| **Pupils Receiving Grade 4+ in English/Maths** | GOV.UK, 2023/2024 | % | Proportion of students who achieve at least a grade 4 in both English and Mathematics GCSE exams. A grade 4 is considered a standard pass in the UK educational system, and this metric is often used to gauge the school's effectiveness in ensuring students meet basic proficiency levels in these critical subjects, which are essential for further education and employment opportunities. |
| **High Anxiety** | NHS, 2022/2023 | % | Individuals within a specific population who have assessed themselves as experiencing high levels of anxiety. This measure is typically derived from surveys or assessments where participants are asked to evaluate their anxiety levels using a standardised scale or questionnaire. |
| **Low Happiness** | NHS, 2022/2023 | % | Refers to the percentage of individuals in a given population who have evaluated themselves as having low levels of happiness or life satisfaction. This information is typically gathered through surveys using standardised assessment tools, where participants rate their happiness on a scale. |
| **Common Mental Disorders 16+** | NHS, 2017 | % of 16+ | Percentage or rate of individuals aged 16 and older in a population who are experiencing one or more common mental disorders at a given time. Common mental disorders include conditions such as depression, anxiety disorders, and bipolar disorder. This metric is used to understand how widespread these disorders are within the adult population, highlighting the need for mental health services and informing public health strategies. It can guide resource allocation, policy development, and efforts to improve mental health care and support for those affected. |
| **Common Mental Disorders 65+** | NHS, 2017 | % of 65+ | Experiencing one or more common mental disorders at a specific time. Common mental disorders include conditions such as depression, anxiety disorders, and cognitive disorders like dementia. This age-specific prevalence measure is important for understanding the mental health needs of older adults, who may face unique challenges related to aging, such as isolation, physical health issues, or bereavement. By analysing this data, healthcare providers and policymakers can better tailor services, interventions, and support systems to address the mental health requirements of the elderly population, ensuring that adequate resources are allocated to improve their quality of life. |
| **Overall Health Index** | ONS, 2021 | Health Index | This composite measure from the ONS captures health outcomes, health-related behaviours, and wider determinants of health (like employment and environment), providing a single score to assess the general health and wellbeing of an area's population. |

# Comparative Demographic, Economic, Social and Environmental Analysis | Data Source Key

| Heading | Source, Period | Unit | Description |
|---|---|---|---|
| Children in Low Income Families | DWP 2024 | % | Absolute low income is defined as a family in low income Before Housing Costs (BHC) in the reference year in comparison with incomes in financial year ending 2011. A family must have claimed Child Benefit and at least one other household benefit (Universal Credit, tax credits, or Housing Benefit) at any point in the year to be classed as low income in these statistics. |
| Developed Land Use | GOV.UK , 2022 | % | The percentage of total land area that is classified as developed, including residential, commercial, industrial, infrastructure, and other built environments. It reflects the extent of urbanisation and land that is no longer natural or agricultural, indicating the intensity of physical development across an area |
| Life Satisfaction Mean Score | ONS , 2022/2023 | Mean % | The average response to the question: "Overall, how satisfied are you with your life nowadays?" asked on a scale from 0 (notat all) to 10 (completely). This score reflects overall personal wellbeing and is used as a subjective measure of quality of life across the population. Higher scores indicate greater life satisfaction |
| Adults with No Qualifications | CENSUS / ONS , 2023 | Per 100k | The percentage of working age adults ( aged 16–64) who have not achieved any formal educational qualifications, such as GCSEs, A-levels, vocational awards, or higher education. This indicator reflects the skills base of the working-age population and is linked to employability, income potential, and reliance on public services |
| Obesity Prevalence in Adults | NHS , 2023/2024 | % | The percentage of adults (aged 18 and over) classified as obese, typically defined as having a Body Mass Index (BMI) of 30 or above. This indicator reflects population-level health risks and is associated with increased likelihood of chronic conditions such as diabetes, heart disease, and certain cancers |

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# Oxford and Shires | Ridgeway

Financial Options Appraisal

**October 2025**

A once-in-a-generation opportunity

Two Councils

Oxford and Shires | Ridgeway

# Contents

**Context:** In response to the publishing of the White Paper, and the subsequent letter from the Minister of State inviting Leaders within remaining two tier areas to work with other Council Leaders in their areas to develop a proposal for local government reorganisation, an appraisal of potential local government reorganisation options available within Oxfordshire & West Berkshire has taken place.

**Purpose:** This document provides a financial appraisal of the three options for local government reorganisation in the geographic area of Oxfordshire & West Berkshire. Using a consistent methodology, it sets out the assumed benefits of reorganisation and transformation to be achieved from staffing, third party spend, members and elections costs, and assets. It also details anticipated disaggregation costs and one-off transition costs to implement the new structural arrangements.

**This Options Appraisal therefore offers a high-level view of the LGR aggregation and subsequent transformation benefits as a starting point for the three options for local government reorganisation, using consistent assumptions and publicly available data. The detailed financial cases for each option will build in more localised insight and factors to inform the costs and benefits of the relevant proposal.**

# Executive Summary

# Context | About the Locality


**Oxfordshire is a nationally significant region, known for its world-class research institutions, vibrant communities, and high-value economy.** Together, Oxfordshire and West Berkshire are home to over 900,000 residents across a mix of urban, rural and market town communities. Oxfordshire currently operates under a two-tier system, with Oxfordshire County Council delivering county-wide services and five district councils. West Berkshire is a unitary authority, providing all services to around 163,000 residents.

The region is a vital contributor to the South East's economy, with strong transport links including the M4 and A34 corridors, proximity to London and Heathrow, and access to key rail routes. Oxfordshire is internationally recognised for its academic excellence, innovation clusters, and science parks, while West Berkshire hosts significant logistics and defence operations.

Despite its strengths, the area faces challenges such as housing affordability, transport connectivity, and disparities in access to services. Local government reorganisation presents a chance to address these issues more holistically, equitably and collectively.

This reorganisation aims to reduce duplication, improve financial resilience and ensure decisions remain close to the communities they affect. It offers an opportunity to align services more effectively, enhance local accountability, and create a more sustainable governance model.

## The area at a glance…

| Area | GVA | Business Growth | Employment | Digital Propensity Index | Children in Low-Income Families | Deprivation | Overall Health Index | Household Benefit Claim Rate |
|---|---|---|---|---|---|---|---|---|
| **Oxfordshire** | **£41.30** | **0.14%** | 61.27% | 94.98% | 9,643 | **11.58** | 112.8 | 11.75% |
| **West Berkshire** | **£54.10** | **-0.80%** | 63.0% | 95.00% | 9,257 | **9.89** | 114.20 | 13.87% |

# Options for reorganisation

Three options for Local Government Reorganisation have been proposed for the Oxfordshire region which involve the creation of either 1, 2 or 3 new Unitary Authorities. The three selected options, in the table, show the geographical split of each option and estimated population spread.

| Option | Components (City / district / borough level) | Population | Guidance |
|---|---|---|---|
| A 1 Unitary Authority | **Unitary Authority:** Covering Oxfordshire County Council and 5 districts; Oxford City, West Oxfordshire, Vale of White Horse, South Oxfordshire and Cherwell<br><br>**West Berkshire Council** as a separate and unchanged unitary. | **Oxfordshire Unitary Authority:** 790,608<br><br>**West Berkshire Council:** 163,811 | The size of the 1UA is greater than the MHCLG guidance figure of 500k. |
| B 2 Unitary Authorities | **Oxford & Shires:** Oxford City, West Oxfordshire and Cherwell<br><br>**Ridgeway:** South Oxfordshire, Vale of White Horse and West Berkshire. | **Oxford & Shires:** 471,716<br><br>**Ridgeway:** 482,703 | The size of the proposed Unitary Authorities are broadly in line with the general steer from MHCLG, noting that the 2UAs would cover a population of approximately 500k. |
| C 3 Unitary Authorities | **Greater Oxford:** Covers the City of Oxford and parts of Cherwell<br>**Ridgeway Council: Parts of** South Oxfordshire and Vale of White Horse, as well as West Berkshire<br>**Northern Unitary:** Parts of West Oxfordshire and Cherwell. | **Greater Oxford:** c272,000<br>**Northern Oxfordshire:** c.246,000<br>**Southern Oxfordshire:** c436,000 | Due to the anticipated boundary shifts, this option has not determined the exact size and population of the proposed unitary authorities. To note, initial figures suggest that two out of the three proposed UAs would be notably smaller than the steer set out by MHCLG, indicating a lesser opportunity to realise financial benefit. |

***Source:** Based on 2028 ONS projections*

# Options Appraisal - Reorganisation Summary view (1 of 2)

The table below shows, for ease of reference, the gross annual benefit that the financial options appraisal estimates could be achieved in each of the LGR options for Oxfordshire and West Berkshire. It also shows the estimated annual costs of disaggregation, the net annual benefit and the one-off transitions costs that it is estimated would be incurred in order to implement each option, plus subsequent transformation benefits and costs (with base and stretch scenarios). Finally it shows the cumulative net benefit after one year and after five years.

| Category | | Gross annual benefit | Additional annual costs | Recurring net annual benefit | One-off transition costs | Payback period | Net benefit after 1 year | Net benefit after 5 years | Comments |
|---|---|---|---|---|---|---|---|---|---|
| Single UA for all of Oxfordshire (Excluding West Berkshire) | Reorganisation | £27.3m | £0 | £27.3m | £23.8m | 3.1 years | -£16.3m | £44.3m | This option achieves greater financial benefits from LGR due to consolidation, economies of scale and addressing duplication. As County services are not disaggregated, there are no additional annual costs. Transition costs are lower to reflect the lower complexity involved in not disaggregating County services when setting up the new Unitary Authority arrangement. |
| | Transformation (base) | £20.9m | N/A | £20.9m | £14.6m | 1.7 years | -£1.5m | £37.7m | |
| | Transformation (stretch) | £31.1m | N/A | £31.1m | £21.7m | 1.7 years | -£2.2m | £55.9m | |
| 2 UAs - Oxford & Shires and Ridgeway | Reorganisation | £24.9m | £3.0m | £21.9m | £30.4m | 4.2 years | -£24.9m | £16.6m | The inclusion of West Berkshire means that while % savings from LGR are lower, the proportion is applied against a larger baseline. While existing West Berkshire infrastructure will be used (eg senior leadership, statutory posts are already in place), this option incurs additional annual costs for running disaggregated County services that do not currently exist at the same level in West Berkshire. |
| | Transformation (base) | £25.6m | N/A | £25.6m | £17.9m | 1.7 years | -£1.8m | £46.1m | |
| | Transformation (stretch) | £37.9m | N/A | £37.9m | £26.5m | 1.7 years | -£2.7m | £68.2m | |
| 3UAs - Greater Oxford, North Oxfordshire and Ridgeway | Reorganisation | £20.2m | £10.7m | £9.5m | £32.5m | 8.7 years | -£34.7m | -£35.5m | There are lower financial benefits due to the reduced opportunities for consolidation. While existing West Berkshire infrastructure has been taken into consideration, additional annual costs are incurred due to additional senior leadership, management for disaggregated servicers, and democratic costs. Additional transition costs are incurred due to new council infrastructure and redrawing boundaries. |
| | Transformation (base) | £25.8m | N/A | £25.8m | £18.1m | 1.7 years | -£1.8m | £46.5m | |
| | Transformation (stretch) | £38.2m | N/A | £38.2m | £26.7m | 1.7 years | -£2.7m | £68.7m | |

# Options Appraisal - Reorganisation Summary view (2 of 2)

The table below shows the combined reorganisation and transformation costs and benefits position for all three LGR options based on the high-level analysis within this Options Appraisal.

| Category | | Gross annual benefit | Additional annual costs | Recurring net annual benefit | One-off transition costs | Payback period | Net benefit after 1 year | Net benefit after 5 years |
|---|---|---|---|---|---|---|---|---|
| Single UA for all of Oxfordshire (Excluding West Berkshire) | Combined reorganisation and transformation (base) | £48.2m | £0 | £48.2m | £38.4m | 2.8 years | -£17.8m | £81.9m |
| | Combined reorganisation and transformation (stretch) | £58.4m | £0 | £58.4m | £45.5m | 2.7 years | -£18.5m | £100.2m |
| 2 UAs - Oxford & Shires and Ridgeway | Combined reorganisation and transformation (base) | £50.5m | £3m | £47.5m | £48.3m | 3.4 years | -£26.7m | £62.7m |
| | Combined reorganisation and transformation (stretch) | £62.8m | £3m | £59.8m | £56.9m | 3.2 years | -£27.6m | £84.8m |
| 3UAs - Greater Oxford, North Oxfordshire and Ridgeway | Combined reorganisation and transformation (base) | £46.0m | £10.7m | £35.3m | £50.6m | 4.7 years | -£36.5m | £11m |
| | Combined reorganisation and transformation (stretch) | £58.4m | £10.7m | £47.7m | £59.2m | 4.2 years | -£37.4m | £33.2m |

**The analysis for this Options Appraisal uses publicly available data and consistent assumptions applied in the same way across all three proposals for local government reorganisation. More detailed analysis is undertaken for the Financial Case of the Oxford & Shires and Ridgeway proposal to further develop anticipated benefits and costs, using local insights and tailored assumptions. This results in more refined and prudent totals in the Financial Case. It is anticipated that the councils preparing proposals for other options will have refined their more detailed cases in a similar way.**

# Context

# Context | Local Government Challenges

The national relationship with local government is evolving, with councils being encouraged to align to a single tier of governance and increased regional collaboration. Government is pursuing local government reorganisation (LGR) to create simpler, more efficient local structures, which pave the way for greater devolution. While local authorities have adapted to local challenges to date, the pace of change requires reform.

## 1 FINANCIAL PRESSURE

Local government in the UK is facing significant financial challenge. The LGA estimates a £4 billion funding gap over the next two years.[1]

Despite additional funding, many councils must make substantial cost savings after a prolonged period of austerity, and increases in council tax to balance budgets are inevitable.

This financial strain impacts delivery of local services and living standards for residents.

Page 205

## 2 DEMAND FOR SERVICES

Population growth, ageing demographics, and increasingly complex community needs are driving increased demand for higher-cost services.

This is particularly the case for special educational needs and disabilities, where deficits in the Dedicated Schools Grant are affecting general funding and and increasing financial pressures for local areas.

## 3 SOCIAL CARE COSTS

The costs of commissioning and delivering social care for adults and children are a rising significant financial pressure.

Over the past five years, adult social care costs have increased by 9% in real terms, while children's social care costs have risen by 18%.[2]

These services are heavily regulated, leaving local authorities with limited options to reduce costs and demands whilst still meeting the expected standards.



***Sources**: (1) LGA - Local Government Finances, (2) CCN - The Forgotten Story of Social Care*

# Context |Devolution and Reorganisation

**Local Government Reorganisation (LGR)** refers to the national ambition to simplify and strengthen local governance by moving from a two-tier system (county and district councils) to more streamlined and strategic unitary authorities. This is part of a wider shift in public service delivery aimed at improving outcomes, efficiency, and accountability.

Page 206

**The Devolution White Paper** signals a major change in how local government is structured and funded, promoting **country-wide reform** to address financial sustainability, improve service delivery, and empower local areas. The White Paper supports both **Reorganisation** (creation of new or consolidated unitary authorities) and **Devolution** (the transfer of powers and responsibilities to strategic local bodies, with or without elected mayors).

**The Devolution White Paper is driven by three primary objectives:**

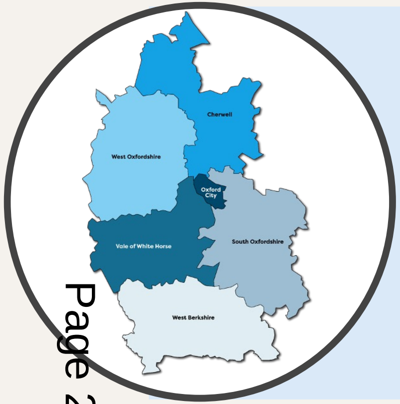
- Enhancing the powers vested in local and regional governments
- New entities that cover larger geographic areas whilst respecting local identifies
- Implementing changes at pace, in order to support swift benefit realisation

*To realise these, the **White Paper** provides **two routes to the consolidation of governance…***

**Reorganisation**
This approach involves creation of new unitary authorities to replace the existing 'two tier' delivery model. This may involve the creation of a new unitary council which amalgamates or merges a current county council and districts into a single 'county unitary' council, or creation of new unitary authorities to replace counties, which brings together groups of districts with disaggregated county services.

**Devolution**
This focuses on establishing Strategic Authorities with or without a Mayor, which coordinate and commission services at a regional level. This could include collaboration of multiple unitary authorities to provide a strategic regional authority. The white paper includes specific ambitions and incentives for these authorities to drive economic growth and lead regional transport initiatives.

# Context | About the Locality




**Oxfordshire is a nationally significant region, known for its world-class research institutions, vibrant communities, and high-value economy.** Together, Oxfordshire and West Berkshire are home to over 900,000 residents across a mix of urban, rural and market town communities. Oxfordshire currently operates under a two-tier system, with Oxfordshire County Council delivering county-wide services and five district councils. West Berkshire is a unitary authority, providing all services to around 163,000 residents.

The region is a vital contributor to the South East's economy, with strong transport links including the M4 and A34 corridors, proximity to London and Heathrow, and access to key rail routes. Oxfordshire is internationally recognised for its academic excellence, innovation clusters, and science parks, while West Berkshire hosts significant logistics and defence operations.

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| **West Berkshire** | **£54.10** | **-0.80%** | 63.0% | 95.00% | 9,257 | **9.89** | 114.20 | 13.87% |

# Context | Current State Overview

Oxfordshire and West Berkshire is home to over 900,000 people across its seven councils. These are comprised of one unitary authority, West Berkshire Council, and Oxfordshire County Council and its 5 districts; Cherwell, West Oxfordshire, South Oxfordshire, Oxford City and Vale of White Horse - operating in a two tier system.

**West Oxfordshire** District Council
**Population**: 120,905
**Net Current Expenditure**: £18.23m

**Vale of White Horse** District Council
**Population**: 150,552
**Net Current Expenditure**: £19.75m

**Oxfordshire** County Council
**Population**: 773,130
**Net Current Expenditure**: £709.3m

**West Berkshire** Unitary Authority
**Population**: 163,712
**Net Current Expenditure**: £192.3m


**Cherwell** District Council
**Population**: 172,283
**Net Current Expenditure**: £26.19m

**Oxford City** District Council
**Population**: 171,498
**Net Current Expenditure**: £27.26m

**South Oxfordshire** District Council
**Population**: 157,893
**Net Current Expenditure**: £17.87m

Sources:
Population estimates are ONS population projections for 2025
Net Operating Expenditure is for 2025/26 from each council's MTFS/MTFP

# Context | Current State Overview

The population of Oxfordshire is set to increase, leading to different demographics and challenges faced in each of the areas as well as different quantities of benefits delivered by LGR, with vesting day set for 2028/29. The estimated figures up to that point and for the first 5 years after have been used in calculations.

| Organisation | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
|---|---|---|---|---|---|---|---|---|---|
| Cherwell | 170,119 | 172,283 | 174,214 | 176,065 | 177,917 | 179,804 | 181,661 | 183,507 | 185,337 |
| Vale of White Horse | 148,246 | 150,552 | 152,620 | 154,532 | 156,414 | 158,299 | 160,110 | 161,864 | 163,566 |
| Oxford City | 171,899 | 171,498 | 170,562 | 169,946 | 169,797 | 170,096 | 170,562 | 171,052 | 171,425 |
| South Oxfordshire | 156,126 | 157,893 | 159,508 | 160,995 | 162,478 | 163,954 | 165,404 | 166,825 | 168,232 |
| West Oxfordshire | 119,739 | 120,905 | 121,965 | 122,987 | 124,002 | 125,056 | 126,101 | 127,115 | 128,137 |
| West Berkshire | 163,540 | 163,712 | 163,754 | 163,725 | 163,811 | 163,953 | 164,123 | 164,303 | 164,507 |

*Note: The population estimates are ONS 2022-based datasets are the latest projection

# Options for reorganisation

Three options for Local Government Reorganisation have been proposed for the Oxfordshire region which involve the creation of either 1, 2 or 3 new Unitary Authorities. The three selected options, in the table, show the geographical split of each option and estimated population spread.

| Option | **Components** (City / district / borough level) | Population | Guidance |
|---|---|---|---|
| A 1 Unitary Authority | **Unitary Authority:** Covering Oxfordshire County Council and 5 districts; Oxford City, West Oxfordshire, Vale of White Horse, South Oxfordshire and Cherwell<br><br>**West Berkshire Council** as a separate and unchanged unitary. | **Oxfordshire Unitary Authority:** 790,608<br><br>**West Berkshire Council:** 163,811 | The size of the 1UA is greater than the MHCLG guidance figure of 500k. |
| B 2 Unitary Authorities | **Oxford & Shires:** Oxford City, West Oxfordshire and Cherwell<br><br>**Ridgeway:** South Oxfordshire, Vale of White Horse and West Berkshire. | **Oxford & Shires:** 471,716<br><br>**Ridgeway:** 482,703 | The size of the proposed Unitary Authorities are broadly in line with the general steer from MHCLG, noting that the 2UAs would cover a population of approximately 500k. |
| C 3 Unitary Authorities | **Greater Oxford:** Covers the City of Oxford and parts of Cherwell<br>**Ridgeway Council: Parts of** South Oxfordshire and Vale of White Horse, as well as West Berkshire<br>**Northern Unitary:** Parts of West Oxfordshire and Cherwell. | **Greater Oxford:** c272,000<br>**Northern Oxfordshire:** c.246,000<br>**Southern Oxfordshire:** c436,000 | Due to the anticipated boundary shifts, this option has not determined the exact size and population of the proposed unitary authorities. To note, initial figures suggest that two out of the three proposed UAs would be notably smaller than the steer set out by MHCLG, indicating a lesser opportunity to realise financial benefit. |

***Source:*** *Based on 2028 ONS projections*

# Financial Options Appraisal

# Options Appraisal vs detailed Financial Case

The financial analysis was undertaken across two phases. The initial phase focussed on a financial options analysis for all the LGR options at a high level for comparative purposes.The second phase undertook a detailed financial model for the Oxfordshire Districts and West Berkshire's preferred option of 2 unitary authorities,refining assumptions and bringing deeper insights.

| | **Options Appraisal** (this document) | **Financial Case** |
|---|---|---|
| **Description** | The outputs are an objective appraisal of the costs and benefits of different reorganisation options. It looks to illustrate **the high-level financial implications of implementing and operating** a single unitary authority, two unitary authorities or three unitary authorities. | The financial case sets out the detailed implications of the preferred option. It helps to model **what the future budgets will look like**, provides a more detailed view on the **starting financial position**, and **draws out the financial implications of local government reorganisation and wider transformation benefits**. |
| **Includes** | • Aggregation and disaggregation of net revenue expenditure in simple terms, grouped primarily by FTE Spend, Third Party Spend, Property and Democracy expenditure.<br>• One-off costs related to the transition to the new authority (ie. redundancy).<br>• A phased view of net benefits in relation to the costs of LGR and any recurring service costs. | • Refined view of the benefits of aggregation and/or disaggregation, through a detailed look at Assets, Third Party Spend, Income, Borrowing and Debt, Policy and Transformation, Member Numbers, Demand Increases, MTFS and Staffing Pay.<br>• A range of outcomes depending on the direction organisations choose to put ahead, including a upper and lower boundary financial forecast for specific components (ie. cost of members). |
| **This does NOT...** | It **does not** provide any commentary around service quality, democratic representation or any other factors that may factor into the wider strategic case. | The outputs present a detailed view of the Year 1 financial budgets and position of the reorganised entities. While a detailed model, it remains an estimation. It does not forecast the exact annual income (ie. figure for Tax Receipts) or outgoing expenditure, as those are reliant on policy decisions. |

# Financial Options Appraisal: Methodology

The illustration below sets out the key components of the modelling undertaken for the purposes of this financial options appraisal. The detailed financial case then builds in more detail and refines assumptions to build deeper understanding of costs and benefits.

**Inputs**

- **Councils' data**
- **Modelling assumptions**

**Expenditure**

- **Staff**: Senior leadership; Front office FTE; Service delivery FTE; Back office FTE
- **Third party spend**: Non-addressable; Addressable
- **Property**: Operational expenditure
- **Democracy**: Councillor allowances; Election costs

- Potential impact on benefits for multiple unitary transition
- Potential impact on expenditure for multiple unitary transition
- Disaggregation Costs - Duplicated delivery & structures

**One-offs**

- **Redundancy costs**
- **Programme transition costs**
- **Transformation costs**

**Outputs**

- **Net benefits over time**
- **Payback period**

**Inputs**
Include data supplied by County and District councils, public data and assumptions based on prior LGR activity. This relates to General Fund only and excludes HRA.

**Benefits of Reorganisation**
Weightings applied to three types of spend, with proportionate percentage reductions applied. Democracy benefits are based on the number of councils involved in the analysis, and the cost per vote cast in most recent elections.

**Benefits of Transformation**
Increased leverage of the above benefits available through transformation.

**Disbenefits / Disaggregation Costs**
In many LGR scenarios resulting in multiple unitaries, there are typically additional disbenefits and assumed costs of disaggregating county-level services, including children's services and adult social care. However, this options appraisal reflects the existing infrastructure available in West Berkshire for the 2UA and 3UA scenarios and addresses these costs accordingly.

**Costs of Transition**
One-off costs and proportional redundancy costs incurred to transition / implement the new UAs.

**Outputs**
Projected net benefits from different re-organisation scenarios.

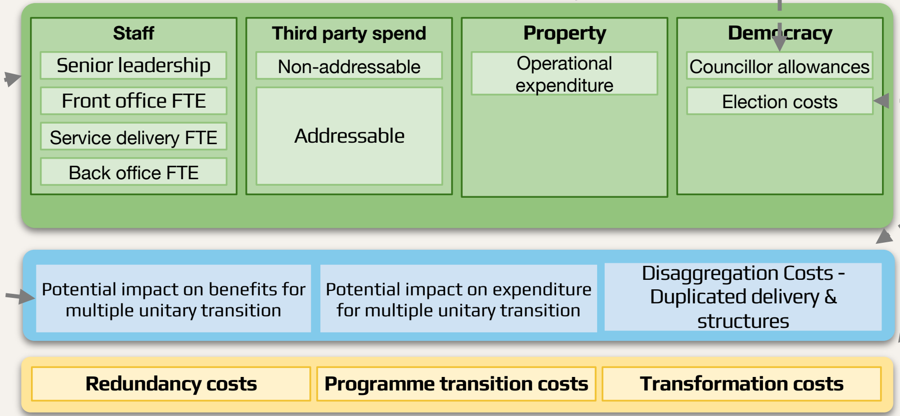
# Financial Options Appraisal: Methodology

**Third party spend** relates to all payments for goods and services, and excludes grants, taxation and other charges. The **addressable element** is a percentage based on the elements which can be influenced by procurement or commissioning.

**Property expenditure** relates to the cost of maintaining and operating the premises from which council services are delivered. It does not include housing stock or capital expenditure or investment in property for other purpose.

**Member allowances** are based on rates of Basic and Special Responsibility payments published in transparency reporting. These costs are used to determine the likely cost of one or more new democratic structures in new authorities

**FTE** is calculated as a proportion of spend as supplied in public spending data. **Net revenue expenditure** is used to avoid double-counting any income or grant transfers. **Senior leadership** salaries are calculated across the top three organisational tiers as per transparency reporting.




**Election costs use a total of votes cast in a previous election cycle** across district and county elections, and a cost-per-vote of £5.

**Benefits are profiled to be fully effective in Year 5,** to account for the need to complete staff changes and undertake contract renegotiations. The final model includes scenarios for stretch transformation which **increase the expected benefits through use of technology and service redesign**.

**Impact of multiple unitaries** amended for the 2UA and 3UA scenarios due to existing West Berkshire unitary infrastructure negating or significantly dampening disbenefits or disaggregation costs.

**Disaggregation Costs are incurred where an option involves dividing a county level authority into two or more unitaries,** and represents the ongoing cost of duplicating management and operations of statutory services, including social care. **An element of disaggregated costs therefore recur each year in options with more than one unitary authority. However these are dampened for the 2UA and 3UA scenarios due to existing West Berkshire infrastructure.**

**Costs such as creation of new councils, marketing, ICT and consultation** are increased proportionately where more than one new council is to be formed. Similarly, fixed **benefits of transition** are shared across all new bodies. **Redundancy costs do not include actuarial strain** as this is highly individualised

**Transition costs** include anticipated redundancies due to duplicated leadership structures, and elements of one-off spending relating to creating, marketing and programme managing transition to a new council.

# Options Appraisal - Reorganisation Summary view

The table below shows, for ease of reference, the gross annual benefit that the financial options appraisal estimates could be achieved in each of the LGR options for Oxfordshire and West Berkshire. It also shows the estimated annual costs of disaggregation, the net annual benefit and the one-off transitions costs that it is estimated would be incurred in order to implement each option, plus subsequent transformation benefits and costs (with base and stretch scenarios). Finally it shows the cumulative net benefit after one year and after five years.

| Category | | Gross annual benefit | Additional annual costs | Recurring net annual benefit | One-off transition costs | Payback period | Net benefit after 1 year | Net benefit after 5 years | Comments |
|---|---|---|---|---|---|---|---|---|---|
| Single UA for all of Oxfordshire (Excluding West Berkshire) | Reorganisation | £27.3m | £0 | £27.3m | £23.8m | 3.1 years | -£16.3m | £44.3m | This option achieves greater financial benefits from LGR due to consolidation, economies of scale and addressing duplication. As County services are not disaggregated, there are no additional annual costs. Transition costs are lower to reflect the lower complexity involved in not disaggregating County services when setting up the new Unitary Authority arrangement. |
| | Transformation (base) | £20.9m | N/A | £20.9m | £14.6m | 1.7 years | -£1.5m | £37.7m | |
| | Transformation (stretch) | £31.1m | N/A | £31.1m | £21.7m | 1.7 years | -£2.2m | £55.9m | |
| 2UAs - Oxford & Shires and Ridgeway | Reorganisation | £24.9m | £3.0m | £21.9m | £30.4m | 4.2 years | -£24.9m | £16.6m | The inclusion of West Berkshire means that while % savings from LGR are lower, the proportion is applied against a larger baseline. While existing West Berkshire infrastructure will be used (eg senior leadership, statutory posts are already in place), this option incurs additional annual costs for running disaggregated County services that do not currently exist at the same level in West Berkshire. |
| | Transformation (base) | £25.6m | N/A | £25.6m | £17.9m | 1.7 years | -£1.8m | £46.1m | |
| | Transformation (stretch) | £37.9m | N/A | £37.9m | £26.5m | 1.7 years | -£2.7m | £68.2m | |
| 3UAs - Greater Oxford, North Oxfordshire and Ridgeway | Reorganisation | £20.2m | £10.7m | £9.5m | £32.5m | 8.7 years | -£34.7m | -£35.5m | There are lower financial benefits due to the reduced opportunities for consolidation. While existing West Berkshire infrastructure has been taken into consideration, additional annual costs are incurred due to additional senior leadership, management for disaggregated servicers, and democratic costs. Additional transition costs are incurred due to new council infrastructure and redrawing boundaries. |
| | Transformation (base) | £25.8m | N/A | £25.8m | £18.1m | 1.7 years | -£1.8m | £46.5m | |
| | Transformation (stretch) | £38.2m | N/A | £38.2m | £26.7m | 1.7 years | -£2.7m | £68.7m | |

# Options Appraisal - 1 UA

Set out below is the view to total benefits and costs of the reorganisation. For the 1UA assumption, it is assumed that there are no recurring disaggregation costs as there are no duplicated senior leadership, service delivery and democratic costs as it maintains the same number of Upper Tier Level Authorities (UTLAs) in the area.



| BENEFITS OF AGGREGATION | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Category | Staffing Front Office | Staffing Service Delivery | Staffing Back Office | Staffing Management | Third Party Spend | Property | Democracy | **Total aggregation benefits (annual)** |
| Saving (£) | 5,147,894 | 3,703,624 | 3,088,736 | 7,508,699 | 3,136,811 | 2,201,271 | 2,463,724 | **27,250,759** |

| TRANSITION COSTS | | | |
|---|---|---|---|
| Category | Programme transition costs | Redundancy costs | **Total transition costs (one-off)** |
| Cost (£) | 17,990,364 | 5,834,686 | **23,825,050** |

| DISAGGREGATION COSTS | | | | |
|---|---|---|---|---|
| Category | Additional senior leadership costs | Additional service delivery costs | Additional democratic costs | **Total disaggregation costs (annual)** |
| Cost (£) | 0 | 0 | 0 | **0** |

| NET BENEFITS | | |
|---|---|---|
| Total net benefit after one year | Total net benefit after five years | Payback period |
| -16,334,964 | 44,301,847 | 3.1 years |

# Options Appraisal - 2 UA

Set out below is the view to total benefits and costs of the reorganisation. For the 2UA assumption, disaggregation costs have been dampened to reflect the net neutral change in the number of Upper Tier Level Authorities (UTLAs) post reorganisation, from 2UAs to 2UAs with the inclusion of West Berkshire unitary authority.

**BENEFITS OF AGGREGATION**

| Category | Staffing Front Office | Staffing Service Delivery | Staffing Back Office | Staffing Management | Third Party Spend | Property | Democracy | Total aggregation benefits (annual) |
|---|---|---|---|---|---|---|---|---|
| Saving (£) | 4,993,230 | 1,924,474 | 2,808,692 | 7,508,699 | 3,028,930 | 2,214,130 | 2,463,724 | **24,941,879** |

**TRANSITION COSTS**

| Category | Programme transition costs | Redundancy costs | Total transition costs (one-off) |
|---|---|---|---|
| Cost (£) | 25,297,020 | 5,135,299 | **30,432,319** |

**DISAGGREGATION COSTS**

| Category | Additional senior leadership costs | Additional service delivery costs | Additional democratic costs | Total disaggregation costs (annual) |
|---|---|---|---|---|
| Cost (£) | 0 | 3,058,000 | 0 | **3,058,000** |

**NET BENEFITS**

| Total net benefit after one year | Total net benefit after five years | Payback period |
|---|---|---|
| -24,909,667 | 16,632,379 | 4.2 years |

# Options Appraisal - 3 UA

Set out below is the view to total benefits and costs of the reorganisation. For the 3UA assumption, disaggregation costs have been dampened to reflect what may be typically expected from a 2UA model neutral change in the number of Upper Tier Level Authorities (UTLAs) post reorganisation, from 2UAs to 3UAs with the inclusion of West Berkshire unitary authority. To note, certain programme transition costs have been further uplifted (eg. creation of a new Council) to recognise the added complexity of redrawing boundaries under the 3UA option.

**BENEFITS OF AGGREGATION**

| Category | Staffing Front Office | Staffing Service Delivery | Staffing Back Office | Staffing Management | Third Party Spend | Property | Democracy | Total aggregation benefits (annual) |
|---|---|---|---|---|---|---|---|---|
| Saving (£) | 3,744,923 | 1,282,983 | 1,872,461 | 7,508,699 | 1,514,465 | 1,771,304 | 2,463,724 | **20,158,559** |

**TRANSITION COSTS**

| Category | Programme transition costs | Redundancy costs | Total transition costs (one-off) |
|---|---|---|---|
| Cost (£) | 28,155,420 | 4,322,720 | **32,478,140** |

**DISAGGREGATION COSTS**

| Category | Additional senior leadership costs | Additional service delivery costs | Additional democratic costs | Total disaggregation costs (annual) |
|---|---|---|---|---|
| Cost (£) | 3,137,107 | 7,549,159 | 445,300 | **10,686,266** |

**NET BENEFITS**

| Total net benefit after one year | Total net benefit after five years | Payback period |
|---|---|---|
| -34,652,922 | -35,513,074 | 8.7 years |

# Options Appraisal - Phasing of reorganisation costs and benefits

| Year | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **1UA (£'000)** | | | | | | | | | | | |
| **Cumulative Benefit (£m)** | 0 | 2,725 | 8,175 | 21,801 | 40,876 | 68,127 | 95,377 | 122,628 | 149,879 | 177,129 | 204,381 |
| **Cumulative Cost** | -9,530 | -19,060 | -23,825 | -23,825 | -23,825 | -23,825 | -23,825 | -23,825 | -23,825 | -23,825 | -23,825 |
| **Total Cumulative Net Benefit** | -9,530 | -16,335 | -15,649 | -2,024 | 17,051 | 44,302 | 71,552 | 98,803 | 126,054 | 153,305 | 180,556 |
| **2UA (£'000)** | | | | | | | | | | | |
| **Cumulative Benefit (£m)** | 0 | 2,494 | 7,483 | 19,954 | 37,413 | 62,355 | 87,297 | 112,238 | 137,180 | 162,122 | 187,064 |
| **Cumulative Cost** | -12,173 | -27,404 | -36,548 | -39,606 | -42,664 | -45,722 | -48,780 | -51,838 | -54,896 | -57,954 | -61,012 |
| **Total Cumulative Net Benefit** | -12,173 | -24,910 | -29,066 | -19,653 | -5,252 | 16,632 | 38,516 | 60,400 | 82,284 | 104,168 | 126,052 |
| **3UA (£'000)** | | | | | | | | | | | |
| **Cumulative Benefit** | 0 | 2,016 | 6,048 | 16,127 | 30,238 | 50,396 | 70,555 | 90,714 | 110,872 | 131,031 | 151,189 |
| **Cumulative Cost** | -12,991 | -36,669 | -53,851 | -64,537 | -75,223 | -85,909 | -96,596 | -107,28 | -117,968 | -128,655 | -139,341 |
| **Total Cumulative Net Benefit** | -12,991 | -34,653 | -47,803 | -48,410 | -44,985 | -35,513 | -26,041 | -16,568 | -7,096 | 2,376 | 11,848 |

# Options Appraisal - Phasing of transformation costs and benefits

| Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| **1UA (£'000)** | | | | | | | | | | |
| **Cumulative Benefit (£m)** | 0 | 4,184 | 14,642 | 31,376 | 52,294 | 73,211 | 94,129 | 115,046 | 135,964 | 156,882 |
| **Cumulative Cost** | -1,464 | -3,661 | -8,053 | -12,446 | -14,642 | -14,642 | -14,642 | -14,642 | -14,642 | -14,642 |
| **Total Cumulative Net Benefit** | -1,464 | 523 | 6,589 | 18,930 | 37,652 | 58,569 | 79,487 | 100,404 | 121,322 | 142,240 |
| **2UA (£'000)** | | | | | | | | | | |
| **Cumulative Benefit (£m)** | 0 | 5,117 | 17,909 | 38,376 | 63,960 | 89,544 | 115,128 | 140,711 | 166,295 | 192,123 |
| **Cumulative Cost** | -1,791 | -4,477 | -9,850 | -15,222 | -17,909 | -17,909 | -17,909 | -17,909 | -17,909 | -17,909 |
| **Total Cumulative Net Benefit** | -1,791 | 640 | 8,059 | 23,154 | 46,051 | 71,635 | 97,219 | 122,803 | 148,386 | 174,214 |
| **3UA (£'000)** | | | | | | | | | | |
| **Cumulative Benefit** | 0 | 5,166 | 18,079 | 38,742 | 64,569 | 90,397 | 116,225 | 142,052 | 167,880 | 193,708 |
| **Cumulative Cost** | -1,808 | -4,520 | -9,944 | -15,367 | -18,079 | -18,079 | -18,079 | -18,079 | -18,079 | -18,079 |
| **Total Cumulative Net Benefit** | -1,808 | 646 | 8,135 | 23,375 | 46,490 | 72,318 | 98,146 | 123,973 | 149,801 | 175,629 |

# How do the different options measure against the baseline?

| | Annual Net Revenue Expenditure (£m) (Incl. reorganisation benefits only) | | | | | |
|---|---|---|---|---|---|---|
| | **Year 0** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** |
| **0) Option 0 - No Change** | 885.7 | 885.7 | 885.7 | 885.7 | 885.7 | 885.7 |
| **A) Option 1 - 1UA** | 895.1 | 895.1 | 887.9 | 880.2 | 873.2 | 866.6 |
| **B) Option 2 - 2UA** | 897.8 | 900.8 | 892.3 | 889.8 | 876.2 | 871.3 |
| **C) Option 3 - 3UA** | 898.6 | 907.3 | 898.8 | 886.3 | 882.2 | 876.2 |
| | **Annual Net Transformation Benefits (Cumulative) (£m)** | | | | | |
| **0) Option 0 - No Change** | 0 | 0 | 0 | 0 | 0 | 0 |
| **A) Option 1 - 1UA** | 0 | -1.5 | 0.5 | 6.6 | 18.9 | 37.7 |
| **B) Option 2 - 2UA** | 0 | -1.8 | 0.6 | 8.1 | 23.2 | 46.1 |
| **C) Option 3 - 3UA** | 0 | -1.8 | 0.6 | 8.1 | 23.4 | 46.5 |

**Note that at this stage, projections do not factor in inflation on net revenue expenditure.*

**Annual Net Revenue Expenditure**

- Projected expenditure **factors in one-off transition costs, disaggregation costs and aggregation benefits.**
- Measured against the baseline, **Option 1(1UA)** would provide the **largest cumulative net saving of £44.3m** across five years, **Option 2 (2UA) would realise £16.6m** and **Option 3 (3UA)** would **incur additional costs of £35.5m**
- In the 1UA scenario, West Berkshire's expenditure has been included in the baseline for comparative purposes but would not benefit from any savings made by reorganisation.
- The **1UA option** is projected to deliver a **combined benefit** of approximately **£82.0m**, the **2UA** is projected to deliver **£62.7m** and the **3UA** is set to deliver **£11.0m** by **2028/29.** This is primarily realised through a **reduction in expenditure**, and some additional input from anticipated income generation under transformation.

# Appendix 1 - Assumptions Detailed Breakdown

# Financial Analysis: Approach

The approach to the financial case for reorganisation assesses the benefits, costs and payback period for the three options. This enables understanding of the length of time for savings to cover the costs of reorganisation and transformation across the options. Detailed baseline data has been used and wherever an actual figure was available via a local or publicly available source, this has been used in preference to a generalisation. This appendix includes details of the approach and assumptions.

## 1 Financial calculations consider costs and benefits of the following scenarios:

1. Transition from one county and 5 districts to one unitary authority, plus West Berkshire as an existing unchanged unitary authority.
2. Transition from one county, 5 districts and West Berkshire as an existing unitary authority, to a two unitary authority model.
3. Transition from one county, 5 districts and West Berkshire as an existing unitary authority, to a three unitary authority model.

## 2 The following costs and benefits are considered:

1. **Aggregation Benefits:** Weightings applied to three types of spend, with percentage reductions then applied. Democracy benefits uses the number of districts multiplied by an average cost.
2. **Transition Costs:** Fixed cost and proportional redundancy costs incurred (excluding disaggregation). These are one off costs of reorganisation.
3. **Disaggregation Costs:** This is the additional recurring cost of splitting county-wide services into multiple unitaries. This would also include the reduction in benefit from reorganisation to multiple unitaries, as opposed to a single unitary option.

## 3 Data sources and assumptions applied

The data sources and assumptions that are applied are a combination of publicly available data; some benchmarking; data from the Oxfordshire Districts, Oxfordshire County Council and West Berkshire; and experience of completing similar work on local government reform business cases in other areas. The assumptions have been refined and validated with representatives from the Oxfordshire Districts, Oxfordshire County Council and West Berkshire.

# Cost and Benefits

The following sets out how benefits, transition costs and disaggregation costs have been phased in the model.

**Transition costs are expected to land across Year 0, the year before vesting day, and Year 1 and 2.** This recognises that much of the preparation to support with reorganisation occurs before Y1.

**Benefits are phased over five years** to indicate the relative timescales over which some aspects of delivery will occur (eg. ongoing programme of cost reductions, next election date, various contract end dates for third party spend)

| | Year 0 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 -10 |
|---|---|---|---|---|---|---|
| Benefits | | 10 % | 20% | 50% | 75% | 100% |
| Transition Costs | 40% | 40% | 20% | | | |
| Disaggregation Costs | | 100% ongoing | | | | |

**Disaggregation costs** are incurred where county services are split into new councils, and are an ongoing cost of duplicating leadership and operational delivery, but do not include the cost of services delivered.

# Reorganisation Benefit | Staff

## Financial Analysis Element

**Staff**

- Senior leadership
- Front office FTE
- District service delivery FTE
- Back office FTE

Page 225

**Note:** where local data has been provided this has been used in the model, rather than the assumption.

## Benefit Driver & Methodology

| | |
|---|---|
| 1 | Staff expenditure has been estimated and categorised into front office, service delivery, and back office functions, using local authority averages as a baseline, to be refined based on Oxfordshire & West Berkshire-specific knowledge to ensure assumptions reflect local operational structures in the detailed Financial Case. |

## Assumptions applied

| Area | Key figures | | | Rationale |
|---|---|---|---|---|
| | 1UA | 2UA | 3UA | |
| **Proportion of net revenue expenditure spent on staff** | 40% | | | **A localised value was agreed between OCC, District Councils and West Berkshire.** Initial CCN assumption was 34%. |
| **Front Office* FTE** | 36.0% | | | Average proportions of effort, previously calculated by PwC through unitary authority activity analysis, this work conducted across 60+ local authorities. |
| **Service Delivery** FTE** | 37.0% | | | |
| **Back Office FTE** | 27.0% | | | |

** **Front office staff** refers to staff who serve as the first point of contact for the public, handling inquiries, processing requests, and managing complaints. Their roles focus on customer service, including application processing, administrative procedures, and general support to ensure smooth communication between the council and residents.*

*** **Service delivery staff** refers to staff who are responsible for maintaining and executing council services such as waste collection, road maintenance, park services, and community safety. While they have limited direct interaction with the public, their work is essential to delivering effective and high-quality local services.*

# Reorganisation Benefit | Staff cont.

## Financial Analysis Element

**Staff**

- Senior leadership
- Front office FTE
- District service delivery FTE
- Back office FTE



**Note:** where local data has been provided this has been used in the model, rather than the assumption.

## Benefit Driver & Methodology

| | |
|---|---|
| 2 | Efficiency-driven percentage reductions have been applied to front office, district service delivery, and back office FTE to reflect savings from eliminating duplicate roles and streamlining operations. |
| 3 | Greater economies of scale are expected in the one and two-unitary model, leading to higher percentage reductions, whereas the three unitary model achieves fewer efficiencies due to a more fragmented structure. |
| 4 | Senior leadership reductions, including the removal of duplicated posts and associated on-costs, contribute to additional financial benefits. |

## Assumptions applied

| Area | Key figures | | | Rationale |
|---|---|---|---|---|
| | 1UA | 2UA | 3 UA | |
| **Reduction in front office FTE** | 5.0% | 4.0% | 3% | Percentage reductions in line with previous work undertaken for the County Councils Network. |
| **Reduction in service delivery FTE** | 3.5% | 1.5% | 1.0% | Percentage reductions in line with previous work undertaken for the County Councils Network. |
| **Reduction in back office FTE** | 4.0% | 3.0% | 2.0% | Percentage reductions in line with previous work undertaken for the County Councils Network. |
| **Senior management team costs** | £1.5m | | | Calculated using an average of the higher band of the top three tier senior salaries for each individual district, county and unitary. Assumption that a generic senior management team includes: (1) Chief Exec (3) Directors (2) ADs (6) HoS and additional oncosts |

# Reorganisation Benefit | Property

### Financial Analysis Element

**Property**

Operational Expenditure



**Note:** where local data has been provided this has been used in the model, rather than the assumption.

### Benefit Driver & Methodology

| | |
|---|---|
| 1 | Net Expenditure is based on local data provided by the councils on property assets |
| 2 | This is spend relating to the ongoing running costs of office spaces such as energy, cleaning and repairs rather than from the one-off sale of capital assets, or rental income from available office space. Any council-owned housing stock has also been excluded from this calculation. |
| 3 | A percentage reduction has been applied to the property baseline to provide the estimated benefit of a consolidated property portfolio through shared occupation, reduced duplication of office locations and more efficient use of space. |
| 4 | The potential to rationalise and use office spaces more effectively and innovatively is increased in a one or two unitary authority scenario compared to a three unitary authority scenario. |

### Assumptions applied

| Area | Key figures | | | Rationale |
|---|---|---|---|---|
| | 1UA | 2UA | 3UA | |
| **Proportion of net expenditure spent on property** | 2% | | | Assumption based on an average of available national figures was 5%. Additional data has been provided by the council shown limited portfolio heritage and community assets, which has served to dampen property operational expenditure assumptions to 2%. |
| **Reduction in property spend** | 15% | 12.5% | 10% | This percentage has been calculated using the England average from revenue outturns submitted to the Ministry of Housing, Communities & Local Government 2018 - 2019. Reduction drawn primarily from property rationalisation. |

# Reorganisation Benefit | Third Party Spend

### Financial Analysis Element

**Third Party Spend**

- Addressable
- Non-Addressable

Page 228

**Note:** where local data has been provided this has been used in the model, rather than the assumption.

### Benefit Driver & Methodology

| | |
|---|---|
| 1 | Net Expenditure is based on local data provided by the councils on external spend across different service categories. |
| 2 | This is spend relating to third party and externally delivered services, and includes contractual costs related to systems, agency resource and more. In this Oxfordshire and West Berkshire context, both Ubico and Publica spend is addressed via Third Party Spend. |
| 3 | It is assumed that some Third Party Spend data is not addressable (eg. long-term contracts), and a portion will remain unchanged throughout the reorganisation process. |
| 4 | It is assumed that additional costs will be incurred when existing Third Party Spend contracts are dissolved, notably for upper tier level services |

### Assumptions applied

| Area | Key figures | | | Rationale |
|---|---|---|---|---|
| | 1UA | 2UA | 3UA | |
| **Proportion of Third Party Spend which is addressable** | 38% | | | Additional data has been provided by the council to update this assumption, notably that there is limited addressability via in both the 1UA, 2UA and 3UA option in regards to Social Care and Education spend, and has been influenced by further rationale behind actual change in number of UTLAs pre- and post-reorganisation. |
| **Disaggregation Benefits on Operational Expenditure** | 2.5% | 2.0% | 1.0% | Additional data has been provided by the council to update the 2UA assumptions to recognise the potential capacity to leverage West Berkshire and Oxfordshire County Council's existing service infrastructure. |

# Reorganisation Benefit | Democracy

## Financial Analysis Element

**Democracy**

Councillor allowances

Election Costs

Page 229

**Note:** where local data has been provided this has been used in the model, rather than the assumption.

## Benefit Driver & Methodology

| | |
|---|---|
| 1 | The one, two and three unitary council models will require fewer councillors than the current seven-council makeup of Oxfordshire and West Berkshire. Therefore a saving can be made in terms of the base and special responsibility allowances paid to elected Members. |
| 2 | Fewer councils will also mean fewer elections, reducing the administrative costs of running local elections. However, some of these savings may be offset by the need for alternative local decision-making arrangements, such as area committees or devolved governance models. |

## Assumptions applied

| Area | Key figures (£) | | | Rationale |
|---|---|---|---|---|
| | 1UA | 2UA | 3UA | |
| **SRA and base allowances incurred as part of the democratic structure** | 0 | 0 | 445,300 | This is calculated by identifying the difference between current and future unitary local authorities which is multiplied by the structure cost per unitary. A reduced SRA increases annual benefit.<br>**Note:** In both the 1UA and 2UA model (due to the inclusion of West Berkshire) there is no net gain or loss of Upper Tier Local Authority (UTLA), meaning it is cost neutral.<br>In the 3UA model there is a net gain of 1 UTLA, meaning it would incur additional costs offsetting some of the benefits. |
| **Annual savings against elections** | 502,105 | | | This has been calculated using data from the election turnout and the cost per vote during an election. NOTE: this is used within the broader Democracy calculations but accounts for the net change to the number of UTLA's. Savings against elections does not form the total of the Democracy calculations.<br>**If there is a requirement to hold additional shadow elections in 2027 then an additional cost will be incurred (not currently factored into calculations).** |
| **Cost per vote during an election** | 5.00 | | | The cost per vote has been uplifted from the HM Government's estimated cost of an election of £3 per vote, as per the last General Election. |

# Transition Costs | One-off Costs

## Financial Analysis Element

**Transition Costs**

- Contingency
- Organisation closedown
- Creating the new council
- Public consultation
- ICT costs
- Redundancy

Page 230

## Benefit Driver & Methodology

| | |
|---|---|
| 1 | One-off redundancy costs will be incurred as part of restructuring local authorities. These have been calculated as a proportion of savings from FTE reductions. Due to the variability among individual cases, using a general proxy for pension strain is not sufficiently reliable and has therefore been omitted from the analysis. |
| 2 | Transition costs will arise from closing down existing local authorities and establishing new unitary authorities. While efficiencies will be gained, the process requires investment in legal, financial, and administrative restructuring, with the majority of these costs impacting all new unitary authorities. |
| 3 | To enable transformation while maintaining service continuity, one-off costs will be incurred for external support and internal programme management. These will provide capacity and expertise for change management, governance structures, and operational transformation. |
| 4 | Further costs will relate to the safe and secure migration of information and consolidation of systems in order to maintain operational delivery. As transformation relies on technology to enable efficiencies, this requires substantial investment. |

## Assumptions applied

| Area | Key figures (£m) | | | Rationale |
|---|---|---|---|---|
| | 1UA | 2UA | 3UA | |
| **Contingency** | 2.12 | 3.23 | 4.23 | Provision for extra expenses potentially incurred through reorganisation. |
| **Organisation closedown** | 0.37 | 0.73 | 1.10 | Costs involved with legally and financially closing down councils and create sound budgetary control systems, estimated through averages of similar costs for other councils. |
| **Creating the new council** | 0.73 | 1.46 | 2.20 | The legal costs of setting up a new council, supporting with training staff etc. To note the 3UA option has been uplifted due to need for boundary changes. |
| **Public consultation** | 0.33 | 0.49 | 0.49 | Assuming costs for adverts in local media and surveys to consult public on proposed changes. |
| **ICT costs** | 6.20 | 6.86 | 7.29 | Costs reflect phased system migration, past LGR cases, and scaling complexity, factoring in reporting changes, security, licences, data migration, and cloud transition cost increases. |
| **Redundancy** | 5.83 | 5.14 | 4.32 | One-off redundancy payments, assumed as 30% of staff salary. This does not consider pension strain. |

# Transition Costs | One-off Costs cont.

## Financial Analysis Element

**Transition Costs**
- Shadow Chief Exec and Member costs
- External support for implementation
- Internal programme management costs
- External communications, rebranding

## Benefit Driver & Methodology

| | |
|---|---|
| 1 | One-off redundancy costs will be incurred as part of restructuring local authorities. These have been calculated as a proportion of savings from FTE reductions. Due to the variability among individual cases, using a general proxy for pension strain is not sufficiently reliable and has therefore been omitted from the analysis. |
| 2 | Transition costs will arise from closing down existing local authorities and establishing new unitary authorities. While efficiencies will be gained, the process requires investment in legal, financial, and administrative restructuring, with the majority of these costs impacting all new unitary authorities. |
| 3 | To enable transformation while maintaining service continuity, one-off costs will be incurred for external support and internal programme management. These will provide capacity and expertise for change management, governance structures, and operational transformation. |
| 4 | Further costs will relate to the safe and secure migration of information and consolidation of systems in order to maintain operational delivery. As transformation relies on technology to enable efficiencies, this requires substantial investment. |



## Assumptions applied

| Area | Key figures (£m) | | | Rationale |
|---|---|---|---|---|
| | 1UA | 2UA | 3UA | |
| **Shadow Chief Exec/Member costs** | 0.37 | 0.75 | 0.75 | This refers to the costs of establishing and running a shadow leadership team ahead of a new unitary authority taking control, with figures aligned to previous local government reorganisations |
| **External support** | 5.12 | 7.69 | 7.69 | Assuming costs for external implementation support. |
| **Internal Programme Management Costs** | 2.28 | 3.43 | 3.43 | Aligned with previous local government reorganisations, uplifted for inflation and long-term programme management requirements. |
| **External Comms and rebranding** | 0.44 | 0.66 | 0.99 | Communications, branding and advertising needed to support the set up of the new Council, including subscriptions for services to support with communications delivery. |

# Disaggregation Costs | Recurring

## Financial Analysis Element

**Recrurring**

- Duplicated senior leadership
- Duplicated County Service Delivery
- Duplicated Democratic Structures

Page 232

**Note:** where local data has been provided this has been used in the model, rather than the assumption.

## Benefit Driver & Methodology

| | |
|---|---|
| 1 | Disaggregation costs apply only where multiple unitary authorities are created, arising from the need to replicate county-level services, such as Social Care, Education, and Public Health, across separate unitary areas. They reflect the cost of providing the structures needed to safely and legally deliver these services, but not the cost of commissioned or provided services. |
| 2 | Additional senior leadership teams will be required to manage the new unitary authorities. These costs are estimated using Oxfordshire County Council senior leadership salaries, based on the top three tiers of management in existing District Councils. |
| 3 | Disaggregating services currently provided at county level will require additional FTE to effectively lead and support high quality outcomes. The amount of effort used in service delivery management & supervision has been used as a proxy to estimate the size of the increase required under the new unitary authorities. |
| 4 | The cost of a representative democratic structure has been estimated as an additional requirement in the new unitary authorities. |

## Assumptions applied

| Area | Key figures (£m) | | | Rationale |
|---|---|---|---|---|
| | 1UA | 2UA | 3UA | |
| **Senior management cost for additional unitaries** | 0 | 0 | 3.1 | Additional leadership and frontline service management FTE will be required in new unitary authorities. Proportion of effort spent on management and supervision has been used as a proxy to estimate this cost. Note: this has been calculated based on the net change to the number of UTLA's i.e. for 2UA option, there is no change in UTLAs, and therefore warranting no additional costs. To note, the original CCN service delivery management assumptions for both the 2UA and 3UA have been dampened and tailored to recognise the potential to leverage existing upper tier Oxfordshire County and West Berkshire infrastructure. |
| **Duplicated Service Delivery management layers** | 0 | 3.1 | 7.6 | |
| **New SRA costs** | 0 | 0 | 0.5 | This is calculated by identifying the difference between current and future unitary local authorities which is multiplied by the SRA cost per unitary. |

# Appendix 2 - Options Appraisal Transformation Modelling

# Overview of Transformation Opportunities

**Purpose**

This component looks at the **additional efficiency savings and income growth the new authorities could achieve post-vesting day** through localised service delivery agreements and transformation. **At the Financial Appraisals level, it takes a set of standard assumptions, which have not been closely amended to localised factors and conditions.**

The specific outputs from the module aims to:

- Develop an indicative view of savings potential over and above reorganisation benefits.
- Transformation potential is considered independent of structural model and delivered once consolidation is complete.

| | |
|---|---|
| **FTE (Front Office, Service Delivery, Back Office)** | Following the same approach to identifying and sizing the FTE-related benefits of aggregation, and disaggregation, it assumes that there may be additional opportunities to optimise service delivery across the new unitary authorities beyond the combination of like services. |
| **Addressable Third Party Spend** | Transformation around Third Party Spend moves a step beyond the removal of duplicate contracts and commissioned services, and considers the future organisation's capability to strengthen commissioning, contract management and procurement processes. |
| **Income Generation** | The Income Generation component of transformation considers whether there may be a need to apply more consistent or uplifted sales, fees and charges across the new geographies and boundaries. |

# Transformation Assumptions

Detailed below are the set of standard transformation assumptions, applied to the refined baseline of each reorganised unitary authorities' Net Revenue Expenditure. The refined Net Revenue Expenditure has already factored in the anticipated benefits from reorganisation.

| Category | Transformation Assumptions | |
|---|---|---|
| | Base % | Stretch % |
| Front office FTE | 6% | 10% |
| Service delivery FTE | 3% | 5% |
| Back office FTE | 7% | 8% |
| TPS | 2.5% | 3% |
| Income | 0% | 1% |

## Standard Assumptions

In contrast to reorganisation, which is impacted by net change in upper tier level authorities pre-and post reorganisation, it is assumed that all future organisations have the similar potential for transformation at the Financial Options Appraisal level. The figures are then refined via a more nuanced assessment of the size of transformation opportunity as part of the detailed Financial Case.

# Transformation Opportunities: 1UA

Detailed below are the high-level transformation opportunities for the future 1UA. To note, this does not take into extensive account of previous or ongoing transformation activity that has already taken place. The 1UA option does not include West Berkshire it expenditure baseline.

| Category | Refreshed Baseline (£'000) | Base % | Base Savings (£'000) | Stretch % | Stretch Savings (£'000) |
|---|---|---|---|---|---|
| **Front office FTE** | 97,810 | 6% | 5,869 | 10% | 9,781 |
| **Service delivery FTE** | 102,114 | 3% | 3,063 | 5% | 5,106 |
| **Back office FTE** | 74,130 | 7% | 5,190 | 8% | 5,930 |
| **TPS** | 271,857 | 2.5% | 6,796 | 3% | 8,156 |
| **Income** | 209,229 | 0% | 0 | 1% | 2,092 |
| **Total** | | | **20,918** | | **31,065** |

# Transformation Opportunities: 2UA

Detailed below are the high-level transformation opportunities for the future 2UA. To note, this does not take into extensive account of previous or ongoing transformation activity that has already taken place. The 2UA option does include West Berkshire it expenditure baseline.

| Category | Refreshed Baseline (£'000) | Base % | Base Savings (£'000) | Stretch % | Stretch Savings (£'000) |
|---|---|---|---|---|---|
| **Front office FTE** | 119,838 | 6% | 7,190 | 10% | 11,984 |
| **Service delivery FTE** | 126,374 | 3% | 3,791 | 5% | 6,319 |
| **Back office FTE** | 90,814 | 7% | 6,357 | 8% | 7,265 |
| **TPS** | 329,817 | 2.5% | 8,245 | 3% | 9,895 |
| **Income** | 240,729 | 0% | 0 | 1% | 2,407 |
| **Total** | | | **25,584** | | **37,869** |

# Transformation Opportunities: 3UA

Detailed below are the high-level transformation opportunities for the future 3UA. To note, this does not take into extensive account of previous or ongoing transformation activity that has already taken place. The 3UA option does include West Berkshire it expenditure baseline.

| Category | Refreshed Baseline (£'000) | Base % | Base Savings (£'000) | Stretch % | Stretch Savings (£'000) |
|---|---|---|---|---|---|
| Front office FTE | 121,086 | 6% | 7,265 | 10% | 12,109 |
| Service delivery FTE | 127,015 | 3% | 3,810 | 5% | 6,351 |
| Back office FTE | 91,751 | 7% | 6,443 | 8% | 7,340 |
| TPS | 336,548 | 2.5% | 8,330 | 3% | 9,995 |
| Income | 240,729 | 0% | 0 | 1% | 2,407 |
| **Total** | | | **25,828** | | **38,202** |

# Transformation: Cost and Benefits Phasing (Base)

Transformation is anticipated to be delivered within the first five years of vesting day. It assumes that the benefits and costs are spread across the five year period, starting from 2028/29. To note, there is an additional assumption that there is a one-off transformation cost set at 70% of base benefits.

| Cost / Benefits Phasing | | | | | |
|---|---|---|---|---|---|
| | Y1 | Y2 | Y3 | Y4 | Y5 |
| ***Transformation benefits (recurring)*** | ***0%*** | ***20%*** | ***50%*** | ***80%*** | ***100%*** |
| ***Transformation costs (one-off)*** | ***10%*** | ***15%*** | ***30%*** | ***30%*** | ***15%*** |

Page 239

| Benefits and Cost Summary | 1UA (£'000) | 2UA (£'000) | 3UA (£'000) |
|---|---|---|---|
| ***Transformation Benefit (Base)*** | 20,918 | 25,584 | 25,828 |
| ***Transformation Cost*** *(Assumed 70% of Transformation Benefit)* | 14,652 | 17,909 | 18,070 |

One-off transformation costs are modelled on a high-level assumption of 70% of the total recurring transformation benefits (for both the base and stretch scenarios). These costs would consist of additional capacity and delivery resources, additional investment for systems and software, plus contingency and ad hoc costs. For the stretch scenario, it is assumed costs would scale due to the additional capacity and potential investment in systems required to achieve a greater level of benefit. The detailed financial case will further refine the estimated costs based on the anticipated transformation opportunities using more local insight and refined assumptions.

# Transformation Phasing Modelled (Base)

| 1UA Cost / Benefits Phasing | | | | | |
|---|---|---|---|---|---|
| | Y1 | Y2 | Y3 | Y4 | Y5 |
| *Transformation benefits (recurring) (£m)* | 0 | 4.2 | 10.5 | 16.7 | 20.9 |
| *Transformation costs (one-off) (£m)* | -1.5 | -2.2 | -4.4 | -4.4 | -2.2 |
| *Net total (£m)* | -1.5 | -2.0 | 6.1 | 12.3 | 18.7 |

| 2UA Cost / Benefits Phasing | | | | | |
|---|---|---|---|---|---|
| | Y1 | Y2 | Y3 | Y4 | Y5 |
| *Transformation benefits (recurring) (£m)* | 0 | 5.1 | 12.8 | 20.5 | 25.6 |
| *Transformation costs (one-off) (£m)* | -1.8 | -2.7 | 5.4 | 5.4 | 2.7 |
| *Net total (£m)* | -1.8 | 2.4 | 7.4 | 15.1 | 22.9 |

| 3UA Cost / Benefits Phasing | | | | | |
|---|---|---|---|---|---|
| | Y1 | Y2 | Y3 | Y4 | Y5 |
| *Transformation benefits (recurring) (£m)* | 0 | 5.2 | 12.9 | 20.7 | 25.8 |
| *Transformation costs (one-off) (£m)* | 1.8 | 2.7 | 5.4 | 5.4 | 2.7 |
| *Net total (£m)* | -1.8 | 2.5 | 7.5 | 15.2 | 23.1 |

# Oxford and Shires | Ridgeway

Detailed Financial Case

October 2025



A once-in-a-generation opportunity

Two Councils

Oxford and Shires | Ridgeway

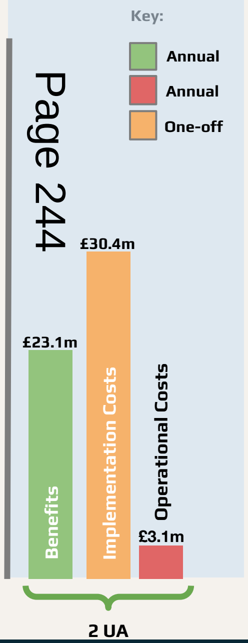
# Contents

This document presents the detailed financial case for the two unitary authority option for Oxfordshire and West Berkshire, with the proposed Oxford & Shires and Ridgeway UAs. It builds on the comparative options appraisal undertaken, which used consistent assumptions and publicly available data to model benefits and costs across all three options as a starting point. **The more detailed analysis in this Financial Case further refines the logic and assumptions for the Oxford and Shires and Ridgeway proposal, resulting in more refined and prudent totals compared with the initial Options Appraisal.**

# 1.0 Executive Summary

# Overview of Outputs

The analysis considers the detailed financial implications of LGR for Oxfordshire, **building off of the high-level Financial Options Appraisal to focus specifically on the configuration of the 2 UA model.** It is important to note in the period leading to vesting day there are a number of changes which could occur to funding, priorities and policy - the modelling completed is therefore based on the **data available at this point in time.**




The Financial Case has taken a prudent approach to assessing the impacts of local government reorganisation for Oxfordshire, drawing from similar data sources and applying consistent methodology to support wider comparisons. **Oxford and Shires and Ridgeway** are not an exact comparator to the **1UA option**. This is due to the inclusion of West Berkshire to the income and expenditure baseline as well as the nuances of its current financial circumstances. Through reorganisation, **Oxford and Shires** is set to realise approximately **£13.5m** recurring savings against its 27/28 baseline expenditure, while Ridgeway is set to realise some **£9.6m.** With additional recurring disaggregation costs of £3.1m, the 2UA option results in a total net recurring saving of **£20.0m**.

**Implementation Cost Drivers:**

1. **Combining existing services**: the cost associated with merging services of seven councils, as well as the commissioning and procurement of new systems to cover the Oxfordshire footprint.
2. **Dissolving delivery of upper tier services:** the costs associated with dissolving existing partnerships and service provision for upper tier services against new geographies.

**Benefit Drivers:**

1. **Economies of scale**: larger authorities are able to deliver services more efficiently through shared infrastructure, procurement advantages, and consolidated back-office functions.
2. **Reduced management structures:** simplifying the governance model results in recurring savings from fewer senior posts and decision-making layers.
3. **Transformation following reorganisation:** reorganisation would primarily look to amalgamate services, but would not involve the detailed service improvement that may realise benefits from optimised operations, digitisation and automation. It is noted that there is significant benefits in addition to reorganisation which could be pursued under the new authority, which is particularly relevant for the **Ridgeway** authority to **support greater long-term financial sustainability and mitigate further need to rely on Exceptional Financial Support.**

# Projected Financial Position on Vesting Day - (p1 of 2)

The Income and Expenditure and Assets and Liabilities position has been set out for Oxford and Shires and Ridgeway in the 2UA option. **This is the balance position prior to any benefit realisation from local government reorganisation or further transformation.**

| Income and Expenditure | | | |
|---|---|---|---|
| | 2 UA (£m) | | |
| Category | Oxford and Shires | Ridgeway | Notes |
| **Income*** | | | |
| **Council Tax** | 377.4 | 431.5 | Currently 27/28 view. Includes Council Tax Surpluses. |
| **Grants (inc. non-AEF)** | 45.8 | 63.0 | Currently 27/28 view |
| **Business Rates** | 114.4 | 55.0 | Currently 27/28 view |
| **Total Income** | 537.6 | 549.5 | |
| **Expenditure**** | | | |
| **All Staff** | 171.8 | 164.5 | Does not include any staffing consolidation impact. Proportion based on FY25/26 establishment data shared. |
| **All Non Staff** | 384.1 | 396.7 | Expenditure excluding staff |
| **Total Expenditure** | 555.9 | 561.2 | Total Expenditure for all authorities in Oxfordshire and West Berkshire. FY27/28 |
| **Net Position** | -18.3 | -11.7 | |
| **Total Reserve Draws** | 13.4 | 6.8 | Draws from reserves for FY27/28 to cover budget deficit |
| **Final Position** | -4.9 | -4.9 | |

**Income Sources: Draft statement of accounts (24/25), MTFS and MTFPs, Pixel Outputs*

***Expenditure Sources: Statement of Accounts 24/25, Net Operating Expenditure (25/26 onwards), Newton Analysis, Establishment data (provided by LAs).*



A once-in-a-generation opportunity
Two Councils
Oxford and Shires | Ridgeway

# Projected Financial Position on Vesting Day - (p2 of 2)

The Income and Expenditure and Assets and Liabilities position has been set out for Oxford and Shires and Ridgeway in the 2UA option.

| Assets and Liabilities (Core Considerations - not exhaustive)* | | | | |
|---|---|---|---|---|
| | 2 UA (£m) | | | |
| **Category** | **Oxford and Shires** | **Ridgeway** | **Oxford and Shires HRA** | **Notes** |
| **Assets** | | | | |
| **Fixed Assets** | 2,968.6 | 1,692.2 | 1,339.1 | Long-term assets only, projected to 28/29 using Capital Expenditure |
| **Liabilities** | | | | |
| **Long Term Borrowing** | 892.1 | 441.7 | 345.8 | Debt, Long Term Borrowing, EFS |
| **Short Term Borrowing** | 318.3 | 358.5 | 0 | Short Term Borrowing |

**Asset Sources: Statement of Accounts, Capital Expenditure from 2027/28 MTFS and MTFP Capital Programmes*
***Liabilities: MTFS and MTFPs, information supplied by LAs*

# Cost Benefit Analysis: Aggregation Benefit

*The following sets out a view of the aggregation benefits (recurring) for the 2UA option.*

**Key benefits include:**

- **Staffing (Leadership):** Benefits from reduction in duplicated top-line and associated transition costs.
- **Staffing:** Benefits from reduction of in-scope roles and associated transition costs.
- **Third Party Spend:** Benefits from reduction in addressable spend across all in-scope contract categories.
- **Democracy:** Benefits from reduction in election costs and member allowances.
- **Property:** Benefits from reduced property operational expenditure for rationalised assets.

***Note:*** *Capital receipts from rationalisation of assets are not included above.*



| Option 2UA | | | | | |
|---|---|---|---|---|---|
| | **Y1** | **Y2** | **Y3** | **Y4** | **Y5** |
| **Total Aggregation Benefits (£m)** | 2.3 | 4.6 | 11.6 | 16.2 | 23.2 |

| Benefits Phasing | | | | | |
|---|---|---|---|---|---|
| | **Y1** | **Y2** | **Y3** | **Y4** | **Y5** |
| **Aggregation benefits profile (recurring)** | **10%** | **20%** | **50%** | **70%** | **100%** |

| ***Staffing Benefits*** | | **Oxford and Shires (£m)** | **Ridgeway (£m)** | **2UA Total (£M)** |
|---|---|---|---|---|
| Estimated Senior Leadership Structures Saving | Recurring | 5.6 | 1.9 | 7.5 |
| Estimated Front Office FTE Reorganisation savings | Recurring | 2.4 | 2.3 | 4.7 |
| Estimated Service Delivery FTE Reorganisation savings | Recurring | 0.9 | 0.9 | 1.8 |
| Estimated Back Office FTE Reorganisation Savings | Recurring | 1.4 | 1.3 | 2.7 |
| **Total Staffing Benefit** | Recurring | **10.3** | **6.4** | 16.7 |
| ***Third Party Spend Benefits*** | | | | |
| Total TPS Aggregation Saving | Recurring | 1.0 | 0.9 | 1.9 |
| ***Democracy Benefits*** | | | | |
| Estimated Total Allowances+SRA Saving | Recurring | 0.22 | 0.46 | 0.68 |
| Estimated Total Election Costs Savings | Recurring | 0.63 | 0.45 | 1.08 |
| ***Property Benefits*** | | | | |
| Total OpEx Property Savings (not including disposal of surplus assets) | Recurring | 1.4 | 1.4 | 2.8 |
| **Total Aggregation Benefits** | **Recurring** | **13.55** | **9.61** | **23.16** |

# Cost Benefit Analysis: Reorganisation Costs

*The following sets out a view of the aggregation costs (one off) for the 2UA.*

**Key costs include:**

- **New unitarites setup & closedown costs:** Spend to design the new structure and manage the change (e.g. training, comms, process redesign).
- **IT & Systems costs:** Spend on new or upgraded systems to support a single organisation (e.g. finance, HR, CRM).
- **External transition, design and implementation support costs:** Resources needed to run the transformation programme (e.g. project management, governance).
- **Redundancy Costs:** Payments and support for staff reductions due to structural changes. This has been uplifted.
- **Contingency:** A buffer for unexpected costs, reflecting risk and complexity.

*Recurring Disaggregation costs are expected to primarily impact Ridgeway UA due to disaggregating County-wide services that do not currently exist at the same level in West Berkshire.*

**It is assumed that transition costs will be funded.**

| Option 2 - Oxford and Shires and Ridgeway (£'000) | | | | | | |
|---|---|---|---|---|---|---|
| | Y0 | Y1 | Y2 | Y3 | Y4 | Y5 |
| **Total One-Off Transition Costs (£M)** | -12.1 | -12.1 | -6.2 | 0 | 0 | 0 |
| **Total Disaggregation Cost (recurring)* (£m)** | 0 | -3.1 | -3.1 | -3.1 | -3.1 | -3.1 |
| **Benefits Phasing** | | | | | | |
| | Y0 | Y1 | Y2 | Y3 | Y4 | Y5 |
| **Transition costs (one-off)** | 40% | 40% | 20% | 0% | 0% | 0% |
| **Disaggregation costs (recurring)** | 0% | 100% | 100% | 100% | 100% | 100% |

| *One off transition / implementation costs* | Total (£M) | Note |
|---|---|---|
| **New unitarities setup & closedown costs**<br>• External Comms, Rebranding & implementation:<br>• Internal Programme Management:<br>• Creating the new council<br>• Organisation closedown<br>• Public Consultation<br>• Shadow Chief Exec Costs | *7.5* | Programme management, administrative and legal activities linked to new council creation and closedown, public consultation, rebranding and communications ahead of vesting day, and shadow member and executive costs. Based on other actuals from other previous LGR experience. |
| IT & Systems Costs | *6.9* | Costs of data migration, systems migration, setting up new systems, hardware costs, integrating business systems etc. Based on other actuals from other previous LGR experience. |
| External transition, design and implementation support costs | *7.7* | Based on other actuals from other previous LGR experience. |
| Redundancy costs | *5.1* | Redundancy cost as a proportion of salary (current assumption) x total FTE saving |
| Contingency | *3.2* | Estimated 40% of total one off transition / implementation cost (excl. ICT) |
| **TOTAL** | *30.4* | |

# Cost Benefit Analysis: 5 Year Outlook

**This takes into account:**

- **Aggregation and disaggregation benefits / costs (recurring)**
- **One-off transition costs.**

Both options have a net cost in Year 1 due to transition spend, followed by strong and rising net in year benefit.

***Note:*** *Modelling reflects assumptions agreed as in August 2025.*

***Recurring Disaggregation costs are expected to primarily impact Ridgeway UA due to disaggregating County-wide services that do not currently exist at the same level in West Berkshire.***

**2UA Model**

| | Y0 | Y1 | Y2 | Y3 | Y4 | Y5 | Total 5 year Benefit / (Costs) |
|---|---|---|---|---|---|---|---|
| **Total Aggregation Benefits (£m)** | 0 | 2.3 | 4.6 | 11.6 | 16.2 | 23.2 | 57.9 |
| **Total Disaggregation Benefits / Costs (£m)*** | 0 | -3.1 | -3.1 | -3.1 | -3.1 | -3.1 | -15.5 |
| **Total Transition Costs (£m)** | -12.1 | -12.1 | -6.2 | 0 | 0 | 0 | -30.4 |
| **Net in year Benefit/(Cost) (£m)** | -12.1 | -12.9 | -4.7 | 8.5 | 13.1 | 20.1 | 12.0 |

**Benefits Phasing**

| | Y1 | Y2 | Y3 | Y4 | Y5 |
|---|---|---|---|---|---|
| **Aggregation benefits profile (recurring)** | **10%** | **20%** | **50%** | **70%** | **100%** |
| **Disaggregation costs (recurring)** | **100%** | **100%** | **100%** | **100%** | **100%** |
| **Transition costs (one-off)** | **100%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** |

**Based on the cost/benefit analysis, the payback period for the 2UA LGR option would be 4.4 years, or within 5 years of reorganisation.**

A once-in-a-generation opportunity
Two Councils
Oxford and Shires | Ridgeway

# Transformation - 2 UA

There is an opportunity to deliver additional transformation savings based on the view from the MTFS and Policy module. The scope of transformation savings would be refined by the new authorities including identifying individual opportunities. The phasing of transformation benefits has been tapered to show a five year implementation period. Investment and delivery costs have been included. An updated view of net benefits over the five year period has been provided.

| Transformation Opportunities | | | | | | |
|---|---|---|---|---|---|---|
| **Benefit Area** | **O&S Baseline (£m)** | **Savings Assumption (O&S)** | **O&S (£m)** | **Ridgeway Baseline (£m)** | **Savings Assumption (Ridgeway)** | **Ridgeway (£m)** |
| **Reduction in front office FTE spend** | **57.4** | 1% | 0.6 | **56.2** | 3% | 1.7 |
| **Reduction in service delivery FTE spend** | **60.6** | 1% | 0.6 | **59.3** | 1% | 0.6 |
| **Reduction in back office FTE spend** | **43.5** | 3% | 1.3 | **42.6** | 5% | 2.1 |
| **Reduction in TPS** | **367.1** | 1.5% | 5.5 | **382.7** | 2% | 7.6 |
| **Increase in Income** | **126.3** | 0.5% | 0.6 | **73.5** | 0.5% | 0.4 |
| **Assets (Operational Expenditure** | **11.1** | 0.5% | 0.05 | **11.2** | 0% | 0 |

| Oxford and Shires UA | | | | | |
|---|---|---|---|---|---|
| **Year** | **1** | **2** | **3** | **4** | **5** |
| **Yearly Benefit (£m)** | 0 | 0 | 4.3 | 6.5 | 8.6 |
| **Yearly Cost (£m)** | -2.4 | -2.4 | -0.6 | -0.6 | 0 |
| **In-year Net Benefit / (Costs) (£m)** | -2.4 | -2.4 | 3.7 | 5.9 | 8.6 |

| Ridgeway UA | | | | | |
|---|---|---|---|---|---|
| **Year** | **1** | **2** | **3** | **4** | **5** |
| **Yearly Benefit (£m)** | 0 | 0 | 6.2 | 9.3 | 12.4 |
| **Yearly Cost (£m)** | -3.5 | -3.5 | -0.9 | -0.9 | 0 |
| **In-year Net Benefit / (Costs) (£m)** | -3.5 | -4.5 | 5.3 | 8.4 | 12.4 |

# Consolidated View - Benefits

Detailed below is a consolidated view of the benefits of local government reorganisation as well as the transformation post reorganisation, which would be expected to be annual, recurring benefits from Y5 onwards.

| Benefit Area | Oxford and Shires | | Ridgeway | |
|---|---|---|---|---|
| | O&S LGR Benefits (£m) | O&S Transformation Benefits (£m) | Ridgeway LGR Benefits £m) | Ridgeway Transformation Benefits £m) |
| **Senior Management** | 5.6 | N/A | 1.9 | N/A |
| **Front Office FTE** | 2.4 | 0.6 | 2.3 | 1.7 |
| **Service Delivery FTE** | 0.9 | 0.6 | 0.9 | 0.6 |
| **Back Office FTE** | 1.4 | 1.3 | 1.3 | 2.1 |
| **Third Party Spend** | 1.0 | 5.5 | 0.9 | 7.6 |
| **Democracy** | 0.8 | N/A | 0.9 | N/A |
| **Assets (Operational Expenditure)** | 1.4 | 0.05 | 1.4 | 0 |
| **Income Generation** | N/A | 0.6 | N/A | 0.4 |
| **Gross benefits** | **13.5** | **8.6*** | **9.6** | **12.4** |
| *Less disaggregation cost* | 0 | 0 | 3.1 | 0 |
| **Net benefits** | **22.1** | | **18.9** | |
| **Total 2UA net benefits** | **41.0** | | | |

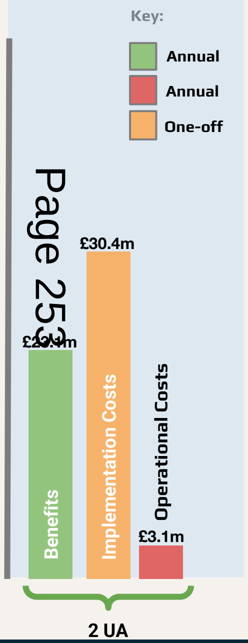
**To note, there is a slight discrepancy here due to rounding, with the original sum figure being £8,623,395.*

**These figures are more refined than the initial Options Appraisal which uses publicly available data and consistent assumptions applied in the same way across all three proposals for local government reorganisation. The detailed analysis undertaken for this Financial Case further develops anticipated benefits and costs, using local insights and tailored assumptions. This results in more refined and prudent totals. It is anticipated that the councils preparing proposals for other options will have refined their more detailed cases in a similar way.**

# 2.0 Approach and Summary Outputs

# Overview of Outputs

The analysis considers the detailed financial implications of LGR for Oxfordshire, **building off the high-level Financial Options Appraisal to focus specifically on the configuration of the 2 UA model.** It is important to note in the period leading to vesting day there are a number of changes which could occur to funding, priorities and policy - the modelling completed is therefore based on the **data available at this point in time.**






The Financial Case has taken a prudent approach to assessing the impacts of local government reorganisation for Oxfordshire, drawing from similar data sources and applying consistent methodology to support wider comparisons. **Oxford and Shires and Ridgeway** are not an exact comparator to the **1UA option**. This is due to the inclusion of West Berkshire to the income and expenditure baseline as well as the nuances of its current financial circumstances. Through reorganisation, **Oxford and Shires** is set to realise approximately **£13.5m** recurring savings against its 27/28 baseline expenditure, while Ridgeway is set to realise some **£9.6m.** With additional recurring disaggregation costs of £3.1m, the 2UA option results in a total net recurring saving of **£20.0m**.

**Implementation Cost Drivers:**

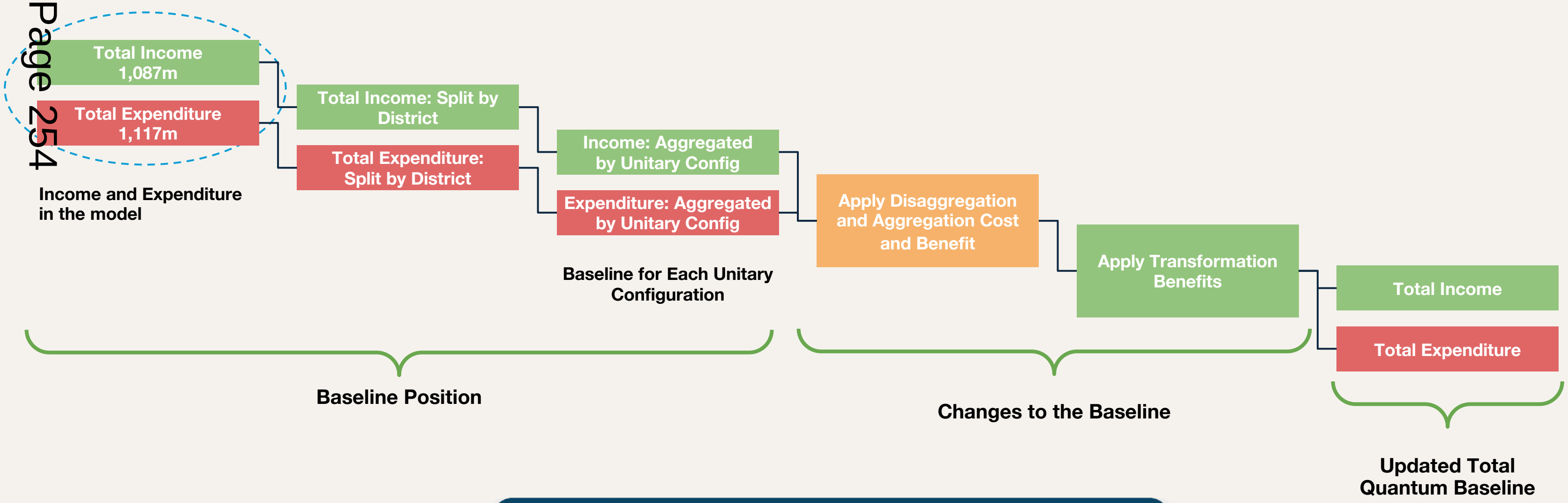
1. **Combining existing services**: the cost associated with merging services of seven councils, as well as the commissioning and procurement of new systems to cover the Oxfordshire footprint.
2. **Dissolving delivery of upper tier services:** the costs associated with dissolving existing partnerships and service provision for upper tier services against new geographies.

**Benefit Drivers:**

1. **Economies of scale**: larger authorities are able to deliver services more efficiently through shared infrastructure, procurement advantages, and consolidated back-office functions.
2. **Reduced management structures:** simplifying the governance model results in recurring savings from fewer senior posts and decision-making layers.
3. **Transformation following reorganisation:** reorganisation would primarily look to amalgamate services, but would not involve the detailed service improvement that may realise benefits from optimised operations, digitisation and automation. It is noted that there is significant benefits in addition to reorganisation which could be pursued under the new authority, which is particularly relevant for the **Ridgeway** authority to **support greater long-term financial sustainability and mitigate further need to rely on Exceptional Financial Support.**

# Financial Analysis Approach

The financial model established an agreed baseline input that can be split via Districts (based on either actuals or an apportionment of Oxfordshire County Council costs) for each of the components of the model and then mapped to the configurations of each new Unitary Authority. Benefits, dis-benefits and transformation opportunities can then be mapped based on the configuration of each Unitary. As part of this baseline, an apportionment of Oxfordshire County Council costs was applied to the Districts, reflecting their role as part of the existing two-tier structure where they benefit from county-level services and are assumed to share in the associated financial liabilities.



# 3.0 Modules

# Modules

The detailed modules of analysis are explained separately within each of the following subsections. Each of these modules connects back into the top-level financial model to show the comparative cost-benefit to the system of the LGR option.

| Section | Module | Description |
|---|---|---|
| 3.1 | Income, borrowing & debt | Review of income and debt within the existing councils to provide a view of the financial position of each new Unitary Authority in Year 1. This includes sub modules of: Council Tax, Debts and Grants and Business Rates. |
| 3.2 | Demand increases | Review of service areas where significant and material demand increases are expected, using Newton Analysis to quantity and indicate demand increases, to ensure the model reflects the most accurate view of demand and expenditure in the system. |
| 3.3 | Third Party Spend | Review of spend by aggregating third-party spend, identifying disaggregation costs, and quantifying transformation benefits, to assess the financial impact of a one Unitary Authority configuration. |
| 3.4 | Assets | Review of properties to categorise into land and buildings based on their use type in the asset register, to evaluate income and expenditure associated with assets and how these change under different options. |
| 3.5 | Staffing & Pay | Review of staff costs and FTE counts, to understand the impact of pay harmonisation, leadership restructuring, service demand changes, and transformation-driven staffing changes. |
| 3.6 | Member numbers | Review of election cost across the existing councils using previous turnout data and standard rate of £ per vote/elector, to understand the projected election costs following the creation of two Unitary Authority configuration. |
| 3.7 | MTFS | Review of current and past MTFS documents to baseline existing and future saving plans and historic savings delivered, to use as a proxy to review the maturity of transformation across the system. |
| 3.8 | Policy & Transformation | Review of existing service delivery to inform assumptions used through the financial model, based on decisions of the current authorities, to ensure the model accurately reflects what is materially possible in each new authority. |

# Assumptions: Overall Model

| Assumptions for the Overall Model |
| --- |
| It was agreed to maintain consistent, comparative assumptions across 1UA and 2UA options as far as possible. |
| The following benefits realisation profile has been applied, focussed on a gradual approach. Yr 1, 10% Yr 2, 20% Yr 3, 50% Yr 4, 70% Yr 5+, 100%. |
| An earlier phasing of transition costs has been applied. The current profile is as follows, Yr 0, 40% Yr 1, 40% Yr 2, 20% Yr 3+, 0%. |
| The preferred approach for maintaining a comparative and consistent baseline between 1UA vs 2UA Financial Case is to include a parallel figure for West Berkshire in the 1UA and narratively emphasise the presence of West Berkshire in both scenarios, but to exclude the UA from calculations in the 1UA analysis. |
| The impacts of the Fair Funding Reform is not formally included in the model given the complexity and uncertainty around potential consequences, but recognise that individual councils may have factored in elements of the reform into their MTFS. |
| HRA-related (eg. addressable assets) factors are out of scope of the model. |
| The RA 25/26 data has been used where possible (eg. net revenue expenditure for the Financial Options appraisal), but some modules have required more specific data (eg. view of Sales, Fees and Charges) |

# 3.1 Income, Borrowing and Debts

# Overview of Income, Borrowing and Debts

**Overview**

As part of the LGR process, OCC and O&WB debt, income and borrowing will need to be apportioned to the new Unitary Authorities.

From vesting day, the new unitaries will receive funding that was previously allocated to the legacy authorities. Funding currently allocated to Oxfordshire and West Berkshire needs to be apportioned across the proposed unitary authorities for modelling purposes. Council tax will also need to be harmonised across the new organisations, which will impact the amounts paid by residents and received by the new unitaries.

Detail of the future forecast income for the new unitary authorities is set out in the following pages.

The following categories of income have been considered throughout this module to provide a view of the financial position of each new Unitary Authority in Year 1.

| Categories of Income | Description |
|---|---|
| **Business Rates** | Local share of Non-Domestic Rates (NDR) retained by the council after redistribution and top-up/tariff adjustments. |
| **Council Tax** | Income from residents based on property valuations and bandings, used to fund local services. |
| **Grant Funding** | Aggregated government grants within the Aggregate External Finance (AEF) system, such as Revenue Support Grant. |

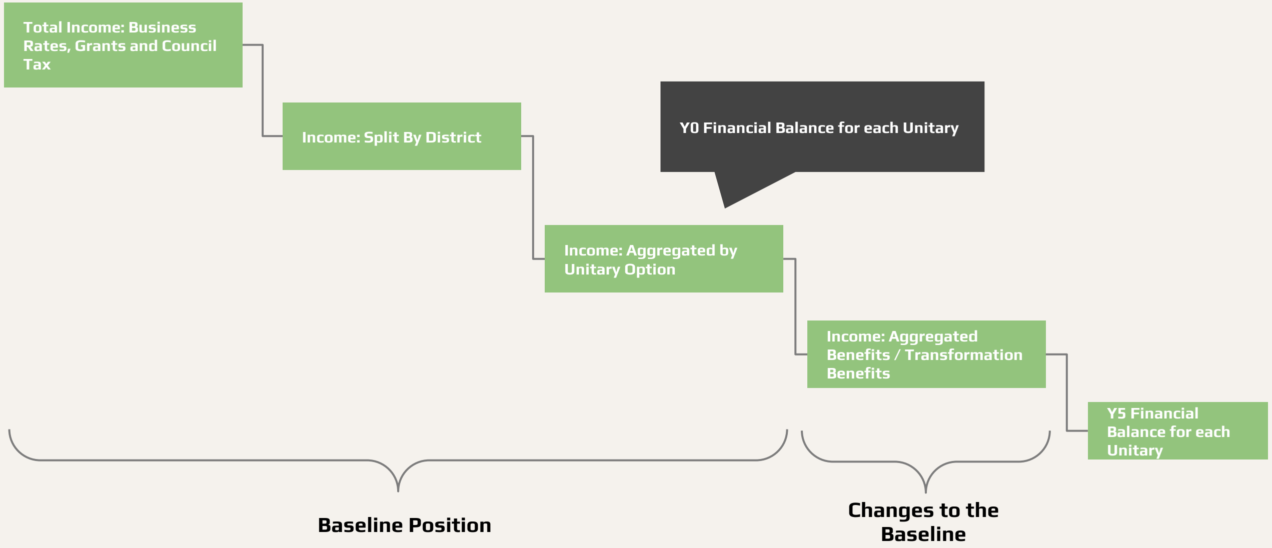
**Local Context**

- Each Council presents their MTFS in a slightly different manner, but broadly the figures reconcile to a consistent income position.
    - **South Oxfordshire and Vale of White Horse**: Business rate figures are presented as growth against baseline which then present lower figures to other organisations. This is balanced out through the greater flow through from grant income.
    - **Oxfordshire County Council (OCC):** Reports Council Tax Surpluses as a separate line, which has been included in total Council Tax Income figures.
- Some Councils have taken into account the impacts of the Fair Funding Review as part of their MTFS. Where that has made a significant, material difference, local authorities have provided figures and forecasts that exclude Fair Funding Review.
    - **Cherwell** has provided revised figures not in the MTFS that dampens the impact of the reform.
- Council tax income currently includes Fire and Rescue precepts, however it is noted that it is ring-fenced income and to be delivered by a lead authority following reorganisation.

# Methodology

Following LGR, the financial baseline across different Unitary Authority configurations is shaped by how income is distributed between areas. This assessment considers how current income streams are split across districts and re-aggregated based on the proposed unitary options to determine both the starting financial position and the impact of transformation over time.

Page 260



# Assumptions

| Assumptions for Income, Borrowing and Debts |
|---|
| The Pixel model is used as the guide for disaggregating County income across the five district councils. |
| The impacts of the Business Rates Reset have been treated differently in each MTFS. It is understood that some discrepancies may exist in presentation, but the final figures for income have been reviewed by Section 151 Officers and show a consistent income position. |
| Council tax harmonisation has primarily been shown as harmonised on Day 1, against the weighted average. It has been additionally modelled for alternative harmonisation scenarios (across extended timeline of 1 year, 4 years or 7 years) for additional views. |
| County and District precept increases until vesting – For each year between the reorganization start date and the harmonisation year, we assumed an annual increase at the maximum rates permitted by MHCLG (4.99%, 2.99% or £5 respectively). |
| The guiding principle is that debt follows the asset, allocating liabilities to the old authority assuming responsibility for the related asset which can then be aggregated back up into the new unitary configurations. |
| The cost of transferring debt between organisation has not been included. |
| Projected year-on-year Capital Financing Requirement (CFR) is used as a proxy to forecast the total debts and liabilities set to land on vesting day. |
| HRA debt and liabilities will be removed from total debts, to support with a focused view on General Revenue Fund impact and analysis across the model. |
| The Newton SEND Demand analysis has been used as the guide for disaggregating County DSG High Needs deficit to the new Councils. |

# Inputs: Overview of Income and Funding currently

The following sets out the Oxfordshire breakdown of Business Rate, Grant and Council Tax income distributed to each of the individual organisations. This then means that a view of income can be derived for each Unitary construct. The following is based on data from FY 25/26 to FY 27/28, as per the MTFS.

| | Business Rates (£'000) | | | Grants (£'000) | | | Council Tax(£'000) | | |
|---|---|---|---|---|---|---|---|---|---|
| **Council** | **25/26** | **26/27** | **27/28** | **25/26** | **26/27** | **27/28** | **25/26** | **26/27** | **27/28** |
| **Cherwell District Council** | 14,988 | 13,873 | 14,425 | 1,303 | 623 | 311 | 9,903 | 9,944 | 10,384 |
| **Oxford City Council** | 12,779 | 12,644 | 12,667 | 770 | 739 | 739 | 16,730 | 17,241 | 17,768 |
| **West Oxfordshire Council** | 6,684 | 3,559 | 3,897 | 5,331 | 6,893 | 5,652 | 6,306 | 6,655 | 6,999 |
| **South Oxfordshire Council** | 780 | 570 | 360 | 7,863 | 7,243 | 6,771 | 9,625 | 10,092 | 10,571 |
| **Vale of White Horse Council** | 297 | 248 | 199 | 9,635 | 8,524 | 7,452 | 9,564 | 10,037 | 10,525 |
| **Oxfordshire County Council** | 101,925 | 103,648 | 105,439 | 64,839 | 62,254 | 62,242 | 542,549 | 572,292 | 605,079 |
| **West Berkshire Council** | 30,600 | 31,500 | 32,500 | 24,900 | 24,300 | 25,600 | 131,600 | 139,400 | 147,500 |
| **Total** | **168,053** | **166,042** | **169,487** | **114,641** | **110,576** | **108,767** | **726,277** | **765,661** | **808,826** |

# Outputs: Apportionment of OCC's income

The following table sets out the Oxfordshire & West Berkshire breakdown of Business Rate and Grant income aggregated up to the new unitary arrangements. **County Council funding has been disaggregated based on the pixel model.**

| Income Categories | OCC Baseline 27/28 (£'000) | Oxford & Shires Pixel Disaggregation | Ridgeway Pixel Disaggregation | Oxford & Shires Actuals (£'000) | Ridgeway Actuals (£'000) |
|---|---|---|---|---|---|
| Business Rate | 105,439 | 79% | 21% | 83,455 | 21,984 |
| Grant Funding | 62,242 | 63% | 37% | 39,066 | 23,176 |
| Council Tax | 605,079 | 57% | 43% | 342,204 | 262,875 |

# Outputs: Total Income - 2 UA

The table below presents the Total Business Rates, Council Tax and Grant funding for the years 2025/26 through 2027/28, accounting for the apportionment of the County's income for the new authorities.

| | 2025/2026 (£'000) | | | 2026/2027(£'000) | | | 2027/2028(£'000) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Business Rates | Council Tax | Grant Funding | Business Rates | Council Tax | Grant Funding | Business Rates | Council Tax | Grant Funding |
| Oxford & Shires | 115,124 | 339,779 | 48,100 | 112,113 | 357,501 | 47,328 | 114,444 | 377,355 | 45,768 |
| Ridgeway | 52,929 | 386,498 | 66,541 | 53,929 | 408,160 | 63,248 | 55,043 | 431,471 | 62,999 |
| **Total** | **168,053** | **726,277** | **114,641** | **166,042** | **765,661** | **110,576** | **169,487** | **808,826** | **108,767** |

# 3.1.1 Council Tax

# Introduction to Council Tax

The harmonisation process brings together varying Council Tax rates from different districts into a single rate over a set time period.

The aims are to:

- Provide a clear, consistent approach to setting council tax across all residents in the new unitary structures.
- Ensure equitable treatment of taxpayers by harmonising to the lowest, highest, median or weighted average rate.
- Provide evidence for the final business case narrative, demonstrating the potential impacts of council tax changes on residents and overall viability of the new Council(s).

This analysis does **not** forecast any additional financial impacts to residents that might arise from parish precepts. They are not directly affected by the reorganisation of principal councils into unitary structures. As a result, their treatment remains unchanged in all reorganisation scenarios and sits outside the scope of this analysis, which focuses solely on harmonising the principal council element of council tax.

The model is directional and does not seek to accurately forecast tax receipts for the new Councils. It seeks to illustrate the range of options that Members of the new Councils will have to consider.

# Methodology: Council Tax

**The methodology follows four key stages:**

1. **Project Future Tax Base**
   a. Use Council MTFS forecasts of the Tax Base where possible, or previous historical tax base data to forecast future growth.

1. **Project Future Tax Rates**
   a. District tax rates increase at the maximum of £5 or 2.99% per year, and Unitary/County rates at 4.99% per year.
   b. Model harmonisation by aligning to the lowest, highest, median or weighted average rate (in Year 1 only).

1. **Calculate Unitary Authority Tax Receipt**
   a. Apply the harmonised rate to the projected taxbase.
   b. Calculate receipts for the two-unitary scenario.

1. **Calculate Foregone or Gained Income**
   a. Compare projected harmonised receipts with a baseline (assuming current rates continue with max increases).
   b. Foregone Income = Baseline receipts – Harmonised receipts

# Inputs: Council Tax

The module uses three main inputs. This ensures we are basing the projections on official, up-to-date, and locally relevant data (where it has been provided).

| Input | Description | Source |
|---|---|---|
| **Current tax base (2025/26)** | Current tax base population | MTFS |
| **Band D rates** | Band D council tax for local authorities excluding parish precepts for 2025 to 2026 | Council Tax levels set by local authorities in England 2025 to 2026 (revised) |
| **Tax base growth projections** | Tax base growth projections from MTFS and/or external analyses completed by the district councils. | MTFS |

# Outputs: Council Tax Base Projections

Council tax base growth projections have been taken from MTFS for each council. Where only 2026/2027-2028/2029 have been provided, an average of those year's tax base has been used up to 2034/35.

| District | 2026/2027 | 2027/2028 | 2028/2029 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 |
|---|---|---|---|---|---|---|---|---|---|
| Oxfordshire | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% | 1.75% |
| Cherwell | 1.20% | 1.20% | 1.20% | 1.20% | 1.20% | 1.20% | 1.20% | 1.20% | 1.20% |
| Oxford City | 0.76% | 0.76% | 0.76% | 0.76% | 0.76% | 0.76% | 0.76% | 0.76% | 0.76% |
| West Oxfordshire | 1.60% | 1.40% | 1.30% | 1.25% | 1.40% | 1.40% | 1.40% | 1.40% | 1.40% |
| South Oxfordshire | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% | 1.50% |
| Vale of White Horse | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% | 1.80% |
| West Berkshire | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% |

# Outputs: Council Tax Band D Projections

Council tax Band D projections until 2034/35 have been detailed below. This assumes a maximum increase of either £5 or 2.99% per annum for District councils, and a 4.99% increase for Unitary/County councils.

| District | 2026/2027 | 2027/2028 | 2028/2029 | 2029/30 | 2030/31 | 2031/32 | 2032/33 | 2033/34 | 2034/35 |
|---|---|---|---|---|---|---|---|---|---|
| Oxfordshire | £1,911.40 | £2,007 | £2,107 | £2,212 | £2,322 | £2,438 | £2,560 | £2,688 | £2,822 |
| Cherwell | £158.50 | £164 | £169 | £174 | £179 | £184 | £190 | £195 | £201 |
| Oxford City | £356.72 | £367 | £378 | £390 | £401 | £413 | £426 | £438 | £452 |
| West Oxfordshire | £129.38 | £134 | £139 | £144 | £149 | £154 | £159 | £164 | £169 |
| South Oxfordshire | £151.24 | £156 | £161 | £166 | £171 | £176 | £182 | £187 | £193 |
| Vale of White Horse | £161.69 | £167 | £172 | £177 | £182 | £188 | £193 | £199 | £205 |
| West Berkshire | £1,921.41 | £2,017 | £2,118 | £2,224 | £2,335 | £2,451 | £2,573 | £2,702 | £2,837 |

# Outputs: Weighted Average Option 2UA (Oxford & Shires)

The weighted-average option was modelled on FY28/29 Band D by applying tax base growth and expected precepts from the MTFS, then harmonised to that rate on Day 1. In the 2UA scenario, the harmonised Band D rate will be **£2,441.6 in Oxford & Shires.** This approach—favoured by most councils in recent LGRs—sets the single rate equal to the weighted average of existing rates, so there is no material change to aggregate council tax income (unlike phasing over several years, which changes timing and distributional impacts). It reflects where taxpayers actually are and therefore defines the income envelope for the financial case, enabling like-for-like option comparison and compliance with referendum limits.

| District | Tax base | County Precept (£'000) | County Band D (£) | District Precept (£'000) | District Band D (£) | Total Council Tax (£'000) | Total Band D charge (£) | Harmonised Band D (£) | Change on Band D (£) | Change % |
|---|---|---|---|---|---|---|---|---|---|---|
| Cherwell | 62,034 | 137,223 | 2,212.1 | 10,765 | 173.5 | 147,989 | 2,385.6 | 2,441.6 | 56.0 | 2.35% |
| Oxford City | 48,730 | 107,793 | 2,212.1 | 18,989 | 389.7 | 126,782 | 2,601.7 | 2,441.6 | -160.2 | -6.16% |
| West Oxfordshire | 50,868 | 112,523 | 2,212.1 | 7,344 | 144.4 | 119,868 | 2,356.4 | 2,441.6 | 85.1 | 3.61% |
| Totals | 161,632 | 357,540 | | 37,099 | | 394,639 | | | | |

# Outputs: Weighted Average Option 2UA (Ridgeway)

The weighted-average option was modelled on FY28/29 Band D by applying tax base growth and expected precepts from the MTFS, then harmonised to that rate on Day 1. I In the 2UA scenario, the harmonised Band D rate will be £**2,325.80 in Ridgeway**. This approach—favoured by most councils in recent LGRs—sets the single rate equal to the weighted average of existing rates, so there is no material change to aggregate council tax income (unlike phasing over several years, which changes timing and distributional impacts). It reflects where taxpayers actually are and therefore defines the income envelope for the financial case, enabling like-for-like option comparison and compliance with referendum limits.

| District | Tax base | County Precept (£'000) | County Band D (£) | District Precept (£'000) | District Band D (£) | Total Council Tax (£'000) | Total Band D charge (£) | Harmonised Band D (£) | Change on Band D (£) | Change % |
|---|---|---|---|---|---|---|---|---|---|---|
| **South Oxfordshire** | 66,547 | 147,205 | 2,212.1 | 11,063 | 166.2 | 158,268 | 2,378.3 | 2,325.80 | -52.5 | -2.21% |
| **Vale of White Horse** | 62,404 | 138,040 | 2,212.1 | 11,034 | 176.8 | 149,074 | 2,388.9 | 2,325.80 | -63.1 | -2.64% |
| **West Berkshire** | 72,705 | £0 | £0 | 161,669 | 2,223.6 | 161,669 | 2,223.6 | 2,325.80 | 102.2 | 4.59% |
| **Totals** | **201,655** | **285,245** | | **183,766** | | **469,011** | | | | |

# Summary Outputs: Council Tax for 2 UA

The summary tables below provide an overview of the potential range of options under different scenarios. It is for the elected members of the shadow authority to make decisions on council tax alignment. The table below is insight-only: it illustrates possible paths to move legacy rates to a single rate over the chosen period and shows the indicative effect on Band D and total income each year. It helps explain timing and distributional impacts across areas, but it does not drive the financial case.

| | | Harmonisation Scenarios | Aligning over one year | Aligning over four years | Aligning over seven years | Comments |
|---|---|---|---|---|---|---|
| Oxford & Shires | Weighted Average | Band D rates would change in value by amounts ranging between -£160 to £85.1, with mixed impact on residents. | No income change | N/A | N/A | This scenario is in line with the referendum limits of 2.99% or £5 increases for District Councils. It assumes harmonisation by Day 1. |
| | Low | Band D rates would change in value by amounts ranging between -£15 to £180, with mixed impact on residents. | Projected total income foregone of £93m | Projected total income foregone of £72m | Projected total income foregone of £48m | This scenario is in line with Council Tax referendum limits, but projects a significant amount of income foregone. |
| | Mid | Band D rates would increase in value by amounts ranging between £26 to £180, leading to additional costs on residents. | Projected total income foregone of £52m | Projected total income foregone of £38m | Projected total income foregone of £23m | This scenario is not in line with Council Tax referendum limits. |
| | High | Band D rates would increase in value by amounts ranging between £321 to £517, leading to additional costs on residents. | Projected total income gain of £245m | Projected total income gain of £203m | Projected total income gain of £156m | This scenario is not line with Council Tax referendum limits. |

Page 273

# Summary Outputs: Council Tax for 2 UA

The summary tables below provide an overview of the potential range of options under different scenarios. It is for the elected members of the shadow authority to make decisions on council tax alignment. The table below is insight-only: it illustrates possible paths to move legacy rates to a single rate over the chosen period and shows the indicative effect on Band D and total income each year. It helps explain timing and distributional impacts across areas, but it does not drive the financial case.

Page 274

| | | Harmonisation Scenarios | Aligning over one year | Aligning over four years | Aligning over seven years | Comments |
|---|---|---|---|---|---|---|
| Ridgeway | Weighted Average | Band D rates would change in value by amounts ranging between -£63.1 to £102.2, with mixed impact on residents. | No income change | N/A | N/A | This scenario is in line with the referendum limits of 2.99% or £5 increases for District Councils. It assumes harmonisation by Day 1. |
| | Low | Band D rates would decrease in value by amounts ranging between -£159 to -£450, leading to resident savings. | Projected total income foregone of £164m | Projected total income foregone of £132m | Projected total income foregone of £95m | This scenario is in line with Council Tax referendum limits, but projects the least amount of income gain along the three scenarios. |
| | Mid | Band D rates would change in value by amounts ranging between -£238 to £52, with mixed impact on residents. | Projected income income gain of £107m | Projected income income gain of £90m | Projected income gain of £71m | This scenario is not in line with Council Tax referendum limits. |
| | High | Band D rates would change in value by amounts ranging between -£224 to £67, with mixed impact on residents. | Projected income gain of £126m | Projected income gain of £106m | Projected income gain of £82m | This scenario is not line with Council Tax referendum limits. |

# 3.1.3 Debts and Liabilities

# Introduction to Debts and Liabilities

The following categories of debt and borrowing have been considered to provide a view of the financial position of each new Unitary Authority in Year 1.

The debts and liabilities module looks at the financial obligations that would transfer into any new unitary councils. It brings together debt, borrowing, and the Dedicated Schools Grant (DSG) High Needs deficit to provide a clear Day 1 picture of the liabilities position.

The aim is to:

- Show the size and sustainability of liabilities under each reorganisation scenario.
- Ensure transparency about what each new authority would inherit.
- Support prudent financial planning and early risk management.



**Local Context**

- As part of the overall model's focus on understanding the future financial position from a General Fund perspective, HRA-related debts and liabilities has been excluded from calculations.
  - **Oxford City Council**: The geography's HRA funds are largely concentrated in the city, which has been removed from total baselines.
- Some Councils have had limited external borrowing, leading to lower figures for total debts and liabilities as well as MRP payments.
  - **South Oxfordshire and Vale of White Horse** have a borrowing need but would not need to borrow externally to fund its Capital Programme Growth Bids. It has no anticipated MRP in 2024/25 or 2025/26.
- **West Berkshire** has received Exceptional Financial Support. This is treated as a long-term liability in the model potential to increase ahead of vesting day. However, as the model provides a 'moment-in-time' view of the financial position, any increased need for EFS is not explicitly projected in the model.
- DSG High Needs Deficits are currently calculated against the latest published data (July 2025) and is not included in the Y1 Balance Sheet due to the uncertainty around Government's approach. However, the deficit is expected to increase up until vesting day.

| Categories of Debt | Description |
|---|---|
| **Debt** | Total current outstanding debt obligations |
| **Short-Term Borrowing** | Temporary borrowing repayable within 12 months |
| **Long-Term Borrowing** | Borrowing repayable over multiple years |
| **Capital Financing Requirement (CFR)** | Underlying need to borrow for capital purposes |
| **Dedicated Schools Grant (DSG) High Needs Deficit** | Prior year overspends on DSG |
| **Exceptional Financial Support (EFS)** | Exceptional central government-approved borrowing to cover revenue pressures |

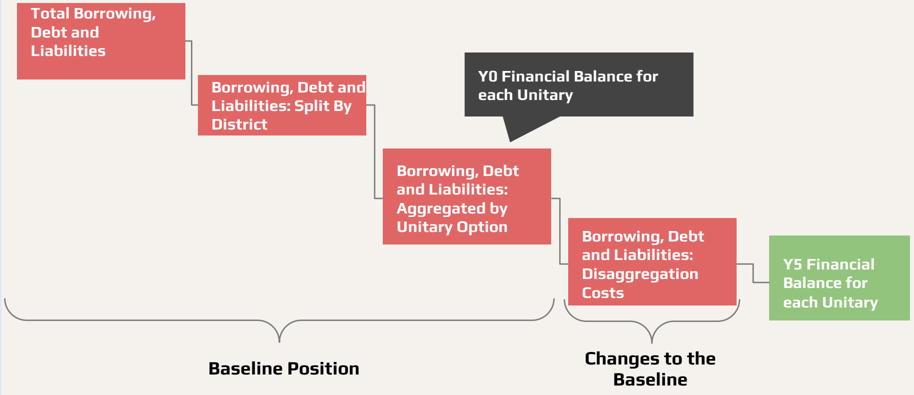
# Methodology: Debts and Liabilities

In the analysis, debt associated with current districts and unitaries remains with those organisations. Oxfordshire County Council debt must be apportioned to the new unitaries so that the overall debt for each new unitary can be seen. The basis for doing this in the analysis is set out in the following slides. In reality the apportionment of debt will be worked through in detail as part of the implementation of any new authorities.

The analysis follows three main steps:

1. **Start with forward-looking liabilities**
   - Use each council's capital financing requirement (CFR) as a proxy for borrowing need. It is assumed MRP is already accounted for in the CFR.
   - Assume councils use reserves where available (as set out in their MTFS).
2. **Apportion County liabilities**
   - County debt allocated to Oxford and Shires /Ridgeway based on the distribution of assets.
   - DSG High Needs deficit split by the proportion of Education, Health and Care Plans (EHCPs) in each area.
3. **Aggregate totals**
   - Combine County liabilities with each District's own liabilities to produce a unitary-level position.

Page 277



# Assumptions

| Assumptions for Debts and Liabilities |
| --- |
| The guiding principle is that debt follows the asset, allocating liabilities to the old authority assuming responsibility for the related asset which can then be aggregated back up into the new unitary configurations. |
| The cost of transferring debt between organisation has not been included. |
| Projected year-on-year Capital Financing Requirement (CFR) is used as a proxy to forecast the total debts and liabilities set to land on vesting day. |
| HRA debt and liabilities will be removed from total debts, to support with a focused view on General Revenue Fund impact and analysis across the model. |
| The Newton Analysis on SEND Demand has been used as the guide for disaggregating County DSG High Needs deficit to the new Council |

# Inputs: Debts and Liabilities

The module uses the following inputs, basing projections on official, up-to-date, and locally relevant data (where it has been provided).

| Input | Description | Source |
|---|---|---|
| **Total Financial Liabilities** | **Sum of:**<br>Short term creditors, Short term borrowing, Short term provisions, Deferred liabilities, Long term borrowing, Long term provisions. | Statement of Accounts by County and District councils |
| **Dedicated Schools Grant (DSG) High Needs Deficit** | Prior year overspends on DSG High Needs, particularly in the High Needs Block | Specific and special revenue grants (SG) budget 2024 to 2025, GOV.UK |
| **Capital Financing Requirement (CFR) projections** | The CFR reflects the Council's underlying need to borrow. | Medium Term Financial Strategy (MTFS), Treasury Management Strategy, Capital Strategy, Engagement with Finance Leads |
| **Minimum Revenue Provision (For information only)** | Minimum payments made to the revenue budget to pay down debts. | Provided by local authorities |

Page 279

# Inputs: Council Liabilities & Debt

We then gather the liabilities for each council using data from the Statement of Account, MTFS, and other relevant documents. The adjusted liabilities figure is determined by adding current liabilities, long-term liabilities, and EFS, while removing HRA liabilities.

| Councils | 2024/2025 Current Liability (£'000) | 2024/2025 Long Term Liability (£'000) | 2024/2025 HRA (£'000) | 2024/2025 & 2025/2026 EFS (£'000) | 2024/2025 Total Liability (£'000) |
|---|---|---|---|---|---|
| **Cherwell District Council** | 67,768 | 183,694 | - | - | 251,462 |
| **Oxford City Council** | 81,013 | 318,510 | 270,910 | - | 128,613 |
| **West Oxfordshire Council** | 19,597 | 5,280 | - | - | 24,877 |
| **South Oxfordshire Council** | 48,785 | - | - | - | 48,785 |
| **Vale of White Horse Council** | 105,661 | - | - | - | 105,661 |
| **West Berkshire Council** | 148,429 | 286,366 | - | 2024/2025: 13,000<br>2025/2026: 3,000 | 434,795 |
| **Oxfordshire County** | 205,505 | 748,721 | - | - | 954,226 |
| **Total** | **676,758** | **1,542,571** | **270,910** | - | **1,948,419** |

# Inputs: Capital Financing Requirement

Detailed below are the Capital Financing Requirements projected for each council, as detailed in their MTFS. HRA-related CFR have been removed from sum figures.

| CFR (£'000) | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 |
|---|---|---|---|---|---|
| **Cherwell District Council** | 234,400 | 239,800 | 236,900 | 233,700 | 233,700 |
| **Oxford City Council** | 74,202 | 95,131 | 130,785 | 159,420 | 198,394 |
| **West Oxfordshire Council** | 28,620 | 34,540 | 33,500 | 32,150 | 31,060 |
| **South Oxfordshire** | - | 12,000 | 13,900 | 16,800 | 15,900 |
| **Vale of White Horse** | - | 8,300 | 10,153 | 13,032 | 12,665 |
| **West Berkshire** | 307,345 | 338,006 | 350,645 | 365,281 | 389,249 |
| **Oxfordshire County Council** | 505,477 | 559,002 | 598,412 | 623,125 | 623,796 |
| **Total** | **1,006,872** | **1,089,899** | **1,124,315** | **1,179,694** | **1,208,451** |
| **Oxford City Council (HRA)** | 406,026 | 527,632 | 599,659 | 663,716 | 721,262 |

# Outputs: CFR Year-on-Year Change

Year-on-year change was allocated in the CFR as an indicator of future liability fluctuations and used to project liabilities forward.

| Y-o-Y change in CFR | 2025/2026 (£'000) | 2026/2027 (£'000) | 2027/2028 (£'000) | 2028/2029 (£'000) |
|---|---|---|---|---|
| **Cherwell District Council** | 5,400 | -2,900 | -3,200 | 0 |
| **Oxford City Council*** | 20,929 | 35,654 | 28,635 | 38,974 |
| **West Oxfordshire Council** | 5,920 | -1,040 | -1,350 | -1,090 |
| **South Oxfordshire** | 12,000 | 1,900 | 2,900 | -900 |
| **Vale of White Horse** | 8,300 | 1,853 | 2,879 | -367 |
| **West Berkshire** | 30,661 | 12,639 | 14,636 | 23,968 |
| **Oxfordshire County Council** | 53,525 | 39,410 | 24,713 | 671 |
| **Total** | **83,027** | **34,415** | **55,380** | **28,757** |

**Oxford City Council's HRA CFR has been removed from figures.*

A once-in-a-generation opportunity
Two Councils
Oxford and Shires | Ridgeway

# Outputs: Reorganised CFR Baselines

The new CFR baselines are set out below. The County Council's CFR liabilities have been apportioned out to the new authorities based on the asset net book value split, following the guiding assumption that debt follows assets.

| CFR Y-o-Y Apportionment for OCC (£'000) | 2025/2026 (£'000) | 2026/2027 (£'000) | 2027/2028 (£'000) | 2028/2029 (£'000) |
|---|---|---|---|---|
| Oxford & Shires | 39,041 | 28,746 | 18,026 | 489 |
| Ridgeway | 14,484 | 10,664 | 6,687 | 182 |
| **Total** | **53,525** | **39,410** | **24,713** | **671** |

Page 283

| Combined Y-o-Y CFR (£'000) follow Reorganisation | 2025/2026 (£'000) | 2026/2027 (£'000) | 2027/2028 (£'000) | 2028/2029 (£'000) |
|---|---|---|---|---|
| Oxford & Shires | 71,290 | 60,460 | 42,111 | 38,373 |
| Ridgeway | 11,737 | -26,044 | 13,269 | -9,617 |
| **Total** | **83,027** | **34,415** | **55,380** | **28,757** |

A once-in-a-generation opportunity

Two Councils

Oxford and Shires | Ridgeway

# For information: Council MRP

Minimum revenue provisions for the organisations are shown below for information. To note, South Oxfordshire and Vale of White Horse do not **have any anticipated MRP in 2024/25 or 2025/26.**

| MRP (£'000) | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 |
|---|---|---|---|---|---|
| **Cherwell District Council** | 4,111 | 4,395 | 4,842 | 5,019 | 5,019 |
| **Oxford City Council** | 154 | 493 | 746 | 977 | 1,951 |
| **West Oxfordshire Council** | 520 | 560 | 690 | 690 | 620 |
| **South Oxfordshire Council** | - | - | 50 | 587 | 1,476 |
| **Vale of White Horse Council** | - | - | 147 | 621 | 968 |
| **West Berkshire Council** | 4,500 | 6,047 | 6,497 | 6,983 | 6,983 |
| **Oxfordshire County** | 16,377 | 16,377 | 19,784 | 22,152 | 24,026 |
| **Total** | **25,662** | **27,872** | **32,756** | **37,029** | **41,043** |

# Outputs: Total Forward Looking Liabilities under 2 UA

All elements of the debt and liabilities module are brought together to develop an outlook of future liabilities for the 2UA option. The total forward looking liabilities includes pension liabilities. This is to ensure consistency in methodology as the long-term assets in the Day 1 Financial Position include pension assets, thus requiring a balanced view of pension liabilities to understand the asset-to-debt ratio.

| 24/25 Liabilities | Adjusted Liabilities (Excl. HRA Liabilities, Incl. EFS) | Asset Apportionment | Apportioned OCC Liability (Based on Assets) | Total Liabilities Incl. apportioned amount |
|---|---|---|---|---|
| Oxford & Shires | 404,952 | 73% | 696,016 | 1,100,968 |
| Ridgeway | 602,241 | 27% | 258,210 | 860,451 |
| **Total** | **1,007,193** | **100%** | **954,226** | **1,961,419** |



| Reorganised Forward Looking Liabilities (£'000) | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 |
|---|---|---|---|---|---|
| Oxford & Shires | 1,100,968 | 1,172,259 | 1,232,718 | 1,274,829 | 1,313,203 |
| Ridgeway* | 860,451 | 875,188 | 852,143 | 868,412 | 861,795 |
| **Total** | **1,961,419** | **2,047,446** | **2,084,862** | **2,143,241** | **2,174,998** |

*includes West Berkshire EFS 2025/26

# Outputs: DSG High Needs Deficits

Adjacent to this, the module also models how the DSG High Needs deficit may be disaggregated across the two unitary authorities based on Newton SEND Demand analysis.

| Regions | EHCPs | Deficit (24/25) (£'000) | Deficit (25/26) (£'000) | Newton Disaggregation Guide | Disaggregated 24/25 (£'000) | Disaggregated 25/26 (£'000) |
|---|---|---|---|---|---|---|
| **Oxford and Shires (OCC)** | 8000 | 92,500 | 137,000 | 56% | 54,575 | 76,720 |
| **Ridgeway (OCC)** | | | | 44% | 37,925 | 60,280 |
| **Total** | **8000** | **92,500** | **137,000** | **100%** | **92,500** | **137,000** |
| **West Berkshire** | 1,707 | 16,300 | 37,000 | N/A | N/A | N/A |

Statutory reporting requirements for the 2025/26 accounts require the closing deficit balance on Dedicated Schools Grant to be held within an unusable reserve. The existing statutory override was due to end on 31 March 2026 but the Government has extended this until 31 March 2028. Councils will continue to take action to manage the deficit through the Deficit Management Plan, it is continuing to grow in line with demand and is expected to increase further by the end of 2025/26.

# Outputs: Apportioning DSG High Needs Deficit

Adjacent to this, the module also models how the DSG High Needs deficit may be disaggregated across the two unitary authorities based on Newton SEND Demand analysis.

## DSG High Needs Deficit following Reorganisation

| Regions | No. EHCPS | Deficit Baseline (24/25) (£'000) | Deficit Baseline (25/26) (£'000) |
|---|---|---|---|
| **Oxford and Shires** | **4,480** | 51,800 | 72,720 |
| **Ridgeway** | **5,227** | 57,000 | 97,280 |

# 3.2 Demand Increases (Expenditure)

# Overview of Demand Increase

**This module reviews and models the current and projected net operating expenditure for each proposed unitary authority in Oxfordshire. It combines County and District expenditure to give a complete picture of the cost base in the two-unitary scenario.**

The aims are to:

- Provide a clear, consistent view of net operating expenditure across all councils.
- Show how current net operating expenditure would be allocated to new unitary structures.
- Support strategic planning for service design, resource prioritisation, and budget setting.

This analysis does **not** forecast changes in statutory requirements or new cost pressures beyond those already included in councils' MTFS projections**.**

# Methodology

The approach has three main stages:

1. **Gather data**
   - Use County Council MTFS forecasts by service area (Adults, Children's, Public Health, etc.) for 2025–2028.
   - Collect District and Unitary Council net operating expenditure forecasts from their MTFS/MTFP.
2. **Allocate County costs**
   - Split Adults and Children's services between Oxford and Shires and Ridgeway using Newton model demand data for Day 1.
   - Split all other County services by population share, based on ONS forecasts.
3. **Combine and total**
   - Add the apportioned County figures to the District expenditure for each geography.
   - Calculate total estimated day 1 net operating expenditure for the Oxford and Shires and Ridgeway unitaries.

# Assumptions

| Assumptions for Demand Increases |
| --- |
| Significant and material demand increases are not expected from lower tier services. |
| Demand data from 2025 to 2030 in the Newton Report has been used to to apportion Adult Social Care and Children Social Care services. |
| Other services are split by population share, which changes annually in line with ONS forecasts. |
| Population forecasts are based on 2025–2029 ONS projections for each local authority. |
| District net operating expenditure has been taken directly from MTFS or MTFP figures provided by each council. |

# Inputs: Demand Increase

The module uses three main inputs. This ensures we are basing the projections on official, up-to-date, and locally relevant data (where it has been provided).

| Input | Description | Source |
|---|---|---|
| Forward Looking Expenditure | Forward Looking Expenditure from MTFS | MTFS from District Councils |
| Newton Demand | Adult's and Children's Demand Data by Vesting Day/Day 1 | Provided by County Council from Newton |
| Population | Forward looking total population projections | Office of National Statistics |

# Inputs: Forward looking District & Unitary expenditure

This table shows each district's projected net operating expenditure from their MTFS and MTFP from 2025/26 through to 2027/28, along with the relevant note used from the financial statements.

| Council | 2025/2026 (£'000) | 2026/2027 (£'000) | 2027/2028 (£'000) | 2UA Split | Source | Note used |
|---|---|---|---|---|---|---|
| **Cherwell District Council** | 26,194 | 28,147 | 30,004 | Oxford & Shires | MTFS within Budget 25 | Net Budget Requirement *(Presented as Year on Year Change)* |
| **Oxford City Council** | 27,259 | 33,271 | 34,016 | Oxford & Shires | MTFS within Budget 25 | Consultation Budget including 'Subtotal changes since the consultation budget note' |
| **West Oxfordshire Council** | 18,231 | 18,717 | 21,474 | Oxford & Shires | MTFS | Net Expenditure |
| **South Oxfordshire Council** | 17,867 | 17,389 | 20,484 | Ridgeway | MTFP | Net Expenditure |
| **Vale of White Horse Council** | 19,746 | 21,509 | 23,092 | Ridgeway | MTFP | Net Expenditure |
| **West Berkshire Council** | 192,300 | 206,200 | 210,500 | Ridgeway | MTFS | Budget Requirement |

# Inputs: Breakdown of forward looking County expenditure

This table shows the projected net operating expenditure for Oxfordshire County Council from its MTFS. This will need to be apportioned to the new UA's in the future model. For reference, expenditure related to police or fire services has been deemed out of scope.

| Programme Budget Areas | 2025/26 (£'000) | 2026/2027 (£'000) | 2027/2028 (£'000) |
|---|---|---|---|
| Adults | 254,486 | 269,493 | 286,623 |
| Children's | 216,650 | 222,507 | 234,843 |
| Environment & Highways | 53,033 | 54,374 | 58,398 |
| Economy & Place | 21,235 | 17,998 | 18,044 |
| Oxfordshire Fire & Rescue Services and Community Safety | 30,626 | 31,559 | 32,142 |
| Public Health & Communities | 12,960 | 13,572 | 13,560 |
| Resources and Law & Governance | 62,364 | 61,357 | 62,912 |
| Transformation, Digital & Customer Experience | 6,596 | 6,763 | 6,862 |
| Total Service Area Budgets | 657,950 | 677,623 | 713,384 |
| Strategic Measures | 38,166 | 49,664 | 51,135 |
| Contributions to / from Reserves | 13,196 | 12,996 | 12,996 |
| Budget Shortfall | 0 | -2,089 | -4,815 |
| Net Operating Budget | 709,312 | 740,283 | 777,515 |

# Inputs: Understanding current & future demand in ASC & CSC across Oxfordshire

Newton demand data has been used and in order to apportion Oxfordshire County council expenditures across ASC & CSC in a equitable manner. The number of working age adults and overage adults across Nursing, Residential care, Domiciliary care, Supporting Living and those categorised as ‘Other’ has been totaled in 2025 and 2030. The average annual increase taken and applied to FY 2025/26 to FY 2027/28.

The same approach has been applied for Children’s services, with the number of children in care, those in residential care, IFA Fostering, Internal Fostering and those categorised as ‘Other’ totalled as below.

| | 2025/26 | | 2026/2027 | | 2027/2028 | |
|---|---|---|---|---|---|---|
| **Council** | **ASC Service User** | **CSC Service User** | **ASC Service User** | **CSC Service User** | **ASC Service User** | **CSC Service User** |
| **Cherwell District Council** | 1,738 | 329 | 1,765 | 328 | 1,792 | 326 |
| **Oxford City Council** | 1,280 | 541 | 1,297 | 541 | 1,315 | 541 |
| **West Oxfordshire Council** | 1,405 | 265 | 1,437 | 263 | 1,470 | 261 |
| **South Oxfordshire Council** | 1,731 | 330 | 1,763 | 330 | 1,796 | 330 |
| **Vale of White Horse Council** | 1,541 | 169 | 1,524 | 168 | 1,507 | 167 |
| **Total** | **7,696** | **1,634** | **7,787** | **1,630** | **7,881** | **1,625** |

# Inputs: Apportioning OCC Adult Social Care and Children's Services expenditure

This table shows the proportions used to split County expenditure between Ridgeway and Oxford and Shires in a 2UA model for Adults and Children's based on the Newton demand data across Adult Social care and Children's services.

| | % of Expenditure Apportioned to each area | | |
|---|---|---|---|
| **Council** | **2025/2026** | **2026/2027** | **2027/2028** |
| **Adult Social Care** | | | |
| **Oxford & Shires** | 59.25% | 58.90% | 58.55% |
| **Ridgeway** | 40.75% | 41.10% | 41.45% |
| **Children's Social Care** | | | |
| **Oxford & Shires** | 63.60% | 63.63% | 63.65% |
| **Ridgeway** | 36.40% | 36.37% | 36.35% |

# Inputs: ONS Population Projections

The remaining services County Expenditure are apportioned in the 2UA model using population proportions. This is assumed as a broad proxy for aggregate service demand. The table below shows the population proportions used for the 2UA calculations. The total aggregate population proportions used to split County expenditure between Oxford and Shires and Ridgeway is also shown.

| Council | 2025/2026 | 2026/2027 | 2027/2028 | 2UA split | Source |
|---|---|---|---|---|---|
| **Cherwell District** | 172,283.00 | 174,214.00 | 176,065.00 | Oxford and Shires | ONS Population Projections |
| **Oxford City** | 171,498.00 | 170,562.00 | 169,946.00 | Oxford and Shires | |
| **West Oxfordshire** | 120,905.00 | 121,965.00 | 122,987.00 | Oxford and Shires | |
| **South Oxfordshire** | 157,893.00 | 159,508.00 | 160,995.00 | Ridgeway | |
| **Vale of White Horse** | 150,552.00 | 152,620.00 | 154,532.00 | Ridgeway | |

Page 297

| Council | 2025/2026 | 2026/2027 | 2027/2028 |
|---|---|---|---|
| **Oxford and Shires** | 60.10% | 59.93% | 59.78% |
| **Ridgeway** | 39.90% | 40.07% | 40.22% |

# Outputs: Total Apportioned County Expenditure across the 2UA scenario

This shows Oxfordshire County Councils Total Apportioned County expenditure for all services for both Ridgeway and Oxford and Shires. This does not include West Berkshire.

| | Oxford & Shires | | | Ridgeway | | |
|---|---|---|---|---|---|---|
| Programme Budget Areas | 2025/26 (£'000) | 2026/2027 (£'000) | 2027/2028 (£'000) | 2025/26 (£'000) | 2026/2027 (£'000) | 2027/2028 (£'000) |
| Adults | 150,789 | 158,733 | 167,819 | 103,697 | 110,760 | 118,804 |
| Children's | 137,792 | 141,571 | 149,478 | 78,858 | 80,936 | 85,365 |
| Environment & Highways | 31,875 | 32,584 | 34,911 | 21,158 | 21,790 | 23,487 |
| Economy & Place | 12,763 | 10,785 | 10,787 | 8,472 | 7,213 | 7,257 |
| Oxfordshire Fire & Community Safety | 7,790 | 8,133 | 8,106 | 719 | 744 | 761 |
| Public Health & Communities | 18,408 | 18,912 | 19,215 | 5,170 | 5,439 | 5,454 |
| Resources and Law & Governance | 37,484 | 36,768 | 37,610 | 24,880 | 24,589 | 25,302 |
| Transformation, Digital & Customer Experience | 3,964 | 4,053 | 4,102 | 2,632 | 2,710 | 2,760 |
| Total | 400,864 | 411,540 | 432,027 | 245,586 | 254,180 | 269,191 |
| Strategic Measures | 22,939 | 29,761 | 30,569 | 15,227 | 19,903 | 20,566 |
| Contributions to / from Reserves | 7,931 | 7,788 | 7,769 | 5,265 | 5,208 | 5,227 |
| Budget Shortfall | 0 | -1,252 | -2,878 | 0 | -837 | -1,937 |
| Net Operating Budget | 431,735 | 449,089 | 470,365 | 277,577 | 291,194 | 307,150 |

Page 298

# Outputs: Total Estimated future expenditure

This table highlights the total estimated expenditure by each Unitary Authority that could be created through this process. Ridgeway yields larger expenditure due to the inclusion of West Berkshire, whilst Oxford & Shires inherits a larger share of the county expenditure, bringing the two unitary options close together in terms of expenditure.

| Council | 2025/2026 (£'000) | 2026/2027 (£'000) | 2027/2028 (£'000) |
|---|---|---|---|
| **2UA** | | | |
| **Oxford and Shires** | 503,419 | 529,224 | 555,859 |
| **Ridgeway (including West Berkshire Expenditure)** | 507,490 | 536,292 | 561,226 |
| **Total** | 1,010,909 | 1,065,516 | 1,117,085 |

# 3.3 Third Party Spend

# Introduction to Third Party Spend

This module examines spending with external suppliers, contractual commitments, and ICT systems across all councils. It looks at current patterns of third-party spend, identifies duplication, and highlights opportunities for consolidation and efficiency in a new unitary authority structure.

The aims are to:

- Estimate the overall level of addressable third-party spend.
- Map existing supplier relationships, contracts, and ICT assets across councils.
- Quantify potential savings from supplier consolidation, contract renegotiation, and ICT harmonisation.
- Provide a baseline for a unified procurement and contract management approach in a new authority.

This module captures LGR-only benefits, such as removing duplicate contracts and any other direct LGR efficiencies. Any additional benefits realised post LGR, through policy changes and transformation activities, are captured in the Policy and Transformation module.



**Local Context**

The model has been tailored to the Local context. The narrative below highlights where discussions have shaped the modeling of third party spend across certain areas :

- It is understood that third party spend related to Fire and Rescue services or Police Services are not addressable in both the 1 and 2UA scenarios, and have been removed from the addressability baseline.
- Oxfordshire County Council spend has been apportioned using Newton Demand analysis for Adult Social Care and Children's services, with population projections serving as the proxy for other services.
- Under the 2UA option, addressability is calculated only for services provided by the district councils. As districts do not provide Education, Adult Social Care, Children's Services, or Public Health, any Oxfordshire County Council spend in these categories has 0% addressability and is excluded from the calculations.

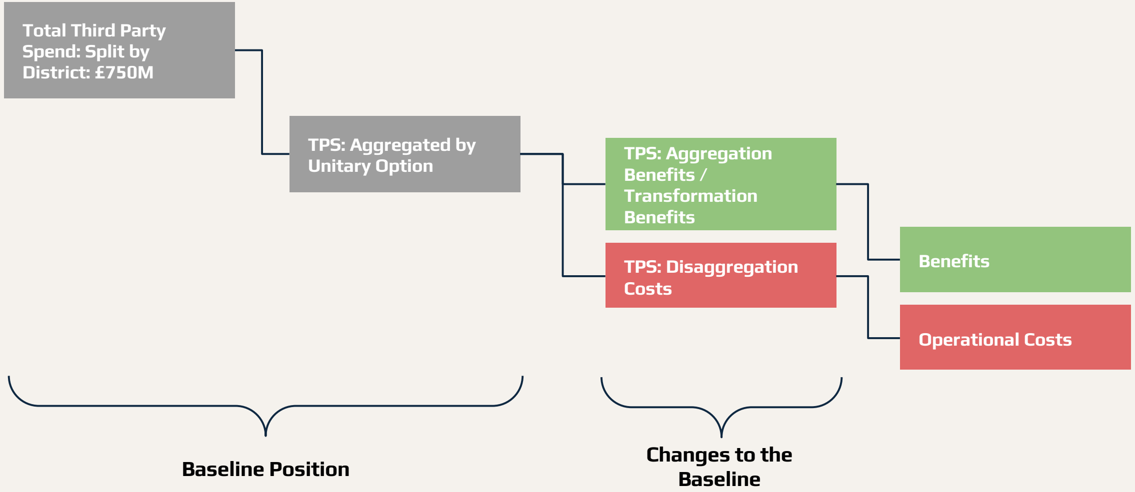
# Methodology

The TPS module assesses the financial impact of different Unitary Authority configurations by aggregating third-party spend, identifying disaggregation costs, and quantifying transformation benefits. This approach enables a comparison of net financial outcomes under varying structural scenarios, with a view to informing resilient and cost-effective reorganisation options.

The process follows three main steps:

Page 302

1. **Determine addressable spend**
   - Use a % RO running costs as TPS where specific TPS spend not provided
   - Assume a variable % of those costs are addressable
2. **Apportion County spend**
   - Allocate the County's third-party spend to districts using the same approach as the Expenditure Module.
3. **Aggregate and model savings**
   - Add apportioned County spend to district spend for each geography.
   - Calculate total TPS  for a Single UA and for Oxford & Shires / Ridgeway in a 2UA model.
   - Apply a reduction assumption (economies of scale and duplication removal) to estimate achievable savings.



# Inputs

The module uses two main inputs. This ensures we are basing the projections on official, up-to-date, and locally relevant data (where it has been provided).

| Input | Description | Source |
|---|---|---|
| Revenue Outturn 2024/2024 & 2024/2025 | Revenue Outturn (RO) 2023-24: Service Expenditure Summary. Running expenses only *(West Berkshire only).*<br>Revenue Outturn (RO) 2024-25: Service Expenditure Summary. Running expenses only. | General Fund Revenue Account Outturn - RSX Service Expenditure Summary 2023-24<br>24/25 RO provided by LAs. |
| Demand and Population data | For apportionment of Oxfordshire County Council Third Party spend. | Population projections for local authorities by five-year age groups and sex, England |

# Assumptions

The following core assumptions have been applied throughout the TPS analysis to ensure consistency and clarity in the dataset and methodology.

| Assumptions for Third Party Spend |
|---|
| The 2UA option will involve the disaggregation of the County Council. As such, any shared services and service provision agreements will need to be factored in when developing a view of Third Party Spend in the reconfigured UAs. |
| County Council spend has been apportioned utilising demand analysis by Newton for Adult and Children Services, and ONS population projections for the rest. This follows the apportionment method in the demand increases module. |
| **Savings assumption Rationale**: A variable range % of addressable third-party spend (depending on scenario) can be saved through consolidation and efficiency, based on initial options appraisal. Ranges differ by service as:<br><br>- Central services are likely to have a larger % as software/licensing, networks, end-user devices and insurance can be rationalised quickly.<br>- Environmental/regulatory and Highways are also high: many contracts are re-tenderable or re-lottable and benefit from route/spec/lot consolidation; exceptions are long-term waste disposal/energy-from-waste and any highways DBFO/PFI.<br>- Cultural varies with leisure trust contracts; if most sites are on long concessions, addressability falls.<br>- Housing (GFRA) is mixed: TA/agency accommodation markets are usually hard to address but R&M frameworks are typically addressable.<br>- Public Health has been deemed as 0% addressable due to ring-fenced funding. It is recognised that efficiencies can still be delivered. |



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Two Councils
Oxford and Shires | Ridgeway

# Assumptions

Based on the government's Subjective Analysis – Service Expenditure 2022/23, the % of running expenses that was categorised at TPS has been detailed below. This has been utilised where the Revenue Outturn data for each LA has been used as a baseline for spend.

| Area | % of Running Expenses made up by TPS |
|---|---|
| **Education services** | 38% |
| **Highways and transport services** | 38% |
| **Children Social Care** | 64% |
| **Adult Social Care** | 86% |
| **Public Health** | 38% |
| **Housing services (GFRA only)** | 38% |
| **Cultural and related services** | 38% |
| **Environmental and regulatory services** | 38% |
| **Planning and development services** | 38% |
| **Central Services** | 38% |

# Inputs: Total TPS Spend

This slide shows the total third-party spend for each council, Revenue Outturn data has been utilised for this module due to the limited data completeness across the contract registers. RO Data 2024/25 has been used where provided. If not provided then publically available RO Data 2023/24 has been utilised, with an inflation multiplier (3.3% as per the ONS) attached to bring level with the 2024/25 datasets.

| Council | Type | Spend (£'000) | Source |
|---|---|---|---|
| **Cherwell District** | District Council | 11,120 | RO Data 24/25 |
| **Oxford City** | District Council | 23,926 | RO Data 24/25 |
| **West Oxfordshire** | District Council | 8,150 | RO Data 24/25 |
| **South Oxfordshire** | District Council | 12,476 | TPS provided by email |
| **Vale of White Horse** | District Council | 10,508 | TPS provided by email |
| **West Berkshire** | Unitary Council | 144,187 | RO Data 23/24 with inflation multiplier applied |
| **Oxfordshire County** | County Council | 540,354 | RO Data 24/25 |
| **Total** | | **750,722** | |

# Outputs: Apportioning the County Council TPS Spend

Oxfordshire County Council's Children Social Care and Adult Social Care were apportioned using demand data and the remainder were apportioned using population from the Expenditure Module.

| Area | Spend 2 UA - Oxford and Shires (£'000) | Spend 2 UA - Ridgeway (£'000) |
|---|---|---|
| **Education services** | 64,388 | 42,747 |
| **Highways and transport services** | 12,005 | 7,970 |
| **Children Social Care** | 46,679 | 26,716 |
| **Adult Social Care** | 171,390 | 117,876 |
| **Public Health** | 8,237 | 5,469 |
| **Housing services (GFRA only)** | 1,540 | 1,023 |
| **Cultural and related services** | 1,563 | 1,038 |
| **Environmental and regulatory services** | 8,056 | 5,348 |
| **Planning and development services** | 812 | 539 |
| **Central Services** | 10,192 | 6,766 |
| **Total** | **324,863** | **215,491** |

# Outputs: Estimated TPS in each LGR scenario

Detailed below is the combined third-party spend for the 2UA Model. This includes the apportioned County Council spend in addition to the relevant district spend.

| | 2UA | |
|---|---|---|
| **Area** | **Oxford and Shires (£'000)** | **Ridgeway (£'000)** |
| **Education services** | 64,388 | 64,661 |
| **Highways and transport services** | 15,270 | 11,547 |
| **Children Social Care** | 46,679 | 46,192 |
| **Adult Social Care** | 171,390 | 198,806 |
| **Public Health** | 8,237 | 7,521 |
| **Housing services (GFRA only)** | 10,289 | 5,137 |
| **Cultural and related services** | 5,954 | 4,499 |
| **Environmental and regulatory services** | 21,368 | 20,585 |
| **Planning and development services** | 7,068 | 4,981 |
| **Central Services** | 17,416 | 18,733 |
| **Total** | 368,060 | 382,662 |

# Outputs: Estimated Addressable Spend

Detailed below is the combined third-party spend for the 2UA reorganisation option. This considers both an lower and upper limit saving possibility. Social care was excluded from TPS addressability because moving to a 2UA model offers no addressable TPS savings; the statutory requirement and contract volumes remain unchanged, so the opportunity lies in transformation (better contracting and commissioning) rather than TPS savings.

| Area | Lower End: Addressability | Upper End: Addressability | Lower End - Oxford and Shires Addressable Spend (£'000) | Higher End - Oxford and Shires Addressable Spend (£'000) | Lower End - Ridgeway Addressable Spend (£'000) | Higher End - Ridgeway Addressable Spend (£'000) |
|---|---|---|---|---|---|---|
| **Education services** | | | | | | |
| **Highways and transport services** | 50% | 70% | 7,635 | 10,689 | 5,774 | 8,083 |
| **Children Social Care** | | | | | | |
| **Adult Social Care** | | | | | | |
| **Public Health** | | | | | | |
| **Housing services (GFRA only)** | 50% | 60% | 5,144 | 6,173 | 2,568 | 3,082 |
| **Cultural and related services** | 70% | 80% | 4,168 | 4,763 | 3,149 | 3,599 |
| **Environmental and regulatory services** | 70% | 80% | 14,958 | 17,094 | 14,409 | 16,468 |
| **Planning and development services** | 60% | 70% | 4,241 | 4,947 | 2,989 | 3,487 |
| **Central Services** | 80% | 85% | 13,933 | 14,804 | 14,986 | 15,923 |
| **Total** | | | **50,078** | **58,471** | **43,875** | **50,641** |

Page 309

# Outputs: Estimated Savings

This is the combined third-party spend for the 2UA reorganisation option. By applying a modest efficiency assumption in line with reductions found in other local authorities to have undergone LGR, we estimate recurring savings of around £1.88m to £2.2m in Oxford and Shires and Ridgeway authorities.

| Area Spend | | Combined TPS for reorganisation options (£'000) | Estimated addressable third party spend Lower Limit (£'000) | Estimated addressable third party spend Upper Limit (£'000) | Assumed savings % to be achieved through consolidation | Value of savings Lower Limit (£'000) | Value of savings Upper Limit (£'000) |
|---|---|---|---|---|---|---|---|
| **Two Unitary Authorities** | **Oxford and Shires** | 368,060 | 50,078 | 58,471 | 2.00% | 1,002 | 1,169 |
| **Two Unitary Authorities** | **Ridgeway** | 382,662 | 43,875 | 50,641 | 2.00% | 878 | 1,013 |
| **Total** | | **750,722** | **93,954** | **109,113** | | **1,879** | **2,182** |

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Oxford and Shires | Ridgeway

# 3.4 Assets

# Introduction to Assets

**This module brings together the assets currently held by the County, District Councils and West Berkshire.** It estimates what the total asset portfolio would look like for each of the potential new authorities under local government reorganisation.

The aim is to give a clear, evidence-based estimate of what each new authority would own on Day 1, from an existing net book value perspective, once planned and potential disposals are taken into account.

Assets have been disaggregated to district boundaries. Existing district and unitary assets remain in the geography of the current districts/unitaries. Oxfordshire County Council assets have been disaggregated based on their geography and assigned to the new unitaries on this basis.



**Local Context**

The model has been tailored to the Oxfordshire context. The narrative below highlights where local context have shaped the modelling of potential one-off capital receipts from reorganisation and transformation:

- The module assumes that only assets categorised as 'Operational Assets' and 'Surplus Assets' are disposable.
- **'Operational Assets' are further broken down into subcategories,** with a view that certain types are more addressable than others.
- It is understood that **assets related to Fire and Rescue services are not addressable in both the 1 and 2UA scenarios**, and have been removed from the addressability baseline, alongside other key subcategories that are politically sensitive that would not be rationalised through reorganisation (eg. Schools, Parks, etc.).
- **South Oxfordshire and Vale of White Horse** assets have been removed from the addressable baseline, following conversations with the respective organisations that significant efficiencies have already been made previously in combining assets under a shared service model and due to their limited addressable portfolio (eg. no additional offices). **This has overall dampened the capital receipts that can be derived from Ridgeway.**
- Where there are assets related to core service provision within a limited asset portfolio (eg. Cherwell District Council's waste disposal facilities), they have also been removed from the addressable baseline.
- It was noted that **certain assets listed under 'Operational Assets' are income generating**, such as Cherwell District Council and West Oxfordshire's shopping centres, and **would not be rationalised through reorganisation**. As a whole, such commercial properties and small holdings have been removed from the addressable baseline.
- It was noted that **certain types of assets** such as Car Parks, Libraries, Community Centres and Leisure Centres **wouldn't feasibly be rationalised through reorganisation,** but **may benefit from repurposing or disposal following a detailed review of service delivery models and strategic ambitions**. This means that such assets could potentially be addressed through transformation.

# Methodology

The analysis follows a step-by-step process:

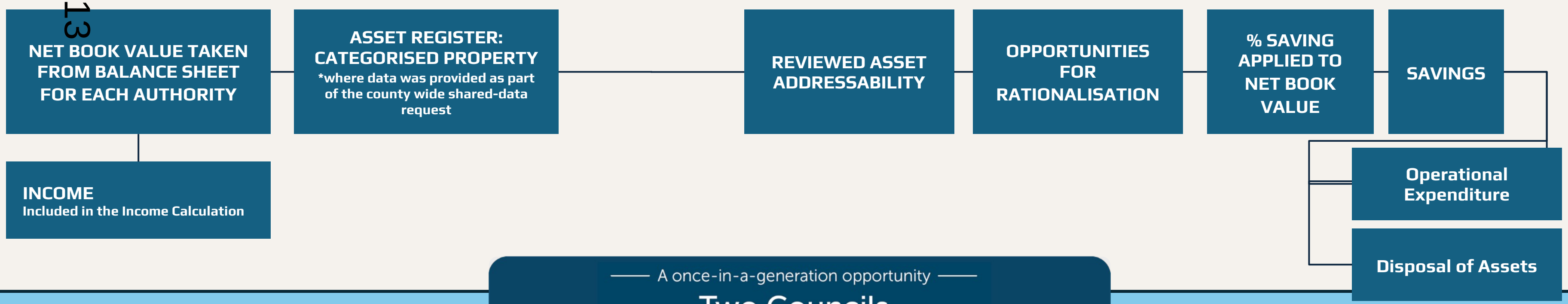
1. **Consolidate registers** – Gather asset data from each council, standardise it, remove Housing Revenue Account assets, and allocate County assets by location.

2. **Include planned disposals** – Use capital receipts already built into council's' MTFS or capital strategies.

3. **Add further disposals** – Include additional rationalisation opportunities identified through engagement.

4. **Adjust portfolios** – Subtract the value of disposals to show the likely Day 1 portfolio for each council.





# Assumptions

| Assumptions for Assets |
| --- |
| The asset register provides an accurate view of the estate portfolio. |
| Net book value is used as a proxy for market value, noting that future authorities will need to revisit the value of assets during implementation for a more accurate view. |
| Assets Under Construction and assets labelled as Infrastructure Work have been excluded from addressable baselines as these are recognised to be ongoing property developments, on top of existing assets, which are unlikely to be rationalised through implementation. |
| OCC's Net Book Value is used for property valuations and used to distribute debt in the Borrowing, Debt and Liabilities module. |
| Assets categorised as Community Assets, Investment Properties, Council Dwelling and Heritage Assets are considered to be 'unaddressable' through local government reorganisation. |
| The module maintains the estimated disaggregation benefit of 12.5% for the 2UA option. |
| A third of surplus assets may be disposed through local government reorganisation. |
| Capital receipt savings are not built into the comparative analysis, which primarily aims to understand what recurring operational expenditure savings can be made against total expenditure. |
| The ownership of property assets owned by the County will follow the location of the Unitary they currently sit in, including out-of-county assets. |
| Fire and Rescue assets will not be rationalised, and have been removed from the baseline. |
| The original assumption around proportion of Council Revenue Expenditure on Property from the CCN Analysis has been amended from 5% to 2% due to refined NBV of Heritage Assets and Community Assets, which typically require greater asset maintenance spend. |

# Inputs

The model uses the following inputs to develop the assets module.

| Input Asset categories | Description | Data input | Source |
|---|---|---|---|
| **Property Asset Register** | The Property Assets Register is a detailed inventory of all land and buildings owned or leased by the council, including location, usage, ownership status, and asset value. | Property Asset Register | Data request |
| **Additional land and property consolidation** | There are additional opportunities for rationalisation in a unitary, due to duplication of potential property assets, and unused property assets. | Additional land and property consolidation by property category | Engagement with council stakeholders |

# Inputs: Net Book Value

By taking the current net book value (NBV) of assets for each Council and removing any assets associated with Housing Revenue Accounts, the module estimates the NBV of each Council's current asset portfolio. This has been broken down into 6 categories of Assets which make up the Net Book Value.

| | Net Book Value Total (£'000) | 1. Operational Assets (£'000) | 2. Community Assets (£'000) | 3. Surplus Assets (£'000) | 4. Investment Properties (£'000) | 5. Council Dwellings (£'000) | 6. Heritage Assets (£'000) |
|---|---|---|---|---|---|---|---|
| **Cherwell District Council** | **173,369** | 164,046 | 324 | 4,454 | 4,545 | - | - |
| **Oxford City Council** | **1,313,460** | 294,391 | 1,92 | 2,440 | 145,810 | 865,219 | 3,677 |
| **West Oxfordshire Council** | **129,716** | 71,558 | 994 | 3,581 | 53,491 | - | 91 |
| **South Oxfordshire Council** | **56,676** | 50,275 | 1,231 | - | 5,169 | - | - |
| **Vale of White Horse Council** | **83,108** | 78,982 | 892 | - | 3,234 | - | - |
| **Oxfordshire County Council** | **1,509,869** | 1,477,700 | - | 8,274 | 23,895 | - | - |
| **West Berkshire Council** | **403,755** | 349,947 | 191 | 1,855 | 51,762 | - | - |
| **Total** | **3,669,952** | **2,486,901** | **5,554** | **20,604** | **287,906** | **865,219** | **3,768** |

# Outputs: Baseline post Re-organisation

The Net Book Values of the current districts/councils have been used to determine the baseline values. Distribution of Oxfordshire County Council's assets have followed address, leading to a greater concentration of assets in Oxford and Shires.

| | Net Book Value Total (£'000) | 1. Operational Assets (£'000) | 2. Community Assets (£'000) | 3. Surplus Assets (£'000) | 4. Investment Properties (£'000) | 5. Council Dwellings (£'000) | 6. Heritage Assets (£'000) |
|---|---|---|---|---|---|---|---|
| **Oxford & Shires** | 2,717,849 | 1,607,836 | 3,240 | 16,510 | 221,276 | 865,219 | 3,768 |
| **Ridgeway** | 952,103 | 879,065 | 2,314 | 4,094 | 66,630 | - | - |
| **Total** | **3,669,952** | **2,486,901** | **5,554** | **20,604** | **287,906** | **865,219** | **3,768** |

# Outputs: Detailed Analysis of Asset Types

It is assumed that only Operational Assets are addressable as part of LGR aggregation. However, even within that category, certain categories of assets have high, medium, low or no addressability either due to their own particular characteristics, and may only be addressable following detailed review under a transformation programme.

| High Addressability (60%) | Medium Addressability (30%) | Low Addressability (10%) | No Addressability (0%) |
|---|---|---|---|
| These types of assets are more easily addressable and more impacted by the aggregation process. In the model, this means that the total NBV of these assets are considered highly addressable. | These assets are somewhat addressable, with the understanding that geographies and current spread of assets may make it more challenging to amalgamate such properties. | These types of assets have limited addressability. It may be more likely that these benefits are delivered through transformation, and would not be rationalised easily from reorganisation. | These types of assets are more sensitive in nature or are overall essential to the provision of core services (eg. Cherwell's waste disposal facility). |



| | High Addressability (60%) | Medium Addressability (30%) | Low Addressability (10%) | No Addressability (0%) |
|---|---|---|---|---|
| Reorganisation | • Offices | • Depots<br>• Fleets | N/A | • Schools<br>• Libraries<br>• Parks<br>• Crematoria<br>• Waste Disposal<br>• Commercial property<br>• Caravan Site<br>• Public Convenience<br>• Care Homes<br>• Community Centres |
| Transformation | N/A | N/A | • Allotments<br>• Car Parks<br>• Leisure Centre<br>• Sports Facility<br>• Libraries<br>• Community Centres | It is assumed that addressable assets from reorganisation will have limited material benefits from transformation to minimise possibilities of double-counting.<br>• Offices, Depots, Fleets |

# Outputs: Digging Deeper into the Operational Assets

Detailed below is the refined baselines for the property categories listed relevant to both Reorganisation and Transformation. **South Oxfordshire and Vale of White Horse** assets have been **removed from the reorganisation addressable baseline**, following conversations with the respective organisations that significant efficiencies have already been made previously in combining assets under a shared service model and due to their limited addressable portfolio (eg. no additional offices). However, benefits could be derived through transformation under the future authority.

| Reorganisation Baseline | CDC (£'000) | Oxford City (£'000) | West Oxon (£'000) | South Ox (£'000) | Vale (£'000) | OCC (£'000) | West Berkshire (£'000) |
|---|---|---|---|---|---|---|---|
| **High Addressability** | 6,968 | 781 | 292* | N/A | N/A | 11,856 | 8,760 |
| **Medium Addressability** | 6,188 | 9,512 | 93 | N/A | N/A | 10,213 | 0 |



| Transformation Baseline | CDC (£'000) | Oxford City (£'000) | West Oxon (£'000) | South Ox (£'000) | Vale (£'000) | OCC (£'000) | West Berkshire (£'000) |
|---|---|---|---|---|---|---|---|
| **Low Addressability** | 53,203 | 133,206 | 27,675 | 450 | 6,458 | 83,894 | 38,119 |

**West Oxfordshire has offices with no net book value attached (eg. Elmfield Office). This figure may be slightly lower than actuals.*

# Outputs: Apportioning Oxfordshire County Council Assets

Detailed below is the new baselines under the Oxford and Shires and Ridgeway authorities.

## Reorganisation Baseline

| Asset Category | OCC Asset Net Book Value (£'000) | Oxford and Shires (£'000) | Ridgeway (£'000) | Total Oxford and Shires (£'000) | Total Ridgeway (£'000) |
|---|---|---|---|---|---|
| High Addressability | 11,856 | 8,648 | 3,208 | 16,689 | 11,967 |
| Medium Addressability | 10,023 | 7,450 | 2,764 | 23,244 | 2,764 |



## Transformation Baseline

| Asset Category | OCC Asset Net Book Value (£'000) | Oxford and Shires (£'000) | Ridgeway (£'000) | Total Oxford and Shires (£'000) | Total Ridgeway (£'000) |
|---|---|---|---|---|---|
| Low Addressability | 83,894 | 61,192 | 22,701 | 275,276 | 67,729 |

# Outputs: Reorganisation Capital Receipts and Disposals

Detailed below is the potential one-off capital receipts and income that could be delivered through property rationalisation as part of local government reorganisation.

| | Total NBV of Category of Asset (£'000) | Addressability | Addressable Property (£'000) | Disaggregation Benefit | Addressable Savings (£'000) | Surplus Disposal (A Third of Surplus Asset, £'000) | Total Saving (£'000) |
|---|---|---|---|---|---|---|---|
| **Oxford and Shires** | | | | | | | |
| **High Addressability** | 16,689 | 60% | 10,014 | 12.5% | 1,251 | 5,503 | 7,627 |
| **Medium Addressability** | 23,244 | 30% | 6,973 | 12.5% | 871 | | |
| **Ridgeway** | | | | | | | |
| **High Addressability** | 11,967 | 60% | 7,181 | 12.5% | 898 | 1,365 | 2,366 |
| **Medium Addressability** | 2,764 | 30% | 829 | 12.5% | 104 | | |

# Outputs: Property Operational Expenditure Transformation

Property Operational expenditure (Property Opex) is estimated by taking FY 27/28 forecast demand expenditure (from the Demand Increases module) and assuming 2% of revenue relates to property to set the baseline. Applying a 12.5% disaggregation benefit yields LGR savings of £1.4m for Oxford & Shires and £1.4m for Ridgeway—£2.8m in total. This will form part of the consolidated view of aggregation benefits.

| | Total Expenditure 27/28 (£'000) | % of Revenue Expenditure on Property | Addressable Property Spend (£'000) | Disaggregation Benefit (%) | Savings (£'000) |
|---|---|---|---|---|---|
| **Oxford and Shires** | 555,859 | 2% | 11,117 | 12.5% | 1,390 |
| **Ridgeway** | 561,226 | | 11,225 | | 1,403 |
| **Total** | **1,117,085** | | 22,342 | | 2,793 |

# Outputs: Transformation Capital Receipts and Disposals

Detailed below are the potential one-off capital receipts and disposals that could be realised through transformation, noting that **Transformation would require alignment to the new authorities strategic ambitions and optimised service delivery models.** The lower savings potential percentages set for Ridgeway speaks to South Oxfordshire and Vale of White Horse's limited low addressability asset portfolio, as they overall have less Sports Facilities, Community Centres, Car Parks etc. compared to Oxford and Shires.

| | Total NBV of Category of Asset (£'000) | Addressability | Addressable Property (£'000) | Savings Potential (%) | Addressable Savings (£'000) |
|---|---|---|---|---|---|
| **Oxford and Shires** | | | | | |
| **Base Assumptions** | 275,276 | 10% | 27,528 | 0.5% | 138 |
| **Stretch Assumption** | | | | 1.5% | 413 |
| **Ridgeway** | | | | | |
| **Base Assumptions** | 67,729 | 10% | 6,773 | 0% | - |
| **Stretch Assumption** | | | | 0.5% | 34 |

Page 323

# 3.5 Staffing and Pay

# Introduction to Staffing and Pay

**This module assesses the financial impact of bringing all staff in the new unitary authorities onto a consistent pay and grading structure. It models the cost of aligning salaries by grade, so that people in the same role and grade are paid the same, regardless of which predecessor council they worked for.**

The aims are to:

- Provide a clear picture of current pay structures across all councils.
- Estimate the cost of aligning salaries over different time frames.
- Support workforce design and pay modelling decisions during reorganisation.

This analysis does **not** cover wider changes to terms and conditions (e.g., annual leave, hours of work).

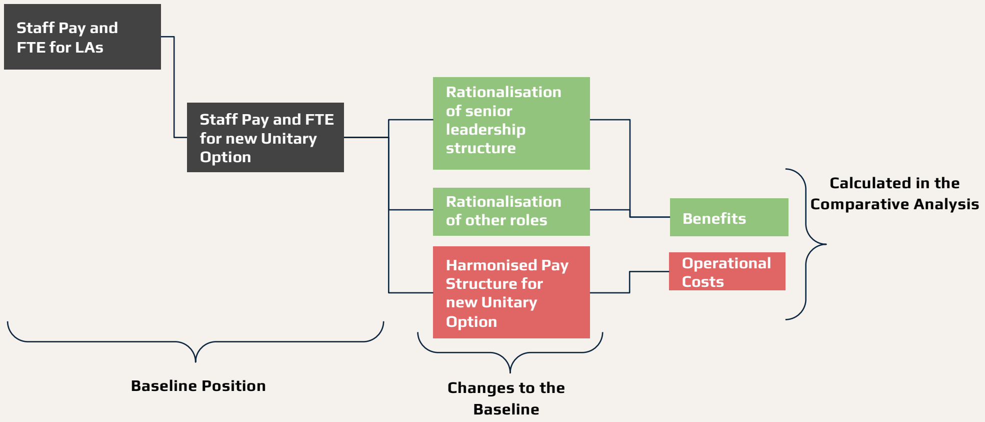
# Methodology

The process follows three steps:

1. **Collect data**
    - Gathered each council's pay scales, salary bands, spinal column points (SCPs), and the number of full-time equivalent (FTE) staff in each grade.

2. **Identify alignment requirements**
    - Compared current salaries against the national SCP framework.
    - Flagged "decision points" where:
        - A salary band falls below the minimum SCP for that grade.
        - The midpoint salary is more than two SCP points away from the closest SCP.

3. **Model costs of alignment**
    - Set a consistent pay point for each grade in the new authority (aligned to the max of the new band).
    - Applied this to all staff, with alignment phased evenly over 1–5 years.
    - Calculated total staffing costs for each alignment period.



# Assumptions

| Assumptions for Staffing and Pay |
| --- |
| No pension impact has been included, as individual differences mean costs vary too much to model reliably. |
| Pay inflation before vesting day has been excluded, salaries are shown in today's terms for Day 1. |
| Pay inflation during alignment, a figure of 3.5% annual growth used, based on current pay settlement forecasts (OBR, late 2025). |
| SCP movement limits – salary changes moving more than 2 SCP points trigger a decision point for review. |
| Schools staff have been excluded, as they are paid under separate national frameworks. |
| Any unclear or unmapped grades have been removed, this occurs where there was no valid mapping to a SCP. |
| FTE scope: Only people on the council payroll provided in the establishment data were included (e.g no Ubico, Publica) |
| The Workforce Salaries have been modelled to show the cost "if no one loses". No district staff will earn on average less in the unitary than in the previous district. Given how wide both the district and county bands are, staff have been aligned to the top of the band to make sure they are above the average district band. In practice, this incurs additional costs to the new Unitary Authority, and it is possible that not all current District Council FTE will earn more in future. |

# Outputs: Workforce Salary Alignment

The current and future costs of the 'as is' and 'to-be' salary structure of all the Oxfordshire county and district councils. The future costs of the New Salary Structures are taken by *aligning up* in one year. There are no assumptions on the total differences between Oxford & Shires and Ridgeway in the 2UA, so the monetary total is the same. The scenario assumes no one loses pay and all staff are uplifted to the county-level salary point. It does not map specific roles, grades, or structures, and should not be read as an HR proposal.

It provides a useful order-of-magnitude view of potential harmonisation exposure and enables like-for-like comparison across LGR options before detailed work is undertaken. Because the model uplifts everyone to the county rate, it will show additional costs. **These are directional, not definitive. Actual costs will depend on future pay line design, negotiations, phasing decisions, and organisational design.**



| Council | Cost of harmonising up in one year (£'000) |
|---|---|
| **Total old cost** | 275,673 |
| **Alignment Benefit / (Cost)** | 10,117 |
| **% Cost of New Structure** | 3.7% |
| **Salary (New Structure)** | 285,790 |

# Outputs: Workforce Salary Alignment

Below is a table showing the Cumulative Total Cost Benefit of Aligning Up net of workforce reduction. Pay alignment is split equally over the reorganisation period to distribute the impacts.

| | Harmonisation Period (Years) (£'000) | | | | | |
|---|---|---|---|---|---|---|
| **Year** | **Do Nothing** | **1** | **2** | **3** | **4** | **5** |
| **1** | 275,673 | 285,790 | 280,732 | 279,046 | 278,202 | 277,697 |
| **2** | 285,322 | 295,793 | 295,793 | 292,303 | 290,557 | 289,510 |
| **3** | 295,308 | 306,146 | 306,146 | 306,146 | 303,436 | 301,811 |
| **4** | 305,644 | 316,861 | 316,861 | 316,861 | 316,861 | 314,617 |
| **5** | 316,341 | 327,951 | 327,951 | 327,951 | 327,951 | 327,951 |
| **Total** | 1,478,288 | 1,532,541 | 1,527,482 | 1,522,306 | 1,517,008 | 1,511,586 |
| **Benefit / (Cost)** | | -54,253 | -49,194 | -44,017 | -38,720 | -33,298 |

# 3.6 Members: Numbers and Election Costs

# Introduction to Members and Elections

This module estimates the savings and costs linked to changing the number of councillors and streamlining elections under different LGR scenarios.

It examines:

- **Members' costs** – the basic allowances and special responsibility allowances (SRA) paid to elected councillors.
- **Election costs** – the cost of running local elections, and how these change when the county and district tiers are replaced by new unitary authorities.

The aims are to:

- Quantify the financial impact of reducing the number of councillors.
- Identify the election cost savings achievable from consolidating elections from two tiers of local government.
- Support decisions on governance structure and transition planning.

# Methodology

The process has three main steps:

1. **Calculate current costs**
   - Collect current Basic Allowance and Special Responsibility Allowance (SRA) totals for all existing councils.
   - Calculate the total cost of county and district elections over a typical four-year cycle, using RO data for 'Conducting Elections' (Net current expenditure).

2. **Calculate anticipated costs for future unitary authorities**
   - Assume a range of councillor numbers from low, medium and high for the new unitary authorities, then use benchmarked allowance rates for all new unitary councillors to establish the base allowance member cost plus SRA allowances.
   - Establish an average cost of an election in each area from the RO data noted above, to be multiplied by the number of assumed elections for each new unitary authority over a four year election cycle.

3. **Estimate savings**
   - To establish the savings from both member allowances and elections, subtract modelled costs for the new unitary authorities from the baseline.

# Inputs

The module uses the published basic allowances and SRA data from each, along with RO data. The election cost model also factors in the number of votes cast, the election cycle in each area, and anticipated electoral changes in the new unitary authority arrangements.

| Members Input Categories | Description | Data input | Source |
|---|---|---|---|
| **Number of Members and Allowances** | The total number of elected councillors who sit on the council and represent different areas of the local authority and their total costs. | • Number of Members<br>• Basic Allowances and SRAs | • Website of each council |
| **Cost of Elections** | The amount of money spent by the council to run elections including staffing, polling stations, printing, and counting votes. | • Election cycle rate<br>• Total number of votes cast over last 4 years (2021-25)<br>• RO data - Net current expenditure - 'Conducting Elections' category only | • Website of each council<br>• Gov.uk - Local authority revenue expenditure and financing England: Revenue outturn multi-year data set |

Page 333

# Assumptions

The following core assumptions have been applied throughout the Members and Elections analysis to ensure consistency and clarity in the dataset and methodology.

| Assumptions for Members and Elections |
|---|
| General Members' Allowance in the new unitaries will match the current County rate (Oxford and Shires) or West Berkshire's UA rate (Ridgeway).<br>Only Basic and SRA are included; other expenses such as mileage and IT are excluded due to variability. |
| A range of members numbers (high, medium and low figures) have been provided by the respective local authorities. The model takes the midpoint figure to model future member allowance costs. |
| Use of 'Conducting Elections' net current expenditure from published RO data<br>• It is assumed the RO data accurately represents the costs incurred by the councils for running local elections.<br>• Use of net current expenditure addresses any expenditure incurred for general elections due to income received from government to cover these elections.<br>• Net current expenditure is taken across a four year period (one full election cycle) to reflect the different election models in each current organisation.<br><br>This replaces an earlier modelling approach based on cost per vote due to limited local data and the variability of modelled costs that resulted. |
| It is assumed that each new unitary authority will elect all local councillors every four years, so there will be one election for each four year cycle. The overall election saving is calculated across the four years, then this is divided by four to provide an annualised saving. |

# Election and Member Current Baseline

Two-tier governance in Oxfordshire leads to numerous elections. This includes the upper tier local authority of Oxfordshire County Council and all 5 District councils. Unitary arrangements will streamline the elected-governance structure by consolidating district and county responsibilities. Basic Allowances from recent Unitary Authorities were benchmarked to estimate an average assumption for the future Unitary Authority. Where possible, the same was calculated for SRA based on the number of SRA roles and their costs.

| Council | Council type | No. of councillors | Basic Allowance (£) | SRA (£) | Election cycle | Votes cast over the last four years |
|---|---|---|---|---|---|---|
| **Oxfordshire County** | County | 69 | 953,856 | 384,865 | Whole | 191,781 |
| **South Oxfordshire** | District | 36 | 302,076 | 154,995 | Whole | 77,810 |
| **West Oxfordshire** | District | 49 | 255,829 | 183,824 | Thirds | 68,173 |
| **Oxford City** | District | 48 | 262,608 | 130,316 | Halves | 80,017 |
| **Cherwell** | District | 48 | 250,560 | 108,225 | Thirds | 113,137 |
| **Vale of White Horse** | District | 38 | 285,532 | 169,124 | Whole | 62,849 |
| **Oxfordshire Total** | | | | | | 593,767 |
| **West Berkshire** | Unitary | 43 | 377,024 | 553,739 | Whole | 51,561 |
| **Grand Total** | | **331** | **2,687,485** | **1,685,087** | | **645,328** |

**Total (Base + SRA): £4,372,572**

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# Election Costs Baseline

Net Current Expenditure for 'Conducting Elections' from the RO returns for each organisation has been used to establish the overall baseline of election costs. This looks across four years (2021 to 2025) to establish costs for one full election cycle.

| Council | Council type | Election cycle | Cost of conducting elections 2021/22 | Cost of conducting elections 2022/23 | Cost of conducting elections 2023/24 | Cost of conducting elections 2024/25 | Total cost of conducting elections over 4 years | Average cost per election | Votes cast over the last four years | Average cost per vote |
|---|---|---|---|---|---|---|---|---|---|---|
| **Oxfordshire County** | County | Whole | £799 | £24 | £31 | £62 | £916 | £916 | 191,781 | £4.78 |
| **South Oxfordshire** | District | Whole | £76 | £118 | £314 | £113 | £621 | £621 | 77,810 | £7.98 |
| **West Oxfordshire*** | District | Thirds | £39 | £78 | £85 | £76 | £278 | £93 | 68,173 | £4.08 |
| **Oxford City** | District | Halves | £94 | £98 | £122 | £457 | £771 | £386 | 80,017 | £9.64 |
| **Cherwell** | District | Thirds | £211 | £376 | £395 | £470 | £1,452 | £484 | 113,137 | £12.83 |
| **Vale of White Horse** | District | Whole | £103 | £225 | £350 | £130 | £808 | £808 | 62,849 | £12.86 |
| **Oxfordshire Total** | | | £1,322 | £919 | £1,297 | £1,308 | £4,846 | £551 | 593,767 | £8.69 |
| **West Berkshire** | UA | Whole | £16 | £8 | £367 | £48 | £439 | £439 | 51,561 | £8.51 |
| **Grand Total** | | | **£1,338** | **£927** | **£1,664** | **£1,356** | **£5,285** | | **645,328** | **£8.67** |

*Local data provided as entered into the RO as 'Central Costs'

Page 336

# Outputs: Democracy Savings Post Reorganisation

Financial savings through consolidating Member and Election costs for each of the new Unitary Authorities are shown below. Total councillor numbers will be decided by the shadow leadership for the new authorities and this analysis does not intend to pre-empt these decisions.

## Member Costs and Savings

| Option | Population | Population per Member (Low) | Population per Member (High) | Population per Member (Mid) | No. Councillors (Low) | No. Councillors (High) | No. Councillors (Mid) | Member Allowance (Low) (£'000) | Member Allowance (High) (£'000) | Member Allowance (Mid) (£'000) | Current Member Cost (£'000) | Saving (£'000) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Oxford and Shires** | 464,686 | 5,809 | 4,647 | 5,228 | 80 | 100 | 90 | 1,552 | 1,940 | 1,746 | 1,967 | 221 |
| **Ridgeway** | 472,156 | 5,902 | 4,722 | 5,312 | 80 | 100 | 90 | 1,731 | 2,165 | 1,948 | 2,405 | 457 |
| **Total** | 936,842 | - | - | - | 160 | 200 | 180 | 3,283 | 4,105 | 3,694 | 4,372 | 678 |

## Election Costs and Savings

| Council | Number of elections pre LGR | Number of elections post LGR | Cost of elections pre-LGR | Cost of elections post-LGR | Election Cost Saving over 4 years | Election Cost Saving annualised | Total annual democracy saving |
|---|---|---|---|---|---|---|---|
| **Oxford & Shires** | 8 (plus OCC election) | 1 | £3,049 | £551 | £2,498 | £625 | £846 |
| **Ridgeway** | 3 (plus OCC election) | 1 | £2,236 | £439 | £1,797 | £449 | £906 |
| **Total** | 12 including OCC election | 2 | £5,285 | £990 | £4,295 | £1,074 | £1,752 |

# 3.7 MTFS

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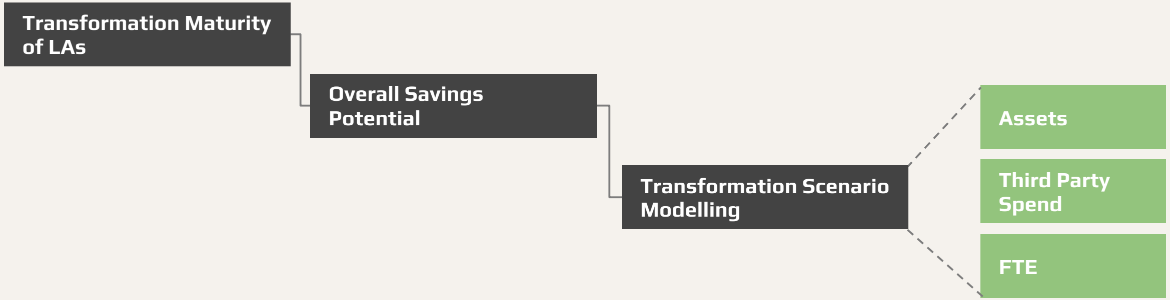
# Methodology

The MTFS module applies a structured review of each organisation's medium-term financial strategy, assessing the maturity and deliverability of planned and historic savings, the scale of future savings required to achieve a balanced budget, and savings as a proportion of total expenditure. This assessment informs an aggregated view of transformation maturity at the unitary level and enables scenario modelling of potential financial benefits across three key cost areas: assets, third-party spend, and FTE.

Three components have been considered in the analysis:

1) Planned (identified and unidentified) savings for the next 3 years that are required to deliver a balanced budget
2) Qualitative review of where delivered and identified savings opportunities are in the organisation
3) Planned and delivered savings as a % of budget

The review assesses the maturity of savings, identifies potential opportunities, and references the ongoing budget gap using data from the latest MTFS. *This will directly inform the Policy & Transformation Module.*



# Assumptions

| Assumptions for MTFS | Elements Impacted |
| --- | --- |
| **Historic / Present Savings may look like the following:**<br>● Vacancy Management and Workforce Restructuring<br>● Back-office efficiencies and automation<br>● Contract Renegotiation and Service Redesign<br>● Income Generation and Cost Control efforts<br>● Transformation and/or Recovery Programmes (ie. Financial Recovery Plans)<br>● Asset Rationalisation and Disposals | **Assets:** Savings via asset disposals, better use of property / assets etc.<br><br>**Third Party Spend:** Transformation programme can lead to TPS savings, be it through contract rationalisation, more favourable contract conditions, less use of short-term / reactive spend (ie. including savings from better contract management, negotiation and market-scanning through improved strategic commissioning and procurement capabilities)<br><br>**FTE:** Forecasts for future establishment may decrease depending on assessment of transformation programmes (ie. greater back office efficiencies, digitisation etc. |
| **Planned / Future Savings may look like the following:**<br>● Organisational Redesign and Capacity Building<br>● Service Digitisation and Channel Shift<br>● Demand Reduction and Prevention-led Approaches<br>● Expansion of Income Strategies<br>● Efficiency Reviews in Underexplored Areas (ie. IT) | |

# Inputs: MTFS Historical Performance Data

The module uses various inputs across each council. The main input is the MTFS for base budget & budget gap, where information for delivered savings & planned savings was not available in the MTFS, different inputs have been utilised.

| Council | Delivered Savings | Planned Savings | Budget Gap | Base Budget |
|---|---|---|---|---|
| **Oxfordshire** | Source: Productivity Plan 24/25 & Comments: Savings identified as being 84% of £28.2m for 23/24. Savings identified as £20m against target of £26m for 24/25. | Source: Revenue Update & Monitoring report for 25/26 savings. Previously Agreed and Proposed Budget Proposals 2025/26 - 2027/28 for 26.27 savings. 27/28 savings provided directly. | Source: Budget Book (MTFS) Comments: Budget gap refers to the Total contributions to and from reserves. | Source: Budget Book (MTFS) Comments: Note used is Net Operating Budget. |
| **Cherwell District** | Source: Finance and Performance Monitoring Report 24/25 & Finance and Performance Monitoring Report 23/34 Comments: Savings identified within Table 2: Analysis of variance for FY 24/25 & FY23/24 under Savings non-delivery. | Source: MTFS Comments: Savings identified in Table 4.2.3: Service Efficiencies and Income Proposals. | Source: MTFS Comments: Budget gap refers to the Funding Gap / Surplus line within the MTFS. | Source: MTFS Comments: Note used is Net Budget Requirement. |
| **Oxford City** | Source: Spending Plan (23/24) and Statement of Accounts 24/25. Comments: Savings identified for 23/24 was £2.74M within spending plan. Savings identified for 24/25 were pulled from the SoA, with savings totalled to £2.96M. | Source: General Fund Budget Proposals Summary Comments: Planned savings refers to the Cumulative MTFP Position table. The net change each FY has been calculated. | Source: MTFS Comments: Budget gap refers to the additional Budget transfer to/(from) reserves & additional & transfer to/(from) reserves from amendments. | Source: MTFS Note used is Net Budget Requirement. |
| **West Oxfordshire** | Source: Outturn Report 23/24 & Outturn Report 24/25 Comments: Savings identified for each year in their respective outturn reports, where specific savings were detailed. | Source: MTFS Comments: Savings identified in MTFS are ones included in Target budget (NOE) lines. | Source: MTFS Comments: Budget gap refers to the use of GF reserves across the relevant years. | Source: MTFS Comments: Note used is Target Budget (NOE). |
| **South Oxfordshire** | Source: MTFS Comments: Note used is base budget savings and in-year savings target. | Source: MTFS Comments: Note used is base budget savings and in-year savings target. | Source: MTFS Comments: Budget gap refers to the Contribution to/(Use of) reserves to balance budget. | Source: MTFS Comments: Note used is Total Revised base budget. |
| **Vale of White Horse** | Source: MTFS Comments: Note used is base budget savings and in-year savings target. | Source: MTFS Comments: Note used is base budget savings and in-year savings target. | Source: MTFS Comments: Budget gap refers to the Contribution to/(Use of) reserves to balance budget. | Source: MTFS Comments: Note used is Total Revised base budget |
| **West Berkshire** | Source: Revenue Financial Performance: Provisional Outturn 2023-24 & 2024-2025 Comments: Delivered savings for 23/34 and 24/25 provided in the Revenue Financial Performance: Provisional Outturn documents. | Source: MTFP Comments: Notes used are: 10a Savings and income proposals identified, 10b Efficiency savings and 10c Savings and income gap. | Source: MTFP Comments: Budget hap refers to use of existing fund reserves or use of exceptional financial support. | Source: MTFP Comments: Note used is budget requirement. |

Page 341

# Outputs: Historic MTFS Performance

The following sets out delivered and planned savings, transformation activity and savings maturity across individual authorities for operational expenditure. It should be noted that in the majority of cases savings have not been fully delivered and there has been a requirement to use reserves to balance budgets. Planned savings will also be impacted by the transition to the new model, as such individual savings will need to be reviewed during implementation to understand feasibility of implementation.

| | Delivered Savings | | Planned Savings | | | Budget Gap | Base Budget | | % Saving of Budget | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FY23-24 (£M) | FY24-25 (£M) | FY25-26 (£M) | FY26-27 (£M) | FY27-28 (£M) | Cumulative Gap FY25-26 to FY27-28 | FY24-25 (£M) | FY25-26 (£M) | FY24-25 (%) | FY25-26 (%) | Historic Savings | Planned Savings |
| **Oxfordshire** | 23.70 | 20.40 | 27.40 | 9.50 | 3.0 | £32.28m | 611.0 | 646.9 | 4.48% | 4.65% | Achieved through longer-term service reviews, staff restructuring, and operational realignment. | OCC have placed emphasis on delivering cross-cutting savings across the service areas. |
| **Cherwell District** | 0.20 | 0.63 | 1.38 | 1.70 | 1.86 | £10.11m | 26.9 | 26.2 | 2.34% | 5.27% | Achieved through staff restructuring, increase in income generation through fees. | Savings focus on the process of continuous improvement and service transformation across the district, focussing on improving efficiency. |
| **Oxford City** | 2.74 | 2.94 | 1.58 | 3.26 | 1.45 | £2.47m | 30,812 | 30.3 | 9.54% | 5.21% | Achieved through staff restructuring, reduction in election costs. | Anticipated savings span all service areas and are based on improved fees & charges along with transformation activities. |
| **West Oxfordshire** | 0.84 | 0.65 | 0.50 | 0.90 | 0.0 | £6.45m | 18.2 | 18.7 | 3.57% | 2.67% | Improvements in IT systems, trade waste services, as well as streamlined internal processes. | Savings through exploration of Ubico and Waste contracts. Limited information on further saving proposals available. |
| **South Oxfordshire** | 0.007 | 0.22 | 0.1 | 0.044 | 0.1 | £1.86m | 22.1 | 25.3 | 4.43% | 2.96% | Reduced admin costs and contract costs, savings from office relocation. | Savings primarily focus on income generation, staff structure review and external funding deployment. |
| **Vale of White Horse** | 1.060 | 0.207 | 0.274 | 0.078 | 0.1 | £7.87m | 23.2 | 24.64 | 2.03% | 2.76% | Income from other local authorities and reduced costs savings from offices. | Reduction in spend across staff apportionment, housing benefits budget and bad debt provision. |
| **West Berkshire** | 5.0 | 13.5 | 8.20 | 16.80 | 7.80 | £5.3m (only FY 25/26) | 174.5 | 192.3 | 7.74% | 4.26% | Achieved through use of 3rd party partnerships and use of income generation through fees / charges. | Savings proposals focus on transformation programmes, directorate savings through efficiencies through use of technology, etc. |

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# 3.8 Policy and Transformation

# Overview of Policy and Transformation

Page 344

## Purpose

This module looks at the **additional efficiency savings and income growth the new authorities could achieve post-vesting day** through localised service delivery agreements and transformation. This module has implications on other modules and helps reflect the localised conditions into the otherwise more general modelling approach.

The specific outputs from the module aims to:

- Identify realistic ("base") and ambitious ("stretch") savings potential over and above reorganisation benefits.
- Transformation potential is considered independent of structural model and delivered once consolidation is complete.
- Use evidence from local MTFS performance and the disaggregation and aggregation engagement sessions to inform base and stretch transformation scenarios. This covers:

**FTE (Front Office, Service Delivery, Back Office)** | **Addressable Third Party Spend** | **Income Generation**

## Current Service Provision

This facet of of the module looks to capture the nuances of local service provision and how that may impact the anticipated costs and benefits of reorganisation.

These are taken into account at various points of the modelling process, and is largely factored into the baselines or calculations of specific modules (eg. by refining the addressability percentages, impact of the disaggregation of large contracts).*

## Policy & Transformation

Transformation benefits are modelled in two stages: delivery pre-reorganisation and the potential change that can be delivered post re-organisation as well as any future local service delivery agreements that may influence the final positions (eg. maintaining a single Fire and Rescue Service regardless of reorganisation option).

**Note that it was agreed to shared service contracts valued less than £100k would not be disaggregated in this process as there will be little material impact.*

# Methodology

## Approach: Shared Service Provision

Some Councils have made certain efficiencies through setting up shared service delivery agreements, both pre and post-reorganisation. This may mean that existing services do not need to be disaggregated, depending on geography, or may see lesser size of opportunity for consolidation or savings benefits.

**Areas Impacted**

**Third Party Spend:** Size of opportunity, costs of disaggregation
**Staff and Pay:** Informs FTE benefits from consolidation or disaggregation
**Transformation:** Informs the 'base' and 'stretch' savings range

## Approach: Transformation

1. **Use post-reorganisation baseline figures from each of the relevant financial modules:** FTE Spend (split across Front Office, Service Delivery and Back Office), Income (Sales Fees and Charges) and Third Party Spend (Addressability).
2. **Apply revised % savings** (base and stretch) to the 1UA and the 2UA scenario to the relevant transformation categories, noting that the 2UA transformation baseline will be higher to include West Berkshire.
3. **Transformation benefit measured as a savings value (£), calculated** as baseline × % saving.
4. **Articulate totals** sum across categories to give annual recurring savings in year 5 (full realisation).

**FTE (Front Office, Service Delivery, Back Office)**

**Addressable Third Party Spend**

**Income Generation**

# Considerations: Existing Transformation Plans

Detailed below are the planned savings to be delivered ahead of the reorganisation process. A high-level review looked to understand how likely will these identified savings and transformation programmes be delivered prior to the reorganisation deadlined of 2028/29. This module does not assume that opportunities will be wholly realised by 28/29, but instead recognises that this may impact the size of opportunity for future, unaddressed transformation.



| Change Initiative | Organisation | Anticipated Savings | Impact on… | Deliverability Review |
|---|---|---|---|---|
| Increase Digitisation of Service Delivery | West Berkshire | £1.4m | FTE (Service Delivery) | **Medium:** Further savings proposals related to transformation are underway, but details currently unknown. |
| Customer Experience Programme | Oxford City Council | £0.82m | FTE (Front Office) | **Medium**: Relatively prudent savings target for similar programmes, and in line with savings delivered in previous years. |
| Oxfordshire Waste and Environmental Services Transformation Programme | West Oxfordshire | £3.0m | Third Party Spend | **Medium:** In partnership with Cherwell District Council and Oxford City Council, currently undergoing a review of alternative options for waste and recycling collection. Dependent on wider market conditions. |
| Delivering the Future Together: Organisational Redesign | Oxfordshire County Council | £5.9m | FTE (All) | **Medium**: Dependent on transformation capacity and capability, but the Council has the ambition to conduct a fundamental redesign, including job evaluations. |
| Delivering the Future Together: Commissioning and Contract Management | Oxfordshire County Council | £5.0m | Third Party Spend | **Medium**: Dependent on transformation capacity and capability, and addressability of TPS in the lead up to LGR. |
| Delivering the Future Together: Additional Commercial Opportunities | Oxfordshire County Council | £1.0m | Income Generation | **Low:** Higher dependency on income generating opportunities which can be variable and having the capacity to deliver against them. |

**Source: MTFS, Transformation Plans supplied by Councils, Cabinet Decision (Waste Programme)*

# Inputs: Potential Transformation post reorganisation

The new authorities may have the opportunity to realise further savings by transforming the way they provide services. Detailed below is a high-level summary of what additional avenues could be explored,allocated against the three primary categories of expenditure.

| Service Area | General Projections* | High-level Opportunities for Oxfordshire |
|---|---|---|
| Adult's | 1-5% | • **Assets:** Examine opportunities to repurpose existing assets to support the provision of community-based services.<br>• **FTE:** Organisational redesign to support effective service delivery model using latest technology to enhance impact and efficiency. Cross-cutting opportunities related to customer and contact management, as well as cultural and behavioural change.<br>• **TPS:** Improved strategic commissioning across housing, mental health, and care homes to reduce duplication and improve' provider rate. |
| Childrens | 1-5% | • **Assets:** Potential reduction in administrative buildings and integration of co-located services (e.g. care with housing, co-locating Family centres).<br>• **FTE:** Rationalisation of commissioning teams and support staff across 2UA option. Cross-cutting opportunities related to customer and contact management, as well as cultural and behavioural change. Review use of data to support with enhance demand management, prediction and holistic care.<br>• **TPS:** Review the care cycle, enhance preventative approach to care provisions and aim to reduce the rate of escalation for high-cost placements. |
| Place | 6-10% | • **Assets:** Develop an asset strategy, identifying additional opportunities for income generation and cost recovery (eg. disposal of surplus assets post-reorganisation and review cost-recovery in comparison to similar Councils).<br>• **FTE**: Review the service delivery model, to identify current service levels and standards, use of digital, efficiencies in existing operating model. Cross-cutting opportunities related to customer and contact management, as well as cultural and behavioural change.<br>• **TPS:** Improved long-term contract management, commissioning and procurement capabilities to support greater grip over long-term management. |
| Corporate Services | 6-15% | • **FTE:** Organisational redesign to remove duplicative activity and shadow spend within services, leveraging automation and emerging technology to streamline processes (eg. recruitment, P2P) and improve self-serve capacity. Cross-cutting opportunities related to customer and contact management, as well as cultural and behavioural change.<br>• **TPS:** Review current use of agency spend as part of organisational redesign and assess opportunities to reduce reliance on external agency spend, particularly relating to specialist services (eg. Legal), and use of data to drive performance management. |

**Transformation portfolios developed from working with Councils elsewhere, may vary depending on previous savings delivered, existing transformation in place, resource capacity. Savings projections draw on demand management, FTE release and reduced third party spend.*

# Inputs: Transformation Opportunities

Detailed below is the high-level assessment of additional transformation opportunities that may be explored following reorganisation, taking into consideration planned savings and existing transformation programmes, and drawing on conversations with Section 151 Officers to-date.

| Category | Reasoning |
|---|---|
| **Front office FTE** | Two Customer Experience Programmes are set to be delivered ahead of vesting day, which may give the incoming authorities with more digitised, capability-driven Front Office operations. However, given that this is only being explicitly delivered in two organisation, the overall size of opportunity is likely smaller than Back Office redesign. |
| **Service delivery FTE** | Benefits here would be focused on realising the benefits of more effective and efficient service delivery models, including implementing fundamental changes to service provision to reduce demand. Anticipated savings are lower than in the Front and Back Office, as service delivery activity is less impacted by digitisation but would still benefit from process optimisation. |
| **Back office FTE** | There are some planned transformation for back office and service delivery as part of OCC's organisational redesign, but there has overall been a greater focus on transforming the front office. Back office services are also more influenced by digitisation, improvements to ways of working and reduction of shadow or duplicative activity via the centralisation of operations. |
| **TPS** | There are opportunities to strengthen the grip over the future authorities' commissioning cycle, building on the initiatives underway in Oxfordshire County Council and enhancing the future organisation's overall commissioning, procurement and contract management capabilities. |
| **Income** | Some gains from income generation through review of sales. fees and charges for District charging of key services (eg. green waste, planning) and harmonising to new standards. Based on 23/24 RSX data, Oxfordshire has similar fees and charges rates with its comparator group (eg. Gloucestershire, Surrey, Buckinghamshire). |
| **Assets** | Review of current use of assets to assess cost recovery and usages of typically income generating assets (eg. car parks) and to align the strategic use of assets with service delivery models (eg. better co-location of services, repurposing certain buildings to enhance place-based service provision). |

# Inputs: Base and Stretch Assumptions

The following figures are conservative estimates of potential additional benefit that can be delivered through further transformation. It draws from end-to-end transformation programmes and portfolios delivered in other Councils and takes into account where existing initiative may reduce the overall opportunity for change.**With the exception of Assets, it is assumed that there is a greater opportunity for transformation in the Ridgeway option overall due to West Berkshire's current financial position.**

| Category | Oxford and Shires | | Ridgeway | |
|---|---|---|---|---|
| | Base % | Stretch % | Base % | Stretch % |
| Front office FTE | 1% | 3% | 3% | 5% |
| Service delivery FTE | 1% | 3% | 3% | 5% |
| Back office FTE | 3% | 5% | 5% | 7% |
| TPS | 1.5% | 3% | 2% | 5% |
| Income | 0.5% | 1% | 0.5% | 1% |
| Assets | 0.5% | 1.5% | 0% | 0.5% |

# Outputs: Oxford & Shires Transformation

The table below shows the annual recurring savings and income growth that could be achieved by Year 5, through transformation, in both the base and adjusted stretch scenarios. The adjusted stretch reflects the scale and nature of opportunities identified by councils, with the largest uplifts in Third Party Spend and Back Office transformation.

| Category | Baseline (£'000) | Base % | Base (£'000) | Stretch % | Stretch (£'000) |
|---|---|---|---|---|---|
| **Front office FTE spend** | **57,429** | 1% | 574 | 5% | 1,723 |
| **Service delivery FTE spend** | **60,561** | 1% | 606 | 3% | 1,817 |
| **Back office FTE spend** | **43,520** | 3% | 1,306 | 5% | 2,176 |
| **TPS** | **367,094** | 1.5% | 5,506 | 3% | 11,013 |
| **Income (Sales, Fees and Charges)** | **126,284** | 0.5% | 631 | 1% | 3,671 |
| **Assets (Operational Spend)** | **11,117** | 0.5% | 49 | 1.5% | 146 |
| **Total** | | | **8,672** | | **20,546** |

Page 350

# Outputs: Ridgeway Transformation

The table below shows the savings and income growth that could be achieved by Year 5, through transformation, in both the base and adjusted stretch scenarios for Ridgeway. The adjusted stretch reflects the scale and nature of opportunities identified by councils, with the largest uplifts in Third Party Spend and Back Office.

| Category | Baseline (£'000) | Base % | Base (£'000) | Stretch % | Stretch (£'000) |
|---|---|---|---|---|---|
| **Front office FTE spend** | **56,213** | 3% | 1,686 | 5% | 2,811 |
| **Service delivery FTE spend** | **59,279** | 1% | 593 | 3% | 1,778 |
| **Back office FTE spend** | **42,599** | 5% | 2,130 | 7% | 2,982 |
| **TPS** | **382,662** | 2% | 7,636 | 5% | 19,089 |
| **Income** | **73,496** | 0.5% | 367 | 1% | 735 |
| **Assets (Operational Spend)** | **11,225** | 0% | 0 | 0.5% | 49 |
| **Total** | | | **12,412** | | **27,444** |

# Outputs: Transformation Costs

Exact scale and scope of transformation will need to be refined by the new local authorities, including the anticipated upfront costs and benefits phasing.

### Investment Cost

- Transformation typically requires a degree of upfront spend, particularly in delivery resource (change management, service redesign specialists, business architecture development) and investments in tools and technology.
- For the purposes of this modelling, transformation costs are estimated at 70% of anticipated transformation benefits for the **base scenario only**. It is assumed costs would scale for the stretch scenario due to additional investment in systems and capacity requirements.
- There is an opportunity for the organisation to leverage LGR consultation and implementation resource to support with transformation, thereby dampening the total additional investment needed.
- Costs may be further reduced depending on existing in-house transformation capability and capacity.

Page 352

| Oxford and Shires | Estimated Cost (£'000) |
|---|---|
| ***Transformation Delivery Resource:*** | 3,018 |
| ***Additional Investment Costs (eg. IT and Software)*** | 2,414 |
| ***Contingency Cost:*** | 604 |

| Ridgeway | Estimated Cost (£'000) |
|---|---|
| ***Transformation Delivery Resource:*** | 4,344 |
| ***Additional Investment Costs (eg. IT and Software)*** | 3,475 |
| ***Contingency Cost:*** | 869 |

# Outputs: Transformation Phasing

Exact scale and scope of transformation will need to be refined by the new local authority, including the anticipated upfront costs and benefits phasing.

### Phasing

- Transformation costs are typically expected to be phased across the first 2 years of a programme, with the bulk of upfront assessment, design and implementation work being complete prior to significant benefit realisation.
- Noting that the new authorities will also be dealing with various challenges from reorganisation, a more conservative phasing timeline has been applied to transformation benefits realisation.

| Benefits Phasing | | | | | |
|---|---|---|---|---|---|
| | **Y1** | **Y2** | **Y3** | **Y4** | **Y5** |
| ***Transformation benefits (recurring)*** | ***0%*** | ***0%*** | ***50%*** | ***75%*** | ***100%*** |
| ***Transformation costs (one-off)*** | ***40%*** | ***40%*** | ***10%*** | ***10%*** | ***0%*** |

# 4.0 Implementation Costs

# One-off Transition Costs

The estimated one-off transition costs for reorganisation have been detailed. They illustrate the various costs the new unitary councils will face, from redundancy, through IT integration, to consultants and contingency costs. The total is projected to be around £30.4m. These costs have been informed by councils that have undergone reorganisation to provide an insight into the typical costs during LGR.

| Category | Transition Costs | Oxfordshire 2UA Cost (£'000) |
|---|---|---|
| Programme transition costs | **External Comms, Rebranding & implementation**<br>*Examples include: Staff Advertising, Venue/Room Hire, Subscriptions* | 659 |
| | **External transition, design and implementation support costs**<br>*Examples include: Other Hired & Contracted Services & Consultants Fees* | 7,686 |
| | **Internal programme management**<br>*Examples include: Staff Admin Recharge* | 3,426 |
| | **Creating the new council:**<br>*Examples include: Training, Vehicle Parts/Maintenance and Contents Insurance* | 1,464 |
| | **Contingency**<br>*Examples include: Other Expenses General & Miscellaneous Small Projects* | 3,228 |
| | **Organisation closedown**<br>*Costs involved with legally and financially closing down councils and create sound budgetary control systems* | 732 |
| | **Public consultation**<br>*Examples include: Survey Professional and Other Fees, General Materials, Entertainment and Refreshments* | 494 |
| | **ICT costs**<br>*Examples include: IT Hardware, IT Repair Installation Maintenance and Training, IT Software & IT Licences* | 6,862 |
| | **Shadow Chief Exec / member costs**<br>*Examples include: Electing the shadow cabinet, training costs* | 747 |
| **Total Programme Transition Costs** | | 25,297 |
| **Redundancy Cost -** *Examples include: Redundancy payments (does not fully factor in pension strain)* | | 5,135 |
| **Total One-off transition costs** | | 30,432 |

# 5.0 Cost and Benefits of Reorganisation

# 5.1 Changes to the Baseline

# Savings Against Expenditure: Oxford and Shires

The Financial Case builds on the findings from the Financial Options Appraisal by refining the baseline and assumptions based on detail provided by local authorities. **For Oxfordshire and West Berkshire, this has meant a refined baseline for overall expenditure and total expenditure on FTE, an evolved assumption around spend on property based on its asset portfolio as well as a refined addressability baseline to develop a prudent view on Third Party Spend savings.**

| | |
|---|---|
| **Expenditure (27/28) ('000)** | **£555,859** |

Page 358

## FTE Savings (£'000)

| | | | |
|---|---|---|---|
| **Total Spend on FTE*** | **£171,803** | **Leadership Savings**** | **£5,631** |
| **Spend on FTE excluding Leadership Savings** | **£166,171** | | |

### Calculating Aggregation Benefits

| | | Percentage Reduction from Aggregation** | Savings from Aggregation |
|---|---|---|---|
| **Proportion of FTE Spend in Front Office (36%)**** | **£59,822** | **4%** | **£2,393** |
| **Proportion of FTE Spend in Service Delivery (37%)**** | **£61,483** | **1.5%** | **£922** |
| **Proportion of FTE Spend in Back Office (27%)**** | **£44,866** | **3%** | **£1,346** |
| | | **Total Savings** | **£10,292** |

## Assets (Operational Expenditure) (£'000)

The assumption around proportion of spend on property has been reduced to reflect the Councils asset portfolio, including a comparably lower figure for Heritage Assets.

| | | |
|---|---|---|
| **Proportion of Expenditure on Property** | **2%** | **£11,117** |
| **Disaggregation Benefit** | **12.5%** | **£1,390** |

## Third Party Spend

Detailed workings for Third Party Spend savings can be found in the module.

| | | |
|---|---|---|
| **Disaggregation Benefit** | **2.0%** | **£1,002** |

**Refined baseline figure provided by local authorities. To note, spend on Fire and Rescue and Schools have been removed from the total baseline.*
***Builds on original CCN assumptions.*

# Savings Against Expenditure: Ridgeway

The Financial Case builds on the findings from the Financial Options Appraisal by refining the baseline and assumptions based on detail provided by local authorities. **For Oxfordshire and West Berkshire, this has meant a refined baseline for overall expenditure and total expenditure on FTE, an evolved assumption around spend on property based on its asset portfolio as well as a refined addressability baseline to develop a prudent view on Third Party Spend savings.**

| Expenditure (27/28) ('000) | £561,226 |
|---|---|

## FTE Savings (£'000)

| | | | |
|---|---|---|---|
| Total Spend on FTE* | £164,531 | Leadership Savings** | £1,877 |
| Spend on FTE excluding Leadership Savings | £162,654 | | |

Page 359

### Calculating Aggregation Benefits

| | | Percentage Reduction from Aggregation** | Savings from Aggregation |
|---|---|---|---|
| Proportion of FTE Spend in Front Office (36%)** | £58,555 | 4% | £2,342 |
| Proportion of FTE Spend in Service Delivery (37%)** | £60,182 | 1.5% | £903 |
| Proportion of FTE Spend in Back Office (27%)** | £43,917 | 3% | £1,317 |
| | | Total Savings | £6,439 |

## Assets (Operational Expenditure) (£'000)

The assumption around proportion of spend on property has been reduced to reflect the Councils asset portfolio, including a comparably lower figure for Heritage Assets.

| | | |
|---|---|---|
| Proportion of Expenditure on Property | 2% | £11,225 |
| Disaggregation Benefit | 12.5% | £1,403 |

## Third Party Spend

Detailed workings for Third Party Spend savings can be found in the module.

| | | |
|---|---|---|
| Disaggregation Benefit | 2.0% | £880 |

**Refined baseline figure provided by local authorities. To note, spend on Fire and Rescue and Schools have been removed from the total baseline.*
***Builds on original CCN assumptions.*

# 5.2 Cost and Benefits of Aggregation

# Cost Benefit Analysis: Aggregation Benefit

***The following sets out a view of the aggregation benefits (recurring) for the 2UA option.***

**Key benefits include:**

- **Staffing (Leadership):** Benefits from reduction in duplicated top-line and associated transition costs.
- **Staffing:** Benefits from reduction of in-scope role and associated transition costs.
- **Third Party Spend:** Benefits from reduction in addressable spend across all in-scope contract categories.
- **Democracy:** Benefits from reduction in election costs and member allowances.
- **Property:** Benefits from reduced property OpEx for rationalised assets, which excludes South and Vale.

***Note:*** *Capital receipts from rationalisation of assets are not included above.*



| Option 2UA | | | | | |
|---|---|---|---|---|---|
| | Y1 | Y2 | Y3 | Y4 | Y5 |
| **Total Aggregation Benefits (£m)** | 2.3 | 4.6 | 11.6 | 16.2 | 23.1 |

| Benefits Phasing | | | | | |
|---|---|---|---|---|---|
| | Y1 | Y2 | Y3 | Y4 | Y5 |
| **Aggregation benefits profile (recurring)** | **10%** | **20%** | **50%** | **70%** | **100%** |

| ***Staffing Benefits*** | | Oxford and Shires (£m) | Ridgeway (£m) | 2UA Total (£M) |
|---|---|---|---|---|
| Estimated Senior Leadership Structures Saving | Recurring | 5.6 | 1.9 | 7.5 |
| Estimated Front Office FTE Reorganisation savings | Recurring | 2.4 | 2.3 | 4.7 |
| Estimated Service Delivery FTE Reorganisation savings | Recurring | 0.9 | 0.9 | 1.8 |
| Estimated Back Office FTE Reorganisation Savings | Recurring | 1.4 | 1.3 | 2.7 |
| **Total Staffing Benefit** | Recurring | **10.3** | **6.4** | **16.7** |
| ***Third Party Spend Benefits*** | | | | |
| Total TPS Aggregation Saving | Recurring | 1.0 | 0.9 | 1.9 |
| ***Democracy Benefits*** | | | | |
| Estimated Total Allowances+SRA Saving | Recurring | 0.22 | 0.46 | 0.68 |
| Estimated Total Election Costs Savings | Recurring | 0.59 | 0.45 | 1.04 |
| ***Property Benefits*** | | | | |
| Total Property Savings (not including disposal of surplus assets) | Recurring | 1.4 | 1.4 | 2.8 |
| **Total Aggregation Benefits** | **Recurring** | **13.5** | **9.6** | **23.1** |

# Cost Benefit Analysis: Reorganisation Costs

***The following sets out a view of the aggregation costs (one off) for the 2UA.***

**Key costs include:**

- **New unitarites setup & closedown costs:** Spend to design the new structure and manage the change (e.g. training, comms, process redesign).
- **IT & Systems costs:** Spend on new or upgraded systems to support a single organisation (e.g. finance, HR, CRM).
- **External transition, design and implementation support costs:** Resources needed to run the transformation programme (e.g. project management, governance).
- **Redundancy Costs:** Payments and support for staff reductions due to structural changes. This has been uplifted.
- **Contingency:** A buffer for unexpected costs, reflecting risk and complexity.
- ***Recurring Disaggregation costs are expected to primarily impact the Ridgeway UA.***

| Option 2 - Oxford and Shires and Ridgeway (£'000) | | | | | | |
|---|---|---|---|---|---|---|
| | Y0 | Y1 | Y2 | Y3 | Y4 | Y5 |
| **Total One-Off Transition Costs (£M)** | -12.1 | -12.1 | -6.2 | 0 | 0 | 0 |
| **Total Disaggregation Cost (recurring) (£m)** | 0 | -3.1 | -3.1 | -3.1 | -3.1 | -3.1 |
| **Benefits Phasing** | | | | | | |
| | Y0 | Y1 | Y2 | Y3 | Y4 | Y5 |
| **Transition costs (one-off)** | 40% | 40% | 20% | 0% | 0% | 0% |
| **Disaggregation costs (recurring)** | 0% | 100% | 100% | 100% | 100% | 100% |

| *One off transition / implementation costs* | Total (£M) | Note |
|---|---|---|
| **New unitarities setup & closedown costs**<br>• External Comms, Rebranding & implementation:<br>• Internal Programme Management:<br>• Creating the new council<br>• Organisation closedown<br>• Public Consultation<br>• Shadow Chief Exec Costs | *7.5* | Programme management, administrative and legal activities linked to new council creation and closedown, public consultation, rebranding and communications ahead of vesting day, and shadow member and executive costs. Based on other actuals from other previous LGR experience. |
| IT & Systems Costs | *6.9* | Costs of data migration, systems migration, setting up new systems, hardware costs, integrating business systems etc. Based on other actuals from other previous LGR experience. |
| External transition, design and implementation support costs | *7.7* | Based on other actuals from other previous LGR experience. |
| Redundancy costs | *5.1* | Redundancy cost as a proportion of salary (current assumption) x total FTE saving |
| Contingency | *3.2* | Approximately 10% of total one off transition / implementation cost. |
| **TOTAL** | *30.4* | |

**It is assumed that transition costs will be funded and councils will need to agree around how it is funded.**

# Cost Benefit Analysis: 5 Year Outlook

This takes into account:

- Aggregation and disaggregation benefits / costs (recurring)
- One-off transition costs

Both options have a net cost in Year 1 due to transition spend, followed by strong and rising net in year benefit.

*Page 363*

***Note:** Modelling reflects assumptions agreed as in August 2025.*

***Recurring Disaggregation costs are expected to primarily impact the Ridgeway UA.***

**2UA Model**

| | Y0 | Y1 | Y2 | Y3 | Y4 | Y5 | Total 5 year Benefit / (Costs) |
|---|---|---|---|---|---|---|---|
| Total Aggregation Benefits (£m) | 0 | 2.3 | 4.6 | 11.6 | 16.2 | 23.1 | 57.8 |
| Total Disaggregation Benefits / Costs (£m)* | 0 | -3.1 | -3.1 | -3.1 | -3.1 | -3.1 | -15.5 |
| Total Transition Costs (£m) | -12.1 | -12.1 | -6.2 | 0 | 0 | 0 | -30.4 |
| Net in year Benefit/(Cost) (£m) | -12.1 | -12.9 | -4.5 | 8.5 | 13.1 | 20.0 | 12.2 |

**Benefits Phasing**

| | Y1 | Y2 | Y3 | Y4 | Y5 |
|---|---|---|---|---|---|
| Aggregation benefits profile (recurring) | 10% | 20% | 50% | 70% | 100% |
| Disaggregation costs (recurring) | 100% | 100% | 100% | 100% | 100% |
| Transition costs (one-off) | 100% | 0.00% | 0.00% | 0.00% | 0.00% |

**Based on the cost/benefit analysis, the payback period for the 2UA LGR option would be 4.4 years, or within 5 years.**

# 6.0 Outputs for 2 UA Option

# Day 1 Financial Position

The Income and Expenditure and Assets and Liabilities position has been set out for Oxford and Shires and Ridgeway in the 2UA option. **This is the balance position prior to any benefit realisation from local government reorganisation or further transformation.**

| Income and Expenditure | | | |
|---|---|---|---|
| | 2 UA (£m) | | |
| **Category** | **Oxford and Shires** | **Ridgeway** | **Notes** |
| **Income*** | | | |
| **Council Tax** | 377.4 | 431.5 | Currently 27/28 view. Includes Council Tax Surpluses. |
| **Grants (inc. non-AEF)** | 45.8 | 63.0 | Currently 27/28 view |
| **Business Rates** | 114.4 | 55.0 | Currently 27/28 view |
| **Total Income** | 537.6 | 549.5 | |
| **Expenditure**** | | | |
| **All Staff** | 171.8 | 164.5 | Does not include any staffing consolidation impact. Proportion based on FY25/26 establishment data shared. |
| **All Non Staff** | 384.1 | 396.7 | Expenditure excluding staff |
| **Total Expenditure** | 555.9 | 561.2 | Total Expenditure for all authorities in Oxfordshire and West Berkshire. FY27/28 |
| **Net Position** | -18.3 | -11.7 | |
| **Total Reserve Draws** | 13.4 | 6.8 | Draws from reserves for FY27/28 to cover budget deficit |
| **Final Position** | -4.9 | -4.9 | |

**Income Sources: Draft statement of accounts (24/25), MTFS and MTFPs, Pixel Outputs*

***Expenditure Sources: Statement of Accounts 24/25, Net Operating Expenditure (25/26 onwards), Newton Analysis, Establishment data (provided by LA),.*

# Day 1 Financial Position

The Income and Expenditure and Assets and Liabilities position has been set out for Oxford and Shires and Ridgeway in the 2UA option.

| Assets and Liabilities (Core Considerations - not exhaustive)* | | | | |
|---|---|---|---|---|
| | 2 UA (£m) | | | |
| **Category** | **Oxford and Shires** | **Ridgeway** | **Oxford and Shires HRA** | **Notes** |
| **Assets** | | | | |
| **Fixed Assets** | 2,968.6 | 1,692.2 | 1,339.1 | Long-term assets only, projected to 28/29 using Capital Expenditure |
| **Liabilities** | | | | |
| **Long Term Borrowing** | 994.9 | 503.3 | 586.1 | Debt, Long Term Borrowing, EFS |
| **Short Term Borrowing** | 318.3 | 358.5 | 0 | Short Term Borrowing |

**Asset Sources: Statement of Accounts, Capital Expenditure from MTFS and MTFP Capital Programmes*
***Liabilities: MTFS and MTFPs, information supplied by LAs*

# Transformation - 2 UA

There is an opportunity to deliver additional transformation savings based on the view from the MTFS and Policy module. The scope of transformation savings would be refined by the new authorities including identifying individual opportunities. The phasing of transformation benefits has been tapered to show a five year implementation period. Investment, transition and implementation costs have been included. An updated view of net benefits over the five year period has been provided.

| Transformation Opportunities | | | | | | |
|---|---|---|---|---|---|---|
| **Benefit Area** | **O&S Baseline (£m)** | **Savings Assumption (O&S)** | **O&S (£m)** | **Ridgeway Baseline (£m)** | **Savings Assumption (Ridgeway)** | **Ridgeway (£m)** |
| **Reduction in front office FTE spend** | **57.4** | 1% | 0.6 | **56.2** | 3% | 1.7 |
| **Reduction in service delivery FTE spend** | **60.6** | 1% | 0.6 | **59.3** | 1% | 0.6 |
| **Reduction in back office FTE spend** | **43.5** | 3% | 1.3 | **42.6** | 5% | 2.1 |
| **Reduction in TPS** | **367.1** | 1.5% | 5.5 | **382.7** | 2% | 7.6 |
| **Increase in Income** | **126.3** | 0.5% | 0.6 | **73.5** | 0.5% | 0.4 |
| **Assets (Operational Expenditure** | **11.1** | 0.5% | 0.05 | **11.2** | 0% | 0 |

| Oxford and Shires UA | | | | | |
|---|---|---|---|---|---|
| **Year** | **1** | **2** | **3** | **4** | **5** |
| **Yearly Benefit (£m)** | 0 | 0 | 4.3 | 6.5 | 8.6 |
| **Yearly Cost (£m)** | -2.4 | -2.4 | -0.6 | -0.6 | 0 |
| **In-year Net Benefit / (Costs) (£m)** | -2.4 | -2.4 | 3.7 | 5.9 | 8.6 |

| Ridgeway UA | | | | | |
|---|---|---|---|---|---|
| **Year** | **1** | **2** | **3** | **4** | **5** |
| **Yearly Benefit (£m)** | 0 | 0 | 6.2 | 9.3 | 12.4 |
| **Yearly Cost (£m)** | -3.5 | -3.5 | -0.9 | -0.9 | 0 |
| **In-year Net Benefit / (Costs) (£m)** | -3.5 | -3.5 | 5.3 | 8.4 | 12.4 |

# Consolidated View - Benefits

Detailed below is a consolidated view of the benefits of local government reorganisation as well as the transformation post reorganisation, which would be expected to be annual, recurring benefits from Y5 onwards.

| Benefit Area | Oxford and Shires | | Ridgeway | |
|---|---|---|---|---|
| | O&S LGR Benefits (£m) | O&S Transformation Benefits (£m) | Ridgeway LGR Benefits £m) | Ridgeway Transformation Benefits £m) |
| Senior Management | 5.6 | N/A | 1.9 | N/A |
| Front Office FTE | 2.4 | 0.6 | 2.3 | 1.7 |
| Service Delivery FTE | 0.9 | 0.6 | 0.9 | 0.6 |
| Back Office FTE | 1.4 | 1.3 | 1.3 | 2.1 |
| Third Party Spend | 1.0 | 5.5 | 0.9 | 7.6 |
| Democracy | 0.8 | N/A | 0.9 | N/A |
| Assets (Operational Expenditure) | 1.4 | 0.05 | 1.4 | 0 |
| Income Generation | N/A | 0.6 | N/A | 0.4 |
| **Gross benefits** | **13.5** | **8.6*** | **9.6** | **12.4** |
| *Less disaggregation cost* | 0 | 0 | 3.1 | 0 |
| **Net benefits** | **22.1** | | **18.9** | |
| **Total 2UA net benefits** | **41.0** | | | |

**To note, there is a slight discrepancy in the sum figures here due to rounding, but the the original sum figure is £8,623,395.*

# Year 5 Changes (Oxford and Shires)

The following sets out the Year 5 changes based on the impact of Reorganisation, Transformation and Council Tax Harmonisation.The Year 5 position assumes that there are no changes in the baseline position from Year 1. A significant number of elements could impact the Year 1 position. For example, these include Fair Funding Review, settlement from government, inflation, political change nationally and locally. Note the following does not include any inflationary uplift for each component.

| Component | Assumption | Baseline (£m) | Y5 (£m) | Differential (£m) |
|---|---|---|---|---|
| **Council Tax** | 4.99% increase each year for five years based on the harmonisation. | 394.6 | 532.3 | 137.6 |
| **Reorganisation Benefit** | Transition Benefit (TPS, Democracy and Assets Operational Expenditure) - fully implemented | 0 | 3.4 | 3.4 |
| **Transformation Benefit** | Transformation Benefit (TPS, Income and Assets Operational Expenditure) - fully implemented | 0 | 6.2 | 6.2 |
| **Staffing** | Baseline does not reflect the cost of harmonisation. It reduces baseline FTE expenditure and incorporates anticipated transformation and reorganisation benefits. | 171.8 | 159.0 | 12.8 |
| **Totals** | | | | **160.0** |

# Year 5 Changes (Ridgeway)

The following sets out the Year 5 changes based on the impact of Reorganisation, Transformation and Council Tax Harmonisation.The Year 5 position assumes that there are no changes in the baseline position from Year 1. A significant number of elements could impact the Year 1 position. For example, these include Fair Funding Review, settlement from government, inflation, political change nationally and locally. Note the following does not include any inflationary uplift for each component.

| Component | Assumption | Baseline (£m) | Y5 (£m) | Differential (£m) |
|---|---|---|---|---|
| **Council Tax** | 4.99% increase each year for five years based on the harmonisation. | 469.0 | 653.3 | 184.3 |
| **Reorganisation Benefit** | Reorganisation Benefit (TPS, Democracy and Income) - fully implemented | 0 | 3.0 | 3.0 |
| **Transformation Benefit** | Transformation Benefit (TPS and Income) - fully implemented | 0 | 8.0 | 8.0 |
| **Staffing** | Baseline does not reflect the cost of harmonisation. It reduces baseline FTE expenditure and incorporates anticipated transformation and reorganisation benefits. | 164.5 | 153.7 | 10.8 |
| **Totals** | | | | **206.1** |

# 7.0 Appendices

# Staff Establishment Spend

| Organisation | Spend on Establishment (£'000) | Source | Additional Notes |
|---|---|---|---|
| Cherwell District Council | 22,883 | Provided by Local Authority | Exact Figure |
| Oxford City Council* | 30,424 | Provided by Local Authority | Approximate Figure |
| West Oxfordshire | 5,289 | Provided by Local Authority | Exact figure, does not include Publica spend, which is assumed to be picked up through Third Party Spend. |
| South Oxfordshire | 27,010 | Provided by Local Authority | Exact Figure, the two Councils have a shared service agreement and establishment. |
| Vale of White Horse | | Provided by Local Authority | |
| Oxfordshire County Council* | 189,738 | Provided by Local Authority | Approximate figure which has removed establishment spend related to Fire and Rescue and School |
| West Berkshire* | 60,990 | Provided by Local Authority | Approximate Figures |

**Establishment spend is an approximate figure calculated from the midpoint salary bands and total FTE per salary band.*

2025

# Planning for Devolution – A ‘Growth’ offer from the proposed 2 new Unitary councils.

FINAL – 14 OCTOBER 2025

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**Contents**

**Developing a growth offer from the proposed 2 unitary councils.**

## 1. Our unitary council proposals – Understanding the context, planning for growth

### 1.1 Introduction

The proposed two new unitary councils – '*Oxford & Shires'* and *'The Ridgeway Council'* – are based on a set of corridors which link the current districts and the existing unitary council together. The proposed new unitary councils are all located in the Oxford to Cambridge Growth Corridor and the proposed MSA for the Thames Valley.

These proposals consider the strategic context, national priorities and local ambitions to show how the new mayor and our proposed two new unitary councils could interact and makes proposals for areas of collaboration between the mayor and each unitary Council to deliver a significant growth package at pace.

This paper considers a series of proposals for the growth issues common to both new unitary councils.

The paper also offers views on the two proposed alternative reform options, a large countywide unitary council and a small Oxford City unitary council.

This paper also sets out the common features and ambitions for growth, accelerated economic growth, new housing, transport and other infrastructure priorities.

### 1.2 Local Government Reorganisation and Devolution – the strategic context

The Government is aiming to transform how local government operates in Oxfordshire within the next two to three years.

The current focus will involve both local government reorganisation (LGR) of the current two-tier systems of the County Council and the District and City Councils which will be replaced with a system of unitary authorities. It also involves an invitation for the establishment of new Strategic Authorities (SA) which will have powers and responsibilities across SA areas. The Berkshire and Oxfordshire local authorities have agreed to progress with the submission of a Mayoral Strategic Authority (MSA) for their geography, but this is still subject to formal agreement by the relevant councils. There remains a question about the inclusion of Buckinghamshire and Swindon within this MSA.

Although both processes of LGR and Devolution have their distinct remit and processes of reform, there is a significant amount of overlap, especially where existing and new functions and statutory responsibilities shift to the MSA in future as part of the devolution process. An important new role for local government will be statutory strategic planning powers. These will be established through the Planning and Infrastructure Bill (PIB) which is expected to receive Royal Assent this Autumn. All areas will then be required to prepare a new strategic plan– a Spatial Development Strategy (SDS)- with universal coverage expected by the end of the first Parliamentary term.

The new SDS will form part of the statutory development plan alongside local plans (and neighbourhood plans where relevant) and will have a number of key roles in relation to strategic infrastructure and determining the spatial distribution of growth (including housing allocations for each local plan). Those areas with MSAs now and in the future will also be able to access significant additional powers and funding opportunities to help deliver the SDS, including the ability to call in an application from the relevant local planning authority for Mayoral decision-making and the raising of Strategic Infrastructure Levy.

The SDS will also operate as a long term (30 year) spatial investment framework so will have a critical role in the integration of wider roles and responsibilities, especially for the environment, the economy and infrastructure. They will also be expected to reflect the Government's ambitions for 'health in all policies' and will therefore be important to both Public Health and the Health Authorities, especially in relation to addressing health disparities.

Although the Government's ambition is that all parts of England will eventually have an MSA with strategic planning responsibilities, work on the new system will have to start before the new MSA has been established in some places. The PIB therefore includes transitional arrangements where the strategic planning authority will initially sit with the upper tier authorities. If the working assumption is that there will be a Thames Valley SDS, all unitary councils (Berkshire, Bucks, Swindon) and Oxfordshire County Council will have responsibility for preparing the SDS. This will be managed through the establishment of a Strategic Planning Board (SPB) following enactment of the PIB.

The Government's expectation is that the SDS preparation process will take two to three years which means that the first version is likely to be prepared (or at least submitted for examination) before LGR becomes fully operative in May 2028 or a new MSA has been established.

We have considered a number of key issues as part of the LGR process, including:

- What role will the existing Councils play in the preparation of the SDS, especially as some local plans will be being prepared/updated on a similar timescale and there is an opportunity to share evidence? Note: Government's expectation is that local plan preparation should continue at pace even if this means they will have to be updated to reflect the emerging SDS at some point.

- What opportunities are there to reset the skills and resources through LGR with the potential to share some of these with the emerging strategic planning teams (and eventual MSA), especially some of the specialist skills that are often in scarce supply?

- The new unitary authorities will also be responsible for all local government functions (taking on a number of responsibilities from Oxfordshire County Council in the Oxfordshire area of the two new unitary councils) that will impact on how they manage their place-making functions (such as minerals and waste planning, Lead Flood Risk Authority etc). Local Government Reform and Devolution (with roles around spatial planning, transport, regeneration and housing delivery) provide an opportunity to rethink how these resources are managed.

- What opportunities are there to establish new working arrangements with stakeholders (especially infrastructure providers) and communities that can be used to inform the individual authorities and to shape strategic policies managed through the future MSA?

**1.3 Our proposed spatial growth strategy**

We propose to base our proposed two unitary councils on an ambitious growth strategy that enables the two Councils to build on experience, to collaborate together and with the new Mayor.

- Our proposals consider residential housing, employment and commercial growth, based on adopted Local Plans and looking to the future.

- Our proposals focus on market towns and villages as well as the development needs of Oxford City and new settlements such as Salt Cross in West Oxfordshire.

- Our economic offer focuses on supporting commercial and business growth in key sectors, clusters and corridors.

- To build a network of business and science parks across Oxfordshire and West Berkshire, not just the locations around Oxford.

- Our proposals include an increase in social housing to accompany our current planned growth and to go further to meet needs of the community and growing the economy.

- We will work with the MSA at the regional level and education/business at Local authority level to drive skills development to meet the needs of key sectors and commerce.

- We are prioritising the reuse of brownfield land on former military bases and supporting the creation of a series of garden communities and new settlements.

- We are aligning our infrastructure priorities to support growth across Oxfordshire and the Thames Valley areas.

- We have identified infrastructure priorities to engage with the new mayor to address, maximising the potential of existing infrastructure and including an ambitious new transport investment package.

- Our infrastructure issues include the need for improvements to our energy, water connections and investment to assist nature recovery.

- Our proposals seek to avoid major ecological constraints and seek to support climate resilience, with minimal impact on the Green Belt and local communities.

- Our proposals aim to ensure our growth is sustainable and avoid major constraints, such as areas of flood risk.

**1.4 Working in transition.**

We recognise that there will be a period of transition between the current local government landscape and the establishment of 2 new unitary councils and the new mayor and Combined Authority.

We are committed to a smooth transition to create a stable environment in which services are delivered and our aspirations for Devolution can be secured by working with the mayor.

We recognise that the Planning and Infrastructure Bill, on adoption, will confer powers to the Upper Tier Authorities such as unitary councils, including West Berkshire Council, straight away and will require a transitional period of working between Oxfordshire County, West Berkshire Council and the existing Oxfordshire Districts, leading to the creation of Mayoral CA and the 2 new unitary councils by a set timetable.

In this transition period, a Spatial Planning Board will be established, ahead of the forming of our 2 new unitary councils. We will work with Oxfordshire the County Council and the six existing Berkshire Unitary Councils on the Spatial Planning Board to ensure it reflects our growth priorities.

The proposed two unitary council model will facilitate this joint working as West Berkshire Council will straddle the Oxfordshire and Berkshire areas. In planning for Ridgeway and Oxford & the Shires Councils, West Berkshire will provide glue to ensure that the plans for growth are aligned across the existing Berkshire and Oxfordshire areas.

The West Berkshire Council not only has an understanding and experience of delivering all unitary functions but, with a foot in both Oxfordshire and Berkshire, it will enable this experience and knowledge of the strategic plans for Berkshire to be coordinated with plans for Oxfordshire, working with the existing Oxfordshire Councils and Berkshire Councils too, especially given the significance of the current joint working within the Berkshire Prosperity Board.

## 2.The purpose of our 2 new unitary councils

### 2.1 Introduction and overview

Our proposals for the Government and our offer to the new mayor aims to show the ambition, intended culture and collaboration between the merged Councils to create the new unitary councils. With spirit of joint working and alignment we want to establish between the unitary councils and the new mayor over the long term:

- Creating and taking new opportunities.
- Securing environmentally sustainable housing standards of a high quality.
- New integrated unitary councils with shared services, which learn together.
- Working with others in the new Strategic Authority.

These proposals are shaped by our history and experience as Districts and a small unitary, close to the communities and responsible for shaping the future of each District. We are looking 30 years ahead and planning for the long term. This proposal follows in that spirit.

New arrangements will build collaboration and cooperation between the 6 current Districts and the unitary council of West Berkshire through the creation of 2 new complementary unitary councils. These proposals can be implemented at pace in both the northern and southern areas.

### 2.2 Our proposed two new unitary councils

Our proposed two new unitary councils are built around a series of corridors that link the two areas:

- A unitary council in the north of Oxfordshire to be called ‘Oxford & Shires’ which is linked by the A40 corridor from Carterton to Oxford, together with the A41, A4260 and the M40 and A34 corridors linking Banbury and Bicester with Oxford. This link is reinforced by the new East - West rail, the Banbury to Oxford Line and North Cotswolds line linking West Oxfordshire with Cherwell and Oxford City.
- A unitary council that brings together the south of Oxfordshire and West Berkshire to be called ‘The Ridgeway Council’, linked by the M4 corridor, the A34 and A420 corridors linking South Oxfordshire, the Vale of White Horse and West Berkshire.

### 2.3 Governance, building on existing relationships.

Our proposed ‘northern’ and ‘southern’ unitary councils are complementary and reinforcing.

They are intended to collaborate with each other and the mayor through a new Oxfordshire Forum to include the 2 unitary councils, the Berkshire Prosperity Board, business (Advanced Oxford and Chambers from the Thames Valley and Oxfordshire), Universities and others. This will enable joint learning between the 2 new Unitary councils and the exchange of best practice.

- With each new unitary council being of a broadly comparable size.

- The current councils all have a strong delivery record, our delivery of new housing, business parks and town centre regeneration and our two new unitary councils will take forward their innovation and dynamism. Each unitary will build on the track record of delivery and joint working that is already well developed in the area. For example, the long-standing joint working between South Oxfordshire and Vale of White Horse, Cherwell's previous collaboration with South Northamptonshire and the collaboration within the Berkshire Prosperity Board.

- West Berkshire Council will bring its experience as an established unitary council in the design of the 2 new unitary councils, leading to informed organisational design.

- The two proposed unitary councils will retain a close focus on the distinctive local areas they cover and will work to maintain communities that are resilient and cohesive with good health and high well-being.

We propose to establish area oversight boards within each new unitary, to work closely with and involve businesses and developers in shaping identified localities, the market towns and areas within the City and to consider delivery coordination, infrastructure challenges and to consider the cumulative impacts of development. The use of area panels will help ensure the distinctiveness of local areas is retained, taking account of Local Plans, Neighbourhood Plans, Transport Plans and Environmental Strategies and other local strategies:

- In Cherwell covering Banbury, Bicester, Heyford and Kidlington.

- In West Oxfordshire focus on Carterton, Witney and Eynsham.

- In Oxford City the current ward arrangements.

- In South Oxfordshire & Vale of White Horse focusing on Didcot, Henley, Thame, Wallingford, Faringdon and Wantage.

- In West Berkshire covering Newbury, Thatcham, Marlborough and Hungerford.

The new unitary councils will take account of the work and conclusions of the Oxford Growth Commission in shaping how the growth needs of Oxford city and the economic opportunities and infrastructure challenges both transport, power and water are addressed.

The new unitary councils will also engage closely within the MSA and other neighbouring councils to the facilitate the growth of the wider Thames Valley area and the success of our places within MSA.

**2.4 Principles to guide our new unitary council's approach to growth.**

The principles that should guide the new unitary council's approach to growth include:

- Meeting the growth aspirations from Government.
- Listening and engaging with our communities, businesses and service users to meet their needs.
- Deepening and leveraging the economic strength of areas, showing that we are '*investment ready'*.
- Placing climate action at the centre of all our future plans.
- Taking account of the corridors which bring the two new unitary councils together and the opportunities within the Oxford Cambridge Growth Corridor.
- Making sure that the city of Oxford can grow in a sustainable way, meeting identified needs.
- Establishing two outward looking new organisations that engage closely with neighbouring bodies on key matters.
- Align strategic plans for growth across the wider geography including transport and other infrastructure to enable growth across Oxfordshire and the Thames Valley.
- Aiming for more confidence and certainty in how planning will support growth by ensuring universal coverage of up-to-date local plans and speeding up decision-making on planning applications.

There is an important link between economic success, the delivery of housing growth and the increased provision of affordable housing in a relatively wealthy area. Our aims include:

- Securing affordable housing to support economic growth.
- Coordinating housing delivery of a range of types to meet community needs.
- Ensuring new housing is distinctive and is place related, not 'anywhere' development.
- Supporting high quality economic and residential growth across the two unitary council areas, meeting our ambitions for net zero carbon.

Planning will be one of the central roles of the new unitary councils but ,split with some aspects of planning undertaken by the new mayor. Coordination and alignment between the two bodies – unitary and mayor – will be essential to be accountable to community and business in planning for the long term, as well as ensuring development occurs in the right places.

One of the issues that will be critical for the 2 new unitary councils will be securing a quicker planning service.

Through the creation of two new planning teams, one for each new unitary council, we have considered what will be needed to build investor confidence through the planning system and address our customers' needs efficiently and effectively, providing certainty for our communities and for our applicants.

Two new unitary councils will be able to speed up decision-making on planning as this will be easier if a) the unitary is not a large county authority, with a poor delivery record on current development proposals, and b) because there is the opportunity, based on experience, to reset the skills and resources needed to focus on speed and efficiency. We intend drawing on existing experience to speed up planning approvals at business parks using LDOs (see section 2.8.1)

The two unitary councils will end two tier working and bring all teams within a single structure, bringing together planning, housing, transport and flooding etc. West Berkshire Council has the experience of this model of service coordination and stands ready to support the north unitary too. West Berkshire has developed and adopted its local plan in this context

The two new unitary councils will not be too big to lose sight of the needs of the community but big enough to drive efficiencies, meet community needs and deliver in this context.

The two new unitary councils will plan for the long-term needs of each area, by using Local Plans alongside our proposals for growth to:

- Meet housing growth and providing affordable housing.
- Build dynamic, sustainable communities.
- Build distinctive places, with high quality buildings reflecting the attractiveness of the area, its history and its urban and rural landscapes.
- Ensure we support dynamic, attractive places that people want to live in, work in and visit.
- Support economic growth and create an environment in which business wants to invest and grow.
- Provide a framework for relating infrastructure to planned growth and greater level of certainty for investment.

## 2.5 Working with the mayor in collaboration.

We plan to establish a collaborative relationship within the new mayor; challenging where appropriate but always engaged and responsive. We want to:

- Establish shared priorities.

- Work with common stakeholders, including business and skills providers for the long term success of the area's economy. This will include working with the major and business across the area to identify skills needs and development opportunities to deliver for the needs of business.

- Recognise that planning powers will be split but need to interact to be effective.

- Identify infrastructure needs and work together to establish a joint investment pipeline.

- Recognise that the Spatial Development Strategy set by the mayor, with input from the 2 new unitary councils, will create a 30-year strategic framework for new councils and drawing on the connecting corridors that underpin them will set a framework for the Local Plans of the future.

- Working with the mayor to ensure climate ambitions are a central consideration of their long term planning.

- Assist the mayor to use spatial planning powers to transform infrastructure planning, with housing and community development proposals from the new unitary councils complementing the mayor's economic focus.

## 2.6 Our ask of the new mayor.

Our proposals present a series of proposals to the new mayor to forge a shared approach and to help ensure that the new unitary councils and new mayor work in tandem.

Our proposals which follow for each new unitary include proposals for a package of investment in key road links and rail infrastructure to support economic and housing growth in key transport corridors. They also look to unblock network constraints and improve productivity. This will look across the Oxfordshire and Berkshire geographies to incorporate Councils that have a knowledge and experience of both.

Our proposals place an emphasis on investing in social housing, securing improved transport and digital connectivity, improving infrastructure and skills, recognising shared climate ambitions and working closely with business.

Our proposals establish an investment pipeline that will enhance nationally significant sectors located across Oxfordshire and West Berkshire within the areas to be covered by the two new Unitary councils.

### 2.7 Delivering the government's priorities.

Our proposals respond to the Government priorities as set out in the 'Programme for Change' and associated documents. The two new unitary councils are the right level to ensure national objectives support area delivery, considering community and business impacts. It is this local community and business focus that distinguishes our unitary council proposals from other options. In addition, West Berkshire has a foot in both Oxfordshire and Berkshire which will support the mayor to coordinate and navigate between the local authorities of the two areas to deliver ambitions. We are embracing:

- The Government's commitment to growth, through new housing and economic development, delivered at pace.

- The UK's Modern Industrial Strategy and 8 high growth sectors to ensure our approach to economic development and response to proposals that reflect these national objectives are supported. We will work with local partners to support clusters, key sectors and skills support.

- The prioritisation in the Spending Review of spending on critical infrastructure to accelerate growth and promote energy security.

- Engagement with Great British Energy as well as the National Energy Systems Operator (NESO) and communities, businesses, district network operators on the green energy transition to increase home-grown, local renewable energy generation and extend the grid supply and storage to meet the energy needs of our growth plans and to accelerate net zero.

- Planning for a green energy revolution, securing investment to enhance the power grid to support planned and sustainable economic and housing growth, and investment to upgrade our water and sewage infrastructure.

- Engagement with new Great British Railways and existing train operating companies GWR and Chiltern Railways to enhance transport connectivity.

- The need to work together with the mayor on the delivery of infrastructure needed to support the decisions of the New Town Commission about any new large new settlements in Oxfordshire and West Berkshire which will sit outside the Local Plans but will impact on the existing settlements and infrastructure.

- The commitment by the Government to secure '*health in all policies'* and that the application of these policies will help tackle health and inequalities.

- The enhanced role of Natural England resulting from the Planning and Infrastructure Bill to secure 'Environmental Delivery Plans' to protect the SACs in Oxfordshire and West Berkshire in support of Local Nature Recovery.

- The work of the Oxford Growth Commission on the growth needs of Oxford and to support the Oxford to Cambridge Growth Corridor and leverage support for our growth priorities.

The Oxfordshire Growth Corridor is one of the Government priorities which will impact on the work of the two new unitary councils and the new Mayor, by:

- Bringing new investment from Government in infrastructure and removing ‘roadblocks’ to growth.
- Securing new capital investment from the private sector from the UK and beyond to co-fund growth in all stages.
- Supporting our universities to locate business innovation on their campuses and working with our colleges and local businesses on skills provision.
- Ensuring sites are available to attract new investment.
- Ensuring that the skills needed to harness the innovation are available and by providing good and affordable housing.
- Ensuring Local Plans are up to date, and planning applications are determined quickly.

Alongside the Oxford to Cambridge Growth Corridor will be continuing to engage with the Berkshire Prosperity Board and delivery of the associated Berkshire Economic Strategy.

The Board has adopted a significant economic ambition –

*‘Our vision is that, by 2035, Berkshire will have the most productive and fastest growing local economy in the UK. Our strategic aim is to grow the Berkshire economy by 3% per annum in real terms from £52.5bn to £70.5bn and to increase employment by 6% from 601,000 to 637,000 between 2025 and 2035.’*

**2.8 Maintaining a strong economy.**

We want to maintain the economic success of our area by building on our economic strengths and the distinctiveness of each area. The area plays a leading role in providing economic strength to the UK, with major business and science parks and the transfer of technology from research in Oxford’s Universities & Colleges to new business applications, enabling accelerated economic growth in critical sectors such as advanced engineering, AI, robotics, biomedicine and new forms of mobility. This includes:

- We wish to build on our close relationship with Oxfordshire and West Berkshire businesses, meeting their aspirations, by providing decision-making certainty, involving business of all sizes and listening to them. At the heart of our closer relationship with business, we aim for planning to be an enabler and not a blocker, with a planning service in each unitary council that is built on the principles of efficiency, speed and effectiveness.
- In each unitary will be an opportunity to engage specialist skills and provide services across the new Unitary area and extend the existing high volume of business communications.

- We will work with sector and business groups, such as the local Chambers of Commerce and the Thames Valley Chamber, the Federation of Small Businesses and Advanced Oxford. This will include working with and within the Berkshire Prosperity Board. The experience West Berkshire has had from working with the Berkshire bodies will provide coordination and alignment to deliver economic growth within MSA area.

- We are determined to support business growth in science, innovation and technology, together with their critical supply chains, in line with the UK's Modern Industrial Strategy and 8 high growth sectors in our two unitary council areas. We will continue to work with our Enterprise Zones covering 'Science Vale' and the Didcot Growth Accelerator.

- Other key sectors include working with defence at AWE in West Berkshire, Brize Norton in West Oxfordshire, defence research at Shrivenham in the Vale of White Horse and Bicester in Cherwell; and working with the creative industries including digital media the film industry at Shinfield in West Berkshire and across Oxfordshire.

- We will also focus on rural diversification across both new unitary councils, working with SMEs and including green farm infrastructure and working with the racehorse industry in the Ridgeway Council area extending the current work of West Berkshire Council.

- We are looking to strengthen and extend, consolidate and connect the tourism offer and links within and between the destinations of the 2 proposed unitary areas, beyond the main attractions to increase dwell time and overnight stays. Also, tapping into the 32 million annual visitors to Oxford and at the same time addressing the overheating of Oxford City as a single visitor destination.

- Work with destination partnerships, promoting careers in leisure and business tourism and promoting retail destinations will help strengthen our high streets in the market towns, Oxford city, Blenheim Palace, the internationally known Bicester Village and our three National Landscapes.

- We want to secure business support and support the growth of business sites and to be able to respond positively to inward investment inquiries, making best use of strategic locations such as motorway junctions and the reuse of former military bases.

- Social economy and community interest companies are strongly represented in Cherwell and South and Vale. We want to spread the use of Community Employment Plans to improve access to skills and employment opportunities at new business locations.

- The experience of using Community Employment Plans has helped ensure inclusive growth and leverage the planned growth to meet needs of local community. There are closely related to skill providers in FE Colleges. The creation of 2 new unitary councils will help widen this economic activity in conjunction with the work of West Berkshire unitary council in the Berkshire Prosperity Board .

- We are ready to deepen our partnership working with colleges and businesses across the two unitary areas to support the acquisition of the skills through apprenticeships and the training necessary for all residents to enter the workforce.

- We will build on the work of OCC and the Berkshire DIG to improve digital infrastructure across the region will extend our support for business opportunities.

- We want to use AI to provide clear pathways for skills and apprenticeships with local businesses, linked to local communities and their needs.

- We want to secure research & development funding from government via the mayor to accelerate science, innovation and technology development across Oxfordshire in the business centres of ‘Oxford & Shires’ and the ‘Ridgeway Council’ areas.

**2.8.1 Our offer to business**

Our two new Unitary Councils will draw on the approach of the existing Councils to enable work at scale, strengthening our ability to work with local business to understand their needs, to respond and coordinate with ensuring housing, infrastructure and workforce development meets these needs.

We plan to significantly increase the speed of our decision taking on planning applications to support business activities.

We propose to use Local Development Orders (LDOs) at all existing and any new business parks in each Unitary. Our approach will be based on the excellent example approved by Vale of White Horse Council, where an LDO covering Milton Park commits the Local Planning Authority to taking planning decisions within 10 days. Milton Park is a very high-quality development and the template we intend to follow.

There is also an LDO already in place for both the Didcot Technology Park and Greenham in West Berkshire and being prepared for the new Culham AI growth zone in South Oxfordshire.

We have a good record of developing and supporting new business and science parks to support the growth of key sectors, such as those at Bicester Motion, the Begbroke Science Park, the Oxford Technology Park, Greenham, Theale and Newbury, Culham, Harwell and Milton Park. We intend to expand business parks to support the growth of key sectors across each Unitary area.

We propose to establish an advisory panel in each unitary council to bring together all business parks in the unitary council area and consider common challenges and operational issues, especially as LDOs are used more extensively.

### 2.9 Growth and place shaping

As Oxfordshire economy grows, we want to maintain our quality of life and places to live and work. We want to create attractive new places and breathe life into old ones. We want to ensure we secure sustainable development and sustainable growth.

We will ensure we meet the Government's growth targets set for the area, develop Local Plans at pace and consider planning applications quickly.

We will seek to ensure new development provides new health services, education, leisure & other civic services to ensure they are great places to live, work and visit. We will continue to use place funding such as CIL and s106 contributions to engage with the community and deliver commitments entered into. We will also establish the use of S106 standard clauses to speed up agreement and delivery of approved developments.

We will continue our focus on the needs of the city of Oxford, our market towns and villages to ensure sustainable growth. We will also ensure coordination across wider Oxfordshire and Berkshire areas to meet the needs of the region. There is a significant advantage that incorporating West Berkshire brings and to be the conduit for this given its knowledge of Berkshire and inclusion with Oxfordshire Councils.

We will focus on our market towns and support new growth along corridors with good transport links, with limited new development to sustain our villages.

Our 2 unitary areas have undertaken a range of sustainable town centre regeneration schemes, including for Newbury, Thatcham and Hungerford, Didcot, Witney, Banbury and Bicester. We will emphasise the quality of development we support, and we will regenerate areas where necessary and support innovative design and building approaches. Our next priorities include Carterton, Thatcham, Berinsfield, Blackbird Leys and Kidlington.

In addition, the new unitary councils will work with GWR and Network Rail to regenerate stations and their localities as critical points of arrival into the market towns. For example, West Berkshire Councils experience with GWR on redeveloping Newbury Station and taking forward plans for Banbury station in Canalside.

We will explore creating new settlements and use of former military bases and quarry sites to limit the need for new green field or new green belt development. We will ensure that green and blue infrastructure such as river basins and lakes play a positive role in place shaping, where appropriate and where appropriate ensure that our active canals (the Kennet & Avon, the West Berkshire Canal project and the Oxford Canal) form the centre piece of new development.

We will look to maintain a 5-year housing land supply, addressing slow delivery and the delays to site delivery with the 2 new unitary councils learning from each other. We see a significant opportunity for speeding up the delivery of strategic housing sites with land transfer from Oxfordshire County Council to the 2 new unitary councils on allocated sites, to unblock development.

We plan for each unitary council to use specialist skills such as design and conservation advice and provide advice to help ensure our places retain their distinctiveness. We will also ensure we consider the health impacts of development and tackle climate change and promote net zero in our design advice and work with Great British Energy, NESO and local network providers to ensure the energy needs of new development are met.

Scale will enable us to intend to strengthen our community focus in our approach to growth by understanding their needs and aspiration. We plan to draw on the extensive experience of supporting and guiding Neighbourhood Plans and to use AI to involve community in the development of locally distinctive design codes that lock in quality from the outset. This was the approach used at Graven Hill in Bicester.

**2.9.1 Our offer to residential developers**

We want to speed up the planning process for residential sites. Through new approach to Development Management, we aim to maintain our 5-year housing land supply, through a proactive approach. To help achieve this:

- Agreed PPA will be stuck to by the Unitary Councils and agreed timetables will be met.
- The Unitary Council will not reopen the principle of development for an allocated site in an adopted Local Plan in the planning application.
- The Unitary Council will aim to secure consent as quickly as possible after a Local Plan is adopted and will work with applicant to shape their proposal as soon as the Local Plan has been submitted to PINs for Examination.

We will introduce new area based Local Development Orders (LDOs) to speed up planning of new development and area intensification at large sites in the way has been delivered at Graven Hill in Bicester.

Each Unitary Council will maintain a developers' forum to meet and discuss current delivery challenges.

We plan to offer a '*Mini-Homes England'* structure to accelerate the delivery of housing schemes. By working across the 2 new unitary councils, we wish to undertake a systematic review of all elements of a site/scheme and remove block to sites already allocated. As part of this approach we will explore forward funding infrastructure to help unlock and accelerate development. We recognise that communities do not want more greenbelt allocated for growth until current allocated sites are delivered.

The unitary councils will need to take account of the changes introduced by the Planning and Infrastructure Bill, especially the changes to the role of council planning committees and increased delegation to officers.

The new unitary councils will build on and extend the development plan strategies set out in adopted Local Plans. There is currently an adopted Local Plan for each district, with a new generation of Plans is in preparation and a number are in an advanced state (see Annex B for status) and the intention is to progressively reduce the number of Local Plans to one ambitious Local Plan for each unitary with area chapters within the new documents.

The two new unitary councils will input into the mayors new ‘Spatial Development Strategy’ based on our local priorities and aspirations. Each district currently has an adopted local plan, of varying ages and all are in the process of review and update. The local plans are comprehensive area development strategies.

The new unitary councils will have responsibility for minerals and waste planning drawing on the experience and expertise of West Berkshire Council which is a minerals and waste authority, with an adopted minerals and waste plan. The new unitary council will explore providing advice and support to Bucks unitary council to achieve economies of scale on minerals and waste planning.

All Councils have an adopted Local Plan in place, with updates in preparation (West and City), submission (Cherwell), examination (South and Vale) and recent adoption (West Berkshire). Move to 2 unitary councils is an opportunity to secure a streamlining, establishment of a common evidence base and secure savings in due course.

Transport planning is a key aspect of place shaping. West Berkshire Council has experience of aligning transport planning with community need and plans for growth. LTP4 was approved by the Councils Executive in July 2025. This unitary experience will support the new councils which are big enough to develop infrastructure plans strategically but small enough to align with local need of business and communities and to deliver planned growth

**2.10 Improved digital connections.**

By extending coverage of superfast broadband to secure 100% coverage across our rural areas we are looking to increase access for business, social enterprises and community uses across the whole of each new unitary council’s area.

Councils are already using AI to deepen our place engagement and want to take this approach further by promoting community access to council ‘place’ information in preparation of new Neighbourhood Plans and in preparing new Local Plans.

South Oxfordshire and Vale of White Horse received national recognition for their innovative approach to the consultation stages and plain English style of their Joint Local Plan. West Oxfordshire is also a well-established part of the Government's proptech/digital planning community. The Councils wish to widen this approach to ensure our Local Plans are data driven and to improve community and business engagement with our growth work.

The use of AI speeds up the time taken for preparing Local Plan stages including logging responses to Local Plan consultation and releasing time for more productive uses. We are looking to use AI more extensively through our growth work, to speed up the completion of repetitive tasks and to improve community engagement and also roll out to development management in line with Government objectives.

Infrastructure does not stop at administrative boundaries and our two unitary council model will facilitate coordination across the whole MSA area. West Berkshire Council currently hosts the DIG and has the experience of delivering infrastructure across Berkshire and the new Ridgeway Council will facilitate this coordinated approach.

### 2.11 Meeting housing needs

Economically this is a relatively well-off area, with a strong housing market and with a mix of housing types, though relatively high-cost market housing.

There is a shortfall in the level of affordable housing across the area and a need for more genuinely affordable homes i.e. social rented and there is a need to increase the volume of affordable housing supported in each unitary area as part of the local housing mix. The new unitary councils will work closely with Registered Providers.

The area has supported significant housing innovation and delivery methods as well as investing in bold responses to the climate change emergency, for example the NW Bicester Eco Town in Cherwell, Salt Cross in West Oxfordshire and the Graven Hill custom build community at SE Bicester. At Thatcham, in West Berkshire, working closely with the community to shape this new development is an example of community working that would be lost at the large unitary scale. Our proposed two unitary councils aim to be small enough to understand local need but big enough to be effective.

The new unitary councils will draw on a number of important projects, including the South Oxfordshire use of climate action scorecards (which have been nationally acknowledged) and the West Oxfordshire Net Zero Carbon Toolkit to guide the design, development and delivery of new net-zero carbon, low-energy homes by small and medium-sized house builders, architects and self-builders. It also provides advice on how to implement energy efficiency measures in existing property and to begin to decarbonise in an affordable, phased way.

Our aspiration, reflected in our Local Plans, is to increase the volume of net zero ‘carbon positive’ housing and zero-bills housing we support across the area and in the growth corridors that underpin the two new unitary councils, ensuring that housing growth is supported by accessible transport for access to employment locations.

We intend to continue our support for housing innovation, while taking a more delivery focus, engaging closely with our housing providers as well as house builders to deliver the consents issued, to improve the quality of the housing built and to place an increased emphasis on securing the engagement of SME developers to drive increased local choice and innovation. The two unitary approach will build on local knowledge and be large enough to be effective, driven by a focus on delivery and quality outcomes.

We support the use of community-led housing such as has been achieved at Cumnor in Vale of White Horse and is being prepared for the Salt Cross new settlement in West Oxfordshire.

A number of the partner Councils, such as West Oxfordshire and West Berkshire are using digital planning and design tools. We are keen to see AI tools used with community engagement in place-related growth to helps maintain local distinctiveness to design codes for development, not just '*standard house types'*. This is the approach used in the custom and self-build development at Graven Hill, Bicester.

We intend to speed up our response times to housing enquiries.

We also recognise the role that garden communities and new settlements have a role to play in providing growth, as they can ensure that services and infrastructure are provided from the start. As we have seen through the development at Graven Hill and Elmbrook in Bicester and Dalton Barracks in Vale of White Horse, new settlements in appropriate locations can avoid adding more growth onto those locations that have already accommodated relatively high level of growth, putting pressure on existing public services and infrastructure.

**2.12 Setting transport priorities.**

The Thames Valley has significant opportunities for enhanced transport connections across the area and to elsewhere in the country and to ports and airports such as Heathrow.

There are existing transport links and corridors which link Oxford & Shires and the Ridgeway areas. There are good bus links into Oxford from Witney, Chipping Norton, Banbury and Bicester. Newbury is also connected to Oxford through South Oxfordshire.

The wider transport connections from the 2 new unitary council will be an important aspect of growth. Improved links to London, Hampshire, Heathrow with its major expansion plans, Swindon and Gloucestershire, as well as into Bucks and the West and East Midlands will be critical factors for consideration taking forwards existing transport plans. Working in partnership with other transport bodies such as Transport for the South East, England's Economic Heartland will be critical to improving links to the wider MSA. West Berkshire has a central role to play, being a member of Berkshire bodies and joining with partners in Oxfordshire will help align transport across the wider MSA area.

As an area that had witnessed high growth over the past 15-20 years Oxfordshire faces a transport network that is constrained with major points of congestion as well as a challenge of rural accessibility across both new unitary council areas.

New investment is needed to fund road and rail improvements to support both planned residential growth and commercial growth. Rail investment has a role to play in supporting improved connectivity and opening new areas for growth. The new unitary councils will work with GWR and Network rail as well as Great British Railways once it is operational, to secure rail service improvements as step towards a new Oxfordshire Metro system, which integrates rail and bus service provision in both new Unitary council areas, with both urban and rural connectivity. The proposed shift to electric trains by GWR and others is providing quicker services, with easier access and a more sustainable, low carbon rail network across Oxfordshire and Berkshire.

The East-West rail route is a key infrastructure project in the Oxford to Cambridge Growth Corridor and will unlock areas for new growth together new transport links and residential and commercial growth.

Annex C provides an overview of the main transport priorities for the 2 new unitary councils which we wish to see the new mayor address. A particular priority is to improve the A34 which is severely constrained. Also to enhance the capacity of Oxford Station is important to unlocking a series of bus service improvements and new lines connecting Oxford to surrounding towns and to major settlements further away.

Oxford station has significant potential as a rail hub with unrivalled connectivity. We want to see the new East-West rail line extended to the Cowley Branch Line to open up development land to the east of Oxford. West Oxfordshire has an aspiration to secure new rail links through the A40 corridor to Witney and Carterton and is seeking to safeguard land for this purpose through its emerging local plan.

Railway station improvement have taken place at Newbury and Bicester, with plans for Theale. The market towns have the potential to be transport hubs linking bus and train services as well as new stations playing a major role in unlocking economic growth, such as Heyford Park and Grove.

West Berkshire has the right delivery experience to bring to the 2 unitary model. This will help ensure the 2 council model has the right skills and experience in each council. Its experience of infrastructure delivery including digital and transport will be a considerable resource for the MSA in which a series of corridors and growth partnerships exist and will require coordination.

The West Berkshire Ultra Low Environment Vehicle Strategy offers learning for the new unitary councils of approaches to tackling climate change in the transport sector, as does the Oxford zero emission zone.

There is an opportunity to extend cycle links between areas combining into the two new Unitary councils using the Strategic Active Travel Network (SATN) which is mapped and planning underway for delivery in Oxfordshire. Both the Oxford Greenways routes, Sustrans routes, improved connections to rail stations on commuting routes and in rural areas for tourism opportunities for example from Stow on the Wold to Kingham station; in the Cherwell Local Plan Partial Review to extend cycle connections between Yarnton/Kidlington to Oxford, around Botley and between Didcot - Newbury across the North Wessex Downs. The current Vale Local Plan and in the Joint Local Plan with South Oxfordshire land has been safeguarded land for the re-opening of the Wilts & Berks Canal, with a new active travel GI route alongside. West Berkshire is promoting green modes of transport, linked to the Berkshire wide connected travel plan and has linked the promotion of cycling to its Local Transport Plan and Environment strategies.

### 2.13 Closing infrastructure gaps

Our infrastructure priorities are to address power shortages in Oxfordshire and West Berkshire, where a power grid upgrade is needed to enable planned residential and commercial growth to commence. At the moment there are a number of stalled sites due to a lack of grid investment, despite the level of growth required being clear from the adopted Local Plans.

Investment in large solar schemes continues across Oxfordshire and West Berkshire, partly as a response to the current grid constraints and partly through the pressure to enable the green energy transition. The pressure for new renewable energy schemes can be expected to continue.

Managing National Infrastructure will be a need of the new unitary councils, for example in Oxford & Shires the Ardley Strategic Rail Freight Interchange and Botley West solar farm are challenging projects with wide spatial impacts on transport and the landscape of such a large solar scheme.

Water stress is becoming a challenge across Oxfordshire and West Berkshire and the need for sewage upgrades. The new investment package agreed at southeast Oxford enables the Grenoble Road residential development to proceed as well as other developments in South Oxfordshire and Cherwell too. West Oxfordshire faces challenges at many of its villages for improvements to the local sewage facilities.

### 2.14 Tackling Climate Change

The new unitary councils will continue to respond to the urgency of climate change by taking measures to promote climate resilience, such as tackling flood risks and will support innovative approaches to moving towards carbon zero development. A range of initiatives have been taken in Oxfordshire and West Berkshire that will form the basis of action by the two new unitary councils.

The Salt Cross development in West Oxfordshire will act as a trailblazer, with its 25% Biodiversity Net Gain requirement (15% above the 10% statutory requirement) as will other smaller residential and commercial schemes. These are central to our approach to the design of new development.

Other policy approaches developed in Oxfordshire include:

The new unitary councils will apply '*Project LEO' (Local Energy Oxfordshire*) to their place shaping, planning and housing work replicate the work that was undertaken on a detailed energy mapping for Bicester in the other market towns of each new unitary council area. Such maps aim to serve as tools for place-based planning. They show vulnerable areas and neighbourhoods that require tailored interventions for issues such as fuel poverty, off-grid heating, and tackling inefficient homes. Project LEO has also mapped areas suitable for renewable energy generation and electric vehicle charging points.

The '*Pathways to a Zero Carbon Oxfordshire'* (PAZCO) report is a useful guide for the new unitary councils that has outlined pathways to net-zero by 2050. It highlighted economic opportunities from innovation in energy, transport, land-use, and housing sectors supporting clean energy jobs and green industries.

The new unitary councils will continue to use the '*Net zero route map & action plan'* (NZRMAP), the route map of steps identified for Oxfordshire authorities to take to achieve net zero to meet their net zero target dates, which range from 2030 to 2050.

The two new unitary councils will build on existing work, such as PaZCO and the '*Zero Carbon Oxford Partnership'* (ZCOP), which details milestones, carbon budgets and KPIs to track progress including:

- Using the '*Local Area Energy Planning' (LAEP)* function
- Decarbonising buildings
- Accelerating the roll out of publicly accessible EV charge points
- Exploring opportunities to enhance carbon sequestration through land use change, including targeted habitat restoration and creation

The Eynsham CAPZero is the UK's first hyper local energy plan and is ready for rollout across the new unitary councils.

We also know sustainable development relies on public access to greenspace, tree planting and the provision of allotments, but it also includes the wider application of the concept of 'One Planet Living' (developed by Bicester based 'Bioregional') to ensure development is designed to have the least impact possible.

West Berkshire will bring its comprehensive, integrated cross-service approach to tackling climate change into the Ridgeway Council. The Council's approach is guided by its Environment Strategy 2020-2030 which sets out detailed practical measures and deliverable targets for reducing emissions and steps towards carbon neutrality. The Council supports local energy generation and carbon sequestration projects and aims to be a carbon neutral operation by 2030.

The approach taken by West Berkshire encourages responsible economic growth, supports healthy communities and works in closely with communities and local partners.

**2.15 Major landscape and heritage constraints**

There are important landscape designations to treat with considerable care, given their sensitivity and national importance, as the two unitary councils focus on growth. These are:

- Cherwell – has small coverage by the Cotswolds National Landscape.

- West Oxfordshire – has major coverage by the Cotswolds National Landscape, one third of the land total.

- South Oxfordshire & Vale of White Horse – has significant coverage by the Chilterns and North Wessex Downs National Landscape.

- West Berkshire – has significant coverage by the North Wessex Downs National Landscape.

There is a legal duty to take account of the Management Plans for the Chilterns, North Wessex Downs and Cotswolds National Landscapes in considering any growth proposals in those areas.

Green Belt covers part of the city of Oxford as well as part of the four surrounding Districts too. This coverage helps prevent urban sprawl and limit the coalescence with surrounding towns.

The area covered by the two new unitary councils has internationally important heritage assets too, including World Heritage Sites, registered parks and gardens, ancient monuments, battlefields, and a rich number of listed buildings and conservation areas and archaeological assets. Examples include the White Horse at Uffington, Blenheim Palace, much of the centre of Oxford city - features from all stages of the history of England.

**2.16 Protecting our environment.**

Oxfordshire and West Berkshire have an attractive high-quality environment, but it faces the challenge of nature recovery too. Central to future growth will be considerations of the requirements of Biodiversity Net Gain, enhancing our green and blue corridors and securing nature recovery using the Oxfordshire and West Berkshire Local Nature Recovery Strategies and working with the Berkshire Local Nature Partnership on 17 Biodiversity Opportunity Areas and the Berks, Bucks and Oxon Wildlife Trust (BBOWT).

We are committed to retaining our high-quality environment and therefore approach the issue of growth with sensitivity. There are a number of ecological constraints that have to be assessed as growth is proposed and to secure planning consents. We are particularly concerned to respect our National Landscapes, the Special Areas of Conservation (SACs) and SSSIs, as well as tackling nutrient neutrally with the use of grant funding to overcome issues to enable housing growth in West Berkshire.

Importantly, West Berkshire has three SAC including the River Lambourn, while Oxfordshire has 7 Special Areas of Conservation (SACs) which require Habitat Assessment of potential impacts of new growth to be assessed. They are especially vulnerable to potential NO2 impacts. For example, Natural England has expressed significant concerns about growth impact on the Oxford Meadows adjoining the A34 and the A40 from increased traffic growth.

Of the 7 SACs in Oxfordshire the 4 most sensitive due to their location adjoining major roads are:

- Oxford Meadows SAC, adjoining the A34.
- Aston Rowant Woods, adjoining the M40.
- Aston Rowant adjoining the M40.
- Aston Rowant Cutting adjoining the M40.

Vale of White Horse and West Berkshire are nutrient affected authorities because of the River Lambourn SAC. Parts of West Berkshire are also impacted by the SE Plan Natural Resources Management Policy - Thames Basin Heaths SPA. Water neutrality is an emerging issue, West Berkshire has recently been awarded a grant for nutrient neutrality solutions to enable development to proceed.

The Planning and Infrastructure Bill before Parliament proposes to introduce ‘Environmental Delivery Plans’ (EDPs) which are likely to significantly change how the impact of development on SACs are mitigated in the future.

There are other designated Sites to avoid. Oxfordshire also has 111 Sites of Special Scientific Interest (SSSIs) and geological SSSIs too, with 39 Conservation Target Areas (CTAs) which will be replaced this year by the map in the LRNS once adopted, Ramsar sites and 472 Local Wildlife Sites. All feature in the Oxfordshire Nature Recovery Strategy. West Berkshire has 51 SSSIs, 7 local Geological sites and 500 Local Wildlife Sites.

## 3. Why 2 unitary councils are best for growth in Oxfordshire?

This section considers the 3 LGR options and their relationship to growth. The main assessment of the options is set out in the joint LGR report on proposals for 2 unitary councils.

### 3.1 Option A. A single county wide unitary council

The current 2 tier arrangement for local government in Oxfordshire is not effective or efficient. Moving to a unitary council for the whole of Oxfordshire would be a big council in terms of geography and population size. It would run the risk of being too remote from people, businesses and the communities it serves. Unlike the 2 unitary model which would be closer to its community to understand its needs.

One challenge that can be seen with the current structure is the relatively poor delivery by the County Council of transport schemes to support growth identified through Local Plans and the withdrawal of funding from transport services especially rural bus services which impacts on rural communities and the decline in road conditions. Enabling West Berkshire to be part of the proposal brings the experience of delivering transport to meet local community needs eg demand transport in rural areas. This experience can be shared between the 2 new unitary councils once established.

The transport needs of adopted Local Plans which shape growth over a 15 year period have not been met. This includes road investment in Banbury and Bicester to reduce congestion and on the A44 to manage the growth associated with the review of the Cherwell Local Plan that led to housing allocations to close to Kidlington and on the A40 to help manage the growth in West Oxfordshire. The County Council voted against the proposed new Thames crossing north of Didcot, an essential component of growth to support the delivery of the adopted Vale of White Horse and South Oxfordshire Local Plans.

The County Council still lacks a comprehensive county-wide transport model after many years of development, which means it is hard to assess the implications of new development on the transport network and on Habitat Regulation sites.

The delay and failure to deliver of the Oxfordshire Mobility Model (OMM) by the County Council has held up progress, including planning policy work, access for site promoters (eg Dalton Barracks in the Vale of White Horse) to a comprehensive model to test schemes, as well as creating complications for Habitat Regulations Assessments which need to consider cumulative impacts.

The County Council has the worst performance in England on the use of approved, paid s106 contributions for the purposes on which they have been secured from developers (House Builders Federation, October 2024). This undermines the delivery of approved schemes, and the honouring of commitments reached with the local community too.

Oxfordshire County Council has not been releasing their land in allocated sites in West Oxfordshire which has the effect of holding back approved development.

Oxfordshire County Council is not close to the communities served. The County Council bid continues this remoteness and distance. Being a commissioning body, it lacks intelligence on local needs and local issues which is essential for effective growth planning. Across Oxfordshire housing and economic growth has been secured and delivered by the district councils.

The creation of two new unitary councils would provide the right opportunities to secure economies of scale, building on growth planning and regeneration experience without becoming too remote.

**3.2 Option B. A standalone unitary for the city & 2 accompanying unitary councils.**

Oxford City council is ambitious, but the creation of a standalone unitary council for Oxford City would be of a relatively small unitary council, well below the recommended 500,000 population size.

Adopting the Oxford City unitary proposal would subsume a significant proportion of the current Oxford Green Belt. This is not the only way for Oxford to grow. It would be better for the city to consider alternative land uses within the current administrative area to use land more efficiently through regeneration schemes with higher housing densities and retain the integrity of the current Green Belt in both the city and its neighbouring areas (except for sites that have been released through the current adopted Local Plans in the neighbouring Districts). The Oxford City growth proposal will lead to new, additional green major Green Belt release in surrounding areas and runs the risk of creating ‘urban sprawl’ which is what the Green Belt is intended to avoid and should continue to do so.

Expanding the city further through urban extensions into the Green Belt at the edge of the city of Oxford runs the risk of compounding the existing constrained infrastructure on the edge of the city.

The housing need of Oxford should be met within the new unitary council areas in a coordinated, planned way. For example, part of the current unmet housing need of the city is planned for with housing growth at Kidlington through the Cherwell Local Plan Review, at Salt Cross and West Eynsham in West Oxfordshire and land north of Bayswater Brook, Northfield Farm and Grenoble Road in South Oxfordshire.

But future growth does not need to adjoin the city boundary. In the future, further housing growth from Oxford could be provided for at Heyford Park in Cherwell, on a significant brown field land location. For this to be delivered, improved transport connections will be needed, with rail links to Oxford. The key issue for supporting the growth of the City is for good public transport links by train and bus and improved walking and cycling links from identified areas of growth into the City.

Oxford growing as a standalone Council runs the risks of retaining the current tensions between the city and its neighbours over how best to grow. It’s now time to move to a new more positive relationship. The creation of two new unitary councils will ensure the recent challenges of the Duty to Cooperate, meeting the unmet housing needs of the city in the future can be dealt with more positively through a joint approach under Spatial Development Strategy to enable development in the right place to respect constraints and landscape quality. By including Oxford within the new structure of the proposed ‘Oxford & Shires’ unitary council the needs of the city to grow will be addressed comprehensively. In the two new unitary councils there will be an on going to need to cooperate. This will be especially relevant to the wider Berkshire collaboration, with West Berkshire continuing working ties to Berkshire and infrastructure in place to ensure service coordination and cooperation across the wider MSA area

The Oxford economy has underperformed relative to other comparable areas in southern England. The economy of Oxford, with major business parks and the investment from the Universities and Colleges does not operate separately from the rest of Oxfordshire. It is all interconnected and integrated and plays a powerful economic role. Oxford is a part of and connected to the County as a whole, through investment, supply chains, economic networks, travel patterns and commuting.

The city proposal is inward looking, ignoring Oxford’s relationship to neighbouring districts and their economic potential. In contrast, our focus will be on building a network of science and business parks on the edge of City and across Oxfordshire, relating to the Universities and Colleges.

Our proposals seek to address these interconnections and the important economic relationships between the business parks of Oxfordshire, taking account of the importance of the wider economy and globally significant business parks such as Harwell and Culham located at distance from Oxford. We believe that Oxford’s challenges are best met on a collaborative basis between local authority partners within a joint structure and with the new Mayor too.

The two new unitary councils (and the mayor) will also embrace the recommendations from the recently established Oxford Growth Commission, in particular how the economy of the city might grow and how affordable housing should best be expanded.

**3.3 Option C. Two new unitary councils – ‘Oxford & Shires’; ‘The Ridgeway’**

Our proposed two new unitary councils are built around corridors that link the two areas:

- A Unitary council in the north of Oxfordshire to be called ‘*Oxford & Shires*’ which is linked by the A40 corridor from Carterton to Oxford, together with the A41, A44, A4260 and the M40 and A34 corridors linking Banbury and Bicester with Oxford. This link is reinforced by the new East - West rail, the Banbury to Oxford Line and North Cotswolds line linking West Oxfordshire with Cherwell and Oxford City.

- A Unitary council in the south of Oxfordshire with West Berkshire to be called ‘*The Ridgeway Council’*, liked by the M4 corridor, the A34 and A420 corridors linking South Oxfordshire, the Vale of White Horse and West Berkshire.

We propose to take a ‘corridor approach’ which ensures we keep a focus on the distinctiveness of our localities as well as opening up and supporting Oxford’s growth without decimating the Green Belt. Green Belt is a well established strategic planning tool for assisting with regeneration of brownfield land as well as other planning objectives like protecting the setting of historic towns, which is very relevant in Oxford's case with its 'dreaming spires' set in a valued green landscape.

Our proposed two unitary councils have complimentary geographies, Cherwell and West Oxfordshire connect to Oxford along the A40, A44, A4260 and A41, while the Ridgeway connects well to the wider Thames Valley along the M4.The creation of two new Unitary councils would blend the best of each current component Council, building on a good record of collaboration and joint working.

There are deep historic ties too, as Berkshire included the parts of Oxfordshire south of the River Thames until the local government reorganisation in 1974 as well as the historic Ridgeway path, and the River Thames as a link joining the authorities but currently separately them (the River Thames is the district and county border for much of its length) but would enable effective catchment thinking if both banks were in same authority for more of it.

There are positive lessons to apply from working with West Berkshire Council, an established unitary council, in the design of the 2 new unitary councils. Their practical experience will lead to informed organisational design and an approach to service delivery of upper tier authorities but at a level that understand and delivers for local needs. This will bring experience of a *whole system approach* to growth and bring experience of people services, health, community safety (police & fire). Also, an understanding of wider MSA geography to create the glue between Oxfordshire and Berkshire councils working with the MSA.

The involvement of West Berkshire secures opportunities for scaling up, collaboration and joint learning in developing rural industries and common approaches to growth, as well as meeting the needs of market towns, renewal and rural transport connectivity.

The two new unitary councils will provide a balanced and proportionate approach to growth. Building on the development strategy set out in the adopted Local Plans and commits to an approach to future growth *that is expansive and ambitious*. Experience of working in a single tier brings experience of coordinating growth plans with infrastructure delivery at the strategic and local level

The population thresholds of 500,000 will be met with planned future development through the delivery of adopted Local Plans. The two new unitary councils will be big enough to drive efficiencies but small enough to understand community (business and residents) to deliver to meet their needs and aspirations.

The two new unitary councils are close to their local communities and will be closer to the people and businesses served than a countywide unitary can be. They will have an intimacy, a focus and a local connection that a county wide unitary cannot have.

One of the issues that differentiates the creation of 2 new unitary councils from a County wide unitary will be the approach taken to planning. Our approach will combine planning for growth through local plans and the coordination with infrastructure delivery. We intend to introduce a quicker planning service, that is not held up by two-tier working and has the ability to plan for and make decisions to deliver growth and development.

Through the creation of two new planning teams, one for each new unitary council, we have considered what will be needed to build investor confidence through the planning system and address our customers' needs efficiently and effectively, providing certainty for our communities and for our applicants.

Two new unitary councils will be able to speed up decision-making on planning as this will be easier if a) the unitary is not a large county authority, with a poor delivery record on current development proposals, b) because there is the opportunity, based on experience and detailed local knowledge, to reset the skills and resources needed to focus on speed and efficiency as noted in section 2.10 and c) to use standard s106 clauses. West Berkshire brings experience of single tier system working across transport, drainage, people services to deliver the needs of the communities and deliver on the ground. Bringing West Berkshire into the Oxfordshire model will help inform and shape the new local government model.

We propose two new unitary councils that are keen to work positively with the new mayoral combined authority, to secure sustainable growth and investment, not in opposition.

Our two new unitary councils have a close understanding of their patch and will bring that knowledge and understanding to a 'Team Thames Valley' approach, working with the mayor to secure the major economic potential of the area with accompanying housing growth and infrastructure planning.

Our emphasis is on market towns, and we have invested in regenerating and strengthening many of them. They are all different and are also distinct to our focus on meeting the needs of the city of Oxford. Our two new unitary councils will work together and share best practice.

Parts of the current districts have seen significant growth, with attractive town centre regeneration and the towns have remained 'local' in feel.

The constraints faced, such as National Landscape, areas of environmental and heritage sensitivity and areas of flooding made us focus development geographically which has generated locations with strong infrastructure such as Didcot and Newbury, Witney, Banbury and Bicester. Our two new unitary councils are an opportunity to both meet the needs of Oxford and Reading on a collaborative basis and to ensure that major growth avoids the National Landscape areas.

While the 2-tier split between County Council and the District Councils, as well as between the city and its 4 neighbours, has not helped the planning of Oxfordshire, a two unitary approach will help with this.

The 5 District Councils of Oxford City, Cherwell and West Oxfordshire, South Oxfordshire and Vale of White Horse have an established collaboration on planning matters, such as jointly unmet housing need through the Growth Deal and its associated MoU.

Collaboration in a larger Local Government unit, a new unitary council as 'Oxford & Shires' is the opportunity to address unmet housing need and assist Oxford City to expand, not necessarily on edge of the city which would compound the existing infrastructure challenge, or through further Green Belt release, but further away and ensure rail and bus connections are put in place to enable quick links into the city. There is major brownfield land availability in Cherwell at Heyford Park and rail connections too.

The neighbouring Districts to Oxford City showed what could be done together in 2016/17 when the identified unmet housing need of the city of 14,300 housing was shown as capable of being accommodated in the surrounding districts and apportioned between Cherwell, West Oxfordshire, South Oxfordshire and Vale of White Horse in a jointly agreed package.

The proposed 2 new unitary councils, with the benefit that West Berkshire can bring of experience and links to the rest of Berkshire to address the wider MSA area, are best placed to tackle in an integrated way the infrastructure challenges of growth, with improved transport links and the provision of power and water connections of both Oxford and in the wider parts of each unitary area.

The new unitary councils will be outward looking new organisations. Both new unitary councils will look to engage closely with neighbours on strategic transport planning, school catchment planning, environmental management and river basin planning as they contribute to the success of the new Thames Valley Combined Authority.

## 4A. The 'Oxford & Shires' Council

The new 'Oxfordshire and Shires' Unitary Council will bring together the 3 current districts of West Oxfordshire, Cherwell and the City of Oxford. The new unitary council is based on a series of transport corridors which link the area together and also strong track record of working collaboratively.

The Oxford & Shires Council will embrace a collaborative approach to working together with the Ridgeway Council. In this the experience of the West Berkshire Unitary of coordination, the operating model and planning for growth and infrastructure delivery together will be powerful.

### 4A.1 History of the relationship

The Partial Review of the Local Plan undertaken by Cherwell of the area adjoining Oxford between Kidlington and Yarnton, was a response to unmet housing need in Oxford City in 2016/17, as was the focus by West Oxfordshire on the creation of Salt Cross new settlement and proposed development to the west of Eynsham. Oxford City has been given nomination rights to affordable housing created in this area. Oxford has not been treated as a separate area and its housing needs have not been ignored by its neighbours.

The new unitary council, bringing existing partners together in a joint structure, will take the existing relationship one stage further and enable service integration to be achieved as the growth is delivered.

The area is a significant part of Oxford to Cambridge Growth Corridor with the potential for new commercial and residential growth.

We are feeding into and engaging with the new Oxford Growth Commission and will take account of its conclusions.

### 4A.2 Our growth aspirations

We have a history of growth in each of the current districts and supporting innovation in delivery such as at Graven Hill, Salt Cross and at Garden Communities too.

By directing development teams to focus on development corridors, we will be structuring their work on key growth locations; for example, from Carterton, to Salt Cross, Kidlington/Yarnton ,south to Oxford – building on area strengths within the corridors and the links between different types of development. In contrast the proposal from Oxford for major growth into green belt locations is much less deliverable than growth along our corridors.

We see future residential growth taking place at our market towns and on a more limited basis at Oxford, given their limited land availability. We see new growth taking place in transport corridors where there is good rail and bus connectivity, as well as good links to the highway network, that are also capable of being made more sustainable through appropriate investment. For example the A40 corridor has the potential for rail or other mass transit that supports new growth.

We embrace the importance of the city of Oxford as a major economic area and want to strengthen its network role to the economy of the 2 new unitary council areas. The city is an important retail and cultural centre and its interdependence with its neighbours is an underpromoted asset. The future of Oxford is safe in the hands of the new Oxford & Shires Council, working closely its sister Council, the Ridgeway.

We anticipate intensification of land use within our market towns continuing, with a scaling up of the provision of affordable housing and with area regeneration such as at Carterton and in Oxford over the long term and the intensive use of brown field land such as is clearly possible at Heyford Park to support a major residential and commercial expansion. This includes working with the MoD/DIO on the regeneration of areas of existing service family accommodation.

We see new settlements as playing a role too and Heyford Park has a major role to play in supporting new growth (we anticipate it being supported by the New Town Commission, possibly with a new Urban Development Corporation to help take the expansion forward) along with likely rail freight terminal alongside and major changes to J10, M40 and a new rail station improving access. The expansion of the Salt Cross new settlement has the potential to secure strategic transport investment to improve its connectivity.

As recorded earlier we intend to use Local Development Orders (LDOs) for all business and science parks (see para 2.9.1) across the new Council area. We also intend to establish Local Development Orders (LDO) to speed up the planning of area development and reducing the time to secure consents for residential-led schemes. This would be based on the Graven Hill experience on the edge of Bicester where a new community with predominantly custom-build housing has been implemented within the parameters of an LDO.

We will continue our programme of regeneration, building on the success of those completed at Bicester and Witney, with a particular focus on Carterton, Kidlington, Canalside in Banbury and the station area in Oxford. The new unitary council will work with businesses to support Business Improvement Districts (BID) and secure economies of scale through working across the 3 districts.

We will continue to seek to ensure that growth at our villages is consistent with our development strategy as set out in our adopted Local Plans.

We intend to continue protecting the Cotswolds National Landscape from major development proposals and to promoting its objectives as an area of national significance.

**4A.3 Maximising our economic and commercial potential.**

We recognise that this new unitary council area has major economic assets across its geography, from the Cotswolds, RAF Brize Norton base and Blenheim Palace, to the City of Oxford, with its research strength and a range of business parks across the area which drawn on the expertise of the Universities and Colleges, to the Airport, Bicester Village, the emerging new town at Heyford Park and advanced manufacturing in Bicester and Banbury.

Forging closer ties with these assets and support for intensifying their outputs will ensure that the economic success of the unitary area is secured. Part of this will depend on securing improved rail connections and stations with an improved Oxford Station at the heart of the network and improved strategic highways, including the A40, A34 and A41 and the critical junctions on the M40 at Junction 9, 10 and 11 and Junction 13 on the M4, which are both network connections and areas for intensifying the economic opportunity that exists to secure significant economic development potential.

Of note is M40 J10 which is set to become a major growth zone, with the Heyford Park expansion, the rail freight NSIP development proposed at Ardley and a historical theme park being assessed. A Masterplan will be needed of the links between these major developments to ensure coherence and to secure developer gains.

We intend to build on our economic strengths such as the areas advanced engineering sector including Innovative Bicester Motion, with major developments close to the Motorway network at M40 Junctions 9 and 11. We want to see the new Vertiport at Bicester Motion develop in order to place the area at the forefront of the new electric air taxi industry, as part of emerging new national network.

There has been significant job creation in the distribution and manufacturing sector located at M40 junction 9 and 11 with more under consideration close to junction 10. Manufacturing and food processing is strong at Banbury and defence at Brize Norton, the area has a significant advanced engineering presence with advanced motor companies, motorsports and an extensive research and development base around Oxford linked to the research base of our two Universities and Colleges, with hi-tech spin outs and across the unitary area with growth locations to support.

Growth locations include support for the growth of key clusters, sectors and locations at ‘Science North’, a high tech zone linking the major new North Oxford development, The University of Oxford Begbroke Science Park, the Oxford Technology Park, London Oxford Airport into West Oxfordshire too, all with quick access to the Oxford Parkway and Long Hanborough stations. Carterton is highlighted in the Local Industrial Strategy and Local Investment Plan as a new 'technology hub'.

Many of these locations are closely aligned with the National Industrial Strategy and have the potential for significant expansion such as the Oxford Technology Park and the aero industries of Oxford Airport. A new Park and Ride to serve Oxford has potential in this location too.

The area has a very strong tourism offer that combines the major tourism assets of Blenheim Palace, the Cotswolds, Bicester Village (with the Puy du Fou historical park under consideration at M40, Junction 10) and the opportunity to harness overheated Oxford by linking together to forge a strong international tourism offer.

As noted earlier the use of a Local Development Order (LDO) to provide quick planning approvals in 10 days, based on the Vale of White Horse experience, would provide certainty for business. Extending this approach to cover all business parks would remove planning as a major development issue.

In Oxford the colocation of new residential and commercial and more affordable workplaces will help reduce an outwards commute to commercial development on the outer edge of the city.

**4A.4 Meeting housing need**

We intend to address the need across the area for significant levels of affordable housing. The Unitary area faces high housing costs, and a major affordability challenge in Oxford, neighbouring Districts and in rural West Oxfordshire.

Cherwell has had a strong record of housing delivery and housing innovation as its investment in the Graven Hill custom self-build community and support for the NW Bicester Ecotown show. Working with Greencore Homes at Shipton quarry to build a new settlement of 'climate positive' homes will recapture that leadership position.

Other high-quality developments that tackle climate change are planned at the Salt Cross new settlement in West Oxfordshire with its high building standards and with development planned to be net zero carbon in operation.

While the boundary of Oxford limits unchecked growth, in recent years some Green Belt release has been supported into the Cherwell, South and West Oxfordshire Districts and the Vale of White Horse that each sit on its edge. Within the City there is potential for urban renewal and site intensification through building higher and at high densities. But this will not meet the entirety of Oxford's housing needs in the future.

We will continue to support the growth of Heyford Park in Cherwell and its conversion from a military base into a dynamic new town. It lies close to Junction 10 of the M40 and next to two rail lines with the potential for a new station next to the site to support new growth. A creative Masterplan has been prepared that proposes new residential and commercial growth at scale, plus leisure uses and major renewable energy generation to meet its own needs. Development on the brownfield land at Heyford Park avoids the need for new development on green fields around the more sensitive village locations.

Heyford Park has a major role to play in providing major housing growth and supporting the unmet housing needs of Oxford City, as it avoids further Green Belt incursion, as does the potential for future growth at the military base of Arncott and land at Weston on the Green.

Likewise expanding Carterton in West Oxfordshire provides a major opportunity to meet the housing needs of West Oxfordshire and to engage in an accompanying programme of regeneration of the town to help secure its role as an important service centre next to the RAF Brize Norton base, as well as capitalising on the economic spin-out opportunities.

**4A.5 Our transport and infrastructure priorities**

There are major transport challenges across the Oxford & Shires Area with major congestion on our roads and constraints on the rail network. There are opportunities to use transport investment to drive growth.

The new Council will work with GWR and Network Rail to regenerate stations and their locals as critical points of arrival in the market towns and to enhancement the rail network in the area, including:

- The opening of a passenger service on the Cowley Branch Line to extend the East-West rail link to unlock major development sites on the east side of Oxford.

- An enhanced Oxford Station to ensure the new services and rail links can all be accommodated and improve connectivity to locations beyond Oxford, especially London, Bristol and Reading.

- Enhancements to the North Cotswold line to double track the line between Oxford and Long Hanborough, improving the connections to Worcester and beyond and investing in major improvements to Hanborough Station including new bridge and additional platform.

- Improvements to the rail line between Banbury and Oxford with new stations at Begbroke and possibly at Shipton to help deliver significant plans for proposed residential and commercial growth.

- A new station at Ardley (on the footprint of a previous station) and an expanded Lower Heyford station to support the development of the Heyford Park new town and secure a close service connection into Oxford.

- West Oxfordshire are seeking to safeguard land to enable the future provision of a potential rail connection from Carterton to Oxford via Witney (known as the Carterton - Witney - Oxford Rail Corridor or CWORC for short).

Improving key roads with investment on strategic highways network aligned with Local Plan related growth, including:

- New Motorway junctions to support growth and manage transport flows at Banbury and Bicester.

- Tackling A34 congestion.

- A40 improvements to access growth of Carterton and Witney and access into the Cotswolds.

- A41 improved connection between Oxfordshire and Bucks, providing enhanced access to the M40 for Aylesbury Vale part of Buckinghamshire.

Improvements to the electricity grid are required. The area has major gaps to close in the power supply to Cherwell and Oxford to enable planned and new growth to proceed.

The area also has water needs to meet through an enhanced water network and improvements to the sewage provision of the area across West Oxfordshire and at Grenoble road on the southeast of Oxford.

**4A.6 Conclusion on ‘Oxford & Shires’**

There is a major opportunity to create a new unitary council that builds on the track record of delivery and innovation by the current Councils in housing approaches and responses to climate change

These Councils believe that the Oxford & Shires unitary council will strengthen the economy of the city of Oxford and the two neighbouring Districts and working closely with the new Ridgeway Council. Its ambition will expand its economic assets and expand local clusters in nationally significant sectors of science and technology industries and strengthened tourism too.

The Oxford & Shires unitary council aspires to respond to the future housing needs of Oxford through new and extended settlements with close transport links to the city.

The new unitary stands to be a significant actor and a willingness to collaborate with partners and help secure the proposed Thames Valley MSA and support the new Mayor.

## 4B. The ‘Ridgeway Council’

The new ‘Ridgeway Council’ is to bring together the 3 districts of South Oxfordshire, Vale of White Horse and West Berkshire as a Unitary council. The area is linked by the A34 and the extensive coverage of the chalk landscapes of the Chilterns and North Wessex Downs bringing common landscape, environment, heritage and tourism links.

There are deep historic ties, as Berkshire included the parts of Oxfordshire south of the River Thames until the local government reorganisation in 1974.

There are lessons for the new unitary council from working with West Berkshire Council, an established unitary council in the design of both of the 2 new unitary councils. Their practical experience of coordination, its operating model and planning for growth and infrastructure delivery will lead to informed organisational design.

The involvement of West Berkshire secures opportunities for scaling up, collaboration and joint learning in developing rural industries and common approaches to growth, as well as meeting the needs of market towns, renewal and rural transport connectivity.

### 4B.1 History of the relationship

South Oxfordshire and the Vale of White Horse Councils have worked jointly for many years with a shared management team and shared services between the two Councils. This has brought efficiency, cost saving and a shared policy agenda, whilst respecting the local differences between the 2 Councils and the communities within each District.

The new Ridgeway Council will add West Berkshire Council into the established two Council partnership. The 3 Council merger will bring depth to the current two council collaboration.

The 3 Districts share many common features, an internationally significant high tech business cluster centred on Harwell, Milton Park and Culham, two Enterprise zones, the ‘Science Vale’ initiative and collaboration with both the Universities of Oxford and Southampton. The area has a significant coverage of the North Wessex Downs National Landscape and the Chilterns National Landscape and market towns, conservation areas and villages.

### 4B.2 Our growth aspirations

The members of the proposed Ridgeway Council have a solid record of sustainable growth and a significant delivery record of housing and commercial growth. They have shared ambitions to maintain our economic success and aim to grow further in a sustainable way.

The new unitary will look to align its next series of local plan reviews with the aim of moving to one new local plan for the unitary council area, incorporating an area focus to the new plan. The new unitary will have the ability to coordinate traditional upper tier functions of infrastructure delivery (transport/drainage etc) with growth plans due to the knowledge and skills from the West Berkshire experience.

The aim is to continue to plan for major residential, employment and commercial growth at the market towns and garden communities while protecting the areas of greatest sensitivity including areas of greatest landscape quality, the National Landscape of the North Wessex Downs and the Chilterns. We will retain the character of our villages and work with the communities to ensure they remain viable.

The Ridgeway Council will seek to continue the participation of the West Berkshire Council in the Berkshire Prosperity Board and its significant ambitions and in the Berkshire economic strategy for collaboration and investment. This will strengthen the links between the new unitary council into Oxfordshire and Berkshire, helping to deepen collaboration and joint working within the Thames Valley.

The new council will continue the successful programme of regeneration at Didcot Garden Community and Berinsfield Garden Community, while also embracing the Newbury regeneration programme and masterplans to shape the renewal of Thatcham and Hungerford. The plans for major development at Thatcham have been developed with the local community.

There is an opportunity for shared learning from the applying the consideration by West Berkshire Council of the economic development consequences of planning approvals and of the implications of health from new development by the new unitary council.

The current Councils have a positive history of using community led Neighbourhood Plans to secure growth at villages of a more limited, proportionate scale, together with growth to support local infrastructure priorities, such as the Benson bypass. The new unitary council will continue community engagement in growth through a focus on support for Neighbourhood Plans to enable communities to take control to meet their aims.

The new Council will explore the potential for a new settlement at the A34/M4 junction 13 in West Berkshire.

As a Minerals and Waste Authority, with a plan adopted in December 2022, West Berkshire Council brings the experience and skills to work across the new unitary area on these key issues.

**4B.3 Maximising our economic and commercial potential.**

The area already has a strong record of support for economic growth at the business parks with their science and innovation strengths at Newbury, Greenham, Theale, Harwell, Culham and Milton Park.

One current challenge is to meet the energy and water needs of proposed data centres at Didcot and the new AI growth zone at Culham.

The science cluster between Harwell, Culham and Milton Park is an area known as ‘Science Vale’ which has significant international partners and collaborators such as MIT in the USA, not just links within the UK and to Oxford University. The nuclear research at Aldermaston & Burghfield in West Berkshire, also forms part of the high-tech cluster between the 3 current Districts that have the potential to grow further.

The area also has close links via the A34 to the Solent Freeport at Southampton and the ports of Portsmouth, together with the life sciences connection between the University of Southampton and Harwell.

In addition to the links between West Berkshire and South Oxfordshire and Vale of White Horse, in Oxfordshire, West Berkshire has close involvement within the wider Thames Valley and the Berkshire Prosperity Board. This involvement is a source of economic strength and the Berkshire economic strategy a successful approach from which the two new unitary councils will draw learning benefits.

'Assisted Area' status has helped to establish successful Enterprise Zones that have helped to secure new investment into South Oxfordshire and Vale of White Horse. Culham recently secured an AI zone designation to support its future development. We intend to continue our outward looking approach with continued support for the science, innovation and technology sector in the area.

The area has already introduced a significant innovation with the use of Local Development Orders (LDO) at Milton Park in the Vale of White Horse and Greenham in West Berkshire (and also the Dtech LDO) which has introduced a 10-working day turn around for planning approvals by businesses. This approach provides planning certainty for business with quick consents. We plan to extend this innovative approach to cover all business parks.

The area has an opportunity to create more incubator space to meet the needs of SMEs as well as an existing commitment to servicing inward investment enquiries.

The new unitary can learn from the West Berkshire experience of using regulatory services as business enablers, the use of business rate reviews, support for supplier firms and securing social value policy in procurement.

Working with local colleges such as Abingdon and Witney College and Newbury College will remain a priority for securing new skills and apprenticeships related to local sector needs. Of note is the net zero hub at Abingdon and Witney College which is upskilling people in net zero installations (heat pumps, solar panels, insulation etc) to help deliver sustainable growth and retrofit.

Diversification of the rural economy will be strengthened by the 3 Councils engaging together, bringing a focus on green farm infrastructure from working with companies such as Dev Agritech and Dyson and the significant racehorse industry.

The Ridgeway Council area has a strong tourism offer with extensive attractions across the Chilterns and North Wessex Downs such as the famous Ridgeway Path, vibrant market towns such as Henley, Faringdon, Wallingford, Marlborough and Newbury etc and the West Berkshire Canal project.

The involvement of the two unitary councils in Local Visitor Economy Partnerships (the Berkshire LVEP and Experience Oxfordshire) will coordinate and developing the tourism industry at the local level, working with national bodies like Visit England.

**4B.4 Meeting housing needs**

The Ridgeway Council we will take the opportunity to expand social housing and address the need for affordable housing in an area of high-cost housing. And build on the innovative policies and successes such as the policy of 50% affordable housing in adopted local plan for the unmet need (of Oxford) sites in South Oxfordshire and the work lead by West Berkshire Council to focus on securing affordable housing that meets the needs of young professionals.

There are opportunities for affordable housing, both new development opportunities and also but also increased scale to deliver innovative solutions such as a housing company and increased influence over RSLs. Sovereign are the main RSL provider in South Oxfordshire, Vale of White Horse and West Berkshire but are small enough for local connection and to understand local housing needs.

The new Ridgeway Council will build on West Berkshire successful working as a unitary to deliver specialist housing to meet local needs.

**4B.5 Our transport and infrastructure priorities**

The West Berkshire Local Transport Plan (LTP) is driving the transport approach of West Berkshire Council. In contrast, the Oxfordshire LTCP will need further consideration to ensure it meets the transport needs of South and Vale within the Ridgeway Council area and is capable of delivery and more effective implementation than has been evident to date. As a unitary council West Berkshire has valuable expertise in the delivery of strategic infrastructure. Page 46 provides more detail of policy themes and infrastructure priorities.

Transport planning concerns improving connectivity within the Ridgeway Council area, but also connectivity beyond the Council area; to the wider Oxfordshire and Berkshire, working across the MSA area and importantly close links to London and Heathrow.

The A34 is a key connection that runs north and south through the area to the Solent Freeport at Southampton, a major focus for HGV movements, the M4 is a major east-west strategic route together with the A420 to Swindon.

The Great Western line runs through the Unitary area and provides excellent connections to London, Reading, Bristol and Oxford.

However there is a gap with no stations between Didcot and Swindon. So Science Vale, a major area of growth of national significance, has inadequate access to the rail network and relies on bus services. A new reopened station at Grove on the Great Western Line would act a driver of new growth and at Milton Park would strengthen sustainable access to a major business park.

The new Council will work with GWR to regenerate stations and their localities as critical points of arrival in the market towns.

The involvement of West Berkshire will bring the promotion of green modes of transport, linked to the Berkshire wide connected travel plan as well as an applying the Ultra Low Environment Vehicle Strategy and the promotion of cycling links across the unitary area.

There is a need to invest in improvements to the water infrastructure across the area to tackle water stress, which is emerging as a challenge.

There is potential to work jointly with the mayor on securing leisure and employment and business opportunities from the creation of the new reservoir close to Abingdon (the current County Council is opposed to the development).

**4B.6 Conclusion to ‘the Ridgeway Council’**

There is a significant opportunity to create a new unitary council that builds on the track record of significant delivery by the current three Councils.

These three Councils have a significant ambition to go further. To strengthen its economic assets and expand local clusters in nationally significant sectors.

The Ridgeway Council stands to be a significant actor, with valuable aspirations and a willingness to collaborate with partners, to help secure the proposed Thames Valley MSA and support the new Mayor too.

**Annex A: Local Plan status.**

Each District has an adopted Local Plan in place, with new Plans at various stages of preparation.

| | Local Plan adopted | Staged reached in Local Plan review. | Examination |
|---|---|---|---|
| Cherwell | (2011-2031) July 2015 | Reg 19 Nov 2024 July 2025 (Submission) | Not yet set |
| City of Oxford | (2016-2036) June 2020 | Submitted, but subsequently withdrawn | Exam completed - Plan rejected & new plan is in preparation having recently consulted at Reg 18 stage. |
| South Oxfordshire | To 2035 December 2020 | Submitted December 2024 | June 2025 |
| Vale of White Horse | To 2031 December 2016 | Submitted December 2024 | June 2025 |
| West Oxfordshire | (2011-2031) September 2018 | Completed its Reg 18 stage in August 2025 | - |
| West Berkshire | Core Strategy (2006-2026) 2012 | Submitted | Adopted at Council June 2025 |

**Annex B: Housing numbers and the 5-year housing land supply.**

The changes to the standard method for housing requires a significant level of new growth to be considered in each District.

| | Pre Standard Method | New Standard Method | Increase | Average houses built 2020/21 to 2022/23. | 5-year housing land supply position – as reported in Annual Monitoring Reports |
|---|---|---|---|---|---|
| Cherwell | 706 pa | 1095 pa | 0.9x | 1242 | 2.3 yrs (at Feb 25) |
| City of Oxford | 762 pa | 1051 pa | 2.4x | 437 | 5.93 yrs (at Feb 25) |
| South Oxfordshire | 579 pa | 1179 pa | 1.2X | 1010 | 4.5 yrs (at Jan 25) |
| Vale of White Horse | 633 pa | 937 pa | 0.8 x | 1162 | 5.81 yrs (at Jan 25) |
| West Oxfordshire | 549 pa | 905 pa | 1x | 865 | Less than 5 years (at 18/12/24) |
| West Berkshire | 495 pa | 1057 pa | 1.6X | 660 | 2.6 yrs (at Feb 2025) |

## Annex C: Initial infrastructure priorities.

Infrastructure investment has been sought through Local Plans to enable growth to be supported. There are rail improvements that are sought and improvements to utilities infrastructure as well as improvements to the power grid and to address areas of water stress.

Our initial infrastructure priorities include:

Cherwell

- Road improvements at Banbury (Henneth Way) and the proposed A41 Bicester SE relief road for which land is safeguarded. Improvements to the A44 are needed to support the delivery of the Local Plan Partial review sites in Yarnton.

- Challenge of capacity on M40 J10 to J9 and J9. And A34 southwards from J9 which faces significant constraints.

- Major changes proposed at M40 J10 to enable further growth at Heyford Park, the former USAF base, which can accommodate significant new growth and proposed NSIP rail freight terminal.

- East to West rail completed to Oxford and Bletchley, near Milton Keynes.

- New station at Begbroke associate with expansion of Begbroke Science Park and housing delivery associated with Partial Review of the Cherwell Local Plan.

- Expanded grid connections to support new growth.

City of Oxford

- Rail improvements to City Station, aspiration to secure Cowley line as extension to East-West rail.

- Double tracking to rail line to Didcot and to Long Hanborough on North Cotswolds line.

- Expanded grid to support new growth.

South Oxfordshire & Vale of White Horse

- The A34 faces significant constraint at Botley, to the west of Oxford.

- Double tracking rail line to Oxford.

- Aspiration to reopening the station at Grove and a new station at Milton Park on the Great Western rail line.

- Meeting the water and energy needs of the growing data centre sector in South and Vale with the government identifying the nation's first AI growth zone at Culham.

- Challenge from water stress and sewage in both Districts.

- Leisure and business opportunities from the proposed new reservoir.

West Oxfordshire

- Improvements to A40 to enable further growth at Witney and Carterton to improve modal shift and reduce congestion at peak times.

- West Oxfordshire has an aspiration to extend rail links through the A40 corridor from Carterton to Oxford via Witney with a corridor of land proposed to be safeguarded through the new local plan.

- Double tracking the North Cotswold line from Oxford to Long Hanborough and major station improvements to turn Hanborough Station into a super mobility hub.

- Challenge of need to improve sewage facilities in the rural parts of West Oxfordshire.

West Berkshire

From the Transport Infrastructure Plan for Berkshire and Local Transport Plan 4:

The West Berkshire Local Transport Plan 2025–2040 (LTP4) sets out a long-term strategy to deliver a sustainable, inclusive, and economically resilient transport system across the district. It adopts a place-based and vision-led approach, aligning with the Council's Local Plan and Environment Strategy.

Four Key Policies Supporting Economic Growth:

1) Strategic Connectivity Enhancements

Investment in key road and rail corridors (e.g. M4, A34, Great Western Main Line) to improve access for businesses, freight, and commuters, supporting productivity and regional competitiveness

2) Public Transport Improvements

Expansion of bus services, demand-responsive transport, and upgrades to railway stations (e.g. Newbury and Theale), making travel more reliable and accessible for workers and customers

3) Infrastructure for New Development

Transport planning is integrated with housing and employment growth areas (e.g. south of Newbury, north-east Thatcham), ensuring new developments are well-connected and economically viable

4) Digital and Electric Mobility Investment

Support for electric vehicle infrastructure and digital connectivity (e.g. EV charge points, smart mobility), enabling modern business operations and reducing transport costs

**Annex D: The authors of this report.**

**Adrian Colwell**

Adrian is a consultant specialising in strategic land use planning and growth strategies. He works for both public and private sector clients. He is currently advising on new settlement proposals, urban extensions and major business park investments. He has led Local Plan preparation including the Cherwell, South Northants and West Northants Plans. He has also overseen economic development strategies, infrastructure programmes and led the Oxfordshire 2050 Plan.

He was 'Executive Director for Place and Growth' across Cherwell and South Northants Council. He was also Special Adviser to the First Minister of Scotland (2001-2007) where he led a series of reforms of transport and the planning system introducing the Scottish National Planning Framework in 2006. He worked at COSLA, the local government association for Scotland as Head of Policy, Central Regional Council and Wakefield Council on EU regional programmes.

He has also worked in the European Parliament, House of Commons and US House of Representatives. Adrian has published extensively and presented evidence to Parliamentary enquiries by the Scottish & European Parliaments, Select Committees of the House of Commons & House of Lords on regional development.

**Catriona Riddell**

Catriona is an independent consultant providing support on a wide range of spatial planning issues but specialises in strategic planning, working with a large number of local authorities across England, helping them develop their approaches to strategic planning and establishing new governance arrangements.

She has authored several reports on the subject of strategic planning, most recently, as part of a small team researching strategic planning practice, published by the Royal Town Planning Institute in September 2025. She is currently chairing a national Strategic Planning Group which is helping to develop the approach to a new generation of strategic plans. In 2025 Catriona was voted as one of The Planner's Women of Influence for her work in strategic planning.

Catriona is the Planning Officers Society's Strategic Planning Specialist and Vice Chair of the Town and Country Planning Association. In 2022 she was elected as a Fellow of the Royal Town Planning Institute and awarded an Honorary Doctorate from Oxford Brookes University for her contribution to planning.

She is a regular columnist for Planning Magazine, a Judge for both the Planning Magazine Awards and is a Commissioner on the Radix Big Tent Housing Commission. Catriona is also a presenter on the new podcast Planning After Dark.

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# Oxford Shires and Ridgeway LGR Support

## Adult Social Care and Children's Services Analyses to inform LGR Business Case

September 2025

Peopletoo
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# Contents - to be edited

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# 1. Executive Summary

# Oxfordshire and West Berkshire Local Government Reorganisation (LGR) Context

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Local government across Oxfordshire County Council (CC) and West Berkshire Council faces profound challenges over the next two decades. Population growth, an ageing demographic, rising demand in Adult Social Care (ASC) and Special Educational Needs and Disabilities (SEND), volatile placement costs, and tightening financial sustainability all place increasing pressure on councils' ability to deliver high-quality, affordable services. At the same time, residents and communities expect more visible leadership, stronger local accountability, and services designed around their distinct needs.

The Government has been clear that LGR should deliver:

- Simpler, single-tier governance that removes duplication.
- Councils of the "right size" – resilient enough to withstand financial shocks but local enough to respond to place-based needs.
- High-quality, sustainable public services.
- Stronger local voice and accountability, supporting devolution and community empowerment.



This report considers the future shape of local government across Oxfordshire CC and West Berkshire Council from an ASC and Children's Services lens against these tests. It assesses **Option 1** (two unitary authorities split according to the current boundaries of Oxfordshire CC [c.750,000] and West Berkshire Council [c.165,000]) and **Option 2** (two balanced unitaries of c.450,000 residents each: Oxford & Shires and Ridgeway).

Our analysis demonstrates that Option 2 offers the strongest alignment with the six LGR criteria. It achieves the right balance between scale and local focus:

- Large enough to commission strategically, secure financial resilience, and deliver efficiencies.
- Small enough to strengthen local accountability, empower communities, and tailor services to distinct local pressures – from urban deprivation in Oxford, to ageing populations and rural access in Ridgeway.

The following sections set out the evidence against each of the six criteria, provide a RAG assessment of Options 1 and 2, and present a theory of change for how Option 2 can deliver improved outcomes and sustainability for residents.

**Please note the analysis within the report does not offer a comparison with Option 3 given this Option requires revision to boundaries for which the data was not available.**

# LGR Criteria RAG Overview

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| Criteria | Option 1a: Oxfordshire UA | Option 1b: West Berkshire UA | Option 2a: Oxford & Shires UA | Option 2b: Ridgeway UA |
|---|---|---|---|---|
| 1. Single Tier | Delivers a single-tier model, but risks being overly centralised. | Delivers single-tier locally but scale risks longer term sustainability | Delivers a single-tier structure, simplified governance. | Delivers a single-tier structure, clear accountability. |
| 2. Right Size | Too large (750k+); efficiency/inspection outcomes weaker at this scale. | c.170k population significantly below MHCLG original recommendation. | In the 450k ideal size, resilient and efficient. | In the 430–450k range, resilient with capacity. |
| 3. Service Quality & Sustainability | Risks masking urban deprivation vs rural ageing pressures; entrenched high-cost baseline. | More efficient cost base but fragile scale and workforce dependency. | Can specialise in complex/urban demand; sustainable model. | Focus on older populations, rural pressures; more tailored and sustainable. |
| 4. Local Working & Views | Larger, centralised model makes local engagement harder. | Strong community engagement due to small scale but lacks strategic capacity. | Smaller footprint strengthens leadership visibility; builds on local forums. | Builds on Ridgeway Forum, strong localised engagement. |
| 5. Devolution | Scale supports regional deals | Too small to influence regional devolution agendas. | Strong fit with BOB ICS and Ox–Cam corridor; balances local and regional needs. | Strong fit with ICS footprint and localised partnerships. |
| 6. Community Empowerment | Large UA risks remoteness, weaker neighbourhood identity. | Very strong local identity, close engagement | Smaller UA strengthens local identity, co-production, and accountability. | Strengthens neighbourhood empowerment and community voice. |

# Options Matrix (1)

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| Criteria | Option 1a | Rationale | Option 1b | Rationale | Option 2a | Rationale | Option 2b | Rationale |
|---|---|---|---|---|---|---|---|---|
| 1a. Establish single tier | 5 | Delivers single tier, but too large to flex. | 5 | Also delivers single tier, but sustainability risks due to size | 5 | Balanced unitary, single tier achieved. | 5 | Single tier achieved at Ridgeway scale. |
| 1b. Ease of transition | 2 | Complex transition, entrenched systems, high DSG deficit. | 3 | Easier to implement, but fragile workforce/market. | 4 | Transition manageable, draws on scale and balance. | 4 | Moderate transition risk, but WB volatility absorbed by Ridgeway. |
| 2a. Right size – short-term efficiencies (0–3 yrs) | 2 | High costs locked in, efficiencies unlikely. | 3 | Already efficient, but no headroom for short-term gains. | 4 | Short-term efficiencies via recalibration and fostering sufficiency. | 4 | Sustainability and market development gains from absorbing WB |
| 2b. Right size – long-term sustainability (10 yrs) | 1 | £100m+ DSG deficit, £187m OA costs by 2032, unsustainable. | 2 | Too small to withstand shocks long term. | 5 | Falls in ideal size (450–460k), long-term resilience. | 4 | Strong base, but rural ageing pressures add long-term risk. |
| Total | 10 | | 13 | | 18 | | 17 | |

Scoring guide summary (full guide in Appendix A):
Score 1: Highly challenging to implement without a clear delivery plan
Score 2: Highly challenging to implement with a framework for delivery
Score 3: Challenging to implement with an outline plan for delivery and benefits realisation
Score 4: Manageable to implement with a clear plan for delivery and benefits realisation
Score 5: Manageable to implement with a tried and tested approach and plan for implementation

# Options Matrix (2)

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| Criteria | Option 1a | Rationale | Option 1b | Rationale | Option 2a | Rationale | Option 2b | Rationale |
|---|---|---|---|---|---|---|---|---|
| 3. High quality & sustainable services | 2 | High unit costs, fragile fostering/ASC market. | 3 | Good efficiency but lacks resilience. | 5 | Scalable prevention/reablement, Safety Valve alignment. | 4 | Stable base, but rural access challenges. |
| 4. Meets local needs & local views | 2 | Risks masking divergent needs (urban deprivation vs rural). | 3 | More locally visible, but too small. | 5 | Balances city & county challenges. | 4 | Rural-focused, addresses access issues. |
| 5. Supports devolution | 3 | Scale works for regional deals, but weak NHS/ICS alignment. | 3 | Small scale limits devolution pull. | 5 | Aligns with BOB ICS & Ox–Cam growth corridor. | 4 | Supports devolution but more rural scope. |
| 6. Community engagement & empowerment | 2 | Large structure risks remoteness. | 3 | Local but limited capacity. | 5 | Place-based units, strong co-production. | 4 | Smaller footprint supports engagement, rural reach. |
| Total | 9 | | 12 | | 20 | | 16 | |

Scoring guide summary (full guide in Appendix F):

Score 1: Highly challenging to implement without a clear delivery plan

Score 2: Highly challenging to implement with a framework for delivery

Score 3: Challenging to implement with an outline plan for delivery and benefits realisation

Score 4: Manageable to implement with a clear plan for delivery and benefits realisation

Score 5: Manageable to implement with a tried and tested approach and plan for implementation

# Opportunities for the new UAs under Option 2

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The following summarises opportunities are per Option 2.

**Oxford & Shires**

- ✓ Reduced population size (c.450k) gives a more manageable scale than a single county unitary.
- ✓ Balanced demographic trends mean steadier cost growth (+3.9% vs +5.1% under Option 1).
- ✓ Diversified footprint spreads demand, reduces volatility, and increases resilience to demographic shocks.
- ✓ Gains scale in provider markets (residential and nursing) with stronger quality ratings, allowing for market shaping to tackle high unit costs.
- ✓ Opportunities to recalibrate above-benchmark costs down to peer averages (WAA: £48.7k → £44.1k; OA: £35k → £31.5k).
- ✓ Stronger platform for strategic commissioning and sufficiency strategies at the 350–500k "sweet spot" for performance and Ofsted/SEND outcomes.

**Ridgeway**

- ✓ Larger market exposure creates new opportunities for West Berkshire, which as a small authority (163k) currently faces volatility risks.
- ✓ Balanced cost growth profile (+3.9% to 2032), with West Berkshire's flat/declining demand offset by modest Vale/South Oxfordshire growth.
- ✓ Gains commissioning scale to address WB's fragile market (small, variable quality, high reliance on "Require Improvement/Blank" CQC ratings).
- ✓ Improves resilience in Children's Services, pooling Oxfordshire's prevention model with West Berkshire's strong dispute resolution and family engagement approaches.
- ✓ Risk-sharing across a population of 450k enables more sustainable sufficiency and workforce planning.

# Transformation Elements Required to Deliver Savings

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- Opportunities (reduced size = control for Oxford & Shires, expanded market access = resilience for WB in Ridgeway).
- Transformation enablers (commissioning reform, prevention, workforce, digital, partnerships, financial controls).

| | | |
|---|---|---|
| 1 | **Commissioning & Market Reform** | • Strategic market shaping to stabilise fragile residential/nursing markets.<br>• Block contracts, fostering hubs, and IFA conversion to reduce volatility.<br>• Outcomes-based commissioning to contain costs and improve sufficiency. |
| 2 | **Prevention & Reablement** | • Home First and reablement-first approaches to reduce long-term admissions.<br>• Family hubs and early intervention in children's services to reduce demand escalation. |
| 3 | **Workforce Transformation** | • Joint recruitment pipelines, retention incentives, and standardised practice models.<br>• Reduction in reliance on agency staff, with shared training and workforce strategies across both UAs. |
| 4 | **Digital & Data-Driven Services** | • Digital-first models: resident care accounts, AI-enabled triage, predictive analytics.<br>• Improved transparency and quality monitoring (particularly in Ridgeway markets). |
| 5 | **Partnership & Integration** | • Align with NHS/ICS footprints for joint commissioning in ASC, SEND and public health.<br>• Embed stronger VCSE and community partnerships for place-based delivery. |
| 6 | **Financial Management & Risk Pooling** | • Recalibration of unit costs to national benchmarks.<br>• Pooling risks across balanced UAs to absorb demand shocks and sustain long-term financial viability. |

# Conditions for Success in Delivering Option 2

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Success depends on execution: Option 2 creates the right structural opportunity, but without commissioning reform, prevention, workforce stabilisation, digital innovation, and careful transition management, the savings and resilience benefits won't materialise.

1. Effective Commissioning Reform
   - Recalibrate unit costs to the 350–500k benchmark (e.g., WAA £44k vs current £48.7k, OA £31.5k vs £35k).
   - Secure block contracts and diversify providers to reduce reliance on fragile nursing/residential markets, especially in Ridgeway.
   - Build joint commissioning hubs across the two UAs for ASC and Children's placements.
2. Prevention & Early Intervention Must Be Scaled
   - Embed Home First and reablement-first models in ASC to reduce long-term admissions.
   - Expand family hubs and early help in children's services to prevent escalation into statutory care.
   - Invest in SEND inclusion and mainstream capacity to contain demand and rebuild parental confidence.
3. Workforce Sustainability
   - Joint recruitment campaigns, career pathways, and retention incentives to tackle shortages.
   - Reduce reliance on agency staff through workforce pooling, standardised practice, and shared training.
   - Align pay and conditions across the two new UAs to avoid destabilisation.
4. Digital Transformation & Data Use
   - Deploy digital-first services: online assessments, predictive analytics, resident care accounts.
   - Use data to improve sufficiency planning and quality monitoring (especially in Ridgeway's weaker markets).

# Conditions for Success in Delivering Option 2

Success depends on execution: Option 2 creates the right structural opportunity, but without commissioning reform, prevention, workforce stabilisation, digital innovation, and careful transition management, the savings and resilience benefits won't materialise.

5. Robust Transition Planning
   - Phased implementation to avoid service disruption.
   - Protect frontline delivery during reorganisation.
   - Early alignment of commissioning functions to capture economies of scale.
6. Strong Partnerships & Integration
   - Work closely with NHS and ICS footprints to integrate ASC, SEND, and public health commissioning.
   - Strengthen collaboration with voluntary/community sector for place-based delivery.
   - Maintain local accountability and co-production with communities to build legitimacy.
7. Financial Challenges
   - Actively manage volatility by pooling risks across balanced UAs (WB's fragility offset by Ridgeway's broader base).
   - Deliver savings by sustaining recalibrated cost trajectories in ASC and Children's CLA placements.
   - Continuous monitoring against Medium-Term Financial Plan (MTFP) to ensure benefits are realised.

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# 2. Adults Social Care

The 2-unitary model in Option 2 provides a better service delivery platform to:

- manage future demand by driving locally driven preventative approaches across all ASC service activities and reducing long-term care costs.
- fully embed place-based and local community delivery models (working closely with the voluntary sector and the NHS), thereby improving our ability to tailor services to local needs, local capacity and, in turn, deliver a more sustainable workforce model.
- It also allows for further development and enhancement of the strategic commissioning model and approach to market management in order to deliver more efficient and effective local care and support services.

# Oxfordshire CC and West Berkshire Adult Social Care Overview

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### Strategic Context

- Adult Social Care (ASC) represents the largest single element of local authority spend, accounting for more than 50% of net budgets. Across Oxfordshire CC and West Berkshire Council, ASC services deliver strong prevention outcomes — fewer older people enter long-term care compared with national averages and working age adults (WAA) are more likely to live independently. However, the financial trajectory **may not be sustainable** as detailed below.

### Oxfordshire CC

- Demand is relatively low, but costs per person are significantly above benchmark. WAA costs average **£48.7k per client (+19% vs England)**, while OA costs are **£35k (+23% vs England)**. This reflects a "low demand, high cost" system, driven by market fragility, provider inflation, and reliance on nursing and residential placements.

### West Berkshire Council

- Prevention performance is strong (only **8% of OA requests progress to long-term care vs 11% nationally**), but costs are inflated (**£37.7k per OA client, +32% vs England**). A small base (1,000 OA clients) makes the system volatile, a handful of high-cost cases can skew the budget.

By 2032, ASC costs across the area are forecast to exceed **£398m** (OA £236m, WAA £162m). Without reform, both authorities face escalating budget gaps, increased market risk, and workforce unsustainability.

The ASC system across Oxfordshire CC and West Berkshire Council faces significant long-term challenges. Option 2 provides the most balanced and sustainable solution:

- ✓ Large enough to commission strategically and withstand financial shocks.
- ✓ Small enough to embed place-based delivery, prevent need earlier, and strengthen community engagement.
- ✓ Tailored to address the distinct ASC pressures of urban Oxfordshire and rural Ridgeway.
- ✓ Consistent with LGR criteria, CQC's assurance framework, and the government's long-term vision for care.
- ✓ This model delivers better outcomes for residents, greater resilience for providers and the workforce, and financial sustainability for the councils.

# Key ASC Challenges under Option 1

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| | | |
|---|---|---|
| 1 | Rising Demand and Cost Pressures | • The population aged 65+ will rise by 24–27% by 2035; WAA with complex needs are also increasing due to longevity and medical advances.<br>• Oxfordshire CC shows a "low demand, high cost" profile; West Berkshire shows smaller base, higher volatility. Both are above comparator benchmarks (ASCFR).<br>• Forecast: Without reform, ASC costs across the footprint will exceed £398m by 2032 (+20%). |
| 2 | Managing Short-Term versus Long-Term | • Current spend is heavily weighted towards long-term care, with limited use of reablement, step-down support, and direct payments.<br>• Annual long-term care costs in Oxfordshire CC are rising >5% per year, above inflation.<br>• Need to rebalance towards prevention: stronger triage, rehabilitation, and community support models. |
| 3 | Market Fragility and High Unit Costs | • Unit costs exceed national comparators: WAA costs +19% vs England; OA costs +23%.<br>• Residential/nursing reliance remains high, with 42% cost spikes in one year (West Berkshire) demonstrating volatility.<br>• Current commissioning lacks scale leverage to stabilise the market. |
| 4 | Inequalities and Variable Outcomes | • Rural communities (e.g., Vale of White Horse) face access challenges and digital exclusion.<br>• Outcomes vary as service users report postcode variation in the type and speed of support available. |
| 5 | Digital and Innovation Gap | • Opportunity to scale innovation: assistive tech, predictive analytics, robotics in care. |

**Risks and Mitigations**

### Market Fragility
Provider collapse or inflationary costs could offset savings. Mitigation: block contracts, sufficiency planning, and market diversification.

### Transition Risks
Reorganisation may destabilise services. Mitigation: phased implementation, protect frontline staff, early alignment of commissioning functions.

### Workforce shortages
Recruitment and retention remain challenges nationally. Mitigation: joint recruitment campaigns, career development pathways, workforce pooling across UAs.

# Theory of Change ASC Oxford and Shires

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## Current Challenges

- High unit costs: £48.7k WAA, £35k OA (19–23% above England).
- Limited use of reablement, reliance on costly nursing placements.
- Provider market fragile; high workforce churn.
- Current fragmented system limits reablement, early intervention, and local responsiveness.
- Risks of over-centralisation (1 Unitary).

## Impact of Oxfordshire Unitary

- Oxfordshire's high-cost baseline entrenched, growing to £132m WAA + £187m OA by 2032.
- Over-centralisation dilutes ability to respond to urban deprivation in Oxford vs rural challenges.

## Solutions delivered by 2 UA model (by similar size Las)

- Commissioning reform: recalibrate to 350–500k benchmark costs (£44.1k WAA, £31.5k OA).
- Multi-disciplinary triage & Home First: ensuring people are supported at the "front door" and defaulting to reablement over long-term care.
- Workforce transformation: standardised strength-based practice, local recruitment pipelines, improved retention.
- Carer support & co-production: structured engagement with carers and service users; peer support networks.
- Digital-first services: resident care accounts, AI-enabled triage, predictive analytics, online assessment/review.
- Market shaping to reduce reliance on nursing placements and attract mid-cost provision.

## Intermediate Outcomes delivered by 2 UA model

- Flattened cost trajectory: £70m WAA, £98m OA by 2032 (vs £319m under Option 1).
- Reduced admissions to long-term care; shorter lengths of stay when required.
- More resilient and competitive local provider markets.
- Greater integration with NHS and system partners, reducing duplication and improving joint outcomes.
- Local services tailored to distinct pressures (urban Oxfordshire vs rural Ridgeway).

## Long-term outcomes delivered by 2 UA model

- £90m+ savings unlocked, supporting MTFP resilience.
- Improved resident experience – person-centred, preventative, digitally-enabled care.
- Financial sustainability – lower unit costs, reduced escalation of ASC spend, resilience against financial shocks.
- Better outcomes for residents – more people remain independent for longer; carers supported.
- System sustainability – resilient workforce, stronger local partnerships, secondary NHS savings.
- Democratic and community empowerment – stronger accountability and co-production with communities.

# Theory of Change ASC Ridgeway

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## Current Challenges

- West Berkshire OA unit costs £37.7k (32% above England), small fragile nursing markets.
- Higher admissions to care homes (650 per 100k vs 540 regional).
- Limited use of reablement, reliance on costly nursing placements.
- Sufficiency of residential beds.
- Working Age Adults more balanced but still above benchmark.
- Risks of over-centralisation (1 Unitary).

## Impact of West Berkshire Unitary

- WB remains too small (1,000 OA clients, 790 WAA) to absorb volatility.
- Rural needs (access, transport, digital exclusion) under-served in a large countywide model.
- Costs rise to £48m OA + £30m WAA by 2032, with high exposure to market fragility.

## Solutions delivered by 2 UA model (by similar size Las)

- Commissioning reform: recalibrate to 350–500k benchmark costs (£44.1k WAA, £31.5k OA).
- Multi-disciplinary triage & Home First: ensuring people are supported at the “front door” and defaulting to reablement over long-term care.
- Workforce transformation: standardised strength-based practice, local recruitment pipelines, improved retention.
- Carer support & co-production: structured engagement with carers and service users; peer support networks.
- Digital-first services: resident care accounts, AI-enabled triage, predictive analytics, online assessment/review.
- Market resilience: joint commissioning across Ridgeway, embedding prevention in contracts.

## Intermediate Outcomes delivered by 2 UA model

- Ridgeway ASC spend contained at £80m WAA + £119m OA by 2032.
- Reduced admissions to long-term care; shorter lengths of stay when required.
- More resilient and competitive local provider markets.
- Greater integration with NHS and system partners, reducing duplication and improving joint outcomes.
- Local services tailored to distinct pressures (urban Oxfordshire vs rural Ridgeway).

## Long-term Outcomes delivered by 2 UA model

- Stabilised finances, avoiding unsustainable OA growth.
- Improved resident experience – person-centred, preventative, digitally-enabled care.
- Financial sustainability – lower unit costs, reduced escalation of ASC spend, resilience against financial shocks.
- Better outcomes for residents – more people remain independent for longer; carers supported.
- System sustainability – resilient workforce, stronger local partnerships, secondary NHS savings.
- Democratic and community empowerment – stronger accountability and co-production with communities.

# Adult Social Care Demand

ASC services across England are facing huge pressure with demand expected to rise considerably over the next 15 years. This is largely due to expected population increases (particularly in older adults), growth complexity of care need in working age adults, transitions and increases in the costs of care.

This trends are already causing budgetary challenges for the ASC services in the LA and this will continue at pace if not fully addressed.

Option 2 creates financially viable unitaries at the right scale, each with distinct ASC challenges.

- Oxford & Shires must address low demand but high-cost users.
- Ridgeway must tackle unit cost inflation in older adult care despite stronger demand management.
- Both benefit from population sizes proven to achieve lower ASC unit costs and stronger prevention outcomes compared with counties, providing a robust platform for long-term sustainability.



Overview of Oxfordshire CC

**Working Age Adults:**

- Oxfordshire CC is strong at resolving demand at the front door without formal services.
- But very limited use of reablement reduces opportunities to reduce future cost/demand.
- The balance of demand is not skewed toward long-term care, which avoids cost escalation.

**Older Adults:**

- Fewer older people managed without services – more requests flow into funded care.
- Good reablement usage, but still above-average movement into costly long-term care.
- This profile reinforces Oxfordshire CC's "low demand, high cost" challenge: the system prevents some demand, but once in the system, older adults are more likely to become long-term clients.

Overview of West Berkshire

**Working Age Adults:**

- Fewer older people managed without services – more requests flow into funded care.
- West Berkshire has better use of reablement than Oxfordshire CC, but still above-average movement into costly long-term care.
- This profile reinforces Oxfordshire CC's "low demand, high cost" challenge: the system prevents some demand, but once in the system, older adults are more likely to become long-term clients.

**Older Adults:**

- West Berkshire is better at holding older adults outside funded services and limiting long-term care.
- Its prevention and diversion appear stronger than Oxfordshire CC's, but unit costs remain high, so savings aren't being fully realised.

# Adult Social Care Demand

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**Overview of Oxfordshire CC**

**Working Age Adults:**

Requests for support outcomes:

- 77% end in no service/universal offer – higher than NHS nearest neighbours (NN) (74%) and England (71%)
- 13–14% lead to short-term/equipment support – below England (17%)
- 2–3% go into reablement – half the NN/England average (5%)
- 7% lead to long-term care – in line with England
- Oxfordshire CC is strong at resolving demand at the front door without formal services
- But very limited use of reablement reduces opportunities to reduce future cost/demand
- The long-term care is in line with comparators, which avoids cost escalation

**Older Adults:**

Requests for support outcomes:

- 50% universal/no services – lower than NN (57%) and England (53%)
- 19% short-term/equipment – higher than NN (14%) and equal to England
- 18% reablement – stronger than NN (16%) and England (17%)
- 13% long-term care – above NN (12%) and England (11%)
- Fewer older people managed without services – more requests flow into funded care
- Good reablement usage, but still above-average movement into costly long-term care
- This profile reinforces Oxfordshire CC's "low demand, high cost" challenge: the system prevents some demand, but once in the system, older adults are more likely to become long-term clients.

**Overview of West Berkshire**

**Working Age Adults:**

Requests for support outcomes:

- 77% universal/no services (same as Oxfordshire CC)
- 13% short-term/equipment – slightly above NN, below England.
- 3% reablement – again below benchmarks
- 7% long-term care – in line with England
- Very similar to Oxfordshire CC: strong at deflecting demand, weak on reablement
- Lower reliance on long-term care compared to neighbours

**Older Adults:**

Requests for support outcomes:

- 58% universal/no services – higher than Oxfordshire CC and England
- 18% short-term/equipment – above NN (13%) and close to England
- 15% reablement – in line with NN, below England
- 8% long-term care – well below NN (13%) and England (11%)
- West Berkshire is better at holding older adults outside funded services and limiting long-term care
- Its prevention and diversion appear stronger than Oxfordshire CC's, but unit costs remain high, so savings aren't being fully realised.

# Adult Social Care Outcomes

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Oxfordshire CC Outcomes

**Younger Adults (18–64) – Admissions to Residential/Nursing**

- Oxfordshire CC admission rates remain well below 10 per 100,000, compared to 14–16 nationally/regionally
- That's 52–57% lower than comparators
- Stable/slight decline trend 2021–24, while other areas remained flat at higher levels

Emerging Analysis: Strong community-based alternatives and preventative practice are avoiding institutionalisation for working-age adults.

**Older Adults (65+) – Admissions to Residential/Nursing**

- Oxfordshire CC admissions: 350 per 100,000, compared to 550–600 per 100,000 elsewhere
- 40% lower than NHS Nearest Neighbours, 37% lower than South East, 38% lower than England
- Stable lower trajectory over three years

Emerging Analysis: Effective support helps older adults stay at home longer, avoiding premature admissions.

**Adults with Learning Disabilities – Living at Home**

- Oxfordshire CC: 89–90%, significantly higher than comparators (England: 78–82%)
- 9–13 percentage points ahead of benchmarks, steady upward trend

Emerging Analysis: Oxfordshire CC is achieving stronger independence outcomes, embedding inclusion and family/community support.

West Berkshire Outcomes

**Younger Adults (18–64) – Admissions to Residential/Nursing**

- West Berkshire admissions: 9–12 per 100,000, compared with 14–16 nationally.
- 38–39% lower than comparators
- Declining from 12 (2021–22) to 9 (2023–24), diverging positively from flat national trends

Emerging Analysis: Strong prevention and demand management for working-age adults, limiting unnecessary residential care

**Older Adults (65+) – Admissions to Residential/Nursing**

- West Berkshire admissions: 650 per 100,000, compared with 540–580 regionally
- 11–17% higher than neighbours and South East; 15% lower than England
- Trend: rising since 2021–22, widening gap with regional peers

Emerging Analysis: Greater reliance on care home placements for older adults, suggesting pressure on reablement/home care capacity

**Adults with Learning Disabilities – Living at Home**

- West Berkshire: 81% in 2023–24, up from 79% in 2021–22
- Above South East (76–79%) and NHS neighbours (77–80%), but just below England (82%)

Emerging Analysis: Performing well locally, but with a small gap to national standards.

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# 3. Children's Services

# Overview Children's Services

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- Children's services in Oxfordshire CC and West Berkshire Council perform well overall, with both councils rated "Good" by Ofsted and strong prevention models in place. However, there are distinct challenges – high-cost complexity and SEND in Oxfordshire CC and workforce pressures in West Berkshire, that could be addressed through a new delivery model.
- The implementation model for Option 2 (two unitaries: Oxford & Shires, Ridgeway) provides the right balance of scale, local focus and strategic commissioning capacity to look to address the current challenges identified.

Option 2 represents a credible and sustainable reform. It provides the balanced scale to deliver financially resilient, high-quality children's services aligned with national reforms (Keeping Children Safe, Families First). By splitting into the proposed 2 unitaries, it:

- Tackles Oxfordshire CC's increasing costs and SEND demand/ cost.
- Shields West Berkshire from small-scale volatility.
- Creates a commissioning platform capable of reshaping sufficiency, stabilising markets, and achieving long-term savings.

In short, Option 2 does not simply reorganise governance; it transforms sustainability, resilience, and outcomes in one of the most high-risk areas of local government.

**Why This Model Works**

- Population size: At 450k each, both unitaries fall within the national "sweet spot" (270–540k) where Ofsted and SEND inspection outcomes are strongest.
- National alignment: Directly supports reforms in Keeping Children Safe, Helping Families Thrive and Families First, with a rebalanced system focused on prevention.
- Integration: Aligns with NHS place footprints and the ICS agenda, enabling joint commissioning for children's health, SEND and public health priorities.
- Sustainability: Tackles demand escalation and market fragility at their root, creating financially resilient children's services capable of delivering improved outcomes.



### Oxfordshire CC

- A "low demand, high cost" system — CLA rates are 29% below the national average, but unit costs are 34% above, driven by fragile sufficiency and volatile residential markets (+42% in one year). SEND presents the largest systemic risk, with a projected DSG deficit exceeding £100m by 2026 and tribunal rates (5%) well above the national average (3%).

### West Berkshire

- A more efficient system — CLA unit costs 14% below statistical neighbours and SEND tribunal rates low (3.5%). However, as a small authority (population 163k), it will struggle to absorb demand shocks. Workforce costs are 30% above the national average, and residential costs rose 42% in one year, highlighting market fragility. Together, these dynamics create a fragile baseline.

# Overview: Areas for Focus

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| Dimension | Option 1a: Oxfordshire UA | Option 1b: West Berkshire UA | Option 2: Oxford & Shires UA | Option 2: Ridgeway UA |
|---|---|---|---|---|
| CLA demand | Low CLA rates (47 per 10k) but volatile | Slightly above SN, trending down | Balanced demand profile | Efficient base, demand absorbed by Ridgeway scale |
| CLA costs | £2,500 per child (+34% vs England) | £1,820 per child (14% below SN) | Recalibrated to £1,946 (benchmark) | Retains WB efficiency but eliminates small scale risk |
| Residential costs | 7% below England but +31% annual rise | 42% rise in one year. Weekly cost remains below benchmarks | Risk diluted across larger commissioning base | Risk diluted across larger commissioning base |
| Fostering | 62% (well below national 67–70%) | 63% (closer to average but fragile) | Balanced hubs & IFA conversion | WB fostering base offsets South/Vale |
| SEND | DSG deficit £100m+, tribunal 5% (vs 3% nat.) | Deficit 30m by 2026 (6.4% of Council's budget); tribunals 3.5%. | Rebalanced approach, shared best practice | Stronger than Oxfordshire CC, but exposed to growth |
| Workforce | Low costs however increasing dependency on agency usage. | High unit costs, agency reliance falling but fragile | Shared workforce plan at scale | WB pressures but mitigated by Ridgeway |
| Sustainability | No savings identified. Key risks with residential costs. | Efficient but future sustainability is a risk | Balanced, credible reform path | Balanced, credible reform path |

# Theory of Change Children's Services Oxford and Shires

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## Current Challenges

- CLA rate 29% below England but unit costs 34% above national; residential costs volatile (+31% in one year)
- Over-reliance on high-cost IFA/residential
- SEND systemic failings (2023 inspection), high tribunal rate (5% vs 3% national), low parental confidence
- Workforce efficiency (costs below peers) but increasing reliance on agency staff; risks in safeguarding continuity
- Inspection themes: Both rated "Good" by Ofsted, but weaknesses in transitions, multi-agency working, and SEND parental confidence

## Impact of Oxfordshire and WB 'As-Is'

- Oxfordshire = high-cost system (£2,500 per child, +34% vs England); West Berkshire efficient (£1,820) but sub-scale (163k)
- CLA forecasting: By 2032, combined CLA costs rise to £2.50m ("As Is"), with Oxfordshire volatility dominating
- SEND pressures: Oxfordshire CC DSG deficit forecast to exceed £100m by 2026; systemic SEND failings and high tribunal rate (5% vs 3% national)
- Workforce pressures: WB staffing costs 30% above peers; Oxfordshire reliant on agency staff
- Inspection risks: Both currently "Good", but Oxfordshire CC's SEND inspection highlights systemic weaknesses

## Solutions delivered by 2 UA model (by similar size LAs)

- Community-centred early help: Embed family hubs, peer support, and Family Group Conferencing to increase kinship placements
- SEND transformation: Investment in mainstream inclusion, parental engagement panels, tribunal case review hub
- Fostering & placements: Dedicated recruitment hubs, joint IFA conversion programmes, wraparound support for complex placements
- Commissioning reform: Outcomes-based contracts; block arrangements to stabilise residential market costs
- Integrated workforce strategy: Shared training, strengthened Principal Social Worker oversight, reduced agency reliance
- Partnerships: Urban focus – Oxford City deprivation, health/housing integration, university-led workforce pipelines

## Intermediate Outcomes delivered by 2 UA model

- Recalibration of unit costs to benchmark (£1,946 vs £2,500 baseline)
- Fewer children entering statutory care due to strong early help and kinship support
- Reduced reliance on residential placements, with better sufficiency and lower costs
- Improved parental confidence in SEND system (lower tribunal rates, more inclusive schools)
- More stable and resilient workforce with improved retention and capacity
- Stronger local partnerships (schools, NHS, VCSE, housing) enabling more joined-up support

## Long-term Outcomes delivered by 2 UA model

- Financial sustainability: 18% lower CLA costs vs "As Is."
- Children and families experience better outcomes: more supported to stay together, higher wellbeing
- Financial sustainability: reduced CLA and SEND cost volatility; savings from prevention and local commissioning
- Improved inspection readiness: higher quality outcomes, reduced risk of deterioration under reorganisation
- Inclusive education system: more children with SEND supported locally, reduced reliance on out-of-area schools
- Community empowerment: local services that reflect distinct needs of Oxford & Shires (urban deprivation, tribunal risks) and Ridgeway (rural access)

# Theory of Change Children's Services Ridgeway

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## Current Challenges

- CLA demand rising (WB: 187 to 281 by 2032), but costs efficient (£1,820 vs £1,946 benchmark).
- Residential costs volatile (+42% in one year). Small base amplifies impact.
- SEND system stronger than Oxfordshire CC but exposed to growth; tribunal rate 3.5%.
- Workforce costs 30% above England in WB; retention and safeguarding pressures.
- Inspection themes: Oxfordshire CC and WB rated "Good" by Ofsted, but weaknesses in transitions, multi-agency working, and SEND parental confidence.
- Fostering share stronger than Oxfordshire CC (63%) but still declining; needs sustained recruitment.

## Impact of Oxfordshire and WB 'As-Is'

- Oxfordshire = high-cost system (£2,500 per child, +34% vs England); West Berkshire efficient (£1,820) but sub-scale (163k).
- CLA forecasting: By 2032, combined CLA costs rise to £2.50m ("As Is"), with Oxfordshire volatility dominating.
- SEND pressures: Oxfordshire CC DSG deficit forecast to exceed £100m by 2026; systemic SEND failings and high tribunal rate (5% vs 3% national).
- Workforce pressures: WB staffing costs 30% above peers; Oxfordshire CC reliant on agency staff.
- Inspection risks: Both currently "Good", but Oxfordshire CC's SEND inspection highlights systemic weaknesses.

## Solutions delivered by 2 UA model (by similar size LAs)

- Community-centred early help: Embed family hubs, peer support, and Family Group Conferencing to increase kinship placements.
- SEND resilience: Invest in local special school capacity and inclusion support; keep tribunal rates below peers.
- Fostering sufficiency: Expand WB's fostering base across South/Vale footprint; build retention incentives.
- Commissioning collaboration: Leverage Ridgeway scale to stabilise residential market and reduce volatility.
- Workforce sustainability: Regional recruitment campaigns, targeted retention in WB, scale-sharing of specialist staff.
- Partnerships: Rural focus – integrated health, VCSE, housing for access and inclusion; sustain WB's family safeguarding strengths.

## Intermediate Outcomes delivered by 2 UA model

- WB demand growth absorbed safely across Ridgeway's wider scale.
- Fewer children entering statutory care due to strong early help and kinship support.
- Residential cost shocks diluted by broader commissioning footprint.
- Reduced reliance on residential placements, with better sufficiency and lower costs.
- Improved parental confidence in SEND system (lower tribunal rates, more inclusive schools).
- More stable and resilient workforce with improved retention and capacity.
- Stronger local partnerships (schools, NHS, VCSE, housing) enabling more joined-up support.

## Long-term Outcomes delivered by 2 UA model

- Sustainable CLA cost trajectory despite WB demand growth.
- Children and families experience better outcomes: more supported to stay together, higher wellbeing.
- Financial sustainability: reduced CLA and SEND cost volatility; savings from prevention and local commissioning.
- Improved inspection readiness: higher quality outcomes, reduced risk of deterioration under reorganisation.
- Inclusive education system with stronger local capacity.
- Families in rural and market town communities supported by accessible, joined-up services.

# Oxfordshire CC Children's Social Care - Children Looked After

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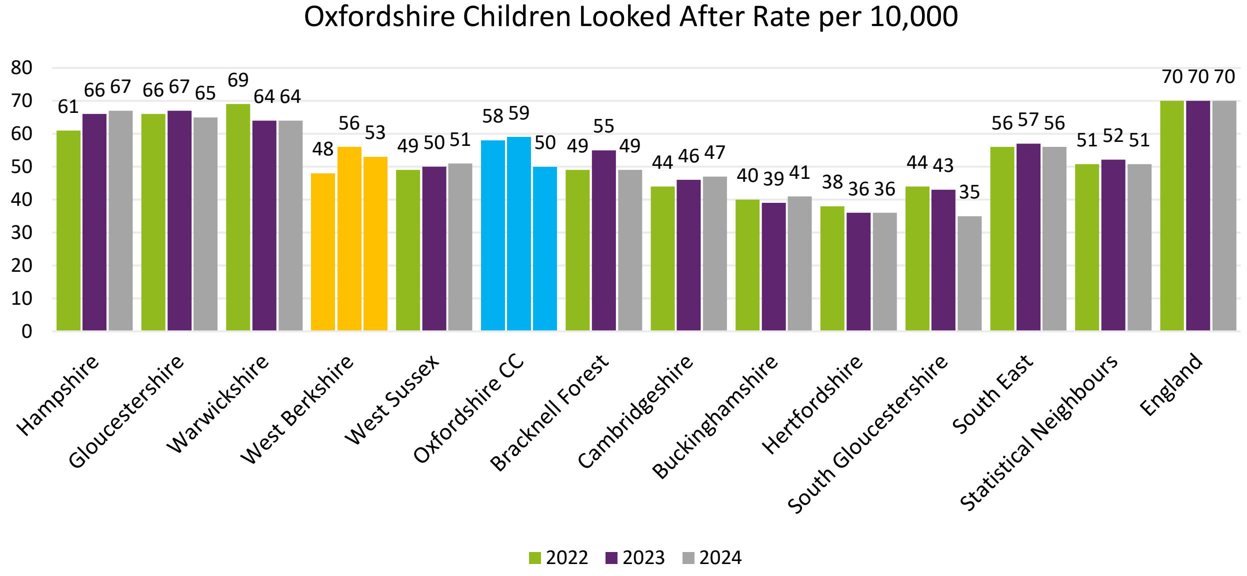


| CLA Number | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| Oxfordshire | 767 | 782 | 855 | 882 | 770 |
| SN Average | 655 | 685 | 692 | 709 | 715 |
| South East | 10430 | 10480 | 10840 | 11260 | 11180 |
| England | 80,000 | 80,780 | 82,090 | 83,760 | 83,630 |



**What does the data tell us?**

Children Looked After (CLA) rate per 10,000 in Oxfordshire CC:

- 2% lower than the Statistical Neighbour (SN) average.
- 29% lower than the England average.
- Trend: Between 2022 and 2024, the CLA rate in Oxfordshire CC has fallen by 15%, while rates across many comparator areas and nationally have remained broadly stable or higher.

**Analysis:**

- The 2022–2023 rise appears to be an anomaly, pushing Oxfordshire out of alignment with its long-term trend and above SN comparators.
- The 2024 data suggests a reset, with CLA numbers and rates now back to expected levels, confirming Oxfordshire's usual position as a low CLA demand area relative to its peers and national averages.
- Looking at a 5-year view is crucial, as it prevents over-interpreting the 2022–23 spike as a sustained increase.

# West Berkshire Children's Social Care - Children Looked After

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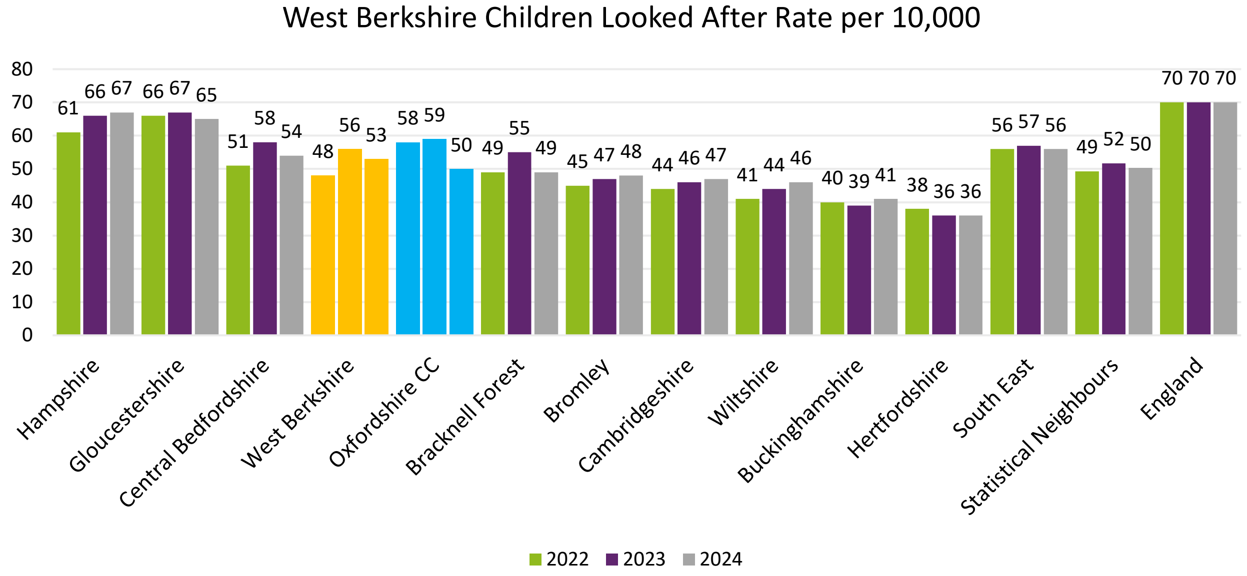



| CLA Number | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| West Berkshire | 156 | 146 | 166 | 197 | 187 |
| SN Average | 649 | 660 | 675 | 704 | 700 |
| South East | 10430 | 10480 | 10840 | 11260 | 11180 |
| England | 80,000 | 80,780 | 82,090 | 83,760 | 83,630 |



What does the data tell us?

West Berkshire's Looked After Children (CLA) rate per 10,000 is:

- 5% higher than the Statistical Neighbour (SN) average
- 24% lower than the England average

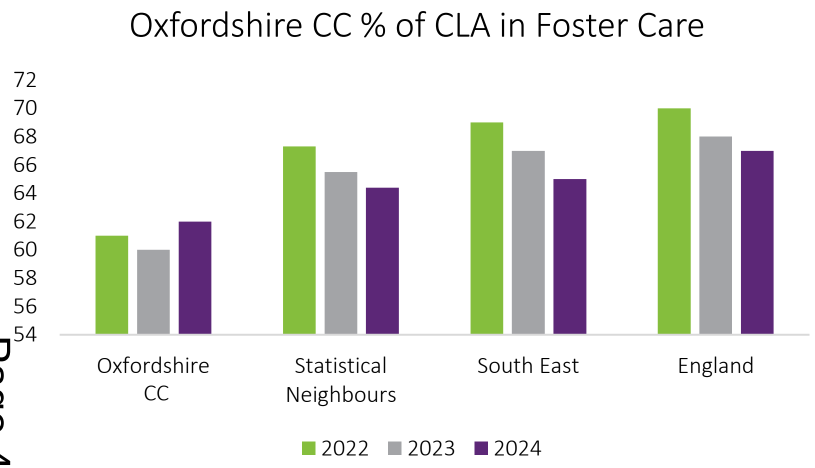
Numbers vs Rates

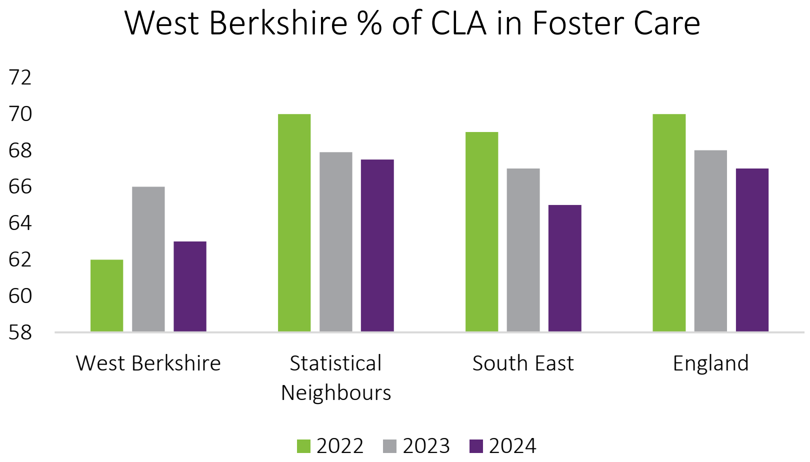
- The absolute number of CLA has risen over the 5 years (from 156 in 2020 to 187 in 2024, (a 20% increase).
- Yet the rate per 10,000 has declined slightly (56 to 51 between 2022 and 2024).

# Oxfordshire CC & West Berkshire CLA in Foster Care








<u>Percentage of CLA in Foster Care</u>

**Oxfordshire CC**

% of CLA in foster care is lower than comparators and is declining:

- 2022: 61%
- 2023: 60%
- 2024: 62%

This contrasts with statistical neighbours, South East, and England, where proportions are higher (64–67%) though also trending down slightly.

**West Berkshire**

Starts closer to regional/national averages but also declining:

- 2022: 62%
- 2023: 66%
- 2024: 63%

Despite fluctuations, it still sits below statistical neighbours and England overall, both of which remain around 65–67%.

**Comparison**

- Both authorities have a smaller share of CLA in foster care than national/regional averages.
- Oxfordshire CC in particular is notably lower, suggesting heavier reliance on residential or alternative provision.

# Oxfordshire CC & West Berkshire Fostering Analysis



**Overall Positioning**

- Oxfordshire CC: High fostering costs and low proportion of CLA in foster care = financial pressure and sufficiency challenges
- West Berkshire: Costs increasing but still relatively controlled; % of CLA in foster care closer to national averages, but still below optimal levels

## Key Insights & Analysis

- Rising Costs: Both Oxfordshire CC and West Berkshire face steeply rising fostering costs, exceeding national averages. Oxfordshire CC's costs are notably higher, which may indicate:
- Market pressures (agency reliance, placement shortages).
- Higher needs/complexity within the CLA population.
- Lower Foster Care Utilisation: Both councils have fewer CLA in foster care compared to peers, particularly Oxfordshire CC. This has:
  - Financial implications (residential placements are significantly more expensive).
  - Practice/placement sufficiency implications (suggesting recruitment/retention challenges for foster carers).
  - Trend Divergence: While national/regional averages show some decline in foster care usage, Oxfordshire CC's gap is widening, signalling a structural issue in sufficiency strategy.

## Recruitment & Retention Strategies

- In West Berkshire Council, there is a focus on recruiting a wide range of carers (emergency, short/long-term, sibling groups, teenagers, parent & child, additional needs, supported lodgings). Support includes training, supervision, buddy/mentor schemes, and partnership with the Foster Care Association. A dedicated recruitment role is planned to strengthen promotion and activity.
- In Oxfordshire CC, the strategy is centred on reducing reliance on IFAs by growing in-house fostering. Recruitment is aligned with retention through training and supervision. Progress is tracked using a monthly Sufficiency Action Plan overseen by the Placement and Sufficiency Board. Expansion of children's homes also forms part of the wider sufficiency approach.

# Ofsted Registered Children Homes

**Oxfordshire CC**

- Within Oxfordshire CC, there are 23 children's homes registered by Ofsted provided by the local authority and private/voluntary organisations.
- This number includes 2 residential special schools (with registration as children's homes), one of which is registered for 31 places, and the other is registered as short break only provider with 12 places available.
- Oxfordshire CC operate 4 children's homes with a total of 22 places (14% of all places), of these 1 is outstanding, 1 good, 1 requires improvement, a one was inspected as inadequate.

**West Berkshire Council**

- Within West Berkshire there are a total of 11 children's homes registered under Ofsted, offering a total of 116 places.
- This includes 1 residential special school that has 67 places registered.
- The only LA ran children's home is registered as a short break only home offering 6 places, which was inspected as outstanding.

| Type of Home | Count of Homes/Places | Oxfordshire CC | West Berkshire Council |
|---|---|---|---|
| LA-Run Children's Homes | Number of Homes | 4 (1 provides short-term care) | 1 (short break only) |
| | Placements | 22 | 6 |
| Other Operated Children's Homes | Number of Homes | 19 | 10 |
| | Placements | 133 | 110 |
| **TOTAL** | **Number of Homes** | **23** | **11** |
| | **Placements** | **155** | **116** |

# Residential Placements by Originating and Placement Address

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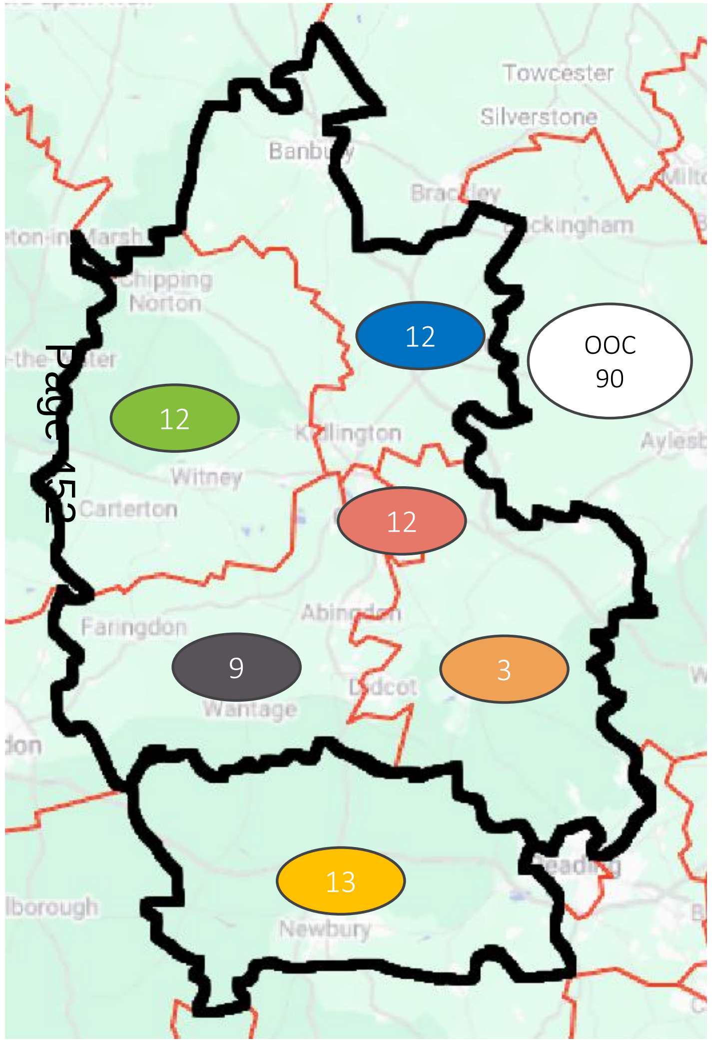



*Number of children in residential placements by authority with council boundaries for Oxfordshire CC and West Berkshire – Option Overlayed*

| | District/ Area | Originating Area | Originating Area (%) | Placement Area at end of year | Placement Area at end of year (%) |
|---|---|---|---|---|---|
| | Cherwell | 30 | 19.9% | 12 | 7.9% |
| | West Oxfordshire | 22 | 14.6% | 12 | 7.9% |
| | Oxford | 37 | 24.5% | 12 | 7.9% |
| | Vale of White Horse | 24 | 15.9% | 9 | 2.0% |
| | South Oxfordshire | 22 | 14.6% | 3 | 6.0% |
| | West Berkshire* | 11 | 7.3% | 13 | 8.6% |
| | Out of County | 5 | 3.3% | 90 | 59.6% |

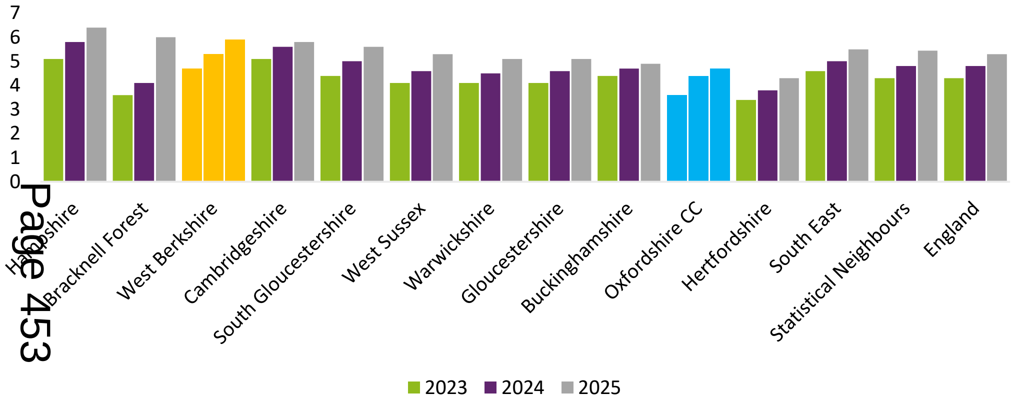
**West Berkshire relies on publicly available data of overall residential placements in the authority.*

- There is a large proportion of children placed in placements out of county with 59.6% of residential placements, while a proportion are in neighbouring areas such as Buckinghamshire & West Northamptonshire many are further away. This suggests there is a challenge with sufficiency for children's residential placements in the area.
- The areas with the greatest proportion of the originating addresses of children in residential placements were Oxford, Vale of White Horse, and Cherwell, which combined accounted for 60% of the overall children in residential care cohort.

# Oxfordshire CC EHCP and SEN

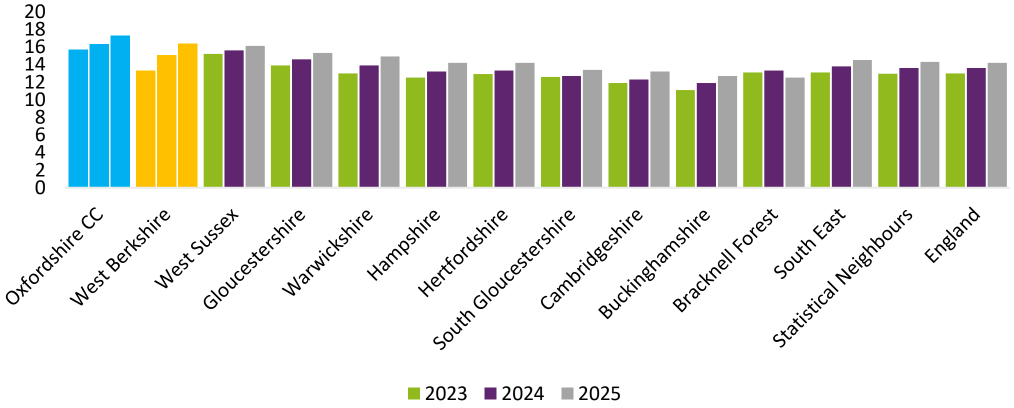
Oxfordshire CC and West Berkshire present contrasting SEND profiles: Oxfordshire CC contains EHCP growth through higher SEN Support but faces elevated tribunal challenge, while West Berkshire aligns with national EHCP levels but demonstrates strong parental confidence. The Option 2 model allows each new authority to tailor responses to these distinct pressures, while sharing best practice across the system to strengthen outcomes and financial sustainability.

**% Pupils with EHCP (all schools)**






**% Pupils with SEN Support**




### What does the data tell us? % Pupils with EHCP

- Oxfordshire CC has a lower proportion of pupils with an EHCP (Education, Health & Care Plan) compared with statistical neighbours and the England average.
  - Oxfordshire: 4–4.5% of pupils.
  - England: 5.5–6%.
  - Statistical Neighbours: 5–6%.
- West Berkshire is slightly higher (5.5%) and closer to national averages.
- Trend: All areas show gradual growth in EHCPs between 2023–2025, reflecting national trends, but Oxfordshire remains consistently below average.
- Possible Analysis: Oxfordshire CC may have tighter thresholds or stronger use of SEN Support (rather than EHCPs). Risk that families perceive difficulty in accessing statutory plans.

### What does the data tell us? % Pupils with SEN Support

- Oxfordshire CC has a higher-than-average proportion of pupils receiving SEN Support (17%).
  - England / SN averages: 14%.
  - West Berkshire is broadly in line with national levels (16%).
- This suggests Oxfordshire CC is managing needs earlier/lower down the system rather than progressing to statutory EHCPs.
- Possible Analysis: Oxfordshire CC appears to be front-loading SEN through SEN Support, reducing pressure on EHCPs. This is consistent with its relatively low EHCP rates.

Note: Graphs ordered in descending order based on 2025 figures

# West Berkshire EHCP and SEN

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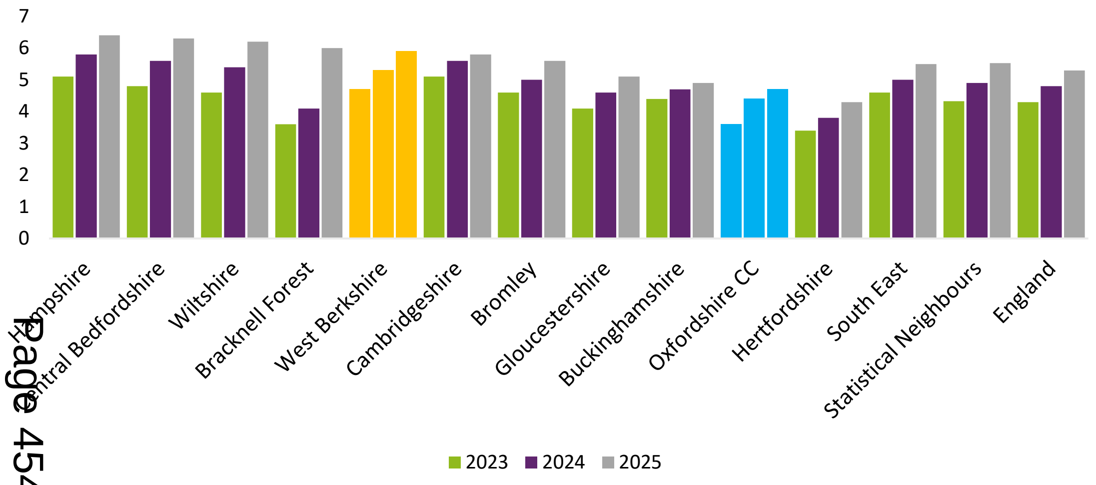


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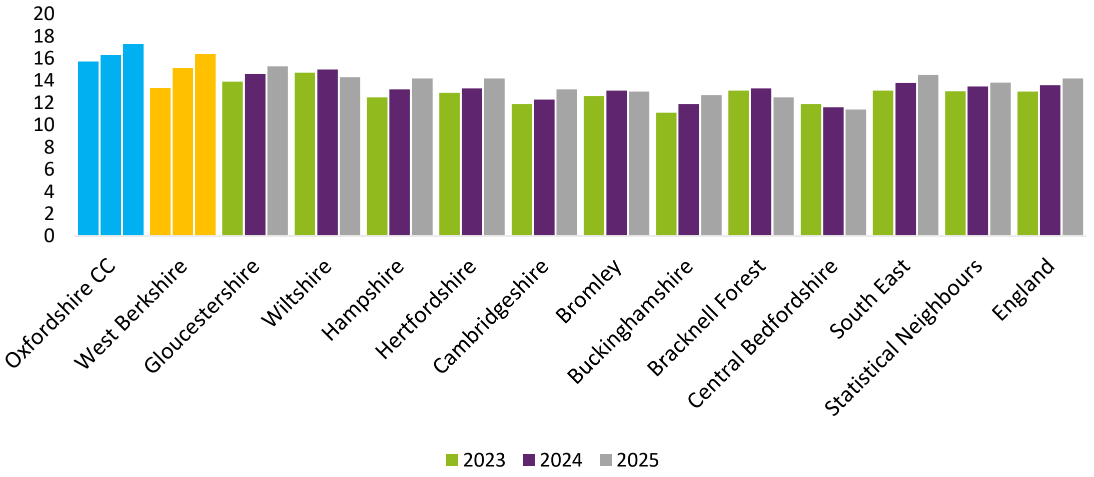


## What does the data tell us? % Pupils with EHCP

- West Berkshire: Around 5–5.5% of pupils with an EHCP, broadly in line with the England average (5.5–6%) and Statistical Neighbours.
- Trend (2023–2025): Both areas see gradual increases in EHCP prevalence, reflecting national growth, but Oxfordshire CC continues to track below average.
- Analysis: Oxfordshire CC's lower EHCP rate suggests stronger use of SEN Support, but could also indicate higher thresholds for statutory plans, which risks driving parental dissatisfaction.

## What does the data tell us? % Pupils with SEN Support

- West Berkshire: Lower, closer to 12–13%, slightly below both England and SN averages.
- Trend: Both remain broadly stable across the period, with Oxfordshire CC consistently above and West Berkshire consistently below.
- Analysis: Oxfordshire CC manages a larger proportion of need through SEN Support rather than statutory EHCPs, while West Berkshire leans more towards formal plans relative to SEN Support.

Note: Graphs ordered in descending order based on 2025 figures

# EHCP and SEN

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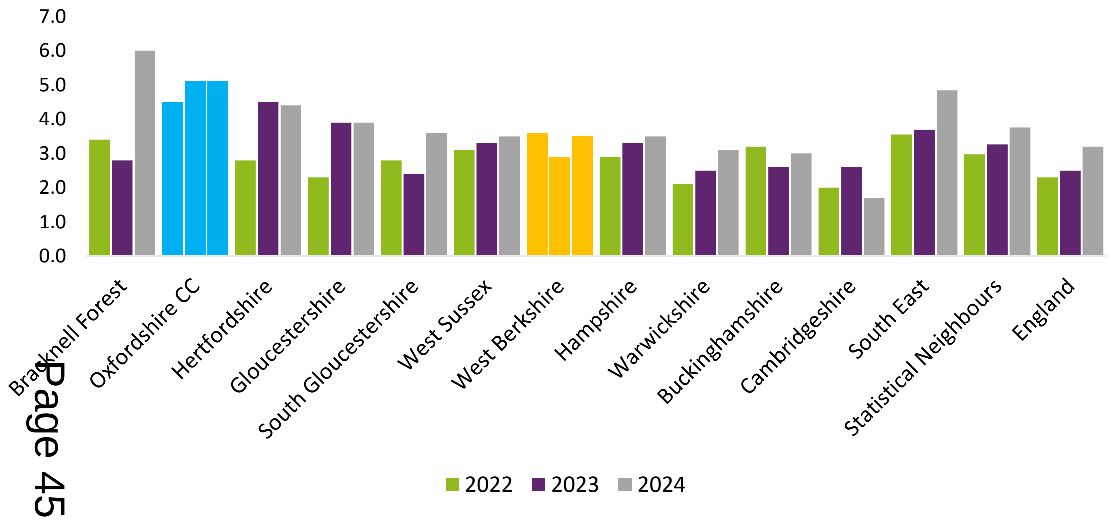
Appeal rate to SEND tribunal based on total appealable decisions




Note: Graph ordered in descending order based on 2024 figures

## What does the data tell us? SEND Tribunal Appeals

- Oxfordshire CC's appeal rate to SEND Tribunal is relatively high, consistently around 5% of total appealable decisions.
- England average is closer to 3%.
- West Berkshire is lower (3.5%), indicating fewer disputes escalate to tribunal.
- Trend: Oxfordshire CC's appeal rate has remained stable, not reducing despite system reforms.

Possible Analysis: While Oxfordshire CC resolves more needs at SEN Support level, the higher tribunal rate suggests parental dissatisfaction with EHCP decision-making. This could point to perceived barriers in securing statutory plans.

### Key Strengths

Oxfordshire CC:

- Strong reliance on SEN Support, reducing demand for EHCPs
- Overall EHCP rates below national levels, containing growth pressures

West Berkshire:

- Closer alignment to national averages
- Lower tribunal rates, indicating better parental confidence in decisions

### Risks / Challenges

Oxfordshire CC:

- High tribunal rates could undermine parental trust and create financial/legal pressures.
- Risk of unmet need if thresholds for EHCPs are perceived as too restrictive.

West Berkshire:

- While tribunal performance is strong, EHCP demand is in line with national growth, which could escalate costs.
- Both areas: Rising EHCP prevalence nationally suggests continued budget pressures, especially for high needs block funding.

# EHCP and SEN LGR Implications

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**"So What" for LGR?**

Oxfordshire CC:

- Oxfordshire CC's low EHCP/high SEN Support model is efficient but risks parent challenge and tribunal pressure
- West Berkshire's lower tribunal rate and more balanced profile reflects stronger parental confidence but carries future growth risk
- Under Option 2 (two unitaries):
  - Oxford & Shires UA can focus on managing tribunal risk, improving parental confidence while sustaining early support
  - Ridgeway UA (inc. West Berkshire) can focus on containing EHCP growth while maintaining strong family engagement
  - Together, the two authorities can share best practice, Oxfordshire's prevention model and West Berkshire's dispute resolution strengths to create a more resilient, balanced SEND system

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# 4. Risks

# Risk Matrix (1)

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| Risk Description | Category | Likelihood (L) | Impact (I) | Overall Rating | Potential Consequences | Mitigation Actions |
|---|---|---|---|---|---|---|
| Escalation of **SEND DSG deficit** beyond £100m by 2026 | Financial / Education | High (5) | High (4) | 20 | Budget unsustainability, potential Section 114, reduced flexibility in ASC | Stronger DfE engagement, Safety Valve–style deal, inclusion reform, invest in early years/SEND sufficiency |
| **Adult Social Care cost growth** exceeds MTFP assumptions | ASC Sustainability | High (4) | High (4) | 16 | ASC spend crowds out investment in prevention, loss of financial resilience | Expand reablement, strengthen market-shaping, invest in digital care and triage, regional commissioning alliances |
| Over-reliance on **agency workforce** in Children's Services | Workforce | Medium (3) | High (4) | 12 | Higher costs, instability in frontline services, poor outcomes for children | Workforce strategy: local training pipelines, retention incentives, regional staff pooling |
| Fragmentation of **health and care integration** (BOB ICS partnerships) during reorganisation | Partnership & Integration | Medium (3) | High (4) | 12 | Loss of joint commissioning benefits, poorer system outcomes, reputational damage | Align governance with ICS, formal MoUs, protect joint commissioning teams through transition |
| **High-cost placements** (residential and nursing) continue to rise | ASC Market | High (4) | Medium (3) | 12 | Budget overspends, market fragility, greater out-of-county placements | Block contracts, invest in local provision (extra care, supported living), risk-sharing with providers |

# Risk Matrix (2)

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| Risk Description | Category | Likelihood (L) | Impact (I) | Overall Rating | Potential Consequences | Mitigation Actions |
|---|---|---|---|---|---|---|
| Political and public **resistance to reform** (e.g. loss of local identity in rural areas) | Governance & Engagement | Medium (3) | Medium (3) | 9 | Slower implementation, reputational risks, community disengagement | Enhanced comms and engagement, local boards, democratic safeguards |
| **Digital and innovation lag** limits efficiency gains | Transformation | Medium (3) | Medium (3) | 9 | Slower benefits realisation, missed cost reductions | Investment in AI triage, predictive analytics, resident accounts, digital workforce tools |
| **Inequalities in outcomes** (urban deprivation vs rural Ridgeway) persist | Equity & Outcomes | Medium (3) | High (4) | 12 | Entrenched disparities, Ofsted/CQC risks, poorer life outcomes | Targeted investment in urban Oxford and rural access; equity monitoring framework |
| **Transition disruption** delays savings delivery | Finance / Delivery | Medium (3) | Medium (3) | 9 | Benefits not realised in MTFP period, criticism from DLUHC | Phased implementation, benefits tracker, external validation |

# 5. Peopletoo Key Indicator Benchmarking

# Key Expenditure Indicators for Children’s and Adults Services

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The summary table below compares county councils to unitary and metropolitan authorities for all key expenditure indicators from 2023/24 published national data. This identifies that all average unit costs across ASC and Children’s are lower in unitaries and metropolitans, except for S251 Children’s Residential unit cost which are 11% higher than the county council's average, (this could be linked to in house provision more prominent in county councils).

| Average unit cost comparison | S251 LAC unit cost | S251 Residential unit cost | S251 SEN unit cost | Nursing unit cost | Residential unit cost | Residential & Nursing unit cost |
|---|---|---|---|---|---|---|
| County average | £2,076 | £6,466 | £128 | £1,104 | £1,186 | £1,163 |
| Unitary & Met average | £1,786 | £7,252 | £105 | £1,049 | £1,079 | £1,064 |

**Data source 2023/24 LAIT (Local Authority Interactive Tool) and ASCFR (Adult Social Care Financial Return)*

The evidence shows that county councils are not achieving lower unit costs as a result of greater buying power except for S251 Residential unit costs.  Unitary councils, which on average tend to serve populations less than half that of county councils, achieve the lowest unit costs across all other cost elements.

This could be linked to a number of things, but most likely would be the development of local markets to meet local needs, with local providers also having less travel time.

With regards to lower long term care costs, this links to lower rates but also lower numbers in residential care. Analysis would indicate that whilst counties perform strongly in terms of diversion to universal services, once in statutory social care, higher numbers are in residential with lower numbers supported in the communities. This could be a result of more capacity in the domiciliary care market, and more focus on community assets in support of prevention and early intervention activity.

Our approach is consistent in starting with the national evidence and then creating a detailed analysis and evidence base ‘locally’. It is not a standard answer for all and recognises the differences in many factors and performance within each footprint. It is based on our practical/practitioner experience and use of local data and has not relied on national statistics only.

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## Appendix F - Glossary

| Term | Definition |
|---|---|
| **Back office functions** | Administrative and support services that do not directly interact with the public, such as HR, IT, and finance. |
| **Benefit** | A benefit is what our customers, communities and colleagues can actually see and feel as a result of what we do. They should show measurable, quantifiable improvements from outcomes, capabilities, products. |
| **BOB ICB** | The Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board. |
| **Business Rates** | A tax on non-domestic properties used to help fund local services. |
| **Capability** | Something (service, function, operation) that enables the new council and its workforce to deliver services or improve them. |
| **Capital Receipts** | Income received from the sale of capital assets, such as land or buildings. |
| **CIPFA** | The Chartered Institute of Public Finance and Accountancy |
| **Committee / Committee Structure** | A governance model where decisions are made collectively by committees of elected councillors. |
| **Communication** | Communication is giving, receiving or exchanging ideas, information, signals or messages through appropriate media, so people or groups can learn about something, understand it, share or ask for information or to express their views. |
| **Council Tax** | A local tax on residential properties used to fund local services. |
| **County Council** | A top-tier local authority in a two-tier system responsible for services like education, transport, and social care. |
| **Devolution** | The government's ambitions to transfer powers and funding to Mayoral Strategic Authorities |

| | |
|---|---|
| **Devolution Framework** | The set of functions and governance arrangements for different levels of strategic authority, as outlined in legislation or policy. |
| **District Council** | A lower-tier authority in a two-tier system responsible for services like housing, planning, and waste collection. |
| **Engagement** | Opportunities and activities that open-up dialogue to listen, seek feedback and promote collaboration and sharing of learning. |
| **Exceptional Financial Support** | Emergency financial assistance provided by central government to councils facing severe financial difficulties. |
| **Financial Resilience Index** | A tool used to assess the financial sustainability of local authorities. |
| **Frontline Services** | Public-facing services such as social care, waste collection, and housing support. |
| **GLL / Greenwich Leisure Limited** | A charitable social enterprise that manages leisure centres and libraries across the UK. They deliver leisure services in West Oxfordshire, South Oxfordshire and Vale of White Horse. |
| **Growth Officer** | A role potentially responsible for driving economic development and regeneration initiatives. |
| **Integrated Care Board (ICB)** | A statutory NHS organisation responsible for planning and commissioning health services in a local area. |
| **Leader and Cabinet Model** | A governance model where the council leader appoints a cabinet to make executive decisions. |
| **Local Development Order (LDO)** | A planning tool that grants permission for certain types of development without the need for a full planning application. |
| **Local Government Reorganisation (LGR)** | The process of restructuring local authorities, typically replacing two-tier systems (county and district councils) with single-tier unitary authorities. |
| **Local Neighbourhood Area (LPA)** | The local authority responsible for planning decisions in a designated area. |
| **Local Plan** | A document setting out a local authority’s policies and proposals for land use and development. |
| **LVEP** | Local Visitor Economy Partnership |

| | |
|---|---|
| **Mayoral Strategic Authority (MSA)** | A local authority or combined authority designated to have strategic powers over areas such as transport, housing, and economic development. Usually over an area of around 1.5m people. This differs to a Strategic Authority as it is led by a directly elected mayor. |
| **Medium Term Financial Plan (MTPF)** | A financial strategy outlining a council's expected income and expenditure over a 3–5 year period. |
| **Ministry of Housing, Communities and Local Government (MHCLG)** | Former name of the UK government department now known as the Department for Levelling Up, Housing and Communities (DLUHC). |
| **Net Zero** | A target to reduce greenhouse gas emissions to as close to zero as possible, with any remaining emissions offset. |
| **ODS / Oxford Direct Services** | Oxford Direct Services – a company wholly owned by Oxford City Council delivering public services. |
| **One Public Estate (OPE)** | A government programme encouraging public sector organisations to share property assets to improve efficiency and service delivery. |
| **Options Appraisal** | A structured evaluation of different reorganisation models, assessing their feasibility, benefits, and risks. |
| **Parish Council** | The lowest tier of local government, responsible for representing small communities and delivering local services. |
| **PeopleToo** | PeopleToo is a consultancy referenced for technical analysis. |
| **Primary Care Network (PCN)** | Groups of GP practices working together to provide integrated health services to local communities. |
| **PwC / PricewaterhouseCoopers** | A global professional services firm often engaged to provide consultancy and financial advice to public sector organisations. |
| **Risk** | The effect of uncertainty on what we are trying to achieve. The purpose of risk management is to identify and manage the barriers to achieving our objectives. Managing risk well is critical to success of the LGR programme. |
| **Special Educational Needs and Disabilities (SEND)** | Special Educational Needs and Disabilities |

| | |
|---|---|
| **Shadow Authority** | A temporary governing body elected to prepare for the transition to a new unitary authority, operating before the formal launch. |
| **Shadow Elections** | Elections held to form a shadow authority prior to the official establishment of a new council. |
| **Single-tier authorities / structure** | Local government models where one authority is responsible for all services, replacing the two-tier system. |
| **Spatial Development Strategy (SDS)** | A strategic planning document outlining long-term development and infrastructure priorities across a region. |
| **Statutory Services** | Services that local authorities are legally required to provide, such as education and social care. |
| **Strategic Authority** | A local authority or combined authority designated to have strategic powers over areas such as transport, housing, and economic development. Usually over an area of around 1.5m people. |
| **Target Operating Model** | A Target Operating Model clearly states how an organisation will deliver its vision and corporate plans. It explains how the council and staff will work with residents and partners to deliver what the Council has decided it wants to achieve. |
| **Town Council** | A type of parish council serving a town, responsible for local services and community representation. |
| **Transformation** | Activity which aims to change and develop authorities to create savings or improve performance. |
| **Transport corridors** | Key routes used for the movement of people and goods, often targeted for infrastructure investment. |
| **Two-tier authorities / structure** | A local government model with separate county and district councils sharing responsibilities. |
| **Unitary Authority (UA) / Unitary Council** | A single-tier local government structure responsible for all local services in its area, replacing the functions of both county and district councils. |
| **Vesting Day** | The official date on which a new unitary authority assumes its powers and responsibilities. |

## Appendix G - Government criteria checklist

| | Criteria set | Section location for 2UA response |
|---|---|---|
| 1 | **A single tier and sensible geography to improve housing supply and outcomes avoiding creating (dis/)advantaged areas** | 3.3 Making the case for creating unitary councils through LGR<br>4.2 Options under consideration<br>4.3 Socio-Economic and Demographics<br>4.4 Analysis against the MHCLG criteria<br>6.1 The importance of devolution<br>8.5 Localities working and community empowerment<br>9.5 Detailed financial case |
| 2 | **Unitary local government must be the right size to achieve efficiencies, improve capacity and withstand financial shocks** | 4.2 Options under consideration<br>4.3 Socio-Economic and Demographics<br>4.4 Analysis against the MHCLG criteria<br>4.5 Financial comparison of the options<br>7. Service Delivery and Transformation<br>8.5 Localities working and community empowerment<br>9. The Financial Case<br>9.7 Funding and Financial Sustainability |
| 3 | **Prioritises the delivery of high quality and sustainable public services to citizens** | 4.4 Analysis against the MHCLG criteria<br>5.2 How we will help secure better outcomes<br>7. Service Delivery and Transformation<br>8.2 Target Operating Model<br>8.5 Localities working and community empowerment<br>10.2 Our phased approach |
| 4 | **Councils work together in coming to a view that meets local needs and is informed by local views** | 1.1 Joint letter from the Leaders of Cherwell District, South Oxfordshire District, Vale of White Horse District, West Berkshire Unitary and West Oxfordshire District Councils<br>3.4 Working in partnership<br>4.4 Analysis against the MHCLG criteria<br>11. Engagement summary |
| 5 | **New unitary structures must support devolution arrangement** | 4.4 Analysis against the MHCLG criteria<br>6. Planning for Devolution – Our Growth Offer |
| 6 | **Enable stronger community engagement and deliver genuine opportunity for neighbourhood empowerment** | 3.4 Working in partnership<br>4.4 Analysis against the MHCLG criteria<br>5.1 Our Proposed Visions<br>8.2 Target Operating Model<br>8.4 Future Engagement Model<br>8.5 Localities working and community empowerment |

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