

A new council for a
BETTER
Oxfordshire

Better services
Simpler
Lower cost
More local

Proposal for a new council for Oxfordshire
March 2017

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Foreword

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Local government is facing many of the same challenges across the country. They include: less government funding; rising demand for services for vulnerable children and adults, and the responsibility of leading the investment in infrastructure to enable sustainable economic growth.

Oxfordshire has many advantages but its current system of local government is not properly equipped to meet these challenges.

We need a council that can be local and flexible enough to meet the different needs of every community. At the same time, local government needs to work at a county-wide level to secure the infrastructure investment needed for sustainable economic growth and work as a strategic partner with other public services such as the police and NHS.

The proposal has been discussed with a large number of residents, parishes, community groups and stakeholders during the development of this proposal. Overall the majority support the view that a single unitary council for Oxfordshire would be more efficient and effective. However they want to be reassured that it can respond to local priorities.

'A New Council for a Better Oxfordshire' shows how this is possible. The new proposal is the result of detailed work by the three councils. We have provided a blueprint for a new unitary council that can be more local and of provide better services by joining them up across the county.

The annual saving of £20m will help to protect and improve services in the long term, and keep council tax down. One council would be simpler for residents, and means that we are better able to tackle challenges such as the rising demand for adult social care by joining up service such as housing, social services and public health.

We have listened to residents and colleagues in other organisations, including the other Oxfordshire councils. The final document addresses many of the constructive points made, particularly about improving local democracy and community involvement.

Increasing the involvement of parishes and town councils outside Oxford, and improving community involvement in the city will create a council that is genuinely 'more local'.

Subject to approval by our Cabinet committees, the proposal will be submitted as a bid to the Secretary of State for consideration. Before that happens there is still time for our colleagues in the other councils to work with us to ensure that the new council really supports a better Oxfordshire.



**Councillor Ian Hudspeth,
Leader, Oxfordshire County
Council**



**Councillor John Cotton,
Leader, South Oxfordshire
District Council**



**Councillor Matthew Barber,
Leader, Vale of White Horse
District Council**

A new council for Oxfordshire Executive Summary

Oxfordshire County Council, South Oxfordshire and Vale of White Horse District Councils have worked together to develop a joint proposal for a new single unitary council for Oxfordshire.

The proposal is about creating a council that will sustain Oxfordshire as a great place to live, work and bring up families.

Entitled *A new council for A Better Oxfordshire*, the joint proposal combines the best ideas and feedback from local councils, residents, businesses, partners, and the wider Oxfordshire community into a final proposal to be submitted to government in March 2017.

It makes the case for abolishing the existing two-tier structure of six councils and replacing them with one single council for Oxfordshire. A joined up, leaner, more cost effective council that can meet the big demands of a modern government, whilst understanding and fulfilling the needs of local people.

Importantly, it brings together services such as housing, social care, and homelessness, enabling the council to prioritise people's needs and plan effectively.

The new council will have strong and democratically accountable political leadership, with decisions taken at the appropriate level. It will serve a single economic area aligned with the boundaries of major partners including the local enterprise partnership (OxLEP), the NHS and Thames Valley Police. It offers the best route to securing new ways of funding for the infrastructure that is critical to the productivity of business and the quality of life for local residents.

Changing for the better

There is strong local support for change. These proposals have been developed with stakeholders, including an independent advisory group from other public service and business organisations, central government, parish and town councils and, most importantly, the people who live in Oxfordshire.

The new council for Oxfordshire will have both delivery and financial capacity to be resilient in the face of changing circumstances and rising demand. One way of achieving this will be by maximising the benefits of joining up our wellbeing services, and vulnerable people, through good housing, social services and benefit support.

Local government is increasingly being asked to do more to support the economy, deliver homes that local people need and make better use of the money it raises from residents and businesses.

In addition, and as a result of changes in central government funding, English councils will soon be funded mainly from council tax and business rates.

It is vital therefore that we look for better, smarter and more cost effective ways of delivering our services to local people in the future - ensuring these important services are delivered to residents across Oxfordshire for generations to come.

The significant savings made by eliminating duplication from running six councils will be used to improve public services and protect them from future cuts.

Separate studies by Grant Thornton and PwC show a single council for Oxfordshire would save around £100m over five years, after the one-off costs of £16m for reorganisation.

By working together, the county and district councils have identified that these savings could be achieved by removing the duplication under the current system and integrating local government transformation. For example, through investment in a single digital platform to improve efficiency and customer service, and by joining up public health, housing and community services.

Local government in Oxfordshire is already in a strong position to fund public services locally, but reorganisation is needed urgently if we are to manage the big challenges facing us today, such as:

- Meeting the demand for care services from a growing and ageing population
- Tackling an acute housing shortage
- Closing a £1.7bn gap in infrastructure funding.

Better for communities

A single council for Oxfordshire will be responsible for delivering all local services across the county, enabling it to make substantial savings, whilst improving outcomes for residents, giving them a say in the future of their city, towns and parishes, and working better with partners.

It will be simpler, deliver better services and outcomes, be more local, and operate at lower costs – at least £100 million over five years.

Importantly it will bring together the best elements of all the existing councils, building on strengths, but avoiding the weaknesses and frictions that the current structure has.

In practice this means services will be better joined up, with strategic decisions around important issues such as planning and infrastructure having a county-wide approach, whilst important local issues will remain in the control of local people.

To support this local approach, between, 15 – 20 executive area boards will be set up across Oxfordshire. These boards will be made up of the unitary councillors representing the area, joined by partners and representatives of towns and parishes. The boards will enable local decision making to address local priorities and will have a formal role in developing policies and services that affect the county as a whole, ensuring that the voice of local communities is represented at the strategic level.

The area boards will serve the diverse and complex needs of Oxfordshire's rural, urban and market town communities. They will focus on both environmental and social issues such as green spaces and parks, anti-social behaviour, health and well-being, business and economic development and support to the community and voluntary sectors.

The Better Oxfordshire proposals recommend the new council's constitution should include a commitment where the area boards are formally consulted as part of the new council's budget, policy and service development.

We have also taken steps to recognise the city of Oxford's unique qualities - globally recognised for its outstanding academic excellence and economic influence. A 'City Convention' will be established to look at the decision making and governance powers for the city that reflects its historic, political and cultural make-up. The proposal includes establishing a new local council for Oxford with the powers to raise a substantial precept and manage community assets and local community, social and environmental issues. This arrangement will allow the unitary council to reflect the position of the city of Oxford at the centre of a vibrant city region that stretches across Oxfordshire while ensuring that genuinely local matters and local need are addressed.

The proposals will also ensure that existing council housing will be kept in public ownership.

Better structure, better services, better outcomes

Under the Better Oxfordshire proposal all unitary council services will be accessible from a single council, with one website, one phone number and councillors able to tackle all the issues in your local area.

Once set up, the new council will have one set of elected members and one set of officers. They will be accountable and responsible for all local government services, including housing, planning, transport, school places, environmental health services and housing need and care services. It also provides the strong and accountable leadership required by government for a future deal on infrastructure, housing and skills.

It will have the strength to drive sustainable and economic growth, focusing on high-quality jobs, affordable new homes, transport and community infrastructure – maximising Oxfordshire's contribution to the UK economy.

A joined up strategic planning framework will also ensure better outcomes, with the new council for Oxfordshire being responsible for delivering a strategic Local Plan, establishing a shared vision for sustainable growth across the county, covering social, environmental and economic development alongside infrastructure delivery.

This approach will generate balanced and sustainable communities and long-term confidence for developers and communities – ensuring decisions on important high profile issues such as the green belt and housing need are taken strategically, and ensuring environmental protection is maintained where it is most needed.

With the population of Oxfordshire currently at 678,000, set to increase by 17% by 2031, and with significant increases of very elderly residents expected along with rising numbers of children and adults with learning and physical disabilities, it is vital that we review how best to deliver our services for the future.

Joining up the key strategic functions of planning, transport and housing will also help to unlock Oxfordshire's nationally significant economic growth potential.

For example:

- Joining up planning, transport and housing will support economic growth.
- Council services will be funded locally from council tax and business rates.
- Budgets and powers will be delegated between 15 and 20 'area executive boards' based on the existing district boundaries.
- The overall number of Oxfordshire councillors will be more than halved
- Parishes and town councils will have more influence.
- Environmental services such as street cleaning and maintenance will be grouped together under local management.
- A single county plan will align housing, jobs and infrastructure planning, and deliver urgently needed homes.
- Setting up of an innovative public/private investment fund will help close the £1.7bn gap between planned infrastructure and actual investment needed.
- Joining up social care, housing and benefits will help to reduce the pressure from the rising demand for children's and adult social care, reduce care costs and improve wellbeing.
- Joining up services such as town planning and leisure could encourage active lifestyles and improve health and wellbeing.
- Partnership working with a single council responsible for safeguarding and community safety will help to make communities safer.
- Community hubs based in libraries, leisure centres, fire stations and health facilities will deliver more joined-up services.

These are the just some of the benefits that a single council for Oxfordshire will bring. The full proposals are available at www.betteroxfordshire.org.

What will a new unitary council mean for me?

For residents	<ul style="list-style-type: none"> • More efficient so more money spent on frontline services • One website, one phone number, one council for all services • Single customer account so you give your details once • One councillor for your local area
For businesses	<ul style="list-style-type: none"> • Single voice for Oxfordshire nationally and internationally • More investment in infrastructure • Joined up business services: planning, licensing, public protection • Business account manager for all council services
For councillors	<ul style="list-style-type: none"> • Clear mandate as the representative of the single principal authority for your area • Residents welcome accountability for all council services • Greater influence over area and county decisions • Joined up support from council staff to help residents
For public sector partners	<ul style="list-style-type: none"> • Single point of contact and decision-making • Boundaries that make sense (e.g. NHS, Police, OXLEP) • Single strategies and policies for whole county • A strategic partner with more influence on government
For parishes and town councils	<ul style="list-style-type: none"> • A real voice for your community which is listened to • Better support for neighbourhood planning • The opportunity for more devolution of powers for those that want them
For central government and regional partners	<ul style="list-style-type: none"> • A coherent vision for Oxfordshire with accountable leadership • A financially resilient council managing budget pressures locally • Infrastructure investment partner focused on housing and sustainable growth • Regional leadership for the Oxford-Milton Keynes-Cambridge growth corridor
For the voluntary and community sector	<ul style="list-style-type: none"> • A more stable funder and commissioner • Improved partnerships at community and strategic level • Single organisation focusing on improving lives of people
For staff	<ul style="list-style-type: none"> • Make a greater difference to people and communities through joined up services • Greater financial stability enables innovation and long-term planning • Pride in working for a new, vision-led organisation • Clearer lines of accountability and responsibility

Introduction

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A fresh start for Oxfordshire

About the proposals

Our proposal is to abolish Oxfordshire's existing county, city and district councils and replace them with a single brand new unitary council with strong devolution of decision making to area executive boards.

These proposals are about creating a council that will sustain Oxfordshire as a great place to live and work in the future. They are about creating a new council that is:

- **Simpler** for residents: a single point of contact with strong and locally accountable leadership
- **Better for services:** by joining up key functions like housing and social services, and planning and transport with an end to 'passing the buck';
- **More local** by devolving local decisions and funding to area executive boards and enabling parishes and towns to influence the decisions that affect their own communities
- **Lower cost** by releasing £100m of net savings over five years to protect and improve services in the first five years by eliminating duplication and waste

Unprecedented changes in public funding mean that our established methods of delivering effective public services simply will not work anymore. We must make sure we are doing what is needed, where and when it's needed, in a way that works for everyone.

What we have done

The document sets out the case for change and the outcome of our work in assessing options against objective criteria arrived at by consideration of government expectations and following detailed engagement with local stakeholders. This includes consideration of maintaining the status quo. It explains how we propose that a new council should operate against those same criteria.

In January 2017 a discussion document for comment was published by the County Council. The public and stakeholders were asked to get involved and to help make the proposals the best they could possibly be. A full report on feedback received will be published in support of this document. The proposals as now made reflect that feedback and in particular the very strong message heard that the new unitary council must ensure that decision making is devolved to the local level wherever it makes sense to do so and that the definition of 'local' needs to more fully reflect the communities that residents identify most with than did the original proposals.

Structure

The document is split into four sections:

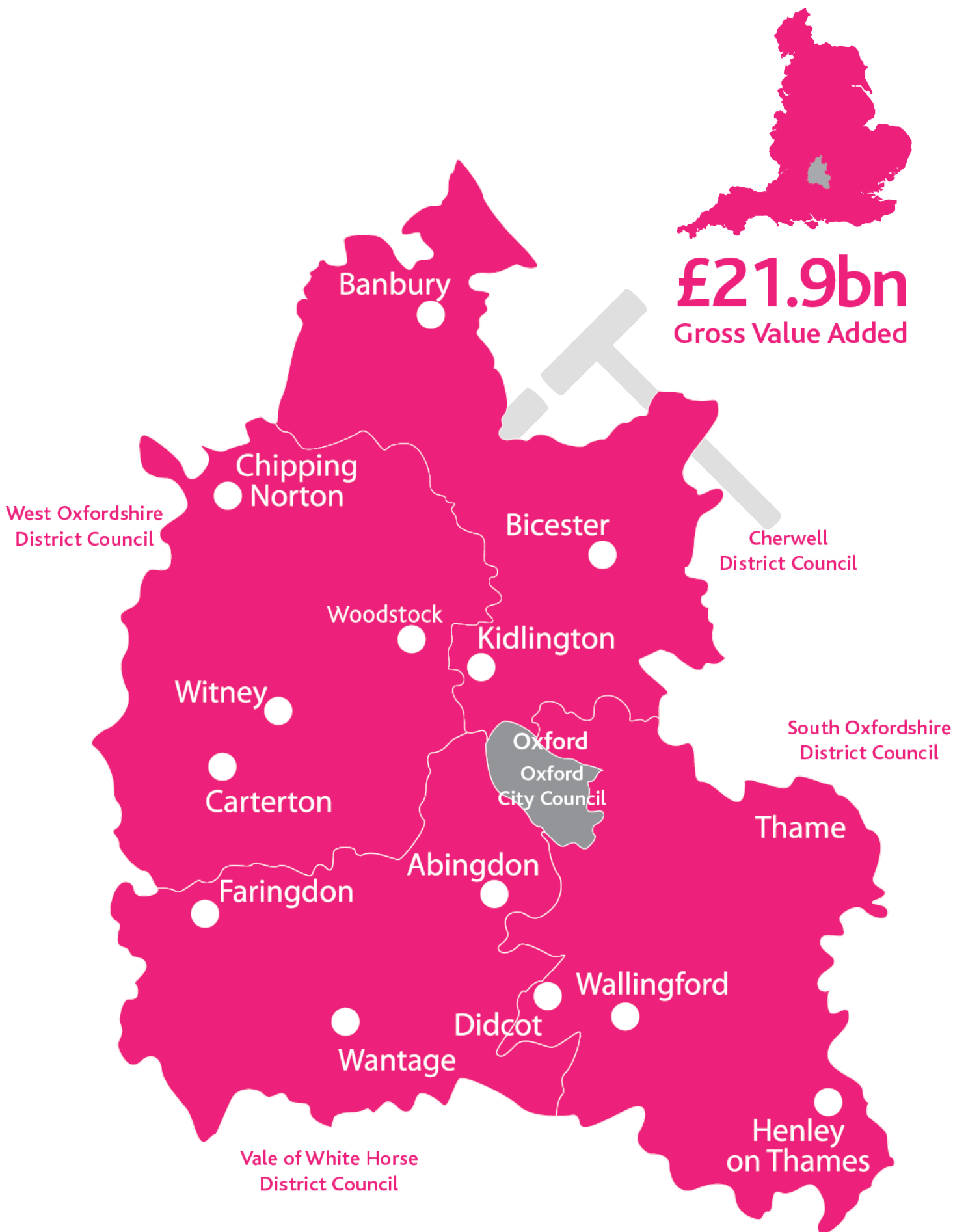
Section 1 sets out the case for change, introduces the proposals and explores in detail how the new council will deliver against the criteria for improvement:

- Stronger leadership
- Local engagement and empowerment
- Economic growth and infrastructure
- Service delivery and outcomes
- Cost savings and value for money

Section 2 gives context and background information on Oxfordshire and provides an appraisal of the options for change, based on work commissioned by the County Council from Grant Thornton in 2016 and supported by additional evidence including a report commissioned by district and city councils from PwC.

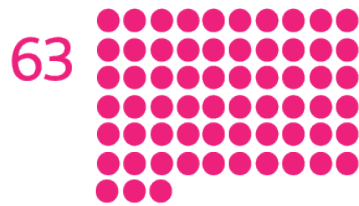
Section 3 sets out initial plans for the transition from existing arrangements to a new council.

Section 4 brings together the contextual and evidence background for the conclusions made as appendices.

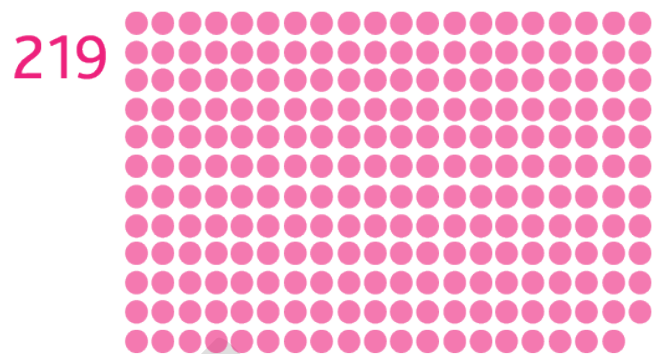


Councillors

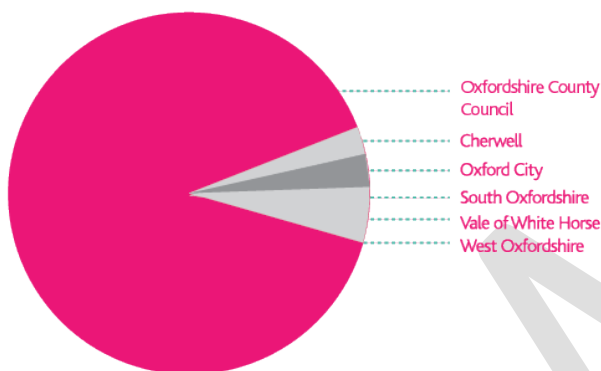
Oxfordshire County Councillors



District Councillors



Revenue



(total revenue outturn 2015-16 £000s)

Oxford City	£23,362
Cherwell	£19,537
South Oxfordshire	£15,916
Vale of White Horse	£13,766
West Oxfordshire	£10,958
Oxfordshire County Council	£718,526

Oxfordshire's Population

Oxfordshire	678,000
Cherwell	146,000
Oxford	160,000
South Oxfordshire	137,000
West Oxfordshire	109,000
Vale of White Horse	127,000

Division of Responsibilities

County council services

- Child protection
- Fostering & adoption
- Adult social care
- Education support
- Roads and transport
- Fire and rescue
- Waste disposal
- Public Health
- Libraries
- Trading standards
- Countryside access

District/City council services

- Housing and benefits
- Leisure
- Local planning
- Street cleaning
- Waste collection
- Environmental health
- Council tax collection
- Electoral registration
- Parking

Oxfordshire's Town & Parish Councils

15
town
councils

68
parish
meetings

233
parish
councils

All areas of the county, other than the majority of the city of Oxford, are currently 'parished'.

SECTION ONE:

The proposals

A new council for a
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1. The Case for Change

This chapter sets out the key challenges faced in Oxfordshire and makes a case for change in local government structures

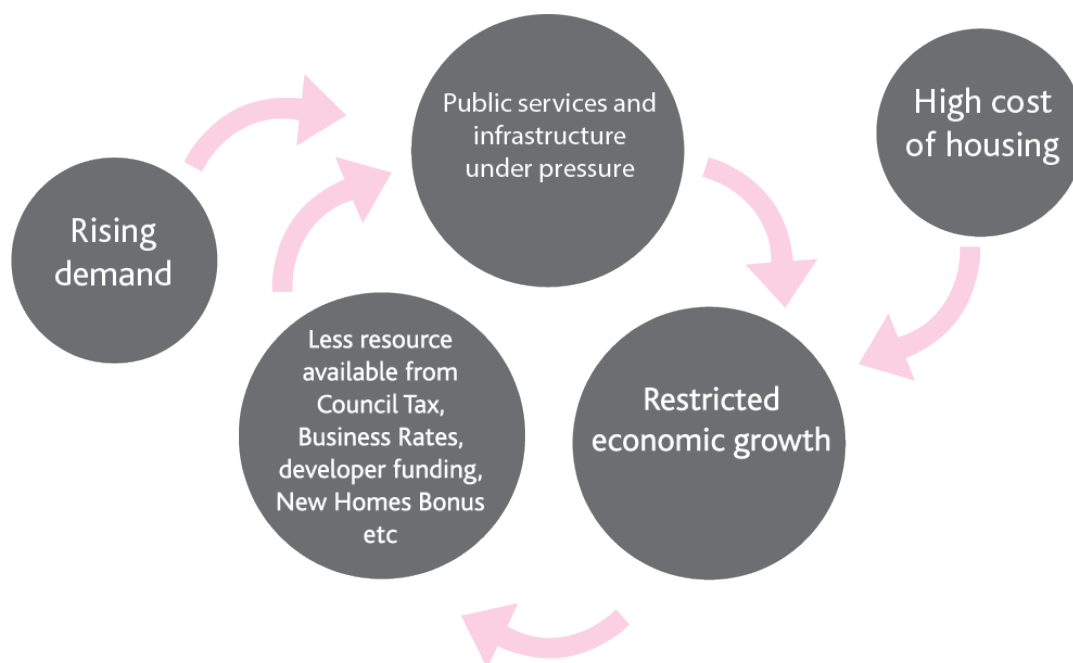


Figure 1: Public sector sustainability, housing and economic growth

Agreement that the status quo is not an option

All recent studies are in agreement that a change in local government is needed in Oxfordshire.

The debate is about designing the right model for the future.

In the summer of 2016 two separate studies were published examining options for the future of Oxfordshire's local government in detail. PwC produced the 'Oxfordshire Unitary Government study' on behalf of the city and district councils, and Grant Thornton produced the 'Review of future options for local government in Oxfordshire' on behalf of the county council. These reports form a key component of our options appraisal in Chapter 10.¹

Both reports clearly demonstrate that the current two tier structure of local government in Oxfordshire is no longer fit for purpose, identifying that it:

- is wasteful and inefficient, does not offer value for money for council tax payers, and is increasingly putting essential service delivery at risk;
- fails to take decisions effectively, with many adverse consequences in particular that planning is not coordinated and much needed housing is not being built;
- makes it very hard for important partners with significant agendas to engage and deliver on common priorities;
- results in Oxfordshire punching below its weight nationally, with no single voice standing up for the needs of the county.

PwC states:

“Oxfordshire now has to make a choice. If it maintains the status quo, political and chief officer effort will increasingly be focused on the incessant challenge of managing and delivering core service provision across a diverse geography against the backdrop of budget reductions and rising demand.

¹ PwC and Grant Thornton reports www.betteroxfordshire.org

In doing so, local government will not be fulfilling its wider duty - the duty to ensure Oxfordshire retains and leverages its competitive advantage for the benefit of the people and places it serves and the universities and businesses that are located in and have chosen to invest in Oxford and Oxfordshire....

Our conclusion is that, based on the work undertaken and the analysis carried out, now is the time for a decision to be made on a new settlement for the structure and form of government and governance in Oxfordshire. A new settlement that will create new structures for the administration and delivery of key public services across health and social care and children's and adults services and also have responsibility for both economic and housing growth."

Grant Thornton draws a similar conclusion stating that:

"There is general agreement that the status quo is not the best option to respond to the current or future needs of Oxfordshire."

Here we set out the nature of the key challenges facing Oxfordshire and summarise the conclusions of the options appraisal which is examined in full in chapter 9.

Key challenges

Whilst many of the fundamentals in Oxfordshire's economy and the performance of public services are broadly strong, residents and partners tell us that the existing structure of local government is not fit for purpose to address the key challenges that we face. Key issues are set out below.

Challenge 1: Residents' expectations

We know that our residents are confused by the two tier structure of local government. It makes no sense to them that one council is responsible for waste collection and another for waste disposal or that one council is responsible for leisure services but another for library services. Customer journeys are disjointed, confusing and ineffective at managing end to end customer demand. For example, many of the County Council's social care clients also receive services such as housing or benefits that are administered by district councils. To service users, it makes little sense that the same information needs to be provided to both organisations and that this data is not used proactively to promote independence and reduce the demand for intensive and expensive social care services. People do not always know where to turn for help and are confused about how to access relevant services because of the multiple contact points for information and advice.

7,000-8,000 calls are received each year by the County Council for queries relating to services that are in fact provided by the city and district councils.

For example, those seeking help because they are on the edge of homelessness could need to navigate between services including different district council housing offices, county-led social services and drug and alcohol services, and a range of NHS services.

"The least fragmented approach strikes me as the most likely to improve communications, avoid duplication of services and improve the experience of citizens, who at the moment in the first instance have to figure out who to contact." – Public submission to call for evidence for Grant Thornton review of options for local government.

Over 60% of England's population already lives in areas where county and district county functions are combined in a single local authority. Scotland, Wales and Northern Ireland are all served by unitary local government.

Challenge 2: Decision making and governance

Existing local governance arrangements are weak and do not enable effective and joined up strategic decision making in the interests of residents. This has many significant implications, most notably:

- Dispersal of local authority resources and inefficiencies through an operating model that maintains six separate organisations and does not enable a holistic approach on spending or service provision to be taken.
- Slow delivery of the 100,000 homes that the Oxfordshire Strategic Housing Market Assessment² identifies are needed to 2031 – current projections indicate that the target may be missed by some 40,000 homes
- Lack of strategic prioritisation and collective agreement on location of housing and infrastructure priorities, with an inability to secure necessary investment

A further consequence of the confused governance arrangements is that residents are not clear who to hold to account for services. Inefficient and disparate scrutiny and accountability arrangements lead to dissatisfaction with how decisions are taken. This reduces the public's willingness to engage with services, which is essential if we want to ensure that these are designed to meet their future needs.

"It is not always clear what services are controlled by which council. The fewer tiers the better for transparency." – Public submission to call for evidence for Grant Thornton review of options for local government.

Challenge 3: Value for money and public service sustainability

The sustainability of public services is under pressure from both demand and supply sides: A growing and changing population is increasing the volume and complexity of services required and budgets are under pressure from reducing government grant. Local government's first response should be to promote value for money, maximising efficiency to ensure that as much funding as possible flows directly to front line services. However, efficiency alone is not enough. To deliver long term financial sustainability, local government must also be in a position to: modernise services, taking full advantage of digital transformation and commercial opportunities; set policy and organise delivery to reduce costs by focusing on demand management and prevention; and to promote partnership and multi-agency working to reduce costs across the whole system. All of these approaches are underpinned by maximising income from sources which councils will directly rely on in the future, especially business rates, by enabling growth and productivity in the local economy.

² https://www.oxford.gov.uk/info/20201/oxford_growth_strategy/762/strategic_housing_market_assessment

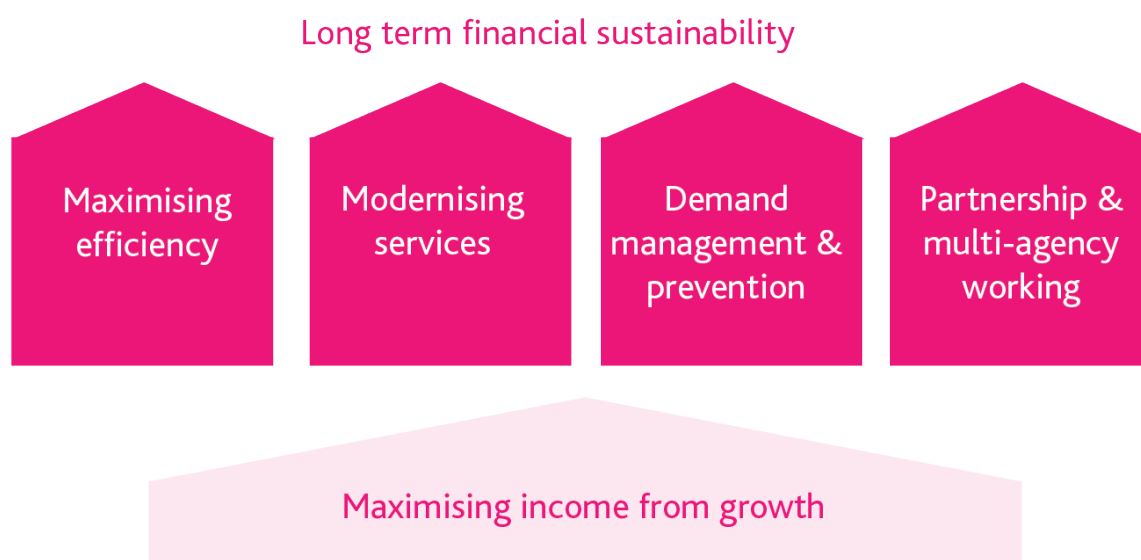


Figure 2: Financial and sustainability

Current structures in Oxfordshire are not fit for purpose to deliver this model of sustainability in the long term.

Population change and rising demand

Oxfordshire's population is growing rapidly. The ONS 2014 subnational population projections expect the current population of 678,000 residents to increase by 17% by 2031³. Our own local projections expect that this is likely to be a significant underestimate as it does not account for the impact of the full delivery of the 100,000 new homes that the Strategic Housing Market Assessment identified as being required.

The growing population adds to the pressure on all services and increases the need for basic infrastructure. This pressure is felt most urgently in social care but also in services such as housing, where waiting lists top 12,000, and basic highways maintenance, where we know that already 19% of Oxfordshire's unclassified road network should be considered for additional maintenance.⁴

Demographic change means that we also expect significant increases in the numbers of very elderly residents and the numbers of children and adults with learning and physical disabilities.

The number of people in Oxfordshire aged 85+ is expected to grow by 95% between 2016 and 2030, and the 90+ population is forecast to more than double between 2015 and 2030. Currently 1 in 8 people over 85 in Oxfordshire are receiving ongoing long term support funded by the council at an average cost of £400 person per week.

The numbers of adults presenting to the County Council with a learning disability is increasing, and we are expecting more people to need local authority help as they live longer and their families/carers are less able to cope. The average age of one of our service users with a learning disability is 44 and over a third are over 50. The average weekly cost of support per person is £800.

Demand for children's services is also rising. Since 2010 the number of children in Oxfordshire who were the subject of a child protection plan has more than doubled, while those who are formally "looked after" has increased by a third. Last year saw a 20% increase in referrals to children's social care and an 18% increase in child protection investigations. These increases have also been seen nationally, but not to the same degree as in Oxfordshire.

³<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections>

⁴<https://www.gov.uk/government/statistics/road-conditions-in-england-2015>

Social housing provision is also failing to meet residents' needs - numbers of vulnerable households are rising and we know that housing services are not well enough joined up with social care to effectively meet the needs of our most vulnerable people.

In 2015/16 there were 600 homeless households or rough sleeping individuals across the county⁵ with 12,000 on social housing waiting lists⁶.

Squeezed budgets

Nationally those local authorities with responsibility for demand led services - where the council has legal responsibility for meeting people's statutory needs irrespective of numbers presenting with that need - and sharply declining government grant, have had no alternative but to reduce many universal and non-statutory services and see an increasing proportion of tighter budgets be spent on very small numbers of high need and high cost vulnerable residents who need supporting from social care services.

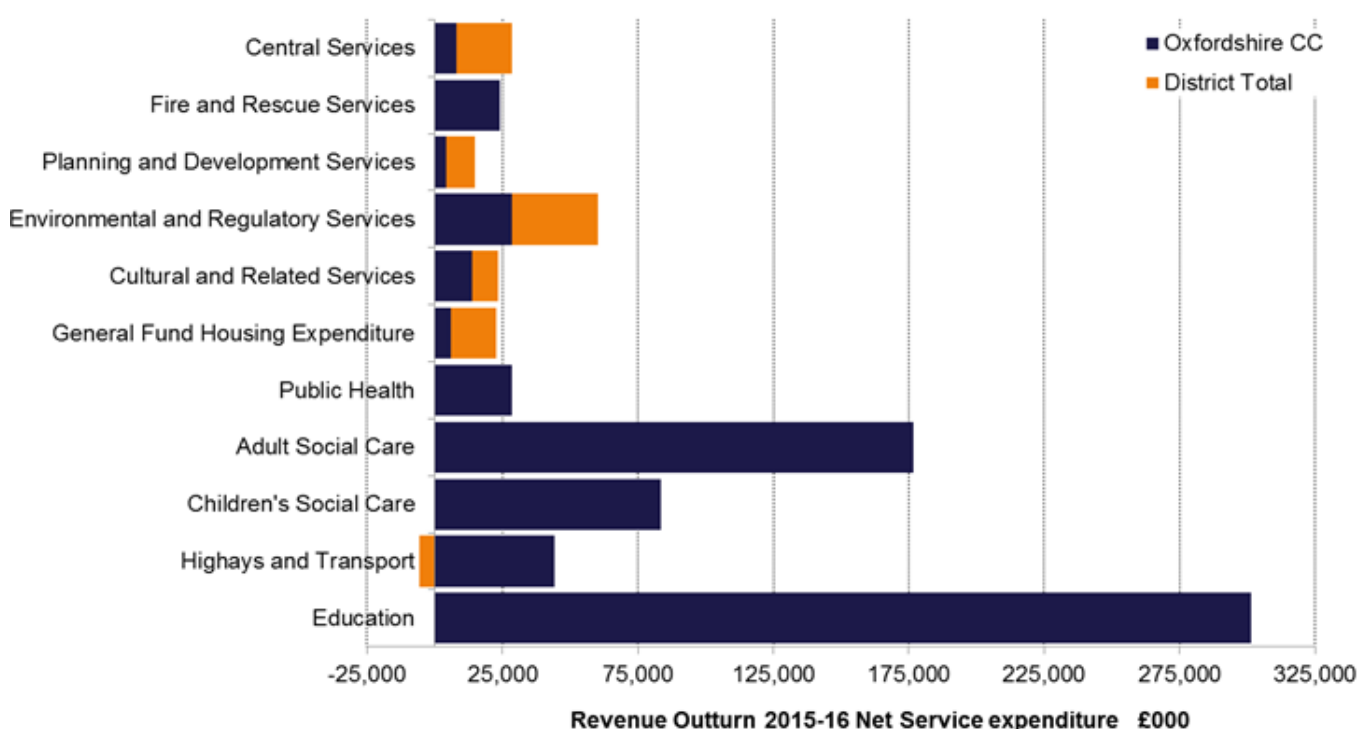


Figure 3: Revenue Outturn (RO) 2015-16: Service Expenditure Summary (RSX) data for Oxfordshire, Department for Communities and Local Government⁷.

There is increasing recognition that this is a major national challenge.

The social care funding gap by 2020 has been estimated at between £2.3bn (by a group of health charities) and £2.9bn (by the Association of Directors of Adult Social Services)⁸. The British Medical Association's analysis of Sustainability and Transformation Plans suggests a total gap of as much as £4.7bn⁹.

In Oxfordshire this issue has meant that county councillors have had to take difficult decisions about how to balance the needs of Oxfordshire's most vulnerable residents with the needs of the whole population.

⁵ 2015/6 Annual 'Housing Basket of Indicators' report, for Oxfordshire Health Improvement Board - 505 homeless households of which 324 are in priority need, and 90 rough sleepers (of whom 56 in Oxford City)

⁶ 2015: Cherwell 841, Oxford 2,240, South Oxfordshire 3,963, Vale of White Horse 3,706, West Oxfordshire 994 - CLG Local Authority Housing Data Table 600

⁷ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/569789/RSX_2015-16_data_by_LA.xlsx

⁸ <https://fullfact.org/health/shortfall-social-care-funding/>

⁹ <http://www.themj.co.uk/4.7bn-social-care-shortfall-revealed/206367>

Understandably many residents are critical of reductions in funding that the County Council has had to make to universal services such as road maintenance, bus subsidies and children's centres. Many councillors feel that the current position is unsustainable, as priorities identified by residents, such as filling in potholes and provision of community transport, are not affordable. A new model is required that listens to and responds to residents' concerns, through increased investment in the areas that matter most to them whilst also meeting the needs of the most vulnerable residents.

Oxfordshire County Council has had to make annually recurring budget savings of £300m since 2010. Two thirds of this reduction has been due to the need to fund the rising cost of adult social care and the remainder is due to declining government grant. A further £61m per year is on track to be saved by 2020.

Inefficient structures that do not enable transformation

At a time of reducing public sector budgets, identifying and obtaining the greatest possible efficiencies from spending and focusing funding on activity which directly serves the public is imperative.

Whilst all councils in Oxfordshire have worked hard to drive efficiencies in back office services make innovations in delivery and create income generation opportunities, it is clear that current structures, with duplicated management and support structures, do not meet the challenge to maximise efficiency.

Both the Grant Thornton and PwC reports show the extent of current unnecessary spend in Oxfordshire, both identifying that opportunities to save over £20m per year could be for reinvestment through rationalisation of basic functions including by:

- Reducing the total number of senior management posts;
- Reducing the costs of elections and of supporting elected members;
- Making efficiencies by combining corporate central services such as finance, legal, procurement, ICT and HR
- Sharing the management and administration of services across the county
- Rationalising assets such as office buildings

“Providing that local representation is not lost I can see no reason why one authority could not do the same but more efficiently” – Public submission to call for evidence for Grant Thornton review of options for local government.

In addition it is clear that multiple small scale organisations are individually less resilient to change and financial shock, for example in managing the impact of a major emergency event such as flooding.

Oxfordshire's district councils currently hold high levels of financial reserves to mitigate against such risks. A single larger organisation would be able to manage risk more efficiently, potentially releasing significant funding for other purposes.

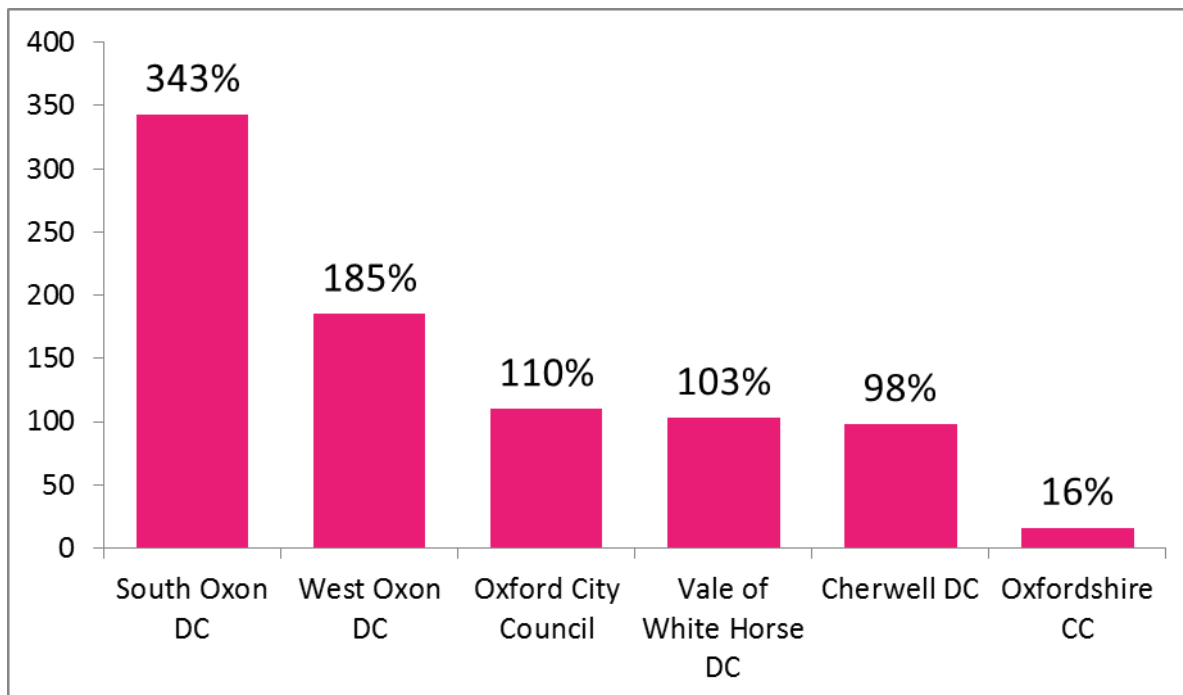


Figure 4: Reserves of Oxfordshire's current local authorities

Beyond basic efficiency, costs can be reduced and income maximised by service transformation. Structures need to be fit to take advantage of the opportunities of new digital technologies and to maximise commercial opportunities. Both independent reports set out that significant further savings beyond the identified annual savings could be expected once the new council was up and running.

Effective approaches to prevention and reducing demand

Investing in prevention and developing new ways to actively manage demand offer considerable opportunities for controlling costs in the future. However, under current structures, whole connected systems are split across layers of local government and between neighbouring authorities. For example, responsibility for delivering key well-being services such as leisure, housing and revenues & benefits are separate from acute social care services making focussing on prevention far more complex and difficult to implement. Equally the responsibility for planning new communities and the ongoing responsibility for providing core infrastructure to them such as schools and roads are again split, reducing focus on whole-life costs and the management of demand through improved design.

New funding model for local government

The funding model for local government is changing significantly. By 2019/20 the government's Revenue Support Grant that has been reducing rapidly over recent years will be removed entirely, and councils will have to rely largely on locally raised council tax and business rates. Councils will therefore become far more reliant on growing their local economy to fund all services, including social care.

In Oxfordshire this should be a positive move, as the economy is strong and, with the right governance and decision making structures, there are clear opportunities to continue to deliver significant growth. However the current structure makes it very difficult to take effective decisions as there is a fundamental misalignment between the changes that drive growth and expenditure for costs: many of the decisions that affect future economic growth sit with district councils, but the vast majority of spending sits with the County Council with responsibility for social care provision.

Challenge 4: Enabling economic growth

“In the SEP [Strategic Economic Plan] we have been forthright in conveying the two major barriers to future economic success in Oxfordshire – the lack of housing that people can afford and the growing problem of congestion on our roads.”

Nigel Tipple, Chief Executive, OxLEP

The local economy

Oxfordshire's economy is an essential national asset, based on an internationally significant functional economic area that comprises the city region around Oxford city. As detailed in chapter 8, the economy is strong - contributing £21.9bn in GVA¹⁰ to the UK economy¹¹ and with faster growth than any LEP area outside London since the recession¹². This growth is driven by the outputs from the two universities, the world class teaching hospitals and a remarkable concentration of science and research. Unemployment is low.

Nevertheless, there is substantial evidence that suggests that the economy is not performing to its full potential and that there are significant risk factors for the future. In particular productivity growth is weaker, ranking only 17th out of 39 LEP areas for growth of GVA per hour worked in the last decade.

The local university and business sector are clearly telling us that a more strategic approach to local government decision making is essential to our continued economic success. This was articulated in the Oxfordshire Innovation Engine Report¹³ published in 2014 and updated in 2016, which set out concern about the ability of the sector to adequately address the need for:

- Meeting the demand for housing and commercial premises to respond to the urgent needs of the growing business base and economy
- Accommodating additional growth in the 'Knowledge Spine' running between Harwell, Oxford and Bicester to accommodate high tech business and employment
- The capacity of the strategic and local transport infrastructure, including fast public transport services
- The capacity of leadership structures in Oxfordshire

Oxfordshire Innovation Engine Report

The Oxfordshire Innovation Engine Report was prepared in 2013 by consultancy SQW, with an update published in 2016. It examined Oxfordshire's success in developing a cluster of companies operating in high tech sectors, and assessed the barriers to further nurturing their growth. It particularly highlighted the failure of housing development and transport infrastructure to keep pace with economic and population growth.

The 2016 report noted that, 'Oxfordshire has a fragmented local government structure which makes it difficult to agree and then implement the kind of ambitious strategy for growth advocated in the Oxfordshire Innovation Engine report and the Strategic Economic Plan for Oxfordshire produced by the Local Enterprise Partnership'.

See <http://www.sqw.co.uk/insights-and-publications/oxon-innovation-engine-update/>

¹⁰ Gross Value Added (GVA) is a measure of the value of goods and services produced in an area

¹¹ <https://www.ons.gov.uk/economy/grossvalueaddedgva/bulletins/regionalgrossvalueaddedincomeapproach/december2016>

¹² <https://www.ons.gov.uk/economy/grossvalueaddedgva/articles/gvaforlocalenterprisepartnerships/1997to2014>

¹³ <http://www.sqw.co.uk/insights-and-publications/oxon-innovation-engine-update/>

The Grant Thornton report also tells us that representatives of the business community gave a clear message that part of the challenge in resolving these economic barriers was a lack of clarity and responsibility between local authorities. They attributed the following challenges to a lack of clarity in relationships and accountability for decisions:

- That the housing stock and transport network are not enabling business growth and innovation
- That key services such as housing and highways are not joined up, necessitating engagement and negotiation on multiple fronts
- That disputes between local authorities, especially focused around the location and provision of new housing have distracted from economic development and housing delivery

PwC drew a similar set of conclusions:

‘Long standing frustrations with planning, transport and housing delivery are now having a material impact on operational performance and will increasingly hold back the potential of the region.

The split of governance, decision making, strategic development and service provision across the two-tier system has not provided a whole-place approach to these issues.

Therefore the current rate of economic growth will be increasingly constrained by the lack of capacity of the transport network, unmet demand for affordable housing and commercial space, and a lack of clear strategic planning vision. Stakeholders are already citing practical examples where they are struggling to fill posts due to the consequences of these issues. A unitary model could help achieve this.’

PwC Report commissioned by City and District Councils, August 2016

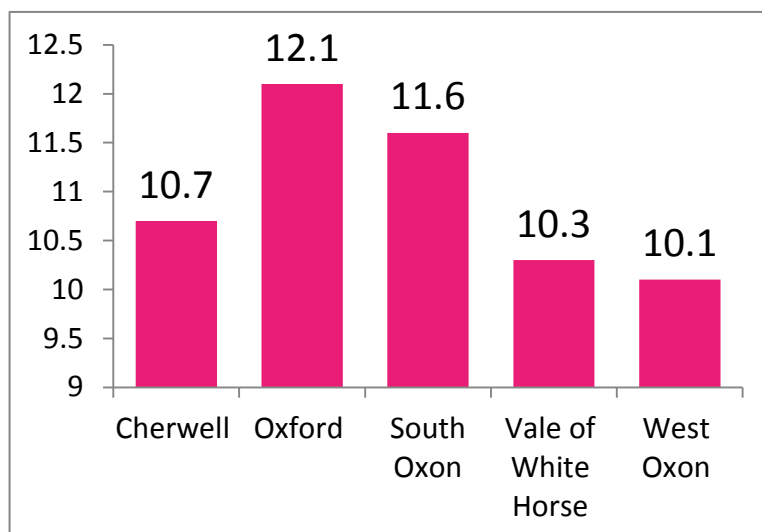
Local authorities have sought to address these issues, working closely with the Local Enterprise Partnership. However administrative boundaries that do not relate to the functional economic geography, along with the lack of overarching strategic decision making and the limited capacity of local leadership means that Oxfordshire collectively has been slow to grasp and resolve issues that are constraining the economic potential of the county.

‘The big challenges for Oxfordshire cross district boundaries – growth and the lack of infrastructure impacts on all our lives. Oxfordshire has the best potential to take that strategic view [by working at the level of the whole county].’ – Public submission to call for evidence for Grant Thornton review of options for local government.

High costs of housing

Housing availability and affordability is an enormous local challenge. Employers tell us that this has a significantly adverse effect on recruitment and retention of staff. House prices are uniformly high across the county and particularly high in Oxford and South Oxfordshire. Oxford city has the greatest differential between wages and house prices in the country.

Figure 5: Ratio of median house price to median salaries, in Oxfordshire district areas 2014. Source: Office for National Statistics and Valuation Office Agency



Median house prices in Oxfordshire are consistently more than double standard measures of affordability; at between 10 and 12¹⁴ times median gross salary.

House rental also demonstrates the same issue, with median monthly rent averages well above standard measures of affordability for all Oxfordshire districts, at between 38 and 51% of median gross salaries.¹⁵



Figure 6: Ratio of median monthly rental price to median gross monthly salary, in Oxfordshire district areas 2014. Source: Office for National Statistics and Valuation Office Agency

Housing supply is an issue across the county, but is particularly acute in Oxford due to a combination of limited land supply, high demand driven by the strong local economy and high quality of life, and less attractive development opportunities for the private sector.

The impact is felt directly by residents attempting to establish and maintain community and family life as well as presenting challenges to local business and the public sector which struggle to recruit and retain staff due to housing availability and costs.

Oxford is constrained by its current boundaries and unable to meet the needs of residents

There is very strong evidence that Oxfordshire is a functional economic area centred on the City of Oxford with its world-class teaching hospitals and universities. The interconnectedness of the labour and housing markets across the county conflict with a system that constrains planning for growth to the district level.

A new model is needed to ensure that residents in the city will be served by adequately funded services and housing supply that is connected to employment sites.

¹⁴ Calculated from salary data published by ONS, house price data published by ONS, and private rent data published by Valuation Office Agency. Wendell Cox, in the 11th Annual Demographia International Housing Affordability Survey: 2015 (<http://www.demographia.com/dhi.pdf>) classes a multiple in excess of 5 as extremely unaffordable. Anything above 3 is considered unaffordable to some extent. In 2014 the Bank of England imposed a maximum multiple of 4.5 loan-to-gross income, to apply to at least 85% of any bank's new mortgage lending.

¹⁵ To determine rent affordability, the US government applies a '30% rule' for housing affordability, which is also widely used in the UK and elsewhere: 'affordable' housing costs mean that they comprise no more than 30% of gross monthly salary.

Housing growth

A Strategic Housing Market Assessment (SHMA), jointly commissioned by all Oxfordshire local authorities, identified the need for an additional 100,000 homes by 2031. Even with this high level target set, full incorporation into Local Plans has been slow. In particular, it has taken almost three years from the commissioning of the SHMA to reach an agreement among Oxfordshire's district councils on the correct allocation of the additional housing needed in rural districts, due to Oxford's inability to meet its own housing target within its boundaries. In any case, the decision was not unanimous and one district did not agree to a shared allocation figure.

The figure below shows that the cumulative under-delivery of housing against the identified need both in recent years and when considering projected completions contained within Local Plans. It demonstrates that on current plans, Oxfordshire will miss its housing need target by almost 40,000 homes. It should also be noted that actual completions continue to fall well short of projected completion across authorities.

Cumulative housing growth 2011-12 to 2030-31

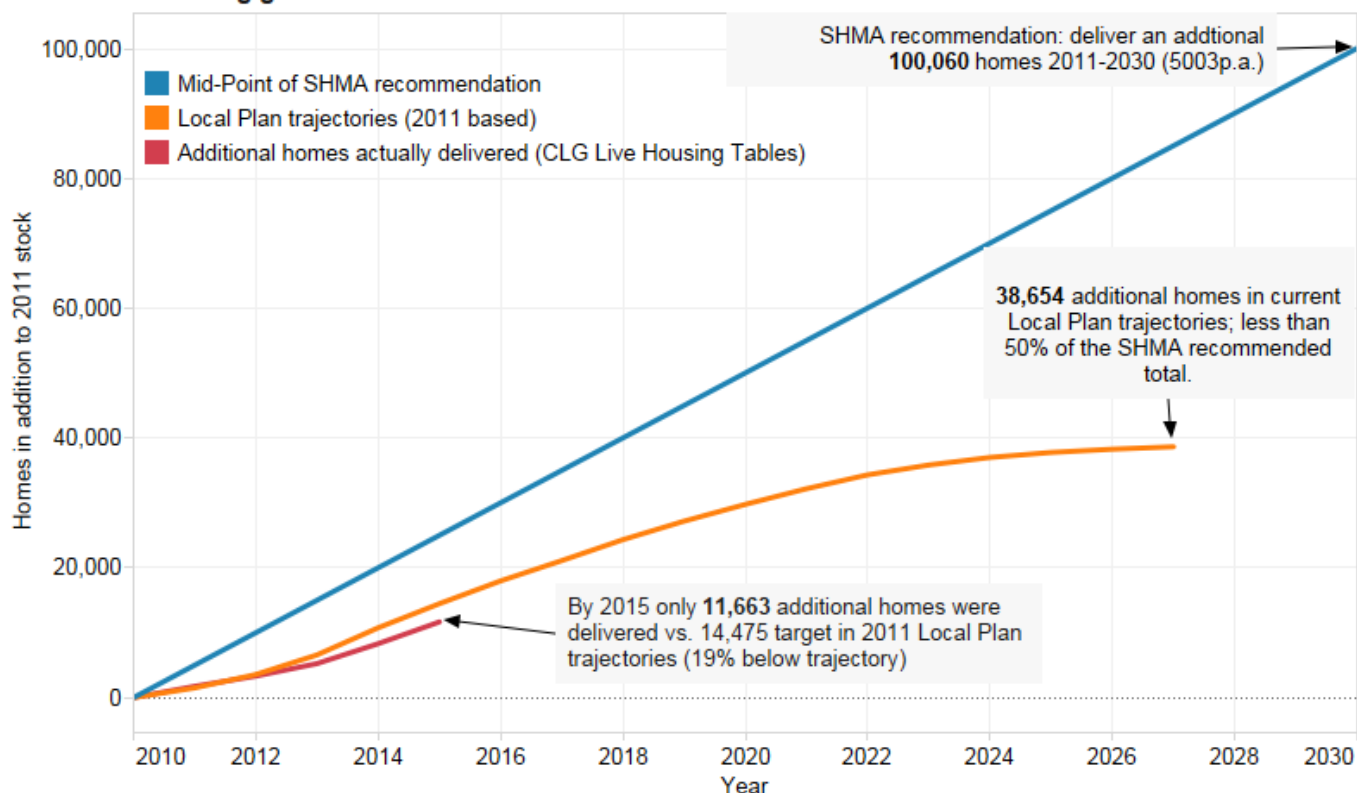


Figure 7: Oxfordshire Housing Growth 2011-12 to 2030-31. Sources: DCLG live tables on housing; published district local plan housing trajectories at time of writing; Oxfordshire Strategic Housing Market Assessment by GL Hearn.

Infrastructure to support growth

Alongside housing, Oxfordshire's infrastructure, and in particular its roads, present a major barrier to productivity and growth. Congestion is a major issue and a cost to local people and businesses. Transport monitoring data¹⁶ show the worsening state of road congestion across Oxfordshire. As of 2015, 11% of Oxfordshire's road network suffers delays of one minute per mile (or greater) during the morning rush-hour. Some 46,000 people commute into Oxford every working day illustrating the scale of pressure on the system.

¹⁶ Oxfordshire and Oxford City congestion monitoring report 2015
(<https://www.oxfordshire.gov.uk/cms/sites/default/files/folders/documents/roadsandtransport/traffic/congestionreport.pdf>)

The County Council estimates that the infrastructure improvements required to support Oxfordshire's growth potential will require over £6bn of funding to 2030, of which it is anticipated around £4.3bn will be available through local and national programmes, leaving a very considerable gap in funding.

Current governance structures fail to enable conclusive prioritisation across the county area, and fail to join up the development choices made by district planning authorities and the impact on local infrastructure. Negotiations with developers are undertaken separately and the connectivity between communities across boundaries is not fully considered.

Infrastructure requirements do not respect district council boundaries. For instance, the major transport corridors and the daily road traffic congestion radiate to and from Oxford City but can only be addressed by capital investment largely in the district council areas from which community workers travel. Investment plans across all of the current district council areas need to be coordinated in order not to simply displace problems from one area to another.”— Public submission to call for evidence for Grant Thornton review of options for local government.

Regional landscape

Finally, the increasing national attention on regional approaches to growth, infrastructure and industry – exemplified by the National Infrastructure Commission’s review into the Cambridge-Milton Keynes-Oxford growth corridor – show that strategic planning needs to take a wider, regional view. Local government must be capable of engaging clearly and authoritatively at the strategic level, for example to respond quickly and effectively to new opportunities coming through the England’s Economic Heartland agenda. A fragmented system suffers from both the lack of strategic capacity to take an external leadership role, with effort engaged instead negotiating within Oxfordshire, and a lack of coherence when speaking up for Oxfordshire.

Anchoring the Oxford – Cambridge Arc

'To succeed in the global economy, Britain must build on its strengths. The corridor connecting Cambridge, Milton Keynes and Oxford could be the UK's Silicon Valley – a world renowned centre for science, technology and innovation. But its future success is not guaranteed.' – National Infrastructure Commission Interim Report

A recent report by the National Infrastructure Commission into the Cambridge-Milton Keynes-Oxford corridor¹⁷ clearly shows how the challenge articulated above are having a direct impact on the economic potential of the region:

A lack of housing and connectivity are putting future success at risk

The Cambridge-Milton Keynes-Oxford corridor faces a chronic undersupply of homes made worse by poor east-west transport connectivity. Two of the least affordable cities in the UK lie within the corridor, and the area as a whole has consistently failed to build the number of homes it needs. That shortage puts sustained growth at risk. It is already increasing costs for businesses and diminishing their ability to attract employees at all levels –including the recruitment and retention of globally mobile talent.

A joined-up strategy linking infrastructure and homes

Investment in infrastructure, including enhanced east-west transport links, can help to address these challenges, but it must be properly aligned with a strategy for new homes and communities, not developed in isolation. This means local authorities working in partnership, and with national government, to plan places, homes and transport together. Current governance mechanisms are not sufficient to deliver the step-change in strategic leadership and collaboration needed.

The report recommends that governance should be strengthened across the area, potentially through the creation of new unitary authorities.

Further details on England's Economic Heartland and the efforts that county and unitary authorities have already made to join up infrastructure and economic planning across this regional geography are provided in chapter 8.

Challenge 5: Partnership working

The Oxfordshire geography is unusual as the boundaries defining the work of significant partners are broadly co-terminus with the county boundary, with Oxfordshire acting as the minimum building block, sometimes within a broader geographic context. For example, there is a single Oxfordshire Local Enterprise Partnership and single Oxfordshire Clinical Commissioning Group, but Oxfordshire is part of a broader footprint covered by Thames Valley Police and the NHS Sustainability and Transformation Plan footprint which extends across Oxfordshire, Buckinghamshire and the western part of Berkshire.

Developing effective partnership working across local government, health, business, the voluntary and community sector and other key local partners will be critical to the long term sustainability of Oxfordshire. Partners describe how the current fragmented arrangements make it difficult to engage in a coordinated way with local government services and are concerned about the lack of a single strategic voice back to government to ensure that Oxfordshire's needs are best met.

Currently too much time, energy and cost is expended within councils having to work in an insular and inward looking way, building complicated partnership arrangements across six different organisations, rather than taking a strategic approach looking outwards. Our partners face similar challenges with the requirement for multiple different relationships with organisations with different priorities and different geographies making it very hard to work effectively together.

¹⁷ <https://www.gov.uk/government/publications/the-national-infrastructure-commissions-interim-report-into-the-cambridge-milton-keynes-oxford-corridor>

For example, there is a failure to integrate the needs of the NHS within the complexities of the overall infrastructure planning framework and difficulties integrating NHS and public health services with preventative services such as leisure and recreation.

Full details of the partnership landscape are shown in chapter 8.

Options for change

In 2016 the County Council undertook detailed engagement with key local stakeholders in order to develop criteria that should be considered in assessing options for change.

Grant Thornton then used these criteria to undertake an options appraisal to assess the alternatives for change. These included establishing one, two, three or four new unitaries. The options appraisal also considered the case for maintaining the status quo.

Key criteria for change in Oxfordshire¹⁸:

Service Delivery and Outcomes: reforms should improve local service delivery and outcomes, particularly for the most vulnerable.

Cost Savings and Value for Money: reforms should deliver significant cost savings and drive value for money and long-term financial sustainability.

Stronger Leadership: reforms should provide stronger and more accountable strategic and local leadership.

Economic Growth and Infrastructure: reforms should deliver economic growth and meet the infrastructure challenge.

Local Engagement and Empowerment: new structures should involve communities and empower local areas.

Full detail of the work by Grant Thornton and other evidence on different options is provided in the options appraisal at chapter 9.

¹⁸ These are consistent with previously issued government guidance and subsequent statements from government about priority issues.

The overall summary by Grant Thornton of the comparative position of each option against the key criteria is provided below.

Options	Better Service Outcomes	Cost savings and value for money	Economic growth and infrastructure improvement	Leadership and accountability	Local engagement and empowerment
Single Unitary authority	A	A	A	A	A
Two Unitary authority	C	B	C	B	C
Three Unitary authority	B	C=	B	C	B=
Four Unitary authority	D	C=	D	D	B=

Key

A = strongest evidence of a likely improvement from status quo

B = second evidence of a likely improvement from status quo

C = third strongest evidence of a likely improvement from status quo

D = weakest evidence of a likely improvement from status quo

Figure 8: Source: Review of future options for local government in Oxfordshire, GT, August 2016

As illustrated in the figure above, considered against the assessment criteria, the assembled evidence established a preferred option of a single unitary council for the whole of Oxfordshire with a clear emphasise on local decision making and strong empowerment for local areas.

The following sections set out in detail the proposals for this model developed with further engagement of key stakeholders and amended following a substantial public and stakeholder engagement exercise. They examine how the new model will deliver improvement against each of the appraisal criteria and how it will operate for residents, business, partners, councillors and staff.

2. The new model – blueprint for a new council

This section introduces the proposal for a single unitary council and sets out what they will mean for you

The preferred option

The proposal for the future of local government structures in Oxfordshire is for the replacement of existing county, city and district councils with a single new unitary council with substantial devolution of decision-making powers and resources to local areas.

Delivering the best outcomes

The new unitary council will be designed in a way which enables it to bring together the best elements of all of the current councils, building on existing strengths, but avoiding the clear weaknesses identified with the status quo. For example, it will mean:

- One set of elected members and one set of officers responsible for all local government services including planning for housing, for transport, and for school places, one team delivering environmental health and trading standards, and one council taking responsibility for both the housing needs and the care and safeguarding needs of the significant local homeless population
- Clear accountability for decision-making and service provision – with a single body of councillors, all acting at both the local level and the strategic level, served by single set of officers, giving the electorate in each area one accountable local politician for all local government services
- Sustainable funding for the long term - saving money from the back office, rooting out waste, duplication, and inefficiency, and pushing as much money as possible into infrastructure needs and frontline services to ensure resilient and financially viable services
- An end to longstanding political and administrative frictions which frustrate residents and partners and in the past have often resulted in the failure to take difficult decisions in a timely manner or, sometimes, at all
- A clear voice for Oxfordshire, aligning partners and strategies to speak up for our needs at the national level, standing up for Oxfordshire.

The new council will:

- Drive sustainable economic growth, focusing on high-quality jobs, affordable new homes, the transport and community infrastructure which makes growth acceptable to existing residents, and maximise Oxfordshire's contribution to the UK economy.
- Improve the wellbeing of all residents through joining up services - bringing together public health, leisure, and housing; focusing on preventing need from escalating by intervening intelligently and early, and empowering and supporting strong communities and individuals to develop resilience and help themselves as far as possible
- Support the most vulnerable residents. For example, helping older and disabled people live independent lives; making sure that every child gets a good start in life, and protecting everyone from abuse and neglect
- Focus on managing demand and prevention to improve outcomes at lower cost
- Work with other organisations and in our offer to communities in order to help them to help themselves
- Understand and focus on the outcomes that residents really want and need, building services on the basis of co-production
- Make life simpler for both residents, service users and staff, getting more things right, with clarity about what to do when things aren't
- Save money so that the future needs of Oxfordshire communities can be met
- Understand and be resilient to future demographic, economic, environmental and social change
- Commit to unitary government as a significant step on a journey of improvement, not an end-point - seeking out best practice and innovation, and adapting it to Oxfordshire's challenges.

Setting out the blueprint

Chapters 3-7 set out in detail how a new unitary council will deliver against the five evaluation criteria established ahead of the options appraisal. They examine how the new council will function and identify key improvements to services and outcomes.

3. Stronger Leadership: governance and decision making

This chapter sets out how the new authority will operate and how decisions will be made

We want the best for Oxfordshire - this means intelligent governance and decision making arrangements at the strategic and local levels and high quality joined-up operational delivery.

This section sets out the governance arrangements we propose for the new council, in particular how it will be led, how it will guarantee power and control for local areas, and how we see the role of elected councillors developing.

Our ambition is that these proposals will deliver a council that enables:

- communities to be shaped by their residents, and where everyone can play an active role in decision-making
- investment in new homes, jobs, education and transport that creates sustainable economic growth and supports everyone's quality of life
- everyone to lead the healthiest and most independent life that they can
- everyone to be protected and is safe from abuse and neglect
- rural and urban environments in the county to be protected and enhanced.

Many detailed decisions around how the new council operates will necessarily be for the bodies established to oversee implementation and for the new council itself to determine.

However, we do believe though that it is important that some elements, particularly those guaranteeing local empowerment and autonomy, should be entrenched in the implementation process, ensuring that they are fully developed as the authority is created. These areas are set out below.

A new unitary council will help to deliver our ambitions by:

- *Being **simpler** – with clear accountability for who does what, and faster and smarter decision-making thanks to a single officer corps and single democratic structure*
- *Delivering **better services and outcomes** – in the interests of all residents thanks to stronger strategic decision-making aligned with local knowledge and empowerment*
- *Being **more local** – with the principle of decisions being taken at the most local level appropriate, and empowered local communities forming a fundamental part of our bid*
- *Operating at **lower cost** – eliminating duplication and waste and releasing over £100m over five years to invest in infrastructure and services*

Shaping the new council

This proposal would lead to the abolition of the County Council along with all five city and district councils currently operating in Oxfordshire. To replace them, a brand new unitary council will be created, representing the whole of Oxfordshire.

Strategic county-wide decision-making and service delivery will be aligned with strong local decision-making mechanisms, including executive area boards established as committees of the unitary council, ensuring that local knowledge and local priorities are used to improve outcomes and efficiency, rather than creating conflict and delay as at present.

The new council will have a strong principle of decisions being taken at the most local level appropriate, closest to where they will have their effect, within a clear strategic framework to ensure joined up thinking.

It is also proposed that the new unitary council and area executive boards should work closely with Oxfordshire's 316 town and parish councils and meetings. See chapter 4 for further detail on the area executive board model and details of engagement with parishes and town councils.

Decision-making

'Initial feedback from stakeholders is that there is a need to improve decision making structures on issues that impact on Oxfordshire's ability to deliver its economic growth ambition, and the devolution deal proposals, as well as clearer accountability for delivery of services.' PwC Report, 2016

'Our view is that the county-wide unitary model offers the greatest scope for immediate improvements to the level of accountability and strength of leadership offered to the public and partners. Any decisions taken by a county-wide unitary will be taken by a single body of elected representatives supported by a single officer corps – the scope for friction and deadlock between the competing interests of sovereign organisations will largely be removed.' Grant Thornton Report, 2016

In the current two-tier system, decisions that are needed in the interests of the whole Oxfordshire population are often not taken through a lack of clarity in responsibility between councils and no adequate mechanism for resolving differences. Decisions are also held back due to different statutory responsibilities across councils - for example between transport and housing and between waste collection and waste disposal.

We envisage a new council where decisions, including some which are very challenging, will be taken effectively through transparent and democratically accountable processes.

Stronger decision-making will be achieved through:

- The same councillors being responsible for decision-making on strategic whole county issues as are responsible for local decision-making and comprehensive community engagement within their local areas
- A clear and simple structure for local partners to engage with
- A clear and simple structure for residents to engage with - with a single set of councillors responsible for all local government services and each resident having a single democratically elected representative for both local and strategic matters.

Councillors will be supported in their leadership and decision-making roles by a single cohort of professional officers, working to a single set of policies that has been agreed by councillors.

This proposal allows for clear democratic accountability throughout. Residents will know which elected member to engage with and be able to hold them simply and directly to account. Political governance arrangements will be designed to provide:

- Democratic representation from all of Oxfordshire's communities
- Transparent and accountable decision-making
- Robust accountability through assurance and regulation regarding the use of public funding and assets
- A strong voice back to national government to seek the best deal for Oxfordshire
- Responsiveness to the priorities, ambitions and needs of local communities
- Transparent scrutiny of services provided by the council and other local providers
- Strong partnership working with the public, private, voluntary and community sectors in the interests of local people and a thriving county
- Civic leadership and pride, respecting the values of local communities and the heritage of the county.

Governance for a Deal with government

Arrangements for the governance of the proposed new unitary council are a separate although related matter to the devolution of powers and funding from central government.

Working together the city, district and county councils have been developing the content for a deal with government on infrastructure delivery, housing and the skills agenda. However, councils have not been able to agree on what would constitute an effective governance model.

A single unitary council would provide the strong platform for a future deal required by government, with robust and accountable leadership in place and the ability to support borrowing and coordinate infrastructure, planning and housing, without the need for a costly additional tier of government to be inserted on top of an already confused and conflicted system.

In the future it may be the case that stronger regional governance arrangements will be appropriate for a broader geography - either linked to England's Economic Heartland, or to the Thames Valley area that is already used as the geography for the office of Police and Crime Commissioner. This arrangement could generate the ability to act at both the functional economic level of the Oxfordshire unitary council and the strategic regional level and retaining it as an option is a key advantage for a single new unitary council.

In any case, it is proposed that the existing strong suite of proposals on infrastructure, skills and housing delivery are taken forward for discussion with government during the transition period to a new council.

Our vision for elected councillors

Local authorities are led by democratically elected councillors who set the vision and direction of the council on behalf of local people. The creation of the new unitary council, with all-out elections for all members, provides an opportunity to ensure all councillors have the support and training needed to do the best possible job for their residents.

The roles and responsibilities of councillors include:

- Representing the area for which they are elected
- Undertaking casework, helping local residents get the right deal from the council
- Taking decisions on policy and resources at a strategic and local level
- Holding particular roles within the council, including as members of Cabinet
- Scrutinising the decisions and actions of the Cabinet
- Undertaking regulatory and statutory duties such as planning, licensing and corporate parenting
- Community leadership, organising and engagement

Our vision for elected councillors in the new unitary is that they will:

- Lead the authority, setting policy and taking the most significant decisions both at a strategic and local level
- Have the ability to effect change across the full range of local authority activity
- Be able to take difficult decisions on behalf of local residents
- Be professionally supported, with access to the training and facilities they need to do their jobs
- Reflect the diverse sectors of our community

A system of scrutiny and audit committees will be established by full council to hold the new council's executive and area executive committees to account. The full council will also appoint councillors to its statutory and regulatory committees including strategic planning, licensing and corporate parenting. All unitary members will also sit on their local area executive board, taking decisions that affect their local area.

By enabling members to make decisions and exert influence across the full range of local government activity at the strategic and local level, members' roles will be enhanced, making it easier for them to effect positive and tangible change in their communities. Feedback from councils that have been through the change to unitary tells us that being more able to meet resident expectations is an attractive aspect of the unitary councillor role. The commitment required to be an effective councillor will be mitigated by increased support, smaller electoral wards than current county council divisions, more direct influence and contact with relevant officers and an end to frustrating and time consuming inter-organisational 'buck passing'.

Councillor support and training

The new authority's first elections will be an opportunity to engage people in the opportunities of becoming a councillor, and to put in place a comprehensive package of member training and on-going support from officers including at the local area level.

We have heard from members that casework is an important part of their role, and even experienced councillors may, in a unitary, pick up casework from service areas with which they are less familiar. There will be some simplification of the casework role as councillors will no longer have to determine whether the question being raised is a district or county matter, nor attempt to deal with officers from multiple organisations for issues which straddle both.

There is an opportunity for the new council to ensure that Oxfordshire excels in member training by, for example, working with the Local Government Association to put together a leadership academy model of training and support for councillors elected to the new authority.

The new council will also want to consider how it supports residents from all backgrounds to participate as councillors. For example it will wish to consider how, where and when meetings are held, seeking to ensure that the model adopted allows as many as possible to meet the considerable commitments of being a councillor. Meetings during working hours can be a barrier to many and considering alternatives should be a priority consideration during the implementation period.

Who does what?

The new unitary council will need to develop its formal decision-making arrangements in a new constitution. However, the following outline structure of decision-making is envisaged for a new unitary council:

Full council

Elected by residents via an election every four years

- Agrees the overall budget for the council and the level of the unitary council tax
- Agrees the overall policy framework (this includes key strategic policies such as the statutory 'Local Plan' that sets the framework for future development)
- Appoints the Leader (in the Leader and Cabinet model) and makes other senior appointments, including statutory officers

Leader

Appointed by full council every four years

- Agrees delegation of executive decisions
- Appoints and chairs the cabinet
- Represents the council regionally and nationally

Cabinet

Appointed by the leader

- Responsible for all local authority functions not the responsibility of full council or delegated to area executive boards or reserved to another part of the council by the constitution
- Makes (or delegates) all decisions within the policy and budget framework that are of a strategic rather than local nature
- Gives political leadership to portfolios of responsibility – for example adults' services or housing

Area Executive Boards

Comprised of all the elected councillors representing wards/divisions from the area

- Determines local priorities
- Makes the decisions that directly affect the local area and that can most effectively be addressed at the local level
- Holds to account officers, the council's executive and other agencies on local matters
- Receives performance and other data relevant to the local area to inform decisions
- Is consulted on the local impact of strategic decisions in advance of council/cabinet
- Decides on the appropriate model of partnership engagement for the local area

Scrutiny committees

Appointed by full council

- Hold to account executive decision-makers at strategic and area level
- Provide challenge in the policy development process and a mechanism for expressing the concerns of the public
- Allow elected councillors to fulfil their role as independent monitors of council activity
- Drive improvement by taking an active role in monitoring performance and risk

Other committees

Other committee appointed by the council would include responsibility for:

- Appointments for senior posts
- Audit, Governance & Standards
- Corporate Parenting

- Health and Well Being Board
- Licensing
- Pensions
- Planning
- Remuneration
- Rights of Way

Organisational structure and senior management

In support of these new democratic arrangements, high quality, effective, efficient and resilient professional management will be required in order to:

- Advise elected politicians on future options and implement agreed policy
- Be responsible for the corporate and strategic service direction, culture and purpose that delivers that policy
- Ensure public accountability
- Lead effective collaboration internally with the council and externally with partners and suppliers
- Run professional services
- Coach other managers and staff to contribute their best

A significant opportunity exists in Oxfordshire where the diversity of operating models within existing local authorities means that managers and directors with experience across the spectrum of in-house provision, partnership working and commercial contract management are available to provide relevant expertise. The new council will expect to draw on all of this experience in filling a new management structure.

A senior management review will be required to design a detailed structure and will need to reflect and reinforce functional responsibilities and accountability to elected councillors. Equally, the shift to the new structure will signal the difference from existing arrangements.

The new structure will need to:

- Support fast and effective decision-making
- Ensure safe and effective service delivery
- Be flexible to changing circumstances, moving management and leadership capacity based on need at any given time
- Reinforce a cultural move to cross-service and cross-organisational working
- Deliver value for money

Management structures and the operating model of the new unitary council will also need to reflect the intention to devolve substantial decisions and resources to area executive boards. In some services area management arrangements are likely to be required that reflect the Area Executive Board boundaries. In all services, arrangements for taking an area-based approach and planning and operating across departmental boundaries to address local issues will need to be in place.

Taken as a whole, Oxfordshire's six current councils are managerially top-heavy with some 25 posts paying over £100,000 and 60 posts paying £75,000-to £99,000.

Overall, it is envisaged that a revised structure could achieve savings of at least 15 senior management posts with a value of £2m annually.

4. Local Engagement and Empowerment: building strong and resilient communities

This chapter sets out how the new council will ensure that decisions and control are devolved to the local level

A new vision for localism

Oxfordshire benefits from thriving local communities and a high level of engagement in politics and service delivery. Civic society is active, with many community and voluntary organisations. A vibrant parish and town sector gives voice to local communities as well as in many cases providing important local services.

The new council can build on these strong foundations to create a new model of localism and devolution to communities within the context of a strategic unitary council, going beyond what has been delivered by existing large unitary authorities without compromising the overall aims of the new strategic council. Our vision is for a new localism, where decisions are made at the most appropriate level, rather than based on the silos and interests of competing organisations.

We know that - as outlined in both the PwC and Grant Thornton reports - a single large unitary council runs the risk of being perceived as remote from local communities.

From place to place, the community at which most residents identify with changes in scale. Even within communities with strong identities, not every individual will identify with the place in the same way. Having reviewed a range of options, the proposal is to establish local decision making at a level of identifiable communities that will be recognised by most in the community. These will differ in scale from place to place but will typically be based on clusters of parishes around Oxfordshire's market towns the larger villages. Beyond the unitary council, the active engagement of towns and parishes will play a vital part in keeping decision making relevant, local and informed.

Governance for the City of Oxford will need to be designed to reflect the city's historic, political and cultural status and the centrality of Oxford to the economic success of the wider region.

Overall, this approach will help meet the tests of delivering stronger and more accountable leading and of improving engagement with communities and delivering empowerment of local areas.

Key outcomes for the new model

Our objectives for the new model of local working are to:

- ensure that democratic decision-making power sits at the most appropriate level
- enable local priorities to be identified locally and addressed appropriately, whether at the local or strategic level and whether by the authority itself or local partners
- engage councillors with the authority's work at both a local and a strategic level
- maintain local and community identity
- strengthen local democracy
- build on a strong local base of community and voluntary engagement

How localism will work in the new council

The principle behind the model is that everything that can be most appropriately delivered locally should be.

It is clear that the role of local decision making will vary between different services and issues. However, while any formal devolution of powers from the unitary level would need to demonstrate that it would be more efficient, effective and economic to deliver services locally; the assumption will be in favour of local decision making.

Feedback from public and stakeholder engagement

An extensive public and stakeholder engagement exercise in January and February 2017 was facilitated by a discussion document published by Oxfordshire County Council. The discussion document proposed a localism model centred on five area executive boards based on the boundaries of current districts. Strong feedback from both the public and key partners was that the advantages in maintaining these boundaries – including continuity and existing identity – were outweighed by the fact that the five units would be too large for genuine community governance that addressed local need. Feedback suggested that most residents identify with groups of communities centred on Oxfordshire's thriving market towns, or in the case of Oxford, with the city, rather than with existing district areas. Feedback also suggested that these boards need to work closely with local partners and take into account more closely partners' geographies– especially the NHS. Therefore these revised proposals describe a model that operates at a more local level than was initially proposed in the discussion document.

Area executive boards that work across the new council's responsibilities

It is proposed to establish a set of area executive boards as committees of the new Council that reflect the communities that most people identify with. The Boards will give communities a strong voice in local matters and ensure that local priorities are clear and addressed. The boards will:

- Work in partnership with other organisations operating locally to identify and address local priorities
- Provide a mechanism for local decision making
- Enable funding to be devolved to the lowest level
- Strengthen the role of local councillors.
- Provide a new opportunity for local leadership

The organising principle will be to support local identity, with recognition that sufficient scale is required to render the boards effective and manageable.

An extensive exercise will be required to identify the most appropriate geography for the new boards but comparison with other county unitaries operating similar models suggests that 15-20 areas would create a model for Oxfordshire that genuinely reflects local identity. The exact number and boundaries of boards will depend on detailed consultation as well as further consideration of the powers that the boards will need in order to effectively deliver the needs of their local area.

The area executive board membership would be made up of all the elected Unitary Councillors within the area who would carry the formal voting and decision making responsibility. Special status would be given to Town & Parish councillors and key local stakeholders who would expand the local leadership role of the Board and enable it to operate effectively. Area executive boards would meet in public and would encourage public engagement and participation. They would incorporate the ability of members of the public to raise any matters causing concern in their community through an agreed process.

Task and finish groups could also be established to deal with particular areas or issues such as transport.

Potential areas of influence and decision making

Area management arrangements nationally tend to focus on environmental issues, often under the “cleaner, greener, safer” banner. These issues are obviously important and will form the core work of Oxfordshire's area executive boards. However, to properly serve the diversity and complexity of Oxfordshire's rural, urban and market town communities, these boards will also need a remit across social issues as identified by locally determined priorities. Areas for local decision making and influence might include:

- Health & Wellbeing – such as identifying and addressing local needs including the join up of prevention activity at the local level
- Local highway matters – such as the prioritisation of local road improvements schemes and maintenance activity
- Parking Charges and provision – such as the extent of free parking schemes
- Business and economic development – such as championing local business partnerships and locally important sectors, such as tourism and farming
- Voluntary and Community Sector – such as local grant giving
- Young People's Provision – such as ensuring that local need is fully understood and provided for
- Campaigns, Activities and Events – such as supporting local priorities
- Community Assets – such as taking decisions on prioritisation of investment
- Anti-Social Behaviour – such holding local agencies to account
- And other areas including community led projects; the management of local issues as they emerge; contributing to master plans for local areas; overseeing plans for One Public Estate activity locally and increasing participation and inclusion.

Each board would be expected to develop a local area action plan and agree priorities with its partners and the community.

It will be a principle of the new unitary council ways of working that area executive boards will have a formal consultative role in setting the overall policy framework for the council, including in areas such as the budget and Local Plan and other identified new plans and strategies. This will ensure that strategic decisions are informed by a strong local voice.

As in other county unitary areas operating a similar model it is envisaged that Boards would have funding and powers delegated from the unitary council in order to enable them to effectively fulfil their role. In recognition of the different scale and needs of different communities in Oxfordshire it is likely that there will not be a single 'one size fits all' approach to area boards. The detail will be a matter for further engagement with the public and partners and will be a key issue for consideration by the Implementation Executive that will be established to create the new council.

Working in partnership at the local level

Currently the public and partners have to navigate a large number of council and external bodies to influence and inform local decision making. The simplified structure proposed here will enable Oxfordshire unitary councillors, town and parish councillors, service providers and representatives of local organisational and local residents to come together to identify and deliver the priorities for change and improvement in their communities.

A new model for Oxford city

Oxford, a city of over 150,000 residents, sits at the heart of the county. Throughout this proposal the inter-connectivity of Oxford to the wider county area and beyond is highlighted. The strength of Oxford's history, academic excellence and economic influence as well as its unique geography and demography, and the different needs of its population, is covered elsewhere in this document. These factors all need to be taken into account in designing a governance model that will enable the city to thrive in the future.

Feedback from the county council's discussion document published in January 2017, has strongly reinforced this view: we have heard loud and clear that addressing the particular needs of Oxford is essential not only for residents in the city but for the whole of Oxfordshire.

Currently local authority services provided in the city area split between the County and City Councils with the County Council providing roughly 80% of services by value. While the evidence is clear that the best options for managing these services effectively is through a rationalisation to a unitary form of government,

particularly to ensure that the way Oxford is governed reflects its position at the centre of the wider city region, there is a strong case for community and environment services being locally determined.

This section deals with ensuring that the need for a clear local powers and voice for the city of Oxford is established within the new unitary council model proposed for Oxfordshire. In recognition of the importance of this issue, and the need for further discussion and engagement it also sets out a commitment to the establishment of a 'City Convention' to work with residents and local stakeholders to design the model in detail.

A new local council for Oxford

Underpinning the proposal for a single unitary council for Oxfordshire is a strong belief that wherever possible, decisions should be taken at the most appropriate level and the local communities should have a loud and clear voice. Local councils are vital to this and as statutory consultee on a wide range of issues, such as planning; they have a strong and clear voice, as demonstrated over many years by town and parish councils across Oxfordshire.

Uniquely within the county area, the majority of the city currently has no community level local council or councils operating separately from the city and county councils to efficiently manage genuinely local issues. The creation of a single unitary council for Oxfordshire provides the opportunity for this to be addressed and for a wider discussion about the role, detail and make up of a local council for the city to be held with the intention of establishing a new institution to manage local community, social and environmental issues. Such a council will have a distinct and complimentary role to the unitary council rather than a conflicting and overlapping arrangement as is currently in place between the county and city councils.

There are currently four such local councils within the existing city council boundary – Blackbird Leys, Littlemore, Old Marston, Risinghurst and Sandhills – and their views, alongside those of city's residents, health communities, academic institutions and the business community will be key to developing the future model of a local council for the city. This proposal does not attempt to finalise that. However, it does outline both a potential model and a commitment to a multi-partner 'City Convention' on the design and function of a new local council for Oxford.

A new local council for the city will have a critical 'place shaping' role, supported by its responsibility for a range of service delivery functions. It will have precepting powers and could deliver a range of services and, subject to appropriate funding decisions, could take its own approach to the optimum service delivery models, potentially including a direct labour organisation for the city area and beyond.

To help design and develop the new local council for Oxford and identify the best range of services, assets and delivery models that it may require for the future, we are proposing to create a "City Convention" (which will run for approximately six months). As well as involving residents, businesses, existing councils and parishes, the health community and academics from across the city, such an approach will allow expert bodies, such the bodies that represent local councils, to contribute their knowledge and skills to the debate and process. Ultimately, it will be for the new local council for Oxford to determine its future, but the City Convention will help shape the initial service model, responsibilities, funding and asset mix, and staffing approach that it will use to deliver its services to the residents of Oxford.

The exact powers of the new local council for the city will require further consideration through the City Convention process but for example it could have significant powers for the wide range of community centres and other facilities across the city, local grant giving, community safety, community engagement, responsibility for the markets, parks, gardens and public open space across the city, a range of highway related services, leisure and sports development as well as holding significant capital and development based assets which would support the new council in enabling the on-going redevelopment of the City, supporting its position as a key commercial, leisure, tourism and cultural hub within Oxfordshire. Equally important, it will enable the new council to support all of its residents to live in a thriving and vibrant city that is closely connected to the wider county. The new local council for Oxford would also hold the ceremonial and civic duties and privileges of the city, such as the Mayoralty.

In order to underpin these functions effectively it is envisaged that the new council for the city will be able to raise a considerable local precept, and have substantial community assets transferred into its ownership. This will ensure that it has significant revenue streams and can set a significant capital programme.

The area executive board model set out above will provide a mechanism to ensure that the new council for the city can work closely and effectively with the unitary council at the local level. This proposal does not set out in detail how the geography of city area boards would be best established as this is an issue that will need to take account of the different natural communities in the city and beyond and will be a matter that the City Convention can helpfully address.

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Strategic recognition of the local area

Ambitions for localism will also require specific resources from the authority, over and above officer time, to help the councillors make meaningful evidence-based decisions. These will include:

- **An area evidence base for each board**

Local chapters of the Oxfordshire Joint Strategic Needs Assessment setting out where there are particular statistics or trends which make the area distinct, and a performance management system which enables councillors to see performance disaggregated to *at least* the Board level for relevant indicators.

- **Board consultation on strategic decisions**

Discussion, at area executive board level of key strategic decisions set to be made by the unitary council as a whole, will enable each councillor to discuss how the decision will affect their local area, and what ideas and concerns they may have, and for the board to formally respond collectively on behalf of their area. This local view is in addition to the role that all councillors will have voting on key whole council strategic decisions as members of the full unitary council.

- **Place reviews**

As part of its transformation programme, the County Council is already initiating place reviews, working with communities and local partners including health to look at the needs and priorities of a local area, the availability of land and property to support the ambitions of that area, and the opportunities for colocation to simplify the experience of customers. A unitary council will considerably enhance the outcomes of this process, by including a wider set of assets and broader set of opportunities including decisions on housing development.

- **Support to local members**

Local councillors will be supported by a strong locality working framework that enables members to be true community advocates, identifying local priorities and able to effectively address key local issues.

- **A clear constitution**

The constitution will set out those areas of decision-making which are the responsibility of the area boards and the process for amending this balance. Strategic policies decided by the unitary council will be required to state which aspects of them are open to local variation by the boards.

- **A recognised function to take a local leadership of place role**

This will include a role beyond the council of leading local partnership activity and this will need to be supported and encouraged by the unitary council as a whole and supported by service areas.

- **A role in holding to account**

Boards will be expected to take an active interest in all services delivered within an area whether or not they have a direct role in service planning. As such they will be empowered to hold the council's cabinet and senior officers to account. Boards will need to build a relationship and new ways of working with Overview and Scrutiny and Health and Well Being boards to ensure that the right issues are considered at the right level.

Strong and supported parishes and town councils

Oxfordshire has a thriving town and parish sector. There are 316 town and parish councils and meetings and outside of Oxford City, every resident has a parish or town council. It is proposed that the new council will work closely with these grass-roots bodies, empowering them through close dialogue and support.

Engaging with parishes and town councils

As part of the debate around reforming local government in Oxfordshire, Oxfordshire County Council engaged with representatives from more than 120 of the county's parishes and town councils over the course of 14 meetings over two rounds in summer 2016 and February 2017. These meetings were designed to work together to consider opportunities for these groups to have more influence over decisions affecting their communities.

Attendees demonstrated strong appetite for greater influence, though many expressed concern about the capacity to take formal decisions and for delivering services.

We also heard that parishes do not want devolution of powers imposed; they want it offered with real choice. Money is universally recognised as the central issue – improvements to communities and neighbourhoods will come at a cost.

Overall parishes told us that:

- They wanted to be listened to with recognition of their status as a statutory consultee and not just one voice amongst many;
- That neighbourhood plans should be properly taken into account;
- That there should be more support available;
- That a single point of contact for the issues that matter most to them is essential.

There will be a new devolution offer to parishes and town councils, enabling those with the ambition to take on more to do so. This will include opportunities and support to run services and assets currently run by county and district councils where doing so offers the opportunity to deliver more effectively and respond better to local need. Those local councils which do not have the scale, capacity, or desire to take on services will still be entitled to a strong direct relationship both with their local board and with the unitary council as a whole with their voices heard in decision making

The proposed creation of area executive boards is not a replacement for the commitment to the most local level of government; rather it is envisaged that parishes and town councils will play a very significant role for their communities, with more devolution of power and responsibility for those who wish to take it on. Area executive boards will be well placed to have a strong relationship with more local councils in their area and adapt the approach to best fit local needs, in particular supporting those councils that have ambitions to grow and take a greater role whether in service delivery or ownership of key assets. We heard strongly back from town and parish councils that they would like greater influence in particular over planning decisions and as well as ensuring that town and parish voices are heard clearly in decision making. We set out in the chapters below how a new unitary empowered to take a strategic, cross county view would also be able to re-direct resources to neighbourhood planning to support those communities that want to take on more control.

The new unitary will engage actively with the Oxfordshire Association of Local Councils (OALC), the representative body that provides support, advice and training to the 90% of local councils who are members. It is proposed that the new council should seek to provide support to OALC and value to its work, for example through supporting collective procurement of training for clerks, or brokering the clustering of parishes where there is a common purpose.

Parishes and town councils that want to taking on more

Parishes and town councils across the country are thriving under unitary government, using their powers and freedoms to work in partnership to provide better services for residents and businesses, helping to maintain strong local identity and providing an independent voice for local people.

Salisbury City Council (pop. ~40,000) was established in 2009 following the creation of a new unitary council for Wiltshire. Since then it has invested more than £6m in modernising the Salisbury Crematorium, refurbishing the Guildhall, renovating three local parks and opening new play areas. It supports an extended events programme and has expanded market provision. The City Council has established an extensive grant scheme, maintaining core revenue support to arts, sports and other community and voluntary organisations. The City Council has built strong partnerships with organisations including the Salisbury Business Improvement District and has developed a mutually respectful relationship with Wiltshire Council with benefits for both the City and the wider area. The cost to residents equates to £2.02 per week per household at Band D (2016/17). Reg Williams, City Clerk says: "There has never been a timelier or pertinent moment for parish councils to step up and truly influence the towns and cities they represent."

Falmouth Town Council (pop. ~ 21,000) is one of 213 parishes in Cornwall being offered new ways of working following the creation of a unitary council for Cornwall in 2009. Parishes are able to choose their level of involvement, from a stronger voice in influencing service delivery to taking on full responsibility for managing assets or particular services. Falmouth Town Council aims to improve the quality of life for residents by promoting economic regeneration, community values, well-being and pride in Falmouth. The Town Council has taken over the Library and Information Centre through the devolution programme, extending opening hours and improving the service. It runs a town management service, youth provision and CCTV. The Falmouth Neighbourhood Plan, *Our future in your hands*, was published for consultation in December 2016. It will strongly influence the way that land is used for housing, businesses, retail and leisure and will guide building design and protect and enhance the characteristics of the Town that residents most value. The cost to residents equates to £4.66 per week per household at Band D (2016/17).

Local Government Chronicle, "Power to the People", June 2016, www.falmouthtowncouncil.co.uk, www.cornwall.gov.uk and www.planforfalmouth.info

Localism: Learning from alternative approaches

Providing effective mechanisms for local engagement and control are central to many unitary models. Different areas with different geographies and historical civic arrangements have designed different models. In designing the approach set out in these proposals, we have taken regard of the needs of Oxfordshire's communities, feedback received and the experience of other authorities. Here we set out a similar approach taken by Wiltshire.

Wiltshire Council was established as a new unitary council in 2009, replacing Wiltshire County Council and four districts. The council's area boards bring local decision making back into the heart of the community providing a way for local people to shape the policies and services of Wiltshire Council, the police, NHS and other partners.

There are 18 area boards across Wiltshire. Each area board covers a community area within the county - in most parts this includes a market town and its surrounding villages- these areas are based on community identity. The boards meet every six to eight weeks at various locations within their area to make decisions about issues affecting the community. These decisions are taken by elected Wiltshire councillors who represent the towns and villages in the area. Residents and key organisations like parishes and town councils, the police and local NHS also play an active part in area boards.

At each area board meeting, local people can attend and discuss issues with the councillors. The councillors take these views into account when making final decisions. Each area board has its own budget which it uses to support projects identified by the community and local groups. The area boards also set priorities for highways maintenance and street-scene works and oversees funding for youth services and health and wellbeing projects. They also sponsor local campaigns and drive the engagement of volunteers in local projects and can agree the transfer of council assets to local community groups.

An area board serves the historic city of Salisbury on behalf of the unitary council, where a new City Council has also been established. These bodies work in partnership with the wider public and community sectors, effectively delivering a public-service board approach to the city.

By working in partnership with local communities, the council can achieve much more than it ever could on its own.

<http://www.wiltshire.gov.uk/council/areaboards.htm>

5. Economic Growth and Infrastructure: delivering investment, housing & sustainable communities

This section sets out how the new council will help to support a thriving economy and deliver more homes for local people

Oxfordshire's economy is thriving with the economy as a whole generating output to the value of £21.9 billion from 400,000 jobs and a total of 30,000 enterprises.¹⁹ As the western anchor to the Cambridge-Milton-Keynes-Oxford growth corridor, Oxfordshire's economy is recognised as being of strategic importance to the country as a whole.

However, constraints on the capacity of infrastructure and above all, failure to deliver the number of new homes that local people need, are acting as brakes on prosperity, and preventing the county from delivering its full potential contribution to UK plc.

This section sets out the challenges to maintaining and maximising economic growth while maintaining sustainable communities and protecting the environment. It then goes on to describe why a new unitary council would be better placed to make the difficult decisions and deliver the joined up services needed to address those challenges.

The challenge

As set out in the Case for Change (chapter 1), businesses and residents tell us that the structure of local government in Oxfordshire is constraining growth and at the same time leading to development and new housing being planned in an incoherent and piecemeal way, without the proper infrastructure in place.

How to drive future economic growth raises real questions for Oxfordshire's elected representatives. For example: how to protect the environment in which people want to live, while building enough homes with supporting infrastructure? How to establish sustainable new communities without destroying the good things we already have?

Our businesses and residents tell us that these are the issues that must be fully debated and properly decided by elected representatives who are able to take difficult decisions and can be fully held to account for the decisions that they take. For this to happen we need to change the way that we work:

- Change the way we plan – taking decisions at the strategic level that relate to the whole functional economic area of Oxfordshire and its relationship regionally, and using local knowledge to make better local decisions, rather than having multiple strategic plans for smaller areas
- Bring together decision-making on infrastructure and planning to maximise housing delivery and ensure that associated infrastructure is fit for purpose, directly linking the decisions about where people will live and work in the future with decisions about how they will travel between the two, and where school places will be provided
- Ensure a strong and accountable decision-making process that is able to take difficult decisions, in the interests of the whole of Oxfordshire
- Take a far more active role in bringing forward housing developments, clearing barriers, forming new partnerships and housing delivery vehicles and using public land and property strategically
- Find new ways to invest in infrastructure, including talking to government about the devolution of nationally held funds and pump-priming local financing models
- Engage local communities in an open conversation about the future

Only a countywide strategic approach to housing and infrastructure policy combined with a structure of community engagement, neighbourhood planning and devolved decision making has the capacity to bring about the scale of change that the housing and infrastructure challenge requires.

The remainder of this section sets out the outcomes we need for growth and sustainable communities, and sets out the key service improvements that one unitary council will bring about to deliver those outcomes.

¹⁹<https://www.ons.gov.uk/economy/grossvalueaddedgva/bulletins/regionalgrossvalueaddedincomeapproach/december2016>

Delivering the Strategic Economic Plan

An update to Oxfordshire's ambitious Strategic Economic Plan (SEP) was agreed by members of the Local Enterprise Partnership (OxLEP) in December 2017.

OxLEP's vision is for a:

“...vibrant, sustainable, inclusive, world leading economy, driven by innovation, enterprise and research excellence”

It sets our four key areas for action to deliver this vision:

People - delivering the right skills and opportunities

Place - ensuring a strong link between jobs and housing growth and providing a quality environment

Enterprise - emphasising innovation-led growth

Connectivity - enabling people, goods, services and ideas to connect more easily

Joined up local government has a considerable role to play in delivering the SEP in areas such as planning, business support, housing, infrastructure, skills and environmental management.

Growth and sustainable community outcomes

A co-ordinated and accountable unitary government will support the delivery of growth and sustainable communities by:

- Implementing a strategic planning approach for housing and transport whilst strengthening local planning for local issues
- Improving the management and coordination of planning and infrastructure delivery to improve services to business and the community
- Creating an infrastructure fund to accelerate investment in growth
- Taking an active role in delivering new homes
- Managing all of Oxfordshire's local government assets in a way that supports thriving communities and enables growth
- Providing the skilled workforce our economy needs
- Putting in place a single approach to economic development

These issues are set out in detail below.

Introducing a joined up strategic planning framework

Oxfordshire's residents need better planning for our communities, homes, transport, schools and businesses.

Planning functions are currently split across Oxfordshire's councils with no definitive coordinating strategic body or overarching strategic plan at the level of the functional economic area.

District and city councils are responsible for agreeing separate long term development plans for their areas ("Local Plans") and for taking decisions based on these plans on proposed developments.

The County Council is responsible for the development of major infrastructure that makes new development work, most significantly transport, schools and waste facilities. The County is also a planning

authority, responsible for minerals and waste policy and development management and for taking decisions which affect the County Council's own proposed developments.

One new unitary council for Oxfordshire will, in the medium term, deliver a single strategic plan (the statutory "Local Plan"); integrating the planning of housing, employment, community and strategic infrastructure under a single set of elected councillors and a single officer corps.

This framework will take into account the identified housing and infrastructure opportunities and pressures across the whole functional economic area rather than focussing on housing land supply in isolation of other considerations.

An overall strategic plan for Oxfordshire will establish a shared vision for sustainable growth in the county covering social, environmental and economic development alongside infrastructure delivery. In doing so, it would provide a long term platform for the planning of coherent, balanced and connected development that leads to more balanced and sustainable communities. It will also generate long term confidence for developers and communities and ensure that individual decisions are taken in a broader strategic context for example in relation to the green belt and housing allocation. With clear strategic context for development joined with planning for infrastructure, communities will be able to better plan for the future at the local level – not just in terms of development but in terms of social and community growth. Finally, a single plan will take a strategic view of sensitive landscapes and environmental infrastructure to both maintain environmental protection where it is most needed and increase equality of access to green spaces.

The new Council will prioritise a new strategic local plan but this will take between three-four years to complete. In the transition, the new Council will therefore prioritise the earliest possible adoption of existing emerging Local Plans to ensure development is being proactively planned and five year supply maintained. These proposals ask the Secretary of State to make explicit within the statutory enabling orders the continuity of arrangements and policies between existing and new authorities. It is proposed that the current methodology for calculating five year land supply continues to apply for the existing emerging local plans and that this remains based on the boundary of that local plan to ensure these can be adopted as soon as possible and to ensure a robust five year supply test can be met. During the implementation period, priority will be given to completing emerging local plans where these are not currently in place as they will form a key foundation for the new authority's decision making and future strategic plan. A single plan will allow for proper strategic consideration of environmental protection and enhancement across the whole area.

In particular, the Green Belt is currently under threat from inconsistent development as each of five separate local plans takes an individual view on whether a given development in the protected area is sufficiently exceptional in its requirement to satisfy the planning test. A single authority accountable for the protection of the Green Belt would be in a position to take decisions about the zone overall, balancing the required development with protection across the whole area and prioritising protection of the most environmentally valuable areas, and, where appropriate, developing new Green Belt protections.

A single framework will be more effective in integrating with the Strategic Economic Plan, ensuring that Oxfordshire's spatial, social, environmental and economic planning are aligned, and broader regional plans, particularly for the area covered by England's Economic Heartland (See chapter 8 for details).

To ensure that strategic planning activity joins up at the local level, this single strategic plan would be underpinned by long term master plans for the most significant and fastest-growing settlements in the county.

Taking a county-wide spatial approach

Current local plans have no overarching spatial strategy to draw upon.

The connectivity between places across administrative boundaries is significantly under-considered and the development of the county as a whole, rather than the development of individual places, is not considered.

While it is important for spatial and economic planning to be closely aligned, in the absence of a formal plan covering the whole functional economic area footprint of OxLEP, the SEP by default acts as the strategic vision for the county. However, it is not on a statutory footing and does not equally take account of social and environmental aspirations (this is done in part under separate OxLEP initiatives).

A single spatial vision for Oxfordshire would provide a much better balanced and locally owned set of ambitions for the county.

A county wide spatial approach will:

- Provide a long-term platform for the planning of coherent, balanced and connected development that leads to more equal and sustainable communities
- Generate long term confidence for developers and communities for investment
- Provide local areas with a framework for their development and maintenance of specific local plans including area master plans and neighbourhood plans with strategic clarity for the overall story of growth
- Elevate the relevance of and support to neighbourhood plans
- Contribute to a more transparent and equitable approach– articulating and challenging the reality of development and ensuring that everyone plays by the rules
- Ensure that individual decisions are taken in a broader strategic context – e.g. in relation to the green belt and housing need
- Take a strategic view of sensitive landscapes and environmental infrastructure to both maintain environmental protection where it is most needed and increase equality of access to green spaces
- Provide for an Oxfordshire narrative when developing wider sub-national strategies such as the role and function we play in England's Economic Heartland
- Support funding bids.

Ultimately, a single transparently arrived at plan for development across the functional economic area, delivered through strong and accountable leadership, will drastically reduce the delays and lack of coordination which characterise current attempts at the planning of housing delivery across existing administrative boundaries.

Improving the management and coordination of planning and infrastructure delivery to improve services to businesses and the community

Currently planning and administrative arrangements are duplicated across Oxfordshire with five local plans (in addition to the county level Minerals and Waste Local Plan and Local Transport Plan), six cabinet members responsible for planning matters, five heads of planning²⁰, six main committees, five sub-committees and numerous working and advisory groups.

The split of responsibilities between layers of local government leads to delay, confusion, costs and frustration for developers and communities as well as waste and duplication of effort by the councils involved. Differential performance between planning authorities in determining applications means that development is able to be progressed at different rates in different areas. Bringing all up to the standards of the best would accelerate the delivery of new homes and business premises.

A unified decision-making structure with extensive devolution of decisions to local areas and the capacity to take difficult decisions at the strategic level where necessary will generate efficiency in the process for the new council enabling resources to be refocused on better serving the public. Communities and developers will also find it easier to navigate a simplified and more transparent system.

²⁰ Vale of White Horse and South Oxfordshire District Councils share a planning management function. Cherwell

PLANNING: What will be different?

- Single strategic planning framework
- Strategic decisions made across the county, local decisions made locally
- Housing and infrastructure planned and delivered together
- The Green Belt protected from uncoordinated change
- A single negotiation with developers, cutting out waste and duplication and delivering better value for the public
- More support for and relevance of neighbourhood planning

Transparent decision making, clear accountability & devolved powers

A new unitary council would consolidate decision making arrangements under a single council and executive, with one cabinet member accountable for the effective working of the planning function and one senior officer responsible for delivery.

Geographically based planning sub-committees with members drawn from those representing the relevant area will take the majority of planning decisions.

This approach will allow sub-committees to benefit from the local knowledge of elected members and importantly, ensures that local decisions are being taken by the elected members that the public expects to be accountable.

A strategic planning committee would be responsible for strategic decisions that had an impact at the level of the whole county, minerals and waste decisions and applications brought by the authority itself.

Initially, the new council would establish planning committees based on the boundaries of the current Local Plan footprints to ensure continuity of decision making during the early period of the new arrangements, reflecting that the Local Plans will remain in force until they are replaced by the new Council. As the new strategic plan is developed, boundaries and scale for the sub-committees will be reviewed.

A mechanism will be developed to assess the strategic/local nature of development incorporating criteria including scale, community, environmental and economic impact.

More support for Neighbourhood Planning & capacity for master planning of new communities

The national planning policy framework envisages a more significant role for neighbourhood planning at the very local level. Currently, with resources locked up in developing overlapping planning policy at the district and county levels, there is inconsistent support available for the development of neighbourhood planning. Rather than rely solely on limited funding for key milestones of neighbourhood plan development, our focus on the value of these plans will see the council supporting neighbourhoods committing to this process. With a shift of emphasis of the new single plan to the strategic level, the opportunity will open up for neighbourhood planning to play a more significant role in Oxfordshire with resourced available to support communities take forward the development of local plans that can ensure that local people are able to have more of a say on the development that affects them.

Creating an infrastructure fund to directly invest in growth

The provision and future planning of infrastructure both drives where housing can be delivered and is in itself, determined by housing delivery. Above, the quality of infrastructure profoundly affects both economic growth and productivity and quality of life for residents. However, a lack of join up in planning for housing

and infrastructure is already leading to significant challenges for communities and the economy and we know this will get worse in future if not addressed. Most significantly, Oxfordshire faces an estimated £1.7 billion gap in funding for its total infrastructure needs estimated at more than £6 billion.

A new unitary that is enabled to invest directly in infrastructure can leverage external funding generating long term increases in revenue by uplifting business rates, the council tax base and other income sources. Importantly, through being responsible for housing delivery as well as infrastructure provision, it can take a very different attitude to risk, for example around borrowing funds in the certainty of future funding streams that rely on housing being delivered.

Indicative modelling undertaken by Grant Thornton for the County Council has demonstrated that a realignment of funding arrangements made possible through a unitary reorganisation and different decision making processes around housing, could generate a revolving infrastructure fund that could enable much of the current 'gap' to be addressed locally.

There are a number of possible models, but by way of example the fund could draw upon:

- A share of the unitary savings to contribute to an infrastructure fund
- Fully strategic use of Community Infrastructure Levy and s106 resources
- Strategic use of reserves to seed-fund investment
- Enhanced stability of a larger and sustainable financial entity to borrow and attract investment because housing delivery is within the unitary council

By demonstrating the ability to deliver housing with strong governance and decision making, the new unitary council will be in a strong position to seek additional powers from government to maximise the impact of this fund. These could include the retention of land taxes above the existing rate of growth and the pooling of Community Infrastructure Levy and section 106 funding from multiple schemes. Modelling has shown that with these powers transferred to the new council, and by initially using (as an indicative example) £10m of the unitary savings, borrowing of up to £1bn for infrastructure in the first ten years of operation could be financed, essentially enabling it to address the funding gap for infrastructure that we know exists over that period from within the new council's own resources.

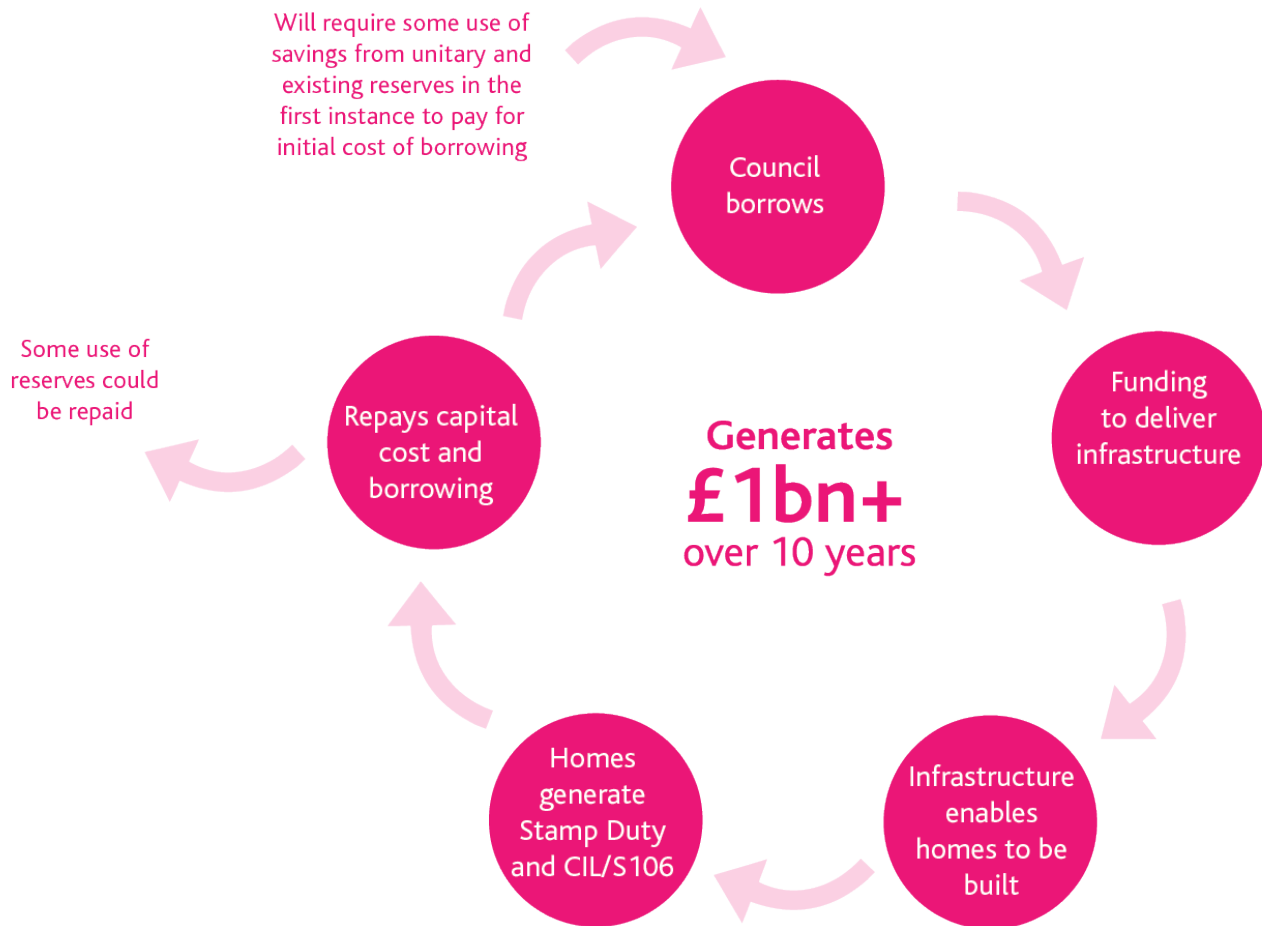


Figure 9 Indicative infrastructure funding model

As the new council demonstrates its commitment and ability to fund and deliver infrastructure, this could also act as a 'draw' to private investment which would then enhance the fund further through mechanism such as bonds or other vehicles. Additional income sources could also be achieved from the development of the new authority's own property portfolio as set out in the following section.

Enabling innovation

Joining up planning and transport will enable even more innovation and smart working - using digital technologies and new approaches to data to design and test new ideas and solutions to urban and infrastructure challenges.

With a strong research base, a thriving motor industry, strategic location and a creative network of start-up businesses, Oxfordshire is an ideal test bed for new technology and innovative thinking in transport infrastructure.

Local authorities can have an important role in fostering innovation - as both the owner of major challenges and sometimes of the data needed to address them. Initiatives including Smart Oxford (<http://www.oxfordsmartcity.uk/>) and the MoBox Foundation (<http://www.mobilityoxford.com>) and showing the way that new partnerships of government, industry academia and the public can bring about real changes. A strategic decision by the county council to embrace new approaches such as open innovation has attracted Zipabout, a locally based technology firm with experience of working on projects such as the London 2012 Olympics, to turn their attention to Oxfordshire where they will launch a new travel app in 2017.

The County Council is part of an international consortium which has recently won a bid for £3.5 million to investigate new approaches to community driven innovations in mobility and transport. The proposal incorporates open innovation and engagement to understand the real needs of citizens and co-create new mobility solutions with them, harnessing digital and social innovation. The unique approach of this project is to use citizens as sensors and it will supply real time user feedback to address transport and mobility challenges.

Taking an active role in delivering new homes

Nationally it is recognised that there is a disconnect between the awarding of planning consents and the delivery of new housing. It is also the case that the market alone is not bringing forward the full mix of housing needed. These factors are certainly recognised by Oxfordshire's diverse communities.

The new unitary council will start with strong housing delivery foundations, bringing together housing authorities with and without retained housing stock and several local authority owned housing delivery companies.

With this range of levers – including Housing Companies and the Housing Revenue Account - the new council will be in a position to take a far more active role in bringing forward housing developments, clearing barriers, forming new partnerships and housing delivery vehicles and using public land and property strategically to unlock delivery on a wider range of sites.

By retaining council housing in public ownership, the new council will make the most of opportunities available to retained stock authorities to build new homes within the Housing Revenue Account, the council's directly managed housing stock, extending the opportunities currently available only within Oxford City to residents across Oxfordshire.

Using and expanding the capacity of Housing Companies and the Housing Revenue Account, the council itself will be in a position to deliver social housing and housing for the market aligned to what communities need and want. Equally the new council will have the opportunity to directly invest in facilities for adult and children's care and in key worker housing to meet locally identified need such as for workers in the health, social care, education and other public service sectors.

A unitary authority that brings together responsibilities for infrastructure, planning and housing alongside taking an active role in delivery, would be in a unique position to offer the confidence and reassurance on delivery that supports a virtuous circle of investment. This is exemplified by the positive reinforcement between the ability to directly deliver housing and the delivery of the infrastructure investment programme set out above.

Managing all of Oxfordshire's local government assets to support thriving communities and enable growth

Together, Oxfordshire's six local authorities manage well over £1bn of land and property. Currently, these are managed as separate estates with overlapping geography. Securing better public value by more effective management of the total public estate in an area is a well-established concept. However, by starting out with six separate estates, Oxfordshire is already limiting its potential before it sits down with major strategic land holders such as the Ministry of Defence, National Health Service and local universities. By combining these estates into what would be a sizable and strategic portfolio, a unitary property function would have the power to influence development in support of the new council's policy objectives and ensure that the benefits of development are fully shared by communities.

A single asset management strategy and single property function will:

- Allow substantial asset rationalisation generating capital receipts or revenue income and freeing up property for redevelopment as housing or commercial sites in support of the growth agenda
- Generate operational efficiencies from consolidated facilities management arrangements and using property to support broader transformation objectives
- Ensure the sustainability of key community assets by consolidating services and income within them
- Maximise public-interest influence in development by leveraging a significant land holding in support of policy objectives
- Use the combined property holding to give a major boost to housing delivery by, for example, generating much greater scope for 'asset swapping, i.e. identifying where site A could be released for housing if only site B – which is not suitable for housing – could be released to replace site A
- Devolve control to the right level: major assets overseen at the county or executive area board level; town/parish councils and community groups that want to take on more at the local level enabled to do so.

Using the combined property holding and new investment vehicles, housing delivery can be improved by the new council continuing and expanding direct investment and enablement through Housing Companies and other routes to ensure that housing gets built, using its new scale and combined powers to take a market leadership position in close partnership with business and communities.

Providing the skilled workforce our economy needs

In a landscape of virtual full employment, significant job creation ambition and pressures on the housing market, our ambition is to secure the skills base needed by local employers to support further innovation led growth, and also to address the current challenges in recruiting and retaining key workers such as care workers and nurses, who are so essential to the delivery of core public services.

The local landscape and our skills challenge

Unlike many areas our challenge is not of systematic market failure or industrial decline but the challenges of sustaining success there is little flexibility in the labour pool to support employment growth. A more aligned skills infrastructure is required to better link provision to business demand.

Better aligning skills with business presents a major opportunity to help those most marginalised, on long term benefits, to get into work and reduce costs to the government. In addition, skills training can play a vital role in raising the quality of the workforce thereby reducing the need for immigration that adds to housing pressures.

The county's employers face skills shortages and increasing demand for higher level specialisms to support the needs of the local economy. Major employers such as large NHS teaching hospitals, the universities and research community and manufacturing establishments including BMW, experience insufficient supply of new individuals entering science, technology, engineering and mathematics (STEM) occupations.

It is imperative that we maximise our limited skills and training budgets to support economic growth in a more targeted way – ensuring we target limited resource more precisely at growth sectors and areas of current and project labour shortages and in doing so maximizes efficiency in our skills infrastructure.

An economy based on 'big science' and innovation has a unique set of skills and training requirements that the current national approach and the infrastructure of the Skills and Education Funding Agencies is unable to support fully. Within the current envelope of provision we see significant mismatches between provision and our economy. For example, professional, scientific and technical sectors account for 21% of the county's business base, yet only 5% of Skills Funding Agency funds support STEM based outcomes.

Getting an improved balance between government funded provision and the needs of our employers is key. Given the 'tightness' of our labour market and the disproportionate costs of housing affecting much of the county we simply cannot rely of labour migration to address our skills and labour challenges. We must ensure that we maximise the skills and training funding we receive in order to ensure that those currently in the education system possess the skills and attributes to succeed and to drive economic growth.

Joining up the system

A new unitary council will be in a stronger position to work closely with the Local Enterprise Partnership and take a leadership role amongst local employers, skills and education providers and with government. Closely aligning decision making on infrastructure, housing and planning with skills needs and provision will help to ensure a joined-up and responsive system. Bringing together services such as housing benefit, social care and skills provision will further enable opportunities for conversations with claimants about the path to employment²¹, or access to higher level jobs.

Working with the LEP on skills funding

A new unitary council for Oxfordshire will be in a strong position to work in close partnership with the OxLEP to seek a new deal from government for skills funding streams in order to deliver on the priority outlined in the Oxfordshire Skills Strategy:

'To meet the needs of local employers through a more integrated and responsive approach to education and training: developed in partnership with our provider network, to encourage more training provision in priority sectors - both current and projected - to meet the needs of employers or to train future entrepreneurs, particularly in science, technology, engineering and mathematics (STEM)'.²²

²¹ Appropriate permissions and safeguards would be required

²² <http://www.oxfordshirelep.org.uk/sites/default/files/OXFORDSHIRE%20SKILLS%20STRATEGY%202020%20FINAL%20160414.pdf>

Through a new deal the council could create;

- One skills funding service - with
- One budget – to deliver
- One skills strategy – overseen by
- One accountable local body

Taken together this will result in improved economic outcomes and increased productivity and prosperity for local businesses and residents.

A single approach to economic development

In 2016, the County Council integrated its economic development team with that of the Local Enterprise Partnership. However, separate economic development functions still operate within city and district councils. While this can help deliver local priorities and the specific needs of local businesses, areas in the single functioning economy that is Oxfordshire should be collaborating for the collective good rather than competing for investment. An overall approach with efficient joined up management will enable a single unitary council to work closely with the Local Economic Partnership and the business sector to deliver additional benefits for economic development while delivering local needs. This will include:

- A unified sales pitch and vision for Oxfordshire
- A strong voice with government, within the region and with business
- Capacity for the new council's senior leadership to focus on regional and national partnerships – not negotiating internally
- The simplified relationships with local government and clarified accountability for decision making that key institutions and businesses have called for
- An integrated partnership with OxLEP with clearer roles and political accountability
- Consolidated economic development teams – focussing currently competitive efforts on inward investment, market town development, tourism etc. and making the most effective use of the > £2m currently spent annually to limited effect
- Local priorities delivered in-line with the overall approach and championed by area executive boards

A strong foundation for a deal with government

A single unitary council structure in Oxfordshire will provide a robust platform for discussions with government on assigning further powers and funding to the county level, in particular through providing confidence in decision making and democratic accountability, that will ensure Oxfordshire is in a strong place of self-determination; able to meet local need and address local priorities through locally raised funding sources and able to engage with government on alternative sources of income and infrastructure funding.

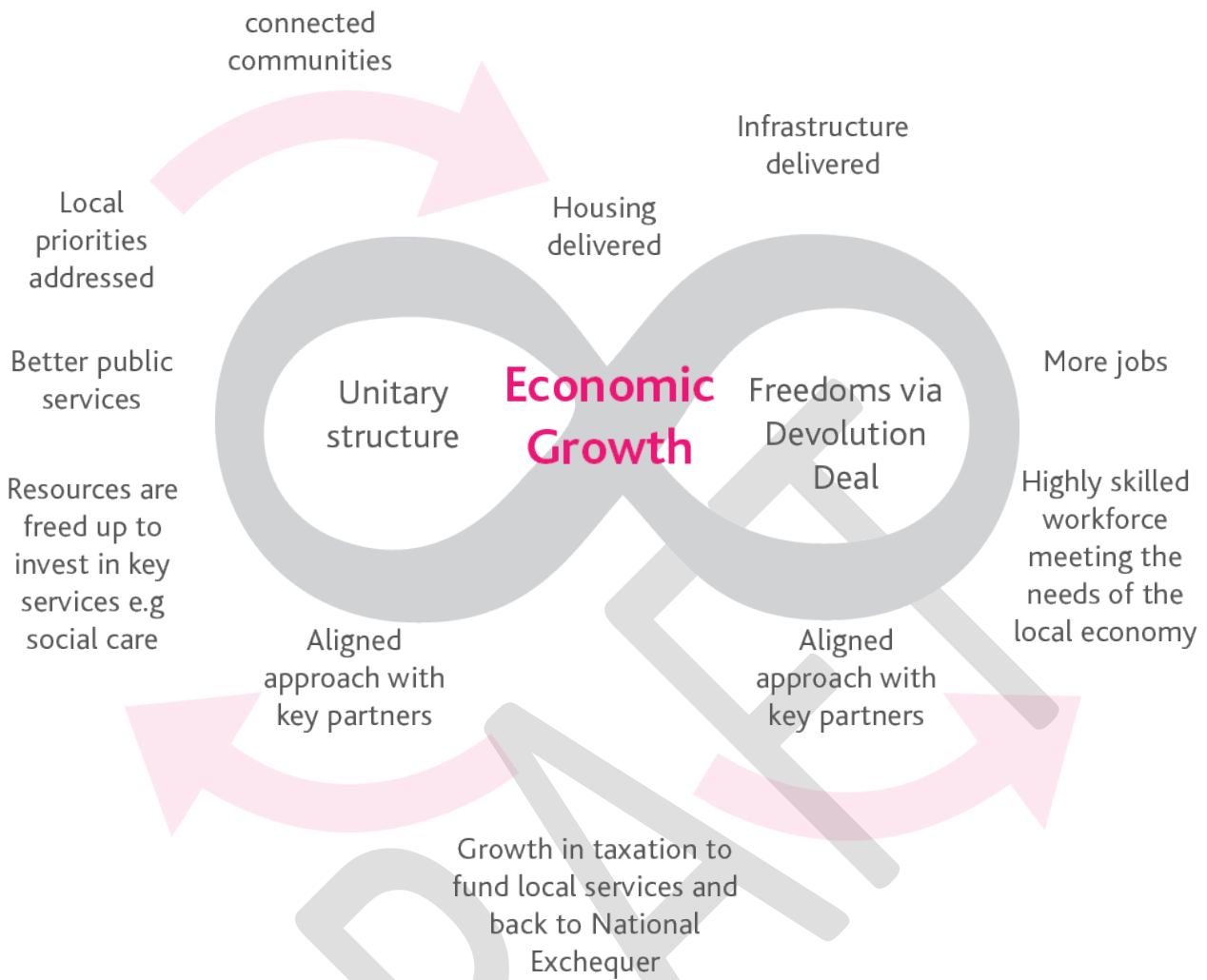


Figure 10: Potential synergy and improved outcomes achieved by an Oxfordshire unitary council and devolution of powers to Oxfordshire

6. Service Delivery and Outcomes

This chapter summarises the service delivery and outcome improvements that the new unitary council will deliver

In this section we set out how services will operate and be improved under three headings:

- Better outcomes for communities and the environment
- Enabling everybody to achieve their potential
- Service customers and managing the organisation

6.1 Better outcomes for communities and the environment

This sub-chapter sets out how services affecting everyday life across the county for all residents will operate in a new unitary council

Community and environmental services deliver a wide range of highly visible outcomes to the whole community. These include:

- Fire & Rescue
- Libraries
- Leisure and culture
- Highways management and maintenance
- Public realm including street scene, lighting, parking, public toilets and cleansing
- Waste collection and waste management
- Parks, open spaces and public rights of way
- Public protection including environmental health, food hygiene, trading standards, and licensing
- Community safety and CCTV
- Cemeteries and crematoria
- Emergency planning and business continuity
- Operational planning and building control

These services are currently split between county and district authorities leading to clear inefficiencies and duplication in process. For example:

- Household waste is collected by districts: the county is responsible for its disposal
- Parks are maintained by districts: countryside management is a county matter
- Parking permits are issued by the county: they are enforced by districts
- Environmental health and food hygiene is managed by districts: public health and trading standards are managed at county level
- Districts receive and process building regulation applications but then forward to Fire and Rescue for fire safety regulation and approval

There are obvious benefits to outcomes for residents through alignment of currently disjointed services as well as significant opportunities for cost savings through reduction in duplication across multiple authorities. A new unitary authority would organise delivery in geographic teams aligned with partners including the police and health.

Community and environmental functions are inherently local and we envisage that a debate will be needed on which elements should be addressed strategically, with a single approach across the county area, and which should have local discretion about the approach to best meet local need through the area executive board.

Our new vision for community services

Excellent local government community services protect the public while helping them to live happy and healthy lives. Community services and the approach taken by the new council to facilitating and enabling communities to thrive will be essential for the county's future.

The services and policies of the new unitary council will support this vision and will deliver the following outcomes

Key community service outcomes

- A single point of contact for all residents and business for all council services, getting to the right answer more quickly without responsibility being passed between organisations
- Less disruption for businesses and communities with a single regulatory service with single contact principles to be adopted wherever possible.

- Community hubs operating through existing and trusted services such as libraries offering a local presence for more services and providing resources to help empower communities
- Efficient whole-place services delivered through locally based and joined up teams
- Better data sharing across protection teams, with a single view of risk for vulnerable individuals and a single view of contact with business and residential premises
- Enhanced capacity for building community resilience and for emergency planning response to threats such as flooding
- A single waste authority which generates economies of scale has the capacity to make innovative use of data to optimise collections, reduce waste and increase recycling. It also provides a good universal service alongside additional provision based on local priorities and specifications
- Coordinated emergency response for recovery from major incidents, protecting critical local infrastructure
- Leisure, highways, public protection and parks services that are closer to people and public health functions, integrating delivery and operations with the health and well-being agenda
- Opportunities for parishes and town councils that want to do more to take on responsibility for community services such as parking, sports and leisure facilities, public toilets and allotments
- Continuing and expanded community action programmes and support to trusts and volunteer organisations, for example for nature conservation, countryside management and Community Action Groups tackling waste and climate change

Public protection

Coordinating the activity and planning of public protection services offers substantial opportunities for better risk assessment and more effective targeting of resources. Closer working with public health, housing and social care professionals will help identify and tackle serious issues such as domestic violence and modern slavery.

Public protection services currently split between county and districts include:

- Community safety and anti-social behaviour
- Environmental health
- Food hygiene
- Trading standards
- Licensing

Bringing these teams together under one structure at an effective operational geography aligned with key local partners would lead to substantial efficiencies and provide a platform for future transformation. With locality based teams and regular reporting to area boards and community partnerships, public protection will establish strong local understanding of public protection issues and be able to target activity to the needs of each area.

Community protection: emergency planning & resilience, fire and rescue

Oxfordshire fire and rescue service has a strong track record of prioritising prevention of incidents and protection from harm. The 365 Alive vision and preventative initiatives such as the 'Safe & Well' Visit programme exemplify how County Council services are working in partnership, and beyond traditional service boundaries to deliver better outcomes. A single unitary council will bring together more capacity that can focus on the preventative agenda, sharing data, with a truly holistic view of risk.

Community protection services will also contribute more effectively to planning decisions, developments enhancing community resilience.

In bringing together the emergency planning and business continuity functions of the six authorities a new unitary council will ensure that any local, district or county emergencies can be responded in the most

efficient and effective way possible. For example the risk of flooding in Oxfordshire impacts on all services and communities and would be managed on a more consistent and coherent way through a single emergency planning and response team, currently there is inconsistency in the provision of sandbags and other resources across the six authorities. This would also enable the unitary council to ensure that the needs of local communities were better reflected at the Local Resilience Forum with individual plans and a more efficient use of resources.

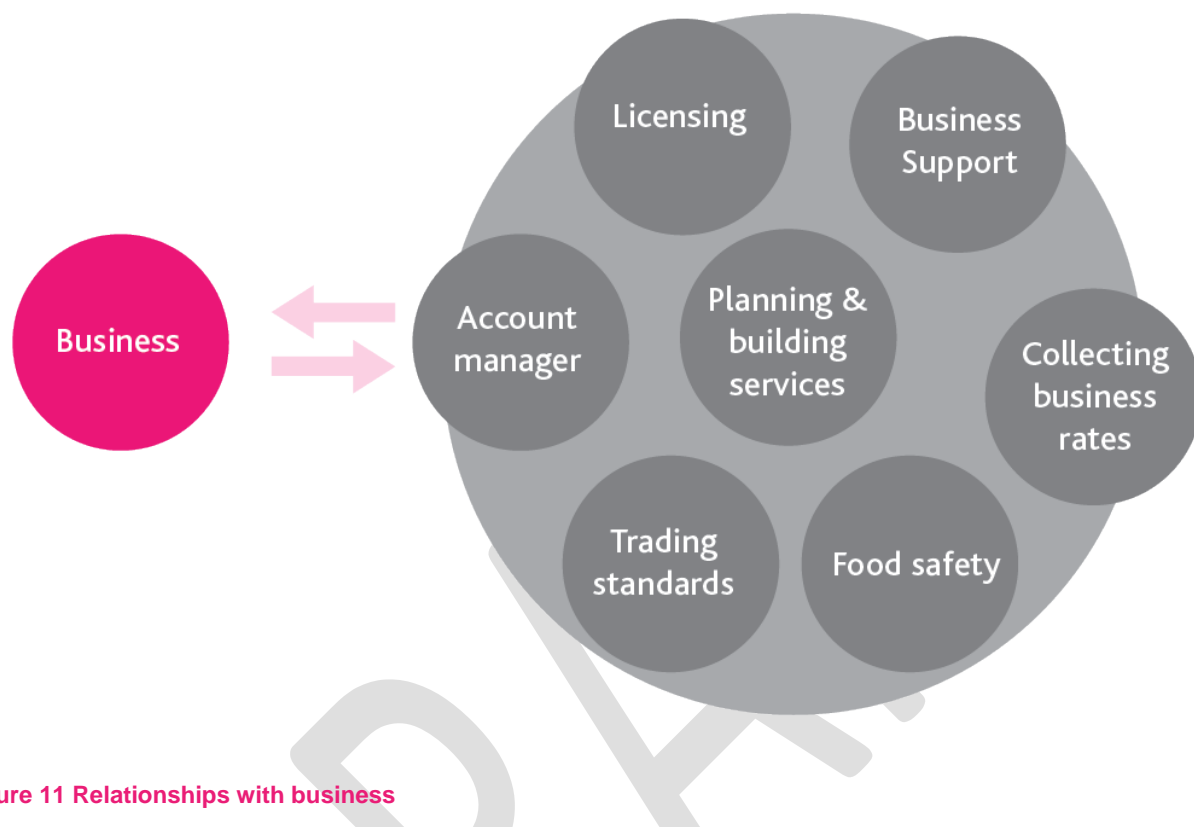


Figure 11 Relationships with business

A single unitary will deliver:

- Service to business that are joined up and efficient
- A sustainable procurement strategy that gives full consideration to social value
- More support to the development of social enterprises expanding on Oxfordshire's status as the first 'Social Enterprise County'
- Support to local business through strengthened town councils
- A single political point of contact and business champion internally and externally

Key service improvements

Whilst many issues will be for the new council to determine it is clear from the approach being taken in other large unitary councils that there are many opportunities to improve service outcomes. Some examples of the possible approach in service areas of significant synergy are set out below.

Leisure and cultural services

Valued leisure and cultural services have a recognised role in helping to keep people physically and socially active and engaged, contributing to broad health and well-being outcomes. Well-designed and sustainable leisure and cultural facilities can help add value to new communities and renew existing ones.

A new unitary council will have the scale to maintain investment in leisure and cultural facilities, reviewing delivery models and establishing cross-sector objectives linked to healthier communities to tackle common health issues, tailored to specific locality needs. Planning for new developments will take a broader view of infrastructure investment to include the built and natural environment and looking across administrative boundaries to ensure that new and enhanced provision is being located in the right places for resident need.

Environmental services

Environmental services including countryside management, verge cutting, public rights of way, parks and playing fields; street scene and parking; cleansing, public toilets and arboriculture share common skills, fixed and mobile assets, and ways of working and areas of operation. They also share in common suitability for local management including management through town and parish councils where the local council wants to take this on for its community.

Currently, inefficiency is built in by the duplication of contracts, assets and management between the layers of government operating related services across the same geography. At the same time, the quality of environmental outcomes is limited by a lack of joined-up approach at the local level.

A new single Oxfordshire unitary council could group services together under local management, empowered to organise delivery in the most effective way for a given area. At the same time, a strategic approach to designing services and contracts and making the best use of the variety of service models that all six councils will bring into new arrangements will generate the efficiency and economy that will make local prioritisation affordable. Parishes and town councils would be enabled to take on more, where they wish to and are able to.

A unitary council would also have the scale of operation available to offer services to partners managing major estates – for example universities and the NHS – again coordinating local environmental management for places and maximising efficiency.

Oxfordshire Together: Giving communities control over local services

Active communities are one of Oxfordshire's greatest strengths, and community groups, as well as parishes and town councils play an increasingly significant role in shaping and improving their local areas.

Oxfordshire County Council has therefore been working with local communities in a number of areas to deliver services such as: grass cutting, youth provision and libraries. Enabling local communities to deliver services has meant that they can shape, design and tailor the services to meet their local needs.

'Oxfordshire Together' is a programme designed to ensure the County Council works more closely with town and parish councils and voluntary and community groups. There is an assumption that 'one size does not fit all' and therefore there will be a differentiated approach in each community.

Highway Services were the first tranche that the County Council felt could be delivered more cost effectively at a local level, and this is now being extended to our offer to open access children's services.

Henley Town Council

Henley-on-Thames Town Council have been doing verge cutting on behalf of the County Council for 8 years, to a higher specification than the agreement requirements and with more frequent cuts.

They are also delivering a range of other services for the benefit of the community, including snow clearing, gritting bus shelter maintenance, and weed spraying. The town council funds some services traditionally paid for by Oxfordshire County Council through its own precept. It also relies on income raised from fees and charges, and donations from organisations such as Henley in Bloom.

Moreover, some of the work is carried out by volunteers. For example, Gardening Buddies, a community group, help plant the flower beds on some of the feature highway verges along the main roads into town. This results not only in a better environment, but also helps support more community benefits.

As the Town Clerk puts it: *'The days of criticising the County Council and expecting them to deliver all the services because traditionally it's been their responsibility to do so, are a thing of the past. We must work together to provide excellent services for our residents.'**

* Oxfordshire Together Launch Event - September 2016

BEST PRACTICE CASE STUDY: Local partnership action to tackle climate change

Low Carbon Oxford

Oxford City Council has received awards for implementing its own carbon management plan. However they recognised early on that as the council's own emissions only represented 1% of city-wide emissions, working in partnerships would be essential for the city to make a significant impact.

Low Carbon Oxford was established by the City Council in conjunction with the Oxford Strategic Partnership as a collaborative mechanism for organisations to share their knowledge, showcase their achievements, and work together to realise greater carbon emissions reductions.

Low Carbon Oxford now comprises over 40 organisations, including the County Council, from business, government and the community. Its activities include: networking events themed around the latest developments and opportunities for sustainability; intelligence sharing through case studies and small group activities; commissioning and delivering research and analysis to help inform the transition to a low carbon economy; and, working on opportunities for member to collaborate on projects.

Waste collection & disposal

Responsibility for the collection and disposal of waste is currently split between district and county councils, resulting in duplication of contracts and management both across districts and between districts and the county. The complex operating model between the districts, county and their multiple contractors requires active management adding to service overheads and introducing complex incentivisation and reward mechanisms that absorb funds and energy. Further, the public is confused about different rules and collection arrangements between neighbouring communities, especially where marketing channels overlap: for example on county-wide media such as radio and the press and on bus routes that cross district boundaries.

While we rightly celebrate high levels of recycling across Oxfordshire with some districts and the county overall delivering rates of recycling that are amongst the highest in the country, value for money is not clear and there are opportunities for delivering more for less.

A single waste collection & disposal authority will:

- Plan services and investment from the start point of an integrated Waste Reduction & Disposal Strategy
- Commission collection arrangements which provide a basic service alongside elements that localities can opt in and out of
- Use data and analysis to understand waste and design new interventions to reduce demand
- Integrate innovations in waste minimisation and efficient service provision into the planning of new communities
- Use the scale of the unitary county to influence waste producers and national policy
- Exploit the commercial capacity of existing district commercial operations on a county-wide level to offer commercial services which support business and generate income

A new unitary council would continue to invest in community engagement activity to maximise positive waste choices, including through Community Action Groups which have demonstrated how successful community engagement can lead to sustained changes in behaviours at relatively low cost.

Working in partnership to improve services

Oxfordshire currently has the highest recycling and composting rate of any County Council Waste Disposal Authority, recycling 58.5% of our waste county wide, we also have one of the lowest waste arising rates in the country and have done so for the past four years.

To achieve these rates, the county and districts have worked together to provide comprehensive local infrastructure, introduced new collection regimes to maximise the amount of recyclables collected.

South Oxfordshire are currently the top Waste Collection Authority nationally, recycling over 66% in 2015/16. Vale of White Horse and West Oxfordshire are also in the top 10.

Councils have worked together to carry out highly successful joint communications campaigns to ensure consistent county wide messages. Joint funding bids have enabled councils to focus on new waste streams, such as electricals, for repair and reuse as well as recycling.

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6.2 Enabling everybody to achieve their potential

This sub-chapter sets out how the new unitary council will support all in the community to lead fulfilling, healthy and productive lives

Local authority people services are those which most directly relate to individuals, families and health and well-being. They include health and social care for elderly and vulnerable adults; homelessness & housing services, child welfare, fostering, adoption and child protection; youth services; youth justice; public health and; education leadership and responsibility for pre-schools and non-academy primary and secondary schools.

A new single unitary council will be in an improved position to tackle the challenges facing these services, overcoming the structural issues that in many areas act as a barrier to improvement. A more stable and sustainable financial strategy, with planning for growth integrated with planning for services, will also support long-term service and resource planning. Joined –up services will allow us to prevent health and social care problems arising at source.

We start by setting out the base-line and current performance in Oxfordshire.

General population-level outcomes

Health and wellbeing indicators as set out in Joint Strategic Needs Assessment²³ show that Oxfordshire's residents are generally healthy and thriving.

Life expectancy, levels of employment and health promoting behaviours are higher than national averages while levels of social deprivation, teenage pregnancy and child poverty are lower. Pockets of deprivation persist in some areas, particularly in Oxford City and Banbury. Safeguarding is rated as 'good', and levels of crime are low. The population is on the whole highly skilled. School results are gradually improving although should be better. Chronic problems such as delayed transfers of care are being tackled through strong partnership approach and the position is improving.

Health and social care are well integrated through joined-up community teams, by innovative commissioning with the voluntary sector and through the creative use of pooled budgets between the County Council and both the Oxfordshire Clinical Commissioning Group and Oxford Health NHS Foundation Trust, the local community health provider.

²³ <http://insight.oxfordshire.gov.uk/cms/joint-strategic-needs-assessment>

Strong foundations

The foundations of health and wellbeing in Oxfordshire are already good. Social care services are rated good and partnerships are strong. Oxfordshire's services for children, education, families, public health and adults are already high performing as judged by Ofsted, the Department for Education and through the Adult Social Care and Public Health Outcomes Frameworks.²⁴

Nationally, the Adult Social Care Outcomes Framework is used to give an indication of the strengths and weaknesses of social care in delivering better outcomes for people who use services. The framework reports on 22 measures. Oxfordshire performs above the national average on 15 of these measures - its performance is in the top quartile nationally. In practice this means people in Oxfordshire who use services report that they meet user needs, help them feel safe, and give them control over their lives. More people are supported to stay in their own home as opposed to being placed in a care home; use a direct payment so they can organise their own care and supported to remain in employment. Two thirds of adults report they are very or extremely satisfied with their care and support and 90% say they are satisfied.²⁵

Ofsted have rated Oxfordshire's children's services as good in their single inspection of services for children in need of help and protection, children looked after and care leavers. Only 28 authorities so far (out of 110 rated) have been good (with two rated outstanding).²⁶ Additionally each year the government publishes an adoption scorecard for each local authority, which looks at how well they perform on supporting children to adoption in a timely manner. Last year 18% of Oxfordshire's looked after children were adopted locally, compared to 14% nationally and we were the 5th fastest authority in the country to place an adopted child. This means that Oxfordshire supports more of it's looked after children into adoption than elsewhere and does it in a timelier manner. Oxfordshire is now taking the lead in the development of a new regional adoption service.

Partnership working to overcome two-tier challenge

A key element of our approach is to work effectively with partners through a number of well-run formal partnerships such as the Safeguarding boards, the Health and Wellbeing Board and Community Safety Partnerships, which are active and valued by partners, and deliver good outcomes.

Despite the strong focus on partnerships the current structure presents significant challenges to delivering best outcomes - time and energy that could be spent on the front-line has to go into dealing with the challenge of working across six local authorities with different priorities and approaches.

Financial challenges

Oxfordshire, in common with local government across the country, has faced a significant financial challenge in recent years as government grant has reduced and demand for our most expensive services - social care for older people, vulnerable adults, and children at risk of abuse and neglect - has continued to grow rapidly. Since 2010 the County Council has had to make annually recurring budget savings of £300m, largely driven by the need to fund increasing demand for social care.

²⁴ <http://www.content.digital.nhs.uk/catalogue/PUB21900> and <http://www.phoutcomes.info/>

²⁵ <http://content.digital.nhs.uk/searchcatalogue?productid=21821&topics=0%2fSocial+care&sort=Relevance&size=10&page=1#top>

²⁶

https://reports.ofsted.gov.uk/sites/default/files/documents/local_authority_reports/oxfordshire/051_Single%20inspection%20of%20LA%20children's%20services%20and%20review%20of%20the%20LSCB%20as%20pdf.pdf

Our vision

Our vision is to provide the best services for local people which are locally designed, locally owned and locally delivered

We have come to a point where operating in an overly-complex two-tier system of local government is preventing further improvement for peoples' services, in particular through the failure to take a whole system approach to prevention and demand management which meet the different needs of diverse local areas.

Our ambition for children, families and vulnerable adults is high and we know that we would improve further if there were strong, integrated leadership, workforce development and excellent services working together under a single governance structure.

What do we want to do better

Tackling longstanding social deprivation

Pockets of longstanding social deprivation and child poverty remain stubbornly present in specific areas of the county because we lack the mechanisms to root out the 'underlying determinants of health' at source. This can be addressed through taking a whole person, whole family and whole lifetime approach across current geographic and service boundaries. These problems vary from place to place – the needs of urban and rural communities differ significantly for example, and we believe that tailored local solutions can deliver better outcomes. Economies of scale will be achieved by 'nesting' the local solutions within countywide frameworks.

One of the most significant drivers of inequality in Oxfordshire is the challenge of housing management and delivery: too many people are living in unhealthy, inadequate and overcrowded homes, affecting employment opportunities and causing damage to their physical and mental health.

The new authority will be able to respond in a more joined-up and holistic way to significant life events - such as loss of job, housing crises, bereavement or major ill health. This will vary from locality to locality but will include better quality and timeliness of advice and support for example to households at risk of homelessness through targeted early prevention, support to increase long-term resilience of 'at-risk' households, and better cooperation and coordination with key agencies and providers.

Closer local links with NHS services across the whole range of local government responsibilities will also confer significant advantages, bringing together for example GP and services, public health services, social care services and housing and environmental services. Locality forums will provide a natural place for detailed service planning and will help to bring local democracy and nationally-led services into a harmonious balance.

The best start in life for children including those in, and leaving, our care

We want to better meet the needs of our most vulnerable children and families at all critical points in their lives, including when they leave our care.

We need to foster innovation alongside high quality care and advice, with a clear focus on outcomes and evidence-based practice which are at the heart of service reform. We know we can do this using better integrated structures that will be simpler for other partners to work in.

Tackling specific areas of poor performance

New solutions to problems like delayed transfers of care²⁷ and how to support people to stay living independently will be available to a new unitary council, with new housing options and the wider use of new assistive technology. Bringing social care closer to housing planning and management will facilitate a new approach to understanding and fulfilling housing and care needs.

Excellent schools delivering the skills young people need to get good jobs in our thriving local economy

The proportion of children in good and outstanding Oxfordshire schools rose between 2012 and 2016 from 69% to 84% in primaries and 74% to 85% in secondaries. Over 50% of our children are now educated in academies, including a University Technical College and two Studio Schools, and this proportion is set to increase further. Our numbers of NEETS (Not in Employment Education or Training) are at historically low levels although children from the more disadvantaged backgrounds remain over-represented in this group.

Although progress has been made in narrowing the gap in outcomes for our most disadvantaged children, in keeping with much of the South East, the challenge is to do more to ensure that family circumstances are not a pre-determinant of educational outcomes²⁸. The new authority, joining up education, training and housing, will be best placed to holistically address the fundamental issues which adversely limit children's abilities to improve their life chances.

Joined-up and effective safeguarding for children and adults at risk of abuse or neglect

Services will be safer with a single authority responsible for ensuring that all employees and services regard safeguarding of adults and children as a fundamental priority. Currently a great deal of energy and time has to be spent to ensure that district services such as taxi licensing, alcohol licensing and leisure services - across five different authorities - have robust approaches to safeguarding. It will be simpler and safer if all these services are the responsibility of a single organisation. In addition a streamlined approach to community safety partnerships will enable them to work in a more aligned partnership with the adults and children's safeguarding boards.

Care professionals and care providers will work in local teams with colleagues including community health workers, health visitors, local police officers, firefighters and those working for local housing providers. Close relationships will be maintained with local GP practices, local pharmacists, schools (including school nurses), local voluntary groups and town and parish councils.

Effective early intervention

The new authority will bring together services that will effectively prevent escalation of need, making it much simpler to ensure that evidence-based early intervention is used to prevent or delay the onset of those risks and conditions which compromise the wellbeing of local people.

Better Mental Health

Joining up services within a new unitary council would also improve mental wellbeing and mental health services. Communities would be planned to promote exercise and use of green spaces, both of which reduce stress and promote wellbeing. Better community safety would also help to reduce fear and anxiety, and the improved connectivity between social care, housing and public health services would enhance

²⁷ New approaches and partnership working are turning around historic under-performance on delayed transfers of care in Oxfordshire but the overall levels remain too high

²⁸ See Ofsted Education & Skills Annual Report regional information pack: South East 2016

integration of mental health services with the NHS. For example, linking housing providers and mental health social care teams more closely would assist discharge times and promote recovery through sustainable housing options.

Children's mental health would also improve through the integration of currently disparate services. Children would grow up in health promoting communities; health visiting and school health nursing services would be more closely linked in with local housing NHS mental health and GP services; each locality would have its own tailored approach to reducing poverty and social disadvantage, thus cutting off some of the most potent causes of poor mental health at source.

The net result of creating a unitary council would be a long term improvement in mental health outcomes for local residents.

Challenges to joining up social housing and social care

Coordination of social housing and social care operations and policy are a key challenge for people's services:

- Services are often competing against each other for limited affordable housing, with housing authorities keen to pass responsibility for social housing tenancies to social care
- There is confusion across the health, social care and housing sector about the interface between housing and care eligibility. Policies are not aligned and vulnerable people fall through the gaps
- Supporting people with mental health needs to find suitable mental health solutions is challenging under current two-tier arrangements. A single unitary authority with responsibility for social care and housing to meet the needs of people with mental health problems would deliver a more seamless 'offer' for individuals and would also enhance the joined up work on mental health issues with the NHS
- It is challenging to develop sustainable strategic solutions across multiple organisations and funding streams for people with no fixed abode who are deemed non-statutory homeless. Partnership working in this area is strong but the homelessness prevention grant is given to housing authorities whereas housing related support funding is given to the county resulting in disjointed approaches. Needs do vary in different parts of the County, and locality input to countywide plans will enable local nuances to be taken into account.
- Discharge from hospital for people with no fixed abode is a chronic system issue. It is difficult for hospital-based health and social care professionals to identify realistic housing options at the same time as delivering against set discharge targets.
- On average homeless people die much younger than the general population. Health partners struggle to scope their role in the prevention of homelessness and to use limited resources for greater impact.
- There is no single register of local housing stock adapted for disabled people. Adults with a disability, including families with disabled children need to approach five different housing authorities to find out what is available for them. This leads to duplication, inefficiencies and poor outcomes.
- People and the wider system will benefit from a countywide strategic approach to planning and managing all housing stock which is built up community by community reflecting local demographics and needs; this will mean better prioritisation of resources for those who need help most including for example statutory homeless people, non-statutory homeless people, people on low paying unaffordable private sector rents, disabled people and young people leaving care who need bespoke support to manage their first tenancy.
- There is not full coordination between the intelligence available to housing and council tax benefit services and social care meaning that opportunities to identify early warnings and prevent homelessness are missed
- Joining services in this way will make it easier to work alongside NHS services locality by locality.

Obesity

Obesity remains the biggest lifestyle challenge in Oxfordshire and preventing it is central to reducing disease levels and early deaths. One in four children aged 2-10, one in three of 11-15 year olds and six in 10 of adults are overweight or obese with this figure predicted to reach seven in 10 for adults by 2031.

Obesity causes heart disease, stroke, late-onset diabetes, depression, asthma, cancer, liver disease, reproductive complications, and osteoarthritis and back pain. The total annual cost of obesity is estimated to be £27bn to the economy through reduced productivity and increased sickness absence and an additional £6.1bn to the NHS and £352m to social care.

Local government has a significant part to play in prevention through its touch points of leisure, education, open spaces, school nurses, planning and transport planning. These services are currently split between layers of local government. This creates a barrier to joining services effectively with NHS services.

A new unitary council with a clear plan and responsibility for the full range of local authority commissioning and service provision would be in a position to deliver more effectively on increasing levels of physically activity and encouraging positive food choices. Again, local needs would be reflected through local input to planning and would result in a tailored approach to each area in the county.

Solutions and outcomes

Easier for customers to access, understand, and hold to account

The new authority will create a single front door for all services offered across the county, with streamlined and improved access to information and advice that people need.

Simplifying local and county wide decision-making, clarifying accountability and strengthening scrutiny arrangements, will deliver a clearer system for residents. This will make sure that local people, voluntary and community sector organisations and carers can work with the new council both locally and strategically to co-produce new services and to support people to support themselves and each other.

A long term response to increased demand and constrained resources

A single efficient unitary council has the potential to develop a long term, sustainable financial strategy to deal with increased demand and constrained resources in social care. Direct efficiency savings will allow resources to be allocated directly to front line services. Better partnership working and integration of health and social care will ensure a whole systems approach to services and costs.

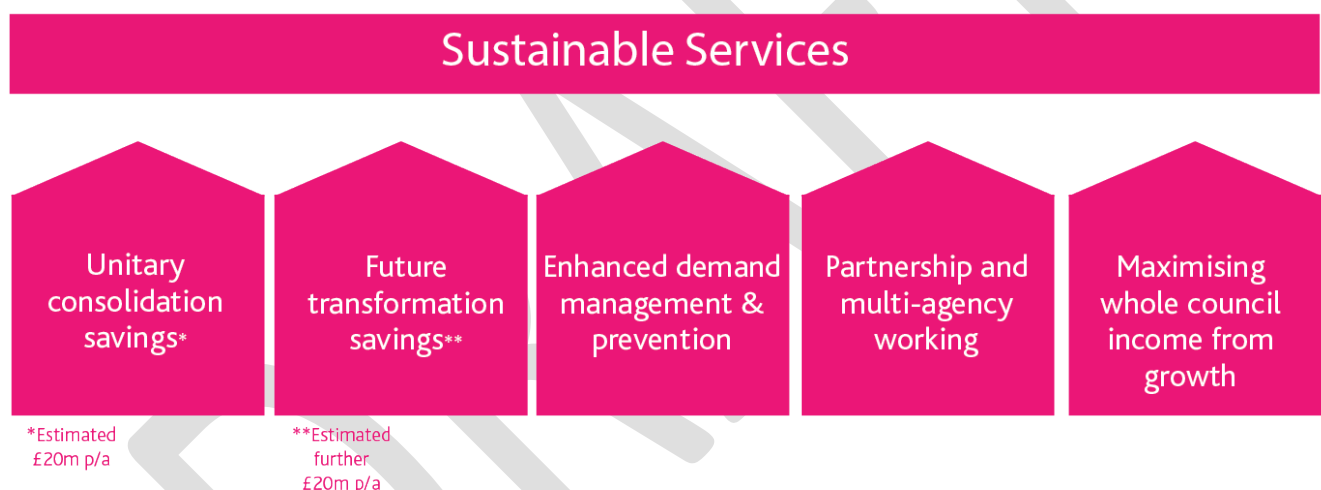


Figure 12: Financial sustainability for social care

Fit for purpose to integrate with local partners including the NHS

Building upon the existing close working relationship between social care and the NHS and the ongoing work on further integration, a new single council will make it far easier to integrate policy objectives and services with local partners across the full range of council responsibilities.

For example:

- The planning of health services in local development and the provision of affordable housing for health and care workers could be progressed through a single county strategy which would be flexible enough to meet the needs of different areas..
- Locality planning for integrated health and social care services would receive a significant boost.
- A single council will provide a simpler interface for those services that help to give children the best start in life including health, housing, schools, leisure facilities, colleges, universities and skills providers

Single view of customers and places, and data-led improvement

Realising a single and coordinated digital 'offer' for local residents will avoid people having to tell their story or provide information multiple times. Bringing together all the information held by local government and in the future by other key partners such as GPs and the police into a single place (with appropriate safeguards) would provide much broader intelligence about population and community needs to enable effective planning and targeting of services and reduced duplication of analysis and provision. For example, looking at benefits take up and care and support needs together gives a far more rounded view at an individual and population level.

This approach would enable the new council look not only at the needs of individuals and families, but at the particular challenges facing local communities and the opportunities to address them. The proposed local empowerment model could then see area executive boards developing commissioning plans specific to the needs of their local area within the overall strategic framework and engaging local partners such as GP practices, on a community-focused basis.

Resolving the 'cracks' between housing, social care and homelessness

Specific improvements joining up services for housing, social care and homeless needs would be attainable. These would be effected through County wide frameworks which would in turn influenced by locality views to provide services tailored to each local area, including:

- Developing a single discharge from hospital protocol to apply across the whole health, social care and housing system and will include early identification of housing issues and possible housing options. This will stop the current practice of discharging homeless people back to the streets.
- Developing a single register of housing stock adapted for disabled people. This will lead to better information, advice and access for those in need of this type of housing; to better use and recycling of existing stock and capital investment, aligned to the countywide use of Disabled Facilities Grants.
- More streamlined decision-making and the ability to use resources flexibly across the county would enable the new authority to meet demand strategically rather than being locked into a single area, for example allocation of Disabled Facilities Grant funding through the Better Care Fund to support adaptations to properties so people can stay living in their own homes for longer.
- Diversifying and expanding the range of housing with care options: e.g. families living in over-sized houses could become shared lives hosts, older people living alone could house young people in exchange for affordable rent and companionship, self-build schemes being developed in Cherwell could be extended to shared social housing schemes for people on low income aspiring to better their lifestyles.
- Developing a range of affordable housing options for people who struggle to either rent or buy under existing national schemes. This would be linked to local initiatives on access to training, skills building and employment. This will lead to greater impact and remove existing competition.
- Bringing together a whole system approach to identifying and tackling early triggers of potential homelessness, e.g. GPs will ask people about their housing situation as part of the wellbeing check, children will be taught financial and legal literacy at school to build resilience for later life - through the use of drama, apps and other age appropriate methods.
- Pooling all funding and expertise available for prevention of homelessness across the wider system and develop a population wide strategic approach to addressing root causes of homelessness. This will lead to a more co-ordinated and speedy response to presenting need.

Social housing allocation

For social housing tenants, particularly for those who are vulnerable, moving from one district to another requires tenants to interact with multiple housing authorities creating barriers to community networks, employment impact and adverse effects for families.

In Oxfordshire currently we know that some vulnerable households are forced to relocate out of the county entirely, when there would be opportunities for relocation into another Oxfordshire district area if there were a single approach to housing eligibility and support across the county. This is not good for vulnerable families who find themselves relocated sometimes hundreds of miles away from support networks of family and friends.

One housing eligibility form used across the county would keep more vulnerable residents local and enable greater mobility, assisting with wider workforce issues and reflecting the reality of Oxfordshire as a discrete economic area.

Public health and prevention objectives delivered through all local services

Public health outcomes are some of the most likely to benefit from a single unitary council. Public health as a function has a leadership role across the community beyond its base in the County Council and already undertakes considerable activity building partnerships and maintaining links with district councils seeking to influence activity and resources.

The emphasis would again be on developing county wide frameworks to provide efficiencies, shaped by locality planning to provide tailored solutions for each local area.

Improved structures for service delivery will lead to more effective use of resources and better outcomes. With more efficient communication and working practices across all council services, Public health will have more capacity to exercise its leadership role with other service providers and the wider community.

More effective and evidence-based early intervention will improve health, and reduce demand for acute services. This will be achieved in part through greater alignment and coordination between preventative services that can stop people's needs for support developing and escalating

This will also enable the new authority to combat the rising trend in obesity levels which increase demand for health and social care through the adopting the design principles of 'healthy new towns' as standard, supporting people to make healthy choices and build physical activity, exercise and good nutrition into everyday lives through an integrated approach to spatial planning and service provision.

Leisure joined up with public health and care

Leisure activities and opportunities will reflect the needs of the whole population, including older people and those who have mental health problems or need companionship. There will be greater uptake of leisure activities provided in leisure centres or the community as alternatives to traditional personal care which may increase dependency on care and support.

Major new developments would proceed on the basis of encouraging health and wellbeing. Cycling and walking would be encouraged by creating safe routes within new housing developments, to local community resources (schools, GP practices, shops, places of worship and pubs) and to key public transport connections. Different local solutions would be produced hand in hand with the county's diverse localities.

Planning for a changing population

Difficulties in planning communities which promote mobility, exercise, a sense of community and wellbeing could be resolved by considering these issues at the earliest stage of planning.

A new authority will prepare detailed plans and means of delivering the types of housing that are required for the future population of Oxfordshire including:

- a wide range of housing that is attractive to older people (retirement housing, extra care housing including schemes suitable for people with dementia)
- supported housing for people with disabilities including those with complex autistic conditions and people with mental health problems;
- Young adults with care needs and/or leaving children's services.

These plans would be flexibly applied area by area, taking account of local views via area executive boards.

The authority will use the Joint Strategic Needs Assessment and other data sources on need and inequality to focus the priorities of the planning system. This will enable it to operate on the principles of promoting physical activity, dementia-friendliness and the principles of "Lifetime Homes, Lifetime Neighbourhoods" as a key element in planning new communities so as to promote social cohesion and mental wellbeing while combatting loneliness and obesity and reducing chronic disease

With a more thoughtful mix of housing suited to changing needs over a lifetime, those that want to would be helped to look at a wide range of viable options to downsize, enhancing quality of life, making the most effective use capital resources and overcoming the challenges of managing larger family homes and gardens. This would in turn free up more family housing thus reducing the pressures to build more and more of these larger homes.

Healthy New Towns

Uniquely, Oxfordshire hosts two Healthy New Town sites, at Bicester and Barton Park on the edge of Oxford. Bringing together the NHS with district and county councils and public health, the Healthy New Town Programme aims to make it easier for people to make healthier choices for themselves and their families. Plans include:

- Maximising options for people to choose healthier ways to travel through cycling and walking
- Ensuring more opportunities for social interaction
- Prioritising green space and ensuring that all open spaces are designed with the whole of the community in mind – for example by being dementia-friendly
- Designing in independent living to new homes
- Ensuring easy local access to good quality food

Safeguarding and community safety joined up

Oxfordshire has a strong focus on safeguarding and protecting the people most at risk of serious crime.

A single Oxfordshire Community Safety Partnership, providing an overarching county wide framework but delivering locally where most appropriate, would drive efficiency, accountability, and integration. It would maximise alignment of health, social care, housing, public health and community protection resources, simplifying working relationships for key partners, in particular Thames Valley Police and Probation Services, the Police and Crime Commissioner, and the two Oxfordshire safeguarding boards. A single engagement plan for communities at risk would also make community safety work clearer to the public.

There is already a single Strategic Intelligence Assessment (SIA) which identifies the community safety needs across Oxfordshire, and a single Community Safety Agreement setting out how partners will collaborate on shared priorities across the county. However district level community safety plans are not fully aligned to the countywide strategy.

A single framework bringing together the SIA with detailed plans for the specific needs of local areas would provide the basis for improving early intervention and a whole systems approach to prevention. Local operational partnerships will be able to tailor the countywide strategic approach to local need and risk and ensure strong networks with local service providers.

There is clear potential for achieving greater economies of scale and reducing the number of different bodies working on complex safeguarding and community safety issues – for example taxi licensing, child sexual exploitation, community engagement, and modern slavery. It follows that the greater the challenge, the more we need to work and align with our health and police partners who are critical to tackling those issues.

Partnership working

A strengthened and revitalised Health and Wellbeing Board will be the essential partnership vehicle to identify priorities and lead change across the county. It will provide a joint forum for all aspects of health and wellbeing, having an oversight of the further integration of health and social care, the promotion of preventative services, the join-up of all children's services and arrangements for tackling communicable disease and the re-shaping of NHS services outlined in the emerging Sustainable Transformation Plan.

6.3 Serving customers and managing the organisation

This sub-chapter describes how a new unitary council will streamline and improve the experience of customers and how 'back-office' functions can be rationalised

Customer, central and support services are those which are front line and essential to the smooth and efficient running of service departments. They include finance, legal, procurement, human resources, democratic services, IT, facilities & fleet management, project & programme management, customer services, communications, strategy, policy and insight. Customer services include specialist areas such as revenues & benefits and registrars.

A new unitary council will operate at a scale that will ensure that professional support and strategic services are provided in the most cost effective way for the whole county.

Oxfordshire's local authorities have adopted a variety of business models and line-of-business systems including innovative and successful partnership arrangements between district councils and with commercial suppliers and in the case of Oxford City Council, retention of 'in-house' capacity.

The intention would be to identify and retain the best approaches for each function while moving towards integrated and efficient working across services and communities, with a single support model replacing multiple back office functions. In this way, high quality and resilient support services will allow the new council to focus resources on the provision of services for residents and business.

A new council will establish central and support services that:

- Ensure better value for money with the removal of duplication and waste
- Take a more strategic approach to procurement – with a greater ability to manage the market for support services
- Are simpler for residents, businesses, councillors and staff with a single customer service relationship with each individual – one telephone number and one website
- Are more efficient – benefitting from economies of scale and being able to deploy support staff to changing needs from day to day or month to month
- Are able to redesign services from end to end using digital technology and whole systems intelligence to understand and manage demand
- Are switched on to digitalisation with the capacity to automate whole systems currently split across authorities, such as parking
- Are resilient to change and able to deliver continuous improvement, protecting specialist knowledge that is no longer viable in smaller organisations and where it is most economically viable, maintaining in-house expertise to keep down the costs of consultants and contracted staff
- Extended opportunities by offering commercial services to generate alternative income sources for mainstream council functions
- Consolidate resources for policy, performance, research and analysis – ensuring that service change is evidence-based and that the new council can clearly identify the impact that its investment has
- Are more attractive to recruiting and retaining staff, with enhanced career opportunities

Key service improvements

Improving customer experience and digital transformation

Currently residents need to visit multiple organisations to carry out related transactions. Individuals need to give the same information repeatedly and requirements are not joined up. For example, a planning application will cover specific issues affecting changes to land or buildings but separate applications will be required with different forms and duplicated bureaucracy if an applicant is also applying for change associated with the highway or for a range of licensing or permits. Similarly, members of the public approaching either the county or district councils regarding waste and recycling may find themselves redirected depending on whether their query relates to collection or disposal. All of this adds up to duplicated time and wasted money for both the public and the public sector.

Access to land and property information

County and district councils maintain separate databases for their land ownership and highways statuses. This information is not shared between district councils or between district and county councils and so members of the public and businesses can be passed from one organisation to another, seeking basic information. One organisation with a unified approach to data management will ensure that all information on land and property in local authority ownership is kept in one place, providing a joined up service to the public.

A single unitary council will be able to establish a single secure customer account at a resident, household or business level with a single, trusted, customer record. A single customer portal will allow customers to view their total transaction history and monitor current activity as customers expect with leading online services and retailers.

In many cases customers are happy for services to be automated where it means easier access to services and frees up staff and resources to focus on the most complex issues. This is already the case in areas such as district council choice based letting systems and self-service access in libraries. A unitary council will be able to join up across whole functions using digital technology to fully automate systems. For example some councils have moved to paperless parking permits and in the future will be able to integrate the management of permits with on-street parking management.

Open access libraries

An exciting scheme is currently being trialled at a number of Oxfordshire libraries that extends library opening hours until 23:00 each evening, including weekends, to provide service access at times that suit our customers as part of a council-wide programme of transformation.

With appropriate safeguards and permissions in place, consolidated data will allow services to plan more effectively and to identify warning signs and trigger early intervention services for residents. A fully automated service which removes the need for customer or service intervention at all will become more deliverable – for example, virtual parking permits which remove the need for paper-based systems.

Community hubs

Oxfordshire's existing councils and the wider public sector have considerable customer service assets across the county. However, these service points are unevenly distributed and access to one service all too often does not enable access to related services.

A network of shared community hubs based on existing assets like libraries, leisure centres, fire stations and health facilities would improve access to services and enable professionals to deliver more joined-up and appropriate interventions.

These hubs also have the potential to be the venue where customers who need more help are assisted to access digital services.

Consolidated revenues and benefits arrangements will more accurately reflect the reality of the functional economic area and the fact that residents predominately move within Oxfordshire. Bringing revenues and benefits information and support closer to social care and housing functions will provide the opportunity for a significantly enhanced service offer with a single system to capture individual needs and entitlements and a single commissioning scheme for support functions.

Working in partnership

In summer 2016 Oxfordshire County Council put in place a dedicated phone line for parishes and town councils, recognising their vital role in sharing intelligence and identifying issues at an early stage. Nominated representatives in each parish are proving well placed to escalate the concerns of their communities using this single call solution. Callers have been getting in contact to identify responsibility, to understand how to tackle unusual enquiries such as waste and gravel on the highway and estate agent boards and to chase up issues that have not been resolved.

Supporting bereaved families

The 'Tell us Once' service means that on being informed of a death, registrars are able to inform over 20 different agencies on behalf of anyone who chooses to make use of the services. This includes district and county councils, Jobcentre Plus, DVLA and HMRC.

Making the best use of data and evidence

Bringing local government services across Oxfordshire into a single new organisation offers the opportunity to deliver significant improvements through better business intelligence.

The new organisation will enable the best use of data assets, ICT infrastructure, and collective skills. In particular:

- taking a single view of the customer will drive the service and outcome benefits from integration as we get the right answer, faster, more frequently
- integrating open public data and proprietary data will enhance preventative and early intervention activities
- improved insight, forecasting, and 'deep dives' on the most challenging issues will enable a move beyond 'predict and provide' data work
- improvements in data quality, consistency, and communication, will benefit the new organisation, its customers, and partners

Turning data from a range of sources into meaningful business intelligence to support managers and directors to improve and transform business requires an intelligent analysis of data trends across the span of local authority functions and the ability to maintain specialist skills.

Better use of data

Joining up data in secure and creative ways can help to deliver more effective services and reduce costs by preventing harm. Future examples in key service could include:

- Using information provided in benefits claims to help inform financial assessments in adult social care, so avoiding people having to give the same information more than once for different purposes
- Using social care assessments to help prioritise housing lists or adaptations to support people to live independently through targeted use of Disabled Facilities Grants
- Linking financial assessments and GP referrals to leisure and cultural opportunities to support independence
- Linking bin collections, library usage and other indicators of regular behaviour to the targeting of welfare checks by the fire service and adult social care assessments making the most use of all eyes and ears on the street, ending the "...but someone must have known" scenario

Best practice case study: fraud prevention

Oxford City Council has been recognised by the Institute of Revenues, Ratings and Valuation for its innovative work in tackling fraud. Using new technology and working in partnership, the investigation services has uncovered nearly £4 million in fraud and markets its services commercially to both the public and private sectors.

Consolidating property assets

Taken together, Oxfordshire's local authorities hold property assets worth well over £1 billion. As set out in Chapter 5, managed as a combined holding, there would be significant opportunities for asset rationalisation and efficiency savings and to develop new approaches to development that could achieve commercial and social outcomes for residents.

Place reviews: making better use of public assets to drive service transformation

Place reviews are an opportunity to working with communities and local partners including health to take a broad based 'total' look at an area, bringer together requirements and opportunities often separated by organisational silos including the perspectives of property, planning, community, service and infrastructure.

Using service data community engagement, Place Reviews will aim to understand the needs and ambitions of communities, including understanding the impact of growth and demographic change, and then align public sector assets and services to deliver better outcomes through a partnership 'Place Strategy'. Proposals generated through taking a place approach might for example mean developing a new shared public sector hub, releasing property to prioritise key worker or supported housing or using existing resources in an area to support valued but struggling local services.

Consolidating back office services

In order to fulfil statutory duties, Oxfordshire's separate authorities maintain different support functions, in some cases working in partnership, in areas such as finance, legal, procurement, ICT and HR.

The 2016 Grant Thornton report identifies that rationalisation of back-office and management costs will contribute the bulk of the identified £20m annual savings. The report also identifies that the payback period of these and related savings for the costs associated with transition will be within one year. These savings take into account shared service arrangements currently in place across existing councils. There is significant scope to go much further by consolidating back-office functions entirely with a single approach by a single new organisation. These savings will be alongside those made from reducing the number and frequency of elections and the number of councillors and committees.

In addition to generating savings, consolidation offers the potential to provide better services and outcomes. For example, bringing policy making functions on planning, public health, social care and housing closer together will lead to better exchange of knowledge between professionals and more innovative, better informed and responsive policy making.

Procurement

Bringing together procurement from across Oxfordshire's existing authorities will generate significant opportunities for improved value for money and better outcomes. Where identified procurement benefits relate to specific services, these are addressed elsewhere in this document. However, common benefits would apply, including:

- Economies of scale through purchasing at the strategic level and enhanced ability to manage the market
- A single procurement model with efficiencies in the procurement process itself
- A single contracts database and spend analysis, ensuring better performance analysis and management
- Enhanced ability to deliver social value through contracts, by having broader contract bases and the full range of policy objectives within one organisation
- Reduced costs to local business who currently have to understand and bid to multiple organisations
- An expanded relationship between the new council and the market with the new council being more influential overall and in a stronger position to form trusted strategic partnerships
- Opportunities for individual regional procurements

Building on existing strengths

All current Oxfordshire councils have taken, and continue to take, significant steps to deliver efficiencies through a range of business models that have reduced costs including partnership arrangements and in-house provision. These arrangements include partnerships and shared services with council's beyond Oxfordshire:

- Cherwell District Council has a shared management and officer structure with South Northamptonshire District Council
- South Oxfordshire and Vale of White Horse district councils have a shared management structure and a predominantly commissioning model. They have undertaken major joint procurements with a group of district councils in the south of England.
- Oxford City Council delivers many services in-house and Oxford Direct exploits this capacity to generate commercial income. The City Council has retained its housing stock and continues to manage it directly.
- West Oxfordshire District Council is a member of the 2020 partnership with three Gloucestershire District Councils currently sharing a range of functions and developing local authority owned companies to provide these services in the future.
- Oxfordshire County Council works in partnership with Hampshire County Council to deliver a range of back office functions including HR services and financial systems.

Integrating different service models will take time and resources and this has been taken into account within the financial analysis included in this document. A key principle is that the best of each council should be retained. Therefore it is likely that some partnerships and contract approaches will be retained and potentially expanded, adding value, capacity and resilience to the new council.

Early discussions will be essential, in particular where changing arrangements may have a significant impact on external organisation and all options for the future of current joint working arrangement should be considered.

Workforce Planning

Recruitment and retention remain key issues for the public sector in Oxfordshire. Issues include availability of and competition for specialist roles such as social workers, engineers and planners; a strong local employment market meaning that more general roles can also be difficult to fill; and the common challenges of Oxfordshire as a potential work destination of high housing cost and under-pressure transport infrastructure.

Operating in a unitary framework offers significant opportunities to further develop a high quality and motivated workforce. These include:

- Expanded career opportunities within a larger authority at the forefront of regional and national developments in the sector
- Enhanced employee satisfaction from working within a fully functioning system that can really make a difference to local places
- Working in a more stable and resilient organisation giving more long term certainty of employment and protection to specialist areas which are not sustainable in smaller authorities
- Extended opportunities for flexible and agile working: more workplaces around the county giving different options for services and individuals

- Better coherent planning for employment and housing at the economic level, with direct impact on the ability of the public sector to recruit staff who can live in places that are accessible to their places of work

DRAFT

7 Costs Savings and Value for Money: Meeting the financial challenge

This section sets out how a new unitary will establish a sustainable financial strategy, balancing increasing demand with constrained resources

Local government faces major financial challenges, with decreasing government grants and rising demand for services that clearly requires a new approach to ensuring long term financial sustainability. A single tier of government in Oxfordshire, an area which has strong economic growth, is well placed to thrive in the new regime where funding will largely come from locally raised business rates and council tax.

A single unitary council will enable local government in Oxfordshire to respond to the financial challenge with confidence rather than managing the risk of erosion of local services under the status quo.

This report has already demonstrated that many of the challenges in local government in Oxfordshire, including the financial one, can be addressed by the move to a single unitary council. With the right governance and decision making structure through a single unitary council, councillors will be in a position to take aligned decisions on:

- How best to drive economic growth, in turn growing locally raised business rates that will be used to fund local government services in the future
- How best to use the savings that will present through the reorganisation to unitary status
- Taking the financial risk to deliver the self-financing approach to meeting the county's infrastructure needs as set out in chapter 5

One new council for Oxfordshire will be able to make significant savings compared to the status quo providing real options for councillors to consider how to use this to support sustainable services in the future, as well as enabling a 'whole system' approach, with a greater emphasis on prevention and demand management. This allows the new authority to take more control of both its income and expenditure ensuring a resilient and sustainable financial strategy.

Both the 2016 independent reports agree that consolidation of the existing councils into a single unitary council presents the strongest financial case²⁹ and cost efficiencies from consolidation of up to £23m per annum are forecast.

This estimate is based primarily on the savings from bringing services together, rationalising back office functions and savings from reduced numbers of councillors and staff.

It excludes additional potential savings that could be achieved by further transformation of services, beyond that can be achieved within the current structure.

Indications from other large areas that moved to unitary status in previous rounds of reorganisation are that for Oxfordshire this could be in the region of a further £20m per annum. This indicative figure is not built into the modelling for this proposal as considerable detailed planning would be required during the transitional period and full account must be taken of modernisation and transformation undertaken in recent years across all of Oxfordshire's councils. However, it is noted here as context to demonstrate the potential for further savings

Where the money is today

The majority of general funded expenditure on council services is currently undertaken by the County Council, with revenue expenditure on services of £737m in 2016/17 (including revenue payments to schools), over seven times more than the combined revenue expenditure of all the district councils. Individual district council spend ranges from £13m in West Oxfordshire to £23m in Oxford City and Cherwell.

Current two-tier arrangement mean that the available funding is not able to be used as efficiently as it could be under a single unitary council model due to the duplication of functions, the inability to exploit economies of scale and the lack of a unifying strategy for the use of the council resources.

²⁹ Grant Thornton and PwC reports www.betteroxfordshire.org

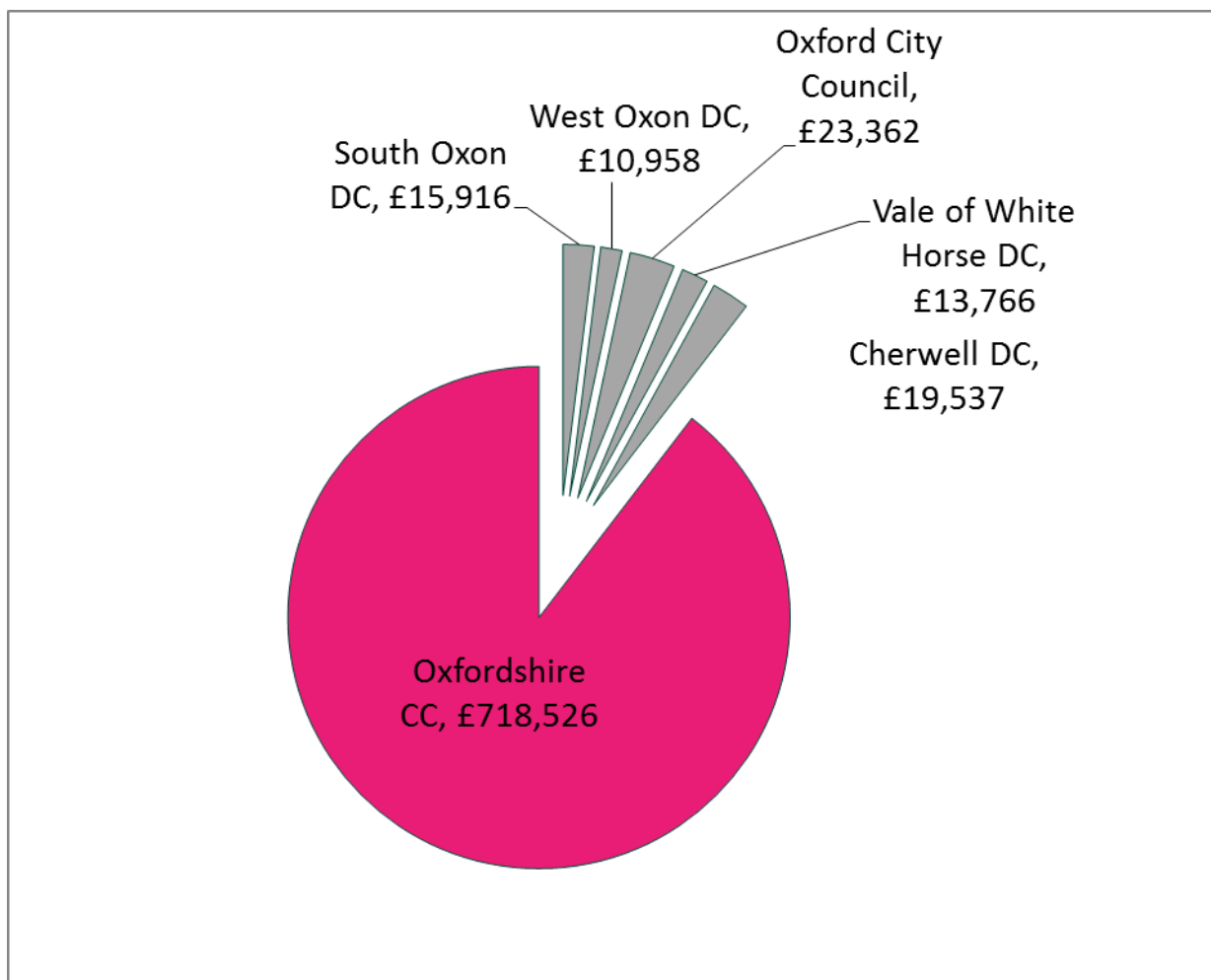


Figure 13: Source local authority revenue expenditure and financing England 2015-6 Outturn: Revenue Expenditure (DCLG) £000s

Finance reform – impact of the move to self-sufficient local government

The Government's commitment to allow local government to retain 100% of business rates should provide councils with greater control over their funding and provides a great opportunity for Oxfordshire in the context of its potential for economic growth.

Oxfordshire has seen strong economic growth in recent years and has significant potential for further growth in the future. Over the period 2013/14 to 2016/17, there has been a 10% growth above the baseline in business rates income. As set out elsewhere in this document, Oxfordshire is notable for the excellence and scale of innovation, enterprise and research within the county and as a consequence, for the dynamism of its economy with strong growth in employment and GVA (Gross Value Added) and very low unemployment.

Under the current two tier arrangement the revenue benefit of growth in business rates has a diluted impact with income divided between multiple councils with different priorities. As set out in detail in chapter 5 above, a single unitary council will ensure a unified economic strategy and a streamlined decision-making process which will help drive economic growth, making a positive contribution to the aims of Oxfordshire Strategic Economic Plan and in turn supporting public sector revenues:

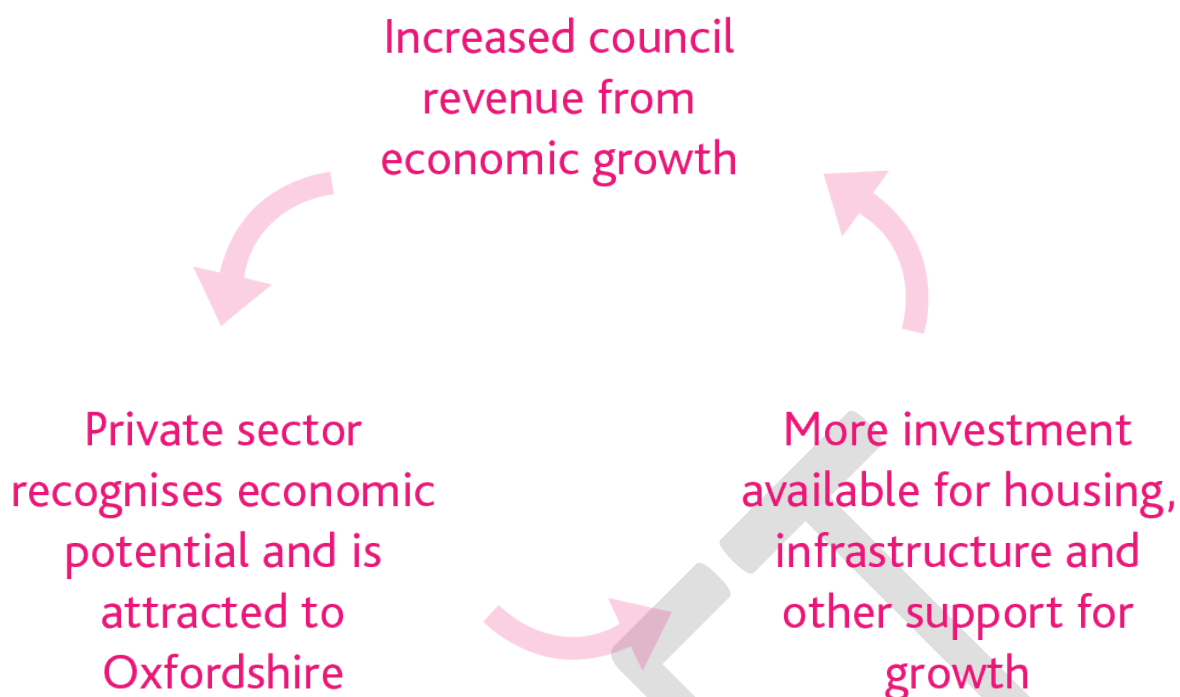


Figure 14: Virtuous circle for growth

Following the anticipated full devolution of business rates, a single unitary council will be much better placed to utilise the full benefits of business rate growth according to a county-wide economic growth strategy, avoiding unnecessary constraints across district boundaries.

The new unitary council will have the advantages of scale and an enlarged balance sheet to help it manage financial risk and optimise economic growth. A single organisation will have full control over the levers of growth, will be in a much stronger position to manage future financial risk, and can make the move towards self-funding not only sustainable but also desirable for local residents looking to sustain and enhance local priority services.

Current fiscal & funding pressures

Oxfordshire's councils have a strong track record of managing reducing government funding and meeting demand pressures. However in recent years the funding decisions taken by national government, along with the need to address rising demand for social care services has meant that across the country upper tier councils have faced a much greater financial squeeze than city and district councils.

This has also been the case in Oxfordshire, with the County Council having to find £300m of recurring annual savings between 2010/11 and 2016/17. £247m of annual savings have been delivered to 2015/16 and a further £53m is on track for delivery by March 2017.

Approximately two-thirds of these savings have been used to meet the increasing cost of providing social care to children and adults through reinvestment in these services. These savings have been achieved by transforming the way the council operates, through new models of service delivery including increased community involvement and new approaches to partnership working.

The number of County Council staff has reduced by 35% over the past six years. County councillors have also had to make a number of very difficult decisions to reduce some front line services, remodelling services to be affordable in the future and ensure that the council's statutory functions can be met.

Further savings in the existing medium term plan to 2019/20 of £61m still need to be achieved and the council's transformation programme continues with plans for workforce development, digital and customer service improvements. £15m of transformation savings are planned to be delivered in 2018/19.

Although there are differences across the county, the city and district councils have also had to address major financial challenges presented by reduced government grant in their medium term financial plans up to 2020.

Balanced budgets in district councils have been facilitated by New Homes Bonus income which has been used to support the delivery of revenue expenditure plans in a number of cases over the past five years. It is notable that the total new homes bonus receipts for the district councils in 2016/17 were equivalent in value to 82% of the total reduction in revenue support grant that they had incurred in the same year (with Oxford City absorbing the majority of the net reduction in funding). This has helped to ease the financial pressure to make savings.

Oxfordshire councils have all successfully driven out savings from back office functions through the use of shared services. The majority of the district councils have shared senior management for corporate and service posts. This has resulted in a patchwork of different arrangements involving collaboration both within and outside of the county. However, further benefits from collaboration are currently limited by the need to balance the strategic aims and objectives of multiple separate organisations, and in the case of shared posts, by geography.

Service & demographic pressures

Adult social care demand is a product of an ageing population with increasingly complex needs. As is the case nationally, this is only partly mitigated through health and social care integration with NHS services, including the additional funding to local government through the Better Care Fund. Children's services are also facing significant demand pressures with the need for services growing substantially in recent years.

The pressures on Oxfordshire are shared with top tier and unitary councils across England. In common with other councils, the County Council has already utilised the new social care precept in 2016/17 amounting to an additional 2% rise in the County Council's share of council tax to support the funding of adult social care.

Other financial pressures affecting Oxfordshire will come from the expected period of economic uncertainty, with impact on both council income sources, the costs of delivery and the demand for services.

The alignment of local services

One of the key advantages of the single unitary council will be the ability to align services across the county, not only enabling greater levels of financial efficiency, but also helping the council to drive forward an approach that is focused on prevention and demand management.

A further key benefit will be the ability to align economic growth, social care, and health and education priorities, with housing policy, under a single decision-making process. The provision of affordable housing where it is most needed and better economic prospects will be a key measure to mitigate the demand for council funded support in the future.

Resourcing strategy for a new unitary

The new unitary council will be able to pursue a more dynamic financial strategy, with the key advantages of scale, more agile decision-making, and a county-wide perspective better able to link public services together. The new strategy will be for the new council to determine but could for example address the following key objectives:

- Optimise the potential for revenue savings and capital receipts
- Support gains in productivity and growth to maximise income
- Open up opportunities for future transformation savings
- Understand local priorities for using savings
- Maximise new funding opportunities including through a commercial approach
- Unlock accumulated reserves for investment
- Deliver a unified capital programme
- Deliver better returns on treasury management investment due to consolidated cash balances

Potential for unitary savings and capital receipts

The initial recurrent saving from consolidating the existing councils into a single unitary will be in the range of £18.5m and £22.6m (median point £20.5m).³⁰ The following table sets out the principal sources of savings through consolidation and sets out the basis for calculating the savings value in each case (based on the median projected cost). These estimates reflect only the potential benefits of consolidation across organisations, and do not reflect the transformation plans of existing organisations or the considerable further transformation expectations that a new unitary should set for itself. These savings have been adjusted to exclude existing savings plans and savings already realised through shared service working, external provider contracts and shared posts.

³⁰ As calculated through Grant Thornton's analysis. See www.betteroxfordshire.org

Cost category	Basis	Projected benefit £'m
Reduction in the number of senior management posts	Council consolidation will reduce the number of directors, chief executives and statutory heads of service required to run the council.	£3.2
Reduction in the number of councillors and democratic services	There is expected to be a reduction in the number of councillors within Oxfordshire to better reflect the benchmark number of councillors per head of population for existing unitary councils.	£1.5
Efficiencies and economies of scale from combining corporate central services	Savings will be derived from the consolidation of staff posts as back-office support services (such as finance, legal, procurement, ICT & HR) are combined. The assumed saving has been adjusted to reflect the current level of shared service arrangements across precursor councils, from which savings have already been realised. However, economies of scale are created when significant numbers of FTEs are merged under the single unitary option.	£6.8
Efficiencies and economies of scale from combining district services	Significant savings derived from combining staff posts (FTEs) from similar district council services. This has been discounted to reflect the shared front-line services in operation at several of the district councils, notably between South Oxfordshire and Vale of the White Horse.	£6.6
Savings from asset rationalisation	Revenue savings have been derived from the reduction in office space required as a result of the reduction in staff FTEs, the majority of which are drawn from office-based roles. An element of saving from running costs has also been calculated based on information supplied by the councils. The reduction in FTEs also offers the option of vacating buildings, stock for sale as surplus assets or for alternative use in the community.	£2.4
TOTAL PROJECTED RECURRENT FINANCIAL BENEFIT OF TRANSITION		£20.5

Figure 15: Potential for unitary savings and capital receipts – Grant Thornton report <http://www.betteroxfordshire.org>

Benchmarking of 2016/17 budget data indicated that the new unitary council would have to deliver core services at 5% lower cost than in the combined cost of services 2016/17 in order to meet the weighted average level of cost per head of population. This would amount to a saving of £21.3m across the county, which is in line with the projection of savings potential outlined above.

Opportunities for future transformation savings unobtainable within current structures

In addition to the savings generated by consolidating existing services and back office functions, a single unitary council optimises the opportunity to generate significant additional savings through transformation. This comes from combining the benefit of economies of scale with the redesign of new lean systems. The new organisation would also look to achieve this by building on existing good practice across existing councils – adopting the strongest service models for the new combined services.

This kind of transformation will typically improve cost efficiency significantly beyond the level that could be delivered by any of the component councils or smaller unitary formations. All the existing Oxfordshire councils have transformational plans to streamline services currently underway, but a single unitary would offer further gains from transformation, and up to a further £20m reduction per annum in the combined cost of services could be attainable, as the new council further reduces unit costs to match those of the best performing unitary councils in England.

Maximising new funding opportunities

A new council for Oxfordshire would be able to create an income strategy to drive commercial activity and income generation opportunities on a broader scale. This could build on successful existing initiatives such as Oxford Direct Services, a trading arm of Oxford City Council, providing building and environmental services in Oxford.

One of the key areas of focus for a new income strategy would be house-building; bringing council assets forward for development and leveraging the strength of the consolidated balance sheet to purchase and develop further land in the open market, working with the existing local housing companies as delivery partners to meet meeting local housing needs. The new council would have further opportunities to develop revenue income streams, for example, the new combined planning team for Oxfordshire would also have significant commercial potential.

As set out in chapter 5 the delivery of infrastructure is critical to providing the new homes and employment space needed to grow the local economy. In the Chancellor's 2016 Autumn Statement, the Government highlighted the importance of the Cambridge-Milton Keynes-Oxford corridor and agreed to provide funding to develop the proposed expressway concept. A single unitary council for Oxfordshire would be able to approach infrastructure requirements on a joined-up basis; unify all council assets, reserves and resources to support infrastructure delivery; access 'economies of scale', and utilise some of the savings achieved by moving to a unitary council to help fund infrastructure delivery. Detail on the indicative work on a revolving infrastructure fund as a mechanism to facilitate infrastructure delivery and unblock housing growth is provided in chapter 5.

Priorities for using the savings

Oxfordshire councils have already planned to deliver balanced budgets in their medium term financial plans; therefore the saving from combining as a single unitary council would be used to benefit residents beyond what would be possible under the status quo or multiple unitary options. The redeployment of savings would be a decision for the new council, but the options for consideration could include:

- passing on some of the saving to residents through lower council tax increases
- helping support cost pressures in adult and children's social care, helping the new council to continue to deliver a high level of service to those in need
- helping to fund investment in priority service areas that are important to local residents
- supporting local infrastructure projects to drive economic growth, providing new homes, creating jobs and helping local people to be financially secure, freeing up council resources to help those that need it in the most effective way

Use of reserves

Based on 2015/16 accounts data, all Oxfordshire districts held useable reserves at least equivalent to a full year's net revenue expenditure, significantly higher in some districts (totalling £152.6m against a combined net cost of services of £94.7m in 2016/17). It should be noted, that a significant element is being held to manage specific risks, such as business rate valuation challenges. It is notable that some of the district councils also rely on cash investment income receipts to help balance their revenue budgets. It is common for top tier and single tier councils to hold a much lower level of reserves than district councils in proportion to their net expenditure. In 2015/16 the County Council held 22% of total service expenditure by 1st April 2017 (excluding schools and public health). This is close to the county council average of 25%.

Under a single unitary entity, the district councils would be consolidated with the county into a larger, more financially stable unitary entity. This might mean that less money would need to be set aside to manage financial risk, and better investment returns could be secured on larger sums available for investment. This could unlock a significant proportion of the £152.6m currently held in district council reserves that can then be used for a range of purposes including leverage for borrowing to enable infrastructure improvements and house building.

Capital programme

The new unitary council would enable the current diverse capital programmes of the existing six councils to be consolidated into a single approach to infrastructure investment. This would enable the development of a joined-up capital strategy that would support whole system approach across the county, using capital investment to support the education, social care, health and economic development agendas and to join up with local house-building and planning decisions. Decision making would be more streamlined and flexible, reflecting need and opportunity across the functional economic geography without being restricted by consideration of administrative boundaries.

There is an opportunity to consolidate council assets county-wide, enabling more efficient use of office space and service facilities. This would in turn free up significant land and buildings assets that could then be sold to generate capital receipts or used to leverage additional investment and funding from the private sector. A larger asset base also unlocks opportunities for further borrowing as well as providing strategic flexibility – for example, the development of an arms-length asset management vehicle that could bring in other partners from the local public sector.

There is also the opportunity to review the way that social housing is provided county-wide and to build on the most successful and cost efficient models, whether through direct housing services, housing associations, arms-length bodies or other delivery bodies. Retaining housing in public ownership and directly building housing within and external to the HRA will maximise opportunities for Oxfordshire residents and ultimately increase county-wide productivity and help to control long term costs associated with temporary and poor housing conditions.

Transition costs

The creation of a new unitary council will incur varying degrees of one-off cost over the period of transition. The cost of change is necessarily an estimate, but Grant Thornton have validated these against historical examples and proposals put forward in other areas where possible. The key costs used in the financial analysis are as follows:

Cost category	Basis	Projected cost £m
Cost of redundancy	Based on salary and pension payment due for FTEs identified in the cost savings from consolidation.	£7.4
Cost of IT systems integration	This provides a broad estimate subject to variance as a result of the system design process and the compatibility of systems in each case and is consistent with other comparable business cases.	£2.5
Transformation team/ professional advisors	Estimated on the basis of a director of transformation and a team of programme managers/analysts in post for three years.	£1.3
Corporate communications, and cost of rebranding	Estimate based on other similar business cases and experience elsewhere in the public sector.	£1.0
Merger of back office, other costs and contingency	We note that in practice the cost of transition can be much higher than planned, and we have therefore included a contingency cost of 30% of the specified costs set out above.	£3.7
TOTAL PROJECTED (NON RECURRENT) COST OF TRANSITION		£15.9

Figure 16: Transition costs – Grant Thornton report <http://www.betteroxfordshire.org>

Benefits realisation – cash flow of return on investment

The single unitary model would enable the majority of the initial £20m recurrent saving from consolidation to be realised within the second year of development, with additional savings from transformation being realised within five years. In addition to this, significant funding would be available from the consolidation of council reserves across the county that would cover the one-off costs of transition. This means that the projected cost of transition of £15.9m could be repaid within two years.

Model budget

Based on current resourcing of Oxfordshire's local authorities it is envisaged that the new unitary council would have a net service budget of approximately £801m in 2019/20. This is based on the consolidation of current medium term financial projections including cost pressures and income growth across the existing Oxfordshire councils. The new entity would be self-funding from local taxation and specific purpose grants,

with increasing costs being matched by growth in the council tax base, increases in council tax within the referendum limit and business rate growth.

Council tax harmonisation

Elsewhere in this proposal we have outlined the creation of a new local council for Oxford. The exact make up and initial responsibilities of this new council will be determined by the proposed Oxford City Convention. We envisage that it will have a significant role in the delivery of specific local services within the City and will require an extensive capital programme, to further enhance and maintain a range of facilities, such as community facilities which will be owned by the new local council. The exact level of the Council Tax requirement of the new local council will need to be determined as part of the implementation process.

Allowing for the above, there will be a range of options for Council Tax harmonisation, which will be subject to the Implementation Executive's decision making. However, our indicative modelling, based on a new local council for Oxford precept of between £125 and £160 per year could allow harmonisation of council tax across the new unitary council to be achieved in the first year of the new council.

Whilst the level of Council Tax will be a matter for the Implementation Executive, it would be possible for a proportion of the savings achieved by the move to a new unitary council to be returned to council tax payers. This could be achieved by ensuring that the initial Council Tax is set at a level that is capped at a maximum increase of 1.99% (the current maximum threshold, excluding social care levy that can be applied without a referendum). This would be at a level where no resident is liable for a higher level of unitary council tax than they would have experienced under the on-going combination of the existing district and county council tax levels and predicated rises within councils' medium term financial strategies. Such an approach would deliver lower initial council tax increases for residents of the City, Cherwell, South Oxfordshire and Vale of White Horse than would otherwise have been the case. Based on our modelling this would return around £6 million to council tax payers and to be offset against the savings made.

This can only be an illustrative process at this stage as the approach that will be taken in relation to Council Tax by Central Government between now and vesting day is unclear and may be impacted by the growing recognition of the pressures faced by adult social care services across the country and the changes to business rate retention.

Dealing with risk and uncertainty

A changing and uncertain national economy along with changes to local government funding arrangements all present risk and uncertainty to council finances in the medium to long term. Responses to dealing with this risk include maintaining substantial individually maintained reserves.

A single unitary council will be more resilient to financial risk and uncertainty than the smaller entities under the current two-tier system. It will have:

- Ability to use total scale of resources to prioritise and unified strategy and decision making enabling more flexible and quicker decisions to be made to react to events
- Ability to manage reserves across the new larger organisation, freeing up cash for investment
- Simpler financial structures with an end to 'cost shunting'
- Better ability to collect and analyse data on financial trends and service demand improving ability to manage risk and predict future challenges
- Stronger voice and influence with decision makers
- Less exposure to single large local changes – e.g. major local employer relocating
- Collectively, more diverse income and so less exposure to particular variable income streams (e.g. New Homes Bonus)
- Enhanced ability to cover own risks, reducing insurance risk and requirement for reserves

SECTION TWO:

Context and options

A new council for a
BETTER
Oxfordshire

Simpler
Better for services
More local
Lower cost

8. About Oxfordshire

This chapter sets out key information about Oxfordshire

About Oxfordshire

The Place

Oxfordshire is a diverse and dynamic county, home to 678,000 people and over 30,000 businesses. Oxfordshire is a predominantly rural county, hosting three Areas of Outstanding Natural Beauty as well as the Thames Path and Ridgeway national trails. There is a strong network of thriving villages and market towns, with the historic city of Oxford at the heart of the county.

Oxford University is the oldest university in the English speaking world, and ranked the world's best³¹. Along with Oxford Brookes University it forms the hub of a network of internationally important medical and scientific research institutions that drive a strong economy and dynamic business sector.

The county benefits from cultural and artistic facilities including the Ashmolean Museum and Museum of Modern Art in Oxford and the UNESCO World Heritage Site of Blenheim Palace.

This creativity and environmental, economic and cultural diversity helps to attract nearly 27 million visitors a year³² and makes Oxfordshire a place where people want to live and to start and grow businesses.

Single Functional Economic Area

The county has a strong and strategically important location in the heart of England, with a competitive economy, broadly based around the city region of Oxford and in the area known as the Knowledge Spine.

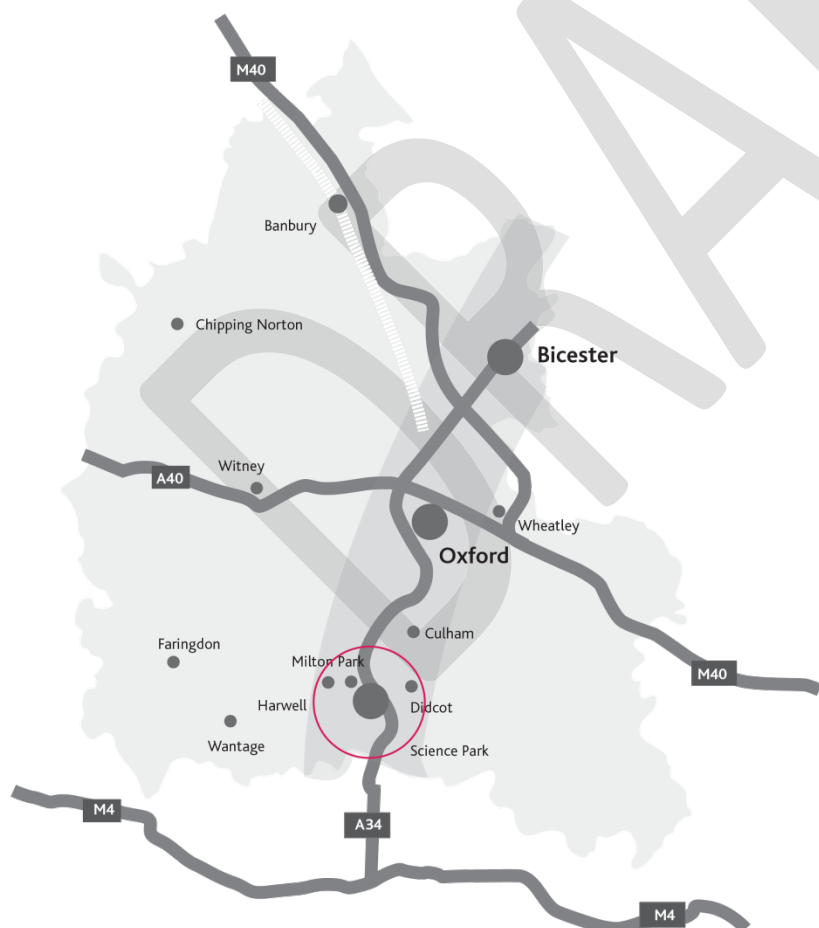


Figure 17 – The knowledge spine

³¹ Times Higher Education World Ranking 2016-17

³² [Creativity, Culture, Heritage and Tourism Investment Plan for Oxfordshire, OxLEP](#)

Evidence shows that Oxfordshire is a single economic area: more than 82%³³ of Oxfordshire's working residents live and work within the county border. The current county administrative boundaries are broadly coterminous with a single strategic housing market area and the county functions as a distinct labour market with two travel-to-work areas:

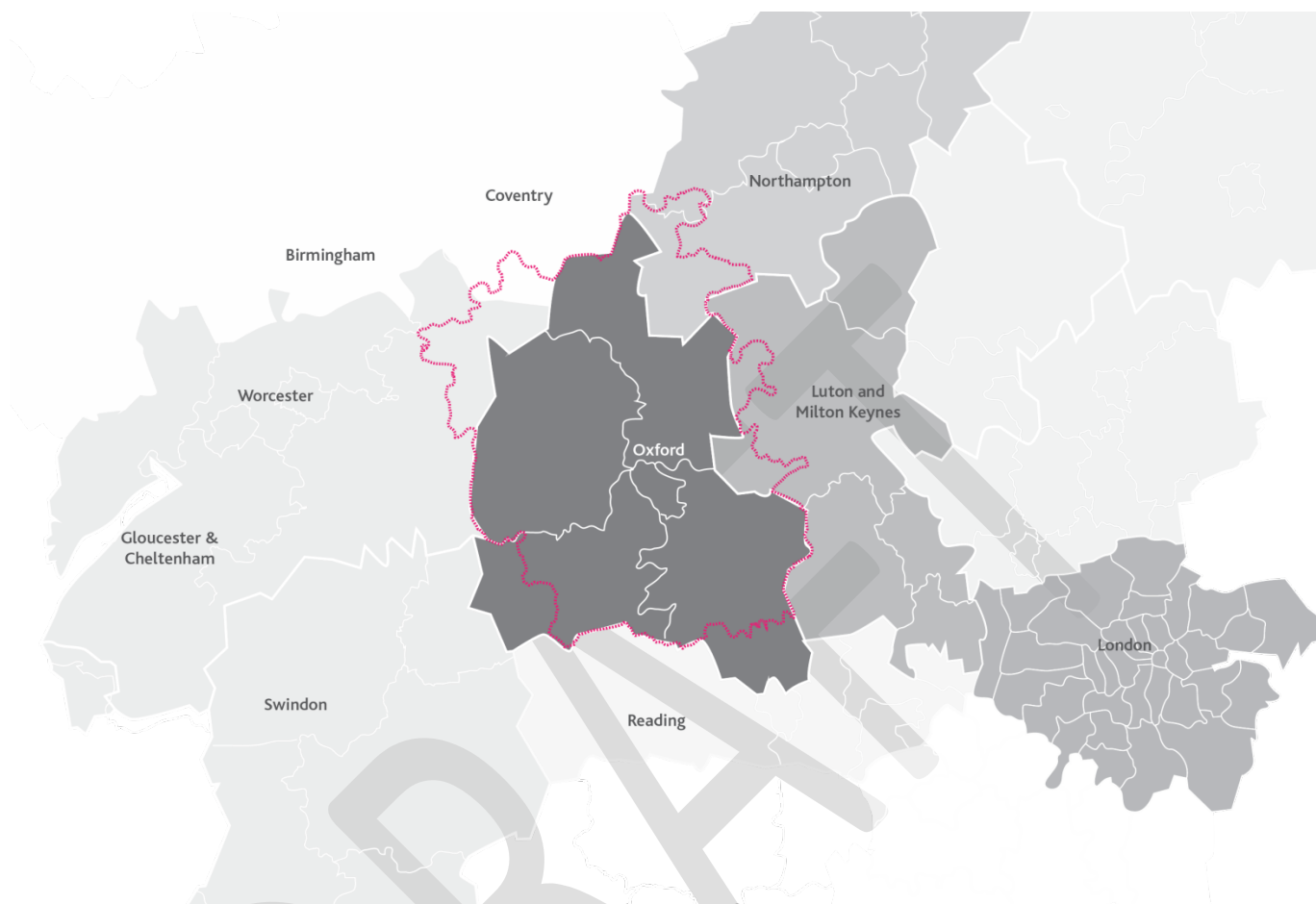


Figure 18: Strategic Housing Market Area covering the Oxfordshire area

³³ Of 268,190 people living in Oxfordshire who travel to work, 220,425 travel to a usual place of work within the Oxfordshire area.

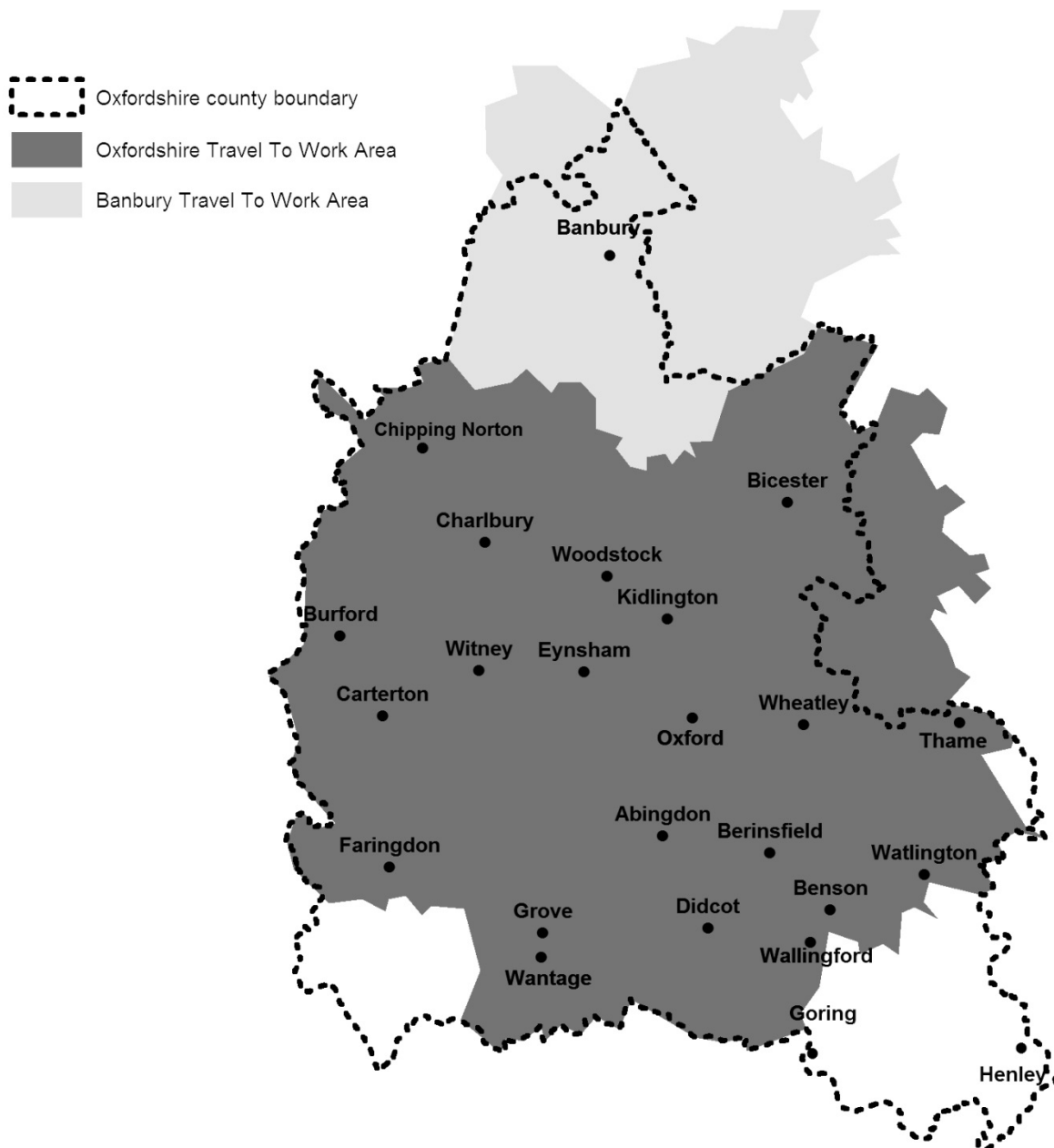


Figure 19: Travel to Work Areas in Oxfordshire³⁴

³⁴ [Office for National Statistics Travel to Work Areas. ONS open Geography Data](#)

An Economic Powerhouse

Oxfordshire has an economy of international significance, centered upon the city region based upon Oxford's global brand, with a unique mix of world leading business, academia and research.

There are over 30,700³⁵ businesses in the county, with 3,600³⁶ new businesses created each year, and a GVA per head 22% higher than the UK average³⁷.

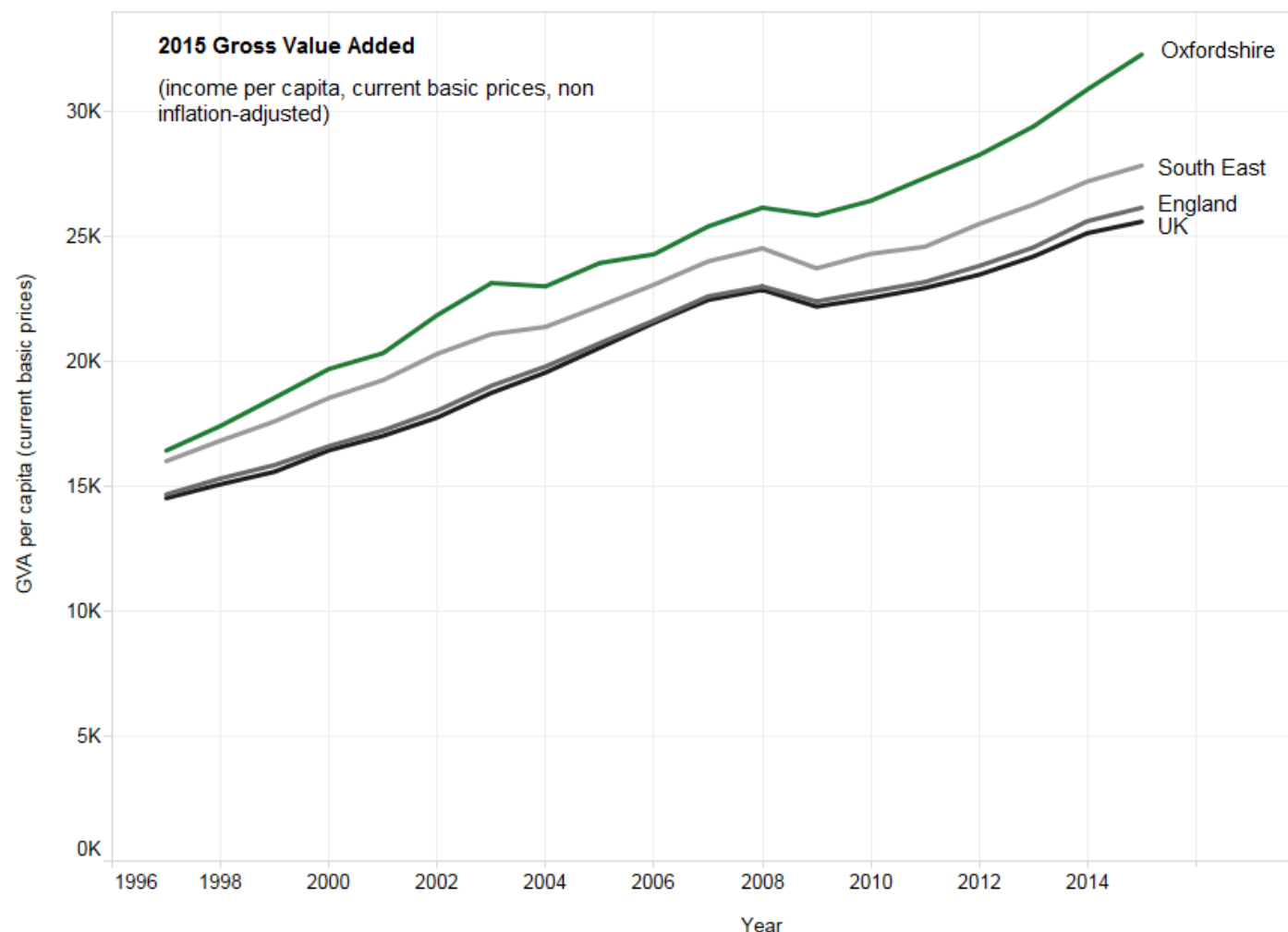


Figure 20: comparison of Oxfordshire's economic output with rest of the UK

Growth is inextricably linked to the outputs from the two universities, the world class teaching hospitals and their associated research functions, and a concentration of the UK's major science and research institutions. In summary:

- The Oxford area is among the top five Technology Innovation Ecosystems in the world³⁸ and home to an impressive knowledge-intensive cluster with more than 1,500 high tech companies employing around 43,000 people.
- The county's economic output was valued at £21.9bn in 2015³⁹, making us an important net contributor to the Treasury.

³⁵ 2016 Business Count, Inter Departmental Business Register

³⁶ ONS Business Demography Data 2015

³⁷ ONS GVA, income approach, 2014

³⁸ Technology Innovation Ecosystem Benchmarking Study: Key findings from Phase 1, Graham, 2013

³⁹ 2015 is the latest year for which official government statistics are available. Figure is 'provisional income approach at current basic prices'

- We have the fastest growing economy of any LEP area since the recession, and economic growth of over 31% GVA between 2009 and 2015⁴⁰.
- We are the most innovative area in the country⁴¹, second only to London for the development of fast-growing businesses⁴²

The county's economic strength is centred on key innovation and knowledge-rich sectors particularly automotive and advanced manufacturing; life sciences; space and satellite applications; creative and digital and electronics, sensors and instrumentation. World leading companies such as Oxford Instruments, Siemens MR Magnet Technology, BMW, Oxford University Press, Sophos, RM plc and Infineum drive economic growth and innovation.

Employment in Oxfordshire

With 358,000 residents in employment in the year to March 2016 Oxfordshire is approaching full employment. Unemployment is low⁴³.

The largest employment sectors in Oxfordshire are education (51,000 employees, 14.9% of all employees in employment), professional, scientific and technical (41,000, 12.1%), health (40,000, 11.8%) and retail (32,000, 9.4%)⁴⁴. Employment in tourism – which is cross-sectoral – accounts for around 32,000 jobs (9.5%)⁴⁵

In 2014, 14% of employees worked in the high tech sector. GVA growth in key high tech sectors was well above the national average (e.g. GVA in 'information and communication' grew by 29.3% in Oxfordshire between 2011 and 2014, compared with 8.4% in UK). In the 12 months to July 2015, Oxford's technology firms received a reported £1.4bn in investments - more than five times the previous year's total of £250m. Over 20 new Oxford technologies and ventures received a record £2.6m in proof-of-concept funding in 2014 alone⁴⁶.

The recent official UK-wide assessment of all university research, the Research Excellence Framework, shows that the University of Oxford is among the top five in the world on every key indicator for both teaching and research, setting academic agendas around the world.⁴⁷

The University of Oxford claims over 50 Nobel Prize winners, more than most countries and total external research has increased every year for the last 10 years, reaching £523m in 2014/15.

Oxford Brookes is one of the UK's leading modern universities and enjoys an international reputation for teaching excellence and innovation as well as strong links with business and industry.

There is a unique grouping of 'big science' and other research facilities, primarily in Science Vale in the south of Oxfordshire, including the Culham Centre for Fusion Energy and, at Harwell, the Science and Technology Facilities Council (STFC) Rutherford Appleton Laboratory; Diamond Light Source, the national synchrotron facility; the ISIS Pulsed Neutron Source; the Central Laser facility; the UK Space Gateway, including the Satellite Applications Catapult Centre; the European Space Agency; and the Medical Research Council's facilities.

⁴⁰ Income Approach at Current Basic Prices (ONS)

⁴¹ Benchmarking local innovation – the innovation geography of the UK, Enterprise Research Centre, June 2015
<http://www.enterpriseresearch.ac.uk/wp-content/uploads/2015/05/Benchmarking-Local-Innovation1.pdf>

⁴² Enterprise Research Centre

⁴³ In November 2016 there were fewer than 1,800 (0.4% of residents aged 16-64) job seekers allowance claimants and ONS modelled estimates ONS model-based estimates of unemployment for Local Authorities, via NOMIS, suggest an unemployment rate of 3.8%.

⁴⁴ 2014 Business Register and Employment Survey (BRES) data.

⁴⁵ [Creativity, Culture, Heritage and Tourism Investment Plan](#)

⁴⁶ [Strategic Economic Plan](#)

⁴⁷ [Research Excellence Framework](#)

Oxfordshire also has a strong military presence with several military bases, including RAF Brize Norton, the largest station in the Royal Air Force and the UK's main centre for military air transport. More than 10,000 military personnel are stationed in the county, together with almost 5,000 family members.

Valued environment

Outside the city, Oxfordshire is largely a rural county, with beautiful countryside and larger proportions of residents living outside the urban centres than most other areas in south east England. With the university city of Oxford at its heart, the county has a strong network of thriving market towns and villages. There is significant inter-dependence between rural and county town communities and the city, particularly in terms of employment with 88,000 people commuting into Oxford each day⁴⁸.

Natural assets include the rural landscape, the River Thames and the Chiltern and Cotswold hills. The rural economy includes a diverse agricultural sector and renewable energy generation as well as a growing number of small businesses supported by an ambitious rural broadband programme.

Oxford: An historic and changing city

Oxford is a thriving city with a population of 158,000 of which 33,000 are full-time students, based mainly at Oxford and Oxford Brookes' Universities. It has the largest proportion of adults in full-time education of any city in England or Wales. It is also the eleventh fastest growing city in the country, despite having the highest cost of housing relative to income in the country. Oxford has the third highest ethnic minority population in the South East of England with one in four residents born outside the UK and 140 countries represented in Oxford University's student intake.

For all its strengths and its global reputation, Oxford is not without its challenges. These include:

- Ten out of eighty-three neighbourhoods are among the 20% most deprived areas in England⁴⁹ and 25% of children live in poverty⁵⁰.
- A fourteen year gap in life expectancy between the most and least deprived parts of the city⁵¹.
- A constrained geography including the city's historic medieval centre, significant flood plains and a tight administrative boundary, all of which have limited the city's ability to grow and meet the demand for housing.

The people

Oxfordshire's population is changing:

- The number of residents is increasing - by more than 50,000 in the past 10 years⁵². We expect to see significant future growth, particularly if housing is delivered as articulated in the Strategic Housing Market Assessment which sets out a need for 100,000 additional homes between 2011 and 2031⁵³
- The numbers of older people are growing rapidly (for example the numbers of people aged over 85 increased by 10% between 2011 and 2014, and are expected to continue to increase - with the population of those aged 90+ forecast to more than double between 2015 and 2030).

⁴⁸ 2011 Census Travel To Work data

⁴⁹ 2015 English Indices of Deprivation, DCLG

⁵⁰ Personal tax credits: Children in low-income families local measure: 2014 snapshot as at 31 August 2014, HM Revenue and Customs

⁵¹ Public Health England Local Health Indicators, life expectancy at birth 2010-2014 weighted by sex-ratios at birth

⁵² ONS mid-year-population estimates

⁵³ <https://www.oxfordshire.gov.uk/cms/content/oxfordshire-growth-board>

- The area is becoming more ethnically diverse with the numbers of black and minority ethnic residents nearly doubling between 2001 and 2011, and now forming 9.2% of the population⁵⁴.
- Overall, Oxfordshire has relatively low levels of deprivation. It is the 11th least deprived of 152 upper-tier local authorities in England. Residents largely enjoy an excellent quality of life, with good skills levels and employment prospects and higher life expectancy than the national average. While most of the county is relatively affluent, there are a number of small areas that are affected by deprivation levels amongst the highest in England; these are concentrated in parts of Oxford city and Banbury⁵⁵.

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⁵⁴ <https://www.ons.gov.uk/census/2011census>

⁵⁵ 2015 English Indices of Deprivation

Map: 2015 Index of Multiple Deprivation

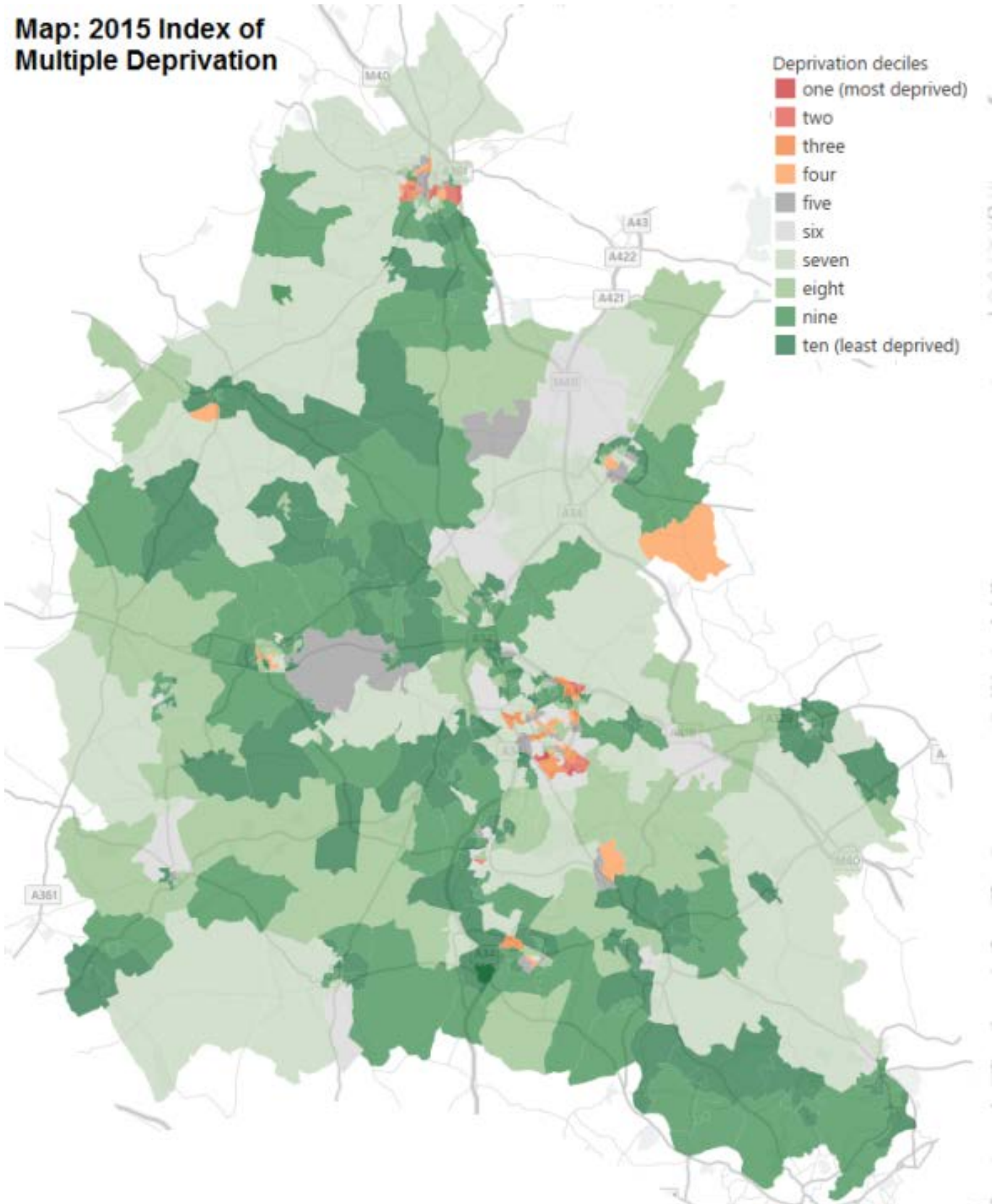


Figure 21: 2015 Index of Multiple Deprivation map of Oxfordshire

Oxfordshire has a history of civic activism, with a strong community and voluntary sector, including more than 3,800 voluntary and community organisations supporting thriving local communities.

Local government in Oxfordshire

Oxfordshire's local government structure is currently a 'shire county and districts' model, with a county council covering the whole county, and five districts: Oxford City, Cherwell District, West Oxfordshire District, South Oxfordshire District, and Vale of White Horse District.

	ONS official mid-2015 population estimate	Number of Councillors
Oxfordshire	678,000	63
Cherwell	146,000	48
Oxford	160,000	48
South Oxfordshire	137,000	36
Vale of White Horse	127,000	38
West Oxfordshire	109,000	49

Figure 22: Population and councillor representation for Oxfordshire's six existing local authorities

Oxfordshire was established as a county in 1889, with the current borders, powers, and pattern of districts established in 1974, following a wide-ranging debate on the conclusions of the Redcliffe-Maud Royal Commission from 1966-69. This report in fact proposed a unitary pattern of government with most of the modern administrative county of Oxfordshire – excluding Henley but taking in Brackley – forming one unitary authority. These recommendations were not adopted. The size and shape of Oxfordshire's district councils were also reviewed at this point, and Oxford, previously a county borough, became a district council. Despite reforms in other parts of the country leading to unitary government, the 1974 pattern remains in place in Oxfordshire.



Figure 23: Local authority boundaries

Local authority responsibilities

The split of responsibilities between district and county councils is broadly perceived to be between those that can be administered more locally and those which are better run on a wider scale. In reality, the split reflects historical custom and practice rather than any considered arrangements. For example, the County Council administers local libraries and personal social services while districts are responsible for air quality monitoring, an issue which can only be fully addressed across a broader geography, where the single most significant impact is from transport, the responsibility of the county council and national delivery bodies.

Today, the County Council is responsible for 80% of local government spending in Oxfordshire, across functions including:

- Children protection
- Fostering and adoption
- Adult social services
- Education support
- Roads and transport
- Fire and rescue service
- Waste disposal
- Public health
- Libraries
- Trading standards
- Country side access
- Parking

Services provided by the district and city councils include

- Housing and benefits
- Parks and leisure
- Local planning
- Street cleaning
- Waste collection
- Environmental health
- Council tax collection
- Electoral registration

Towns and parishes

Parishes and town councils play an important role in the local community, looking after local amenities, and they are a vital link to district and county councils and other agencies on local issues. They act as statutory consultees with a legal right to comment on planning applications affecting their area, and regularly engage with and contribute to broader policy issues.

In Oxfordshire there are 15 town councils, 233 parish councils and 68 parish meetings. All areas of the county, other than the majority of the city of Oxford, are currently 'parished'.

Parishes and town councils have also engaged with the financial challenge facing local government. Many have played a vital role in keeping services such as libraries and grass-cutting in their communities running at a lower cost, when the County Council would no longer have been able to afford the level of service to which those communities aspire.

Oxfordshire's parishes and town councils are also represented collectively at county level by the Oxfordshire Association of Local Councils.

The Broader framework

Local government in Oxfordshire is only part of the picture of locally provided public services. The pie chart below provides some context for the scale of spending within the county by different organisations. The largest costs fall to locally provided National Health Services, followed by spend on benefits (DWP), then local government (23% of all spending, of which over 80% is by the County Council), followed by costs of schools and then the police.

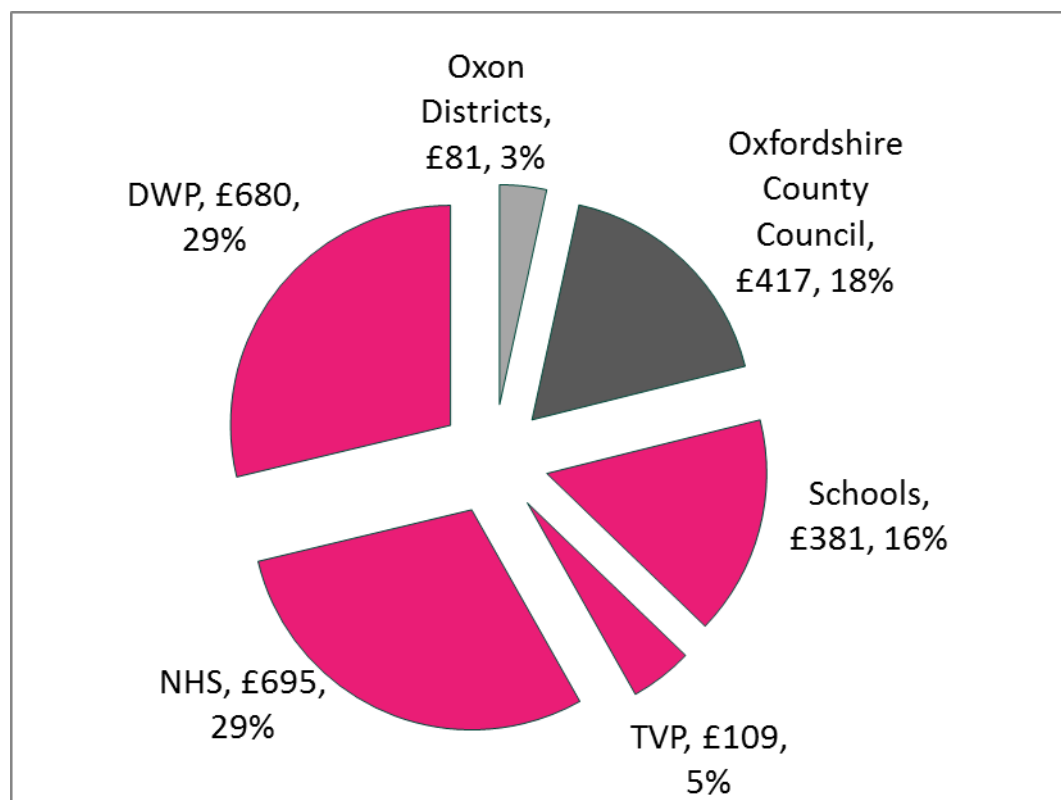


Figure 24: Annual Public Spending in Oxfordshire (£m). Sources: various.

Working effectively with partners to provide aligned and joined up services is critical to delivering good outcomes for residents, and the geography of this broader framework matters. Oxfordshire is unusual as the boundaries defining the work of all partners are broadly co-terminus with the county boundary, with Oxfordshire acting as the minimum building block, sometimes within a much broader geographic context.

Health - planning

- The Health and Wellbeing Board: a partnership between local government, the NHS and the people of Oxfordshire, designed to ensure joint working to improve the health and well-being of residents
- The NHS Sustainability and Transformation Plan footprint, which is central to the long term planning of health and care services, extends across Oxfordshire, Buckinghamshire and the western part of Berkshire.
- The Joint Management Group for Pooled Budgets: oversees shared budgets across health and social care supporting joint planning to deliver joined up support and commissioning

Health - commissioning

- Oxfordshire Clinical Commissioning Group: responsible for commissioning health services across the county (with the exception of a very small number of GP areas around Thame that sit within one of the Buckinghamshire clinical commissioning group areas).
- NHS England commissions specialist services, primary care, offender healthcare, and some services for the armed forces

Health - delivery

- Oxford University NHS Foundation Trust: responsible for providing maternity, acute and specialist hospital services, drawing patients from a large geography cutting across several county areas including Oxfordshire.
- Oxford Health NHS Foundation Trust: responsible for providing community hospitals, community health services and acute and community mental health services in Oxfordshire and beyond
- Southern Health NHS Foundation Trust: responsible for providing learning disability services, including community teams and Assessment and Treatment Units in Oxfordshire
- Primary Care: Oxfordshire has more than 70 GP practices, responsible for providing primary care in local communities

Health – audit and scrutiny

- Healthwatch Oxfordshire: the independent champion for Oxfordshire residents seeking to shape and improve health and social care services across the county.
- Oxfordshire Joint Health Overview and Scrutiny Committee: looks at health improvement and health services across organisational boundaries and is a required consultee for any substantial changes to local NHS services. This is a joint committee of the county and all five district councils.

Emergency services

- Oxfordshire Fire and Rescue Service: the fire service is part of Oxfordshire County Council, serving Oxfordshire. Fire control services are provided by a partnership of Oxfordshire, Buckinghamshire and Royal Berkshire Fire and Rescue Services, who are responsible for emergency call handling and mobilisation of fire engines in response to incidents across the Thames valley area.
- Thames Valley Police: covering Oxfordshire, Buckinghamshire, Milton Keynes and Berkshire authorities
- South Central Ambulance NHS Foundation Trust: covering Oxfordshire, Buckinghamshire, Berkshire and Hampshire
- Thames Valley Resilience Forum: covers the Thames Valley Police area of Oxfordshire, Buckinghamshire, Milton Keynes and Berkshire and warns, informs and advises the public in the event of an emergency
- Emergency planning: conducted at the Oxfordshire level

Economy and business infrastructure

- Oxfordshire Local Economic Partnership (OxLEP): a business-led partnership is responsible for championing and developing the Oxfordshire economy. OxLEP covers the geography of Oxfordshire in recognition of the functional economic geography for the county.
- South East Midlands Local Enterprise partnership (SEMLEP): SEMLEP covers parts of Bedfordshire, Milton Keynes, Northamptonshire and the Cherwell area of Oxfordshire (overlapping with OxLEP).
- England's Economic Heartland Strategic Alliance: a partnership of nine local Transport Authorities and four Local Enterprise Partnerships, covering the key growth area from London to Oxfordshire and Cambridgeshire, home to 3.45 million people and 175,000 businesses, providing over 1.6 million jobs.

Skills

- Oxfordshire Skills Board: part of OxLEP, brings together a wide range of partners to achieve improvements in the skills available to Oxfordshire's employers and the learning opportunities available
- There are two main post-16 providers in Oxfordshire - Abingdon and Witney College and Activate Learning

Schools

- Oxfordshire County Council as the Local Education Authority is currently directly responsible for 167 primary schools, six secondary schools, and eight special schools
- 27 secondary schools are now academies, as well as: 67 primaries; 3 all-through schools; 2 studio schools; 1 special school; and 1 University Technical College.

- Schools Partnership - Oxfordshire's maintained and academy schools work together with the County Council through a formal partnership arrangement.

University sector

- Oxford University
- Oxford Brookes University
- The Defence Academy of the United Kingdom at Shrivenham

Voluntary and community sector

- Oxfordshire Community & Voluntary Action (OCVA): established in 1933, OCVA is the umbrella organisation for Oxfordshire's voluntary and community sector. It provides advice, information and training, acting as advocates and representatives, and building partnerships.
- Oxfordshire Community Foundation: promotes charitable giving in Oxfordshire and connects donors to local causes, supporting community giving and local charities.
- Community First Oxfordshire: formally known as Oxfordshire Rural Communities Council, focused on helping communities across the county to help themselves.
- Oxfordshire Association of Local Councils (OALC) is the membership organisation representing the needs of parishes and town councils across Oxfordshire.

Strategic partnerships

Strong strategic partnership arrangements are well-embedded at the Oxfordshire geography, and include the:

- **Oxfordshire Health and Wellbeing Board**
- **Oxfordshire Children's Trust**
- **Oxfordshire Community Safety Partnership**
- **Oxfordshire Children and Adults Safeguarding Boards**
- **Oxfordshire Growth Board (a statutory joint-committee of Oxfordshire's councils established to facilitate joint working on economic development, strategic planning and growth)**

Operational partnerships

For the past decade, Oxfordshire's councils, within the constraints of local government structures, have largely worked well together and have sought to establish effective partnerships and align priorities in the best interests of residents and business. Many operational district / county services work in strong partnership every day, seeking to deliver good services.

There are also many cross boundary operational partnerships that work beyond Oxfordshire boundaries - for example the Adopt Thames Valley partnership (led by Oxfordshire County Council and covering seven Local Authorities and two voluntary adoption agencies).

The regional landscape

Oxfordshire looks outwards in many directions, and has a very strong strategic location that ensures it plays a critical role as part of a broad and strategic national transport infrastructure:

- North to the Midlands and Birmingham, connected by rail and the M40 motorway network
- South to Southampton, via the A34
- Southwest to London and Heathrow via the M40 and also as part of the broader Thames valley geography along the M4 corridor

To date, a largely under exploited geography has been east-west between Cambridge and Oxford. This is being rectified by the work that is now well underway through England's Economic Heartland Strategic Alliance, of which Oxfordshire County Council is a founding member.

England's Economic Heartland

Oxfordshire's strong economy is the southern anchor of the England's Economic Heartland Alliance, a partnership grouping of the principal authority leaders from Oxfordshire, Buckinghamshire, Northamptonshire, Cambridgeshire, Milton Keynes, Luton, Peterborough, Bedford and Central Bedfordshire and the LEP chairs from the Oxfordshire, Northamptonshire, South East Midlands and Bucks-Thames Valley Local Enterprise Partnerships.

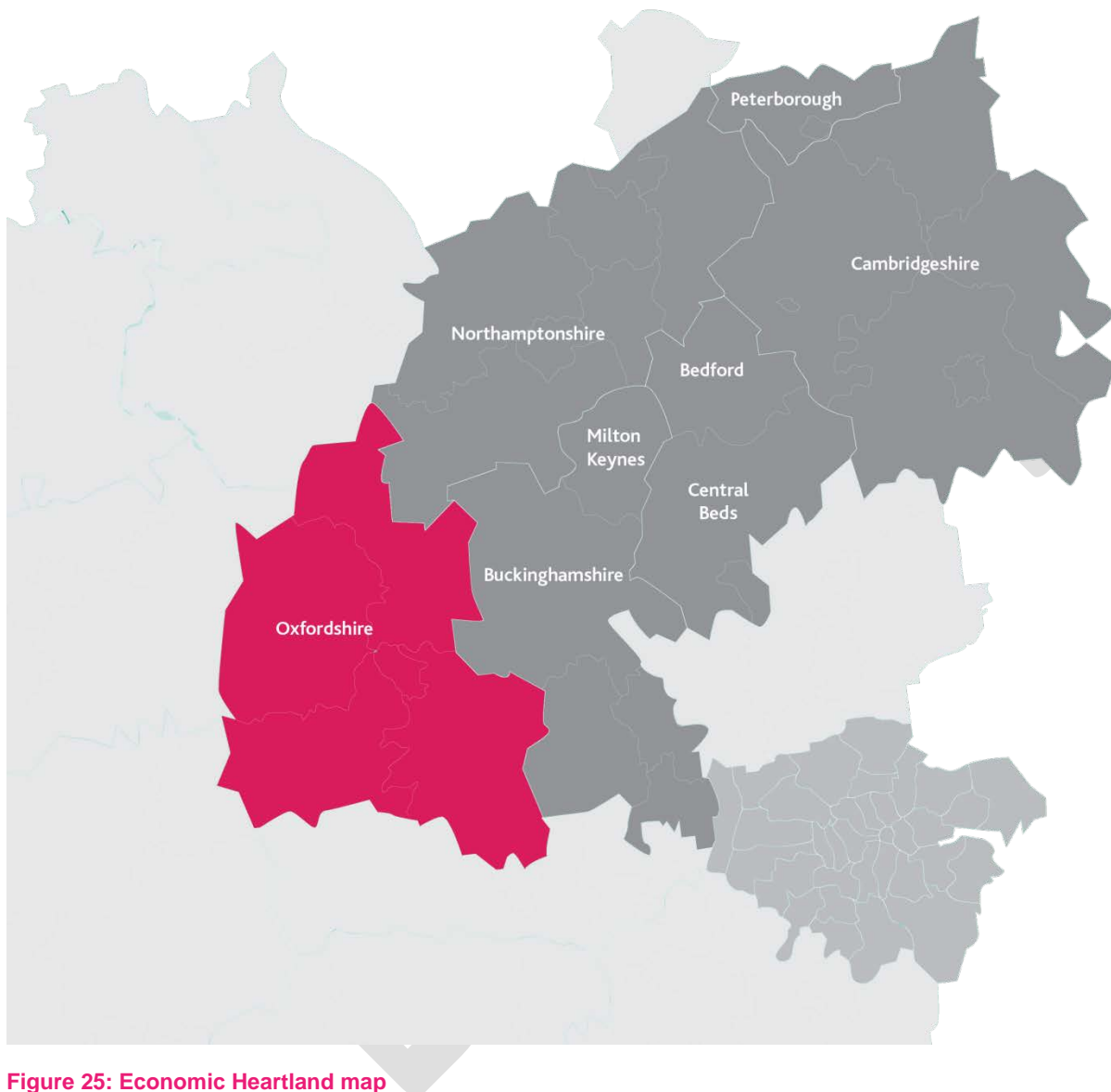


Figure 25: Economic Heartland map

The area covered by England's Economic Heartland, which now stretches along the entire Oxford-Milton Keynes-Cambridge corridor, grew from a joint initiative by Oxfordshire County Council with Northamptonshire and Buckinghamshire to work together to drive prosperity. The alliance is credited with making significant and fast progress in bringing together transport authority and LEP areas across traditional boundaries and establishing a clear strategic narrative to engage government.

The purpose of the partnership is to enable collective strategic decisions to determine investment priorities, simplify funding and encourage faster delivery of infrastructure to benefit the local area and the wider UK economy. In the medium-term, the ambition is to develop into a statutory sub-national transport body that can coordinate a wide-ranging transport and infrastructure strategy for the region.

As a first step, a Strategic Transport Forum has been established to oversee an overarching transport strategy and influence national infrastructure policy. This is expected to be followed by a broader

infrastructure strategy incorporating environmental, digital, energy, housing and other infrastructure issues where value can be added from a sub-national view.

This ambition, and the suitability of this geography, has been recognised by the National Infrastructure Commission in their November 2016 'Interim report into the Cambridge – Milton Keynes – Oxford corridor'⁵⁶, and through reference in the Autumn Statement ⁵⁷ the following week, to the Heartland Area as a 'Transformational Tech Corridor' and £137m of additional funding announced for rail and road connectivity between Oxford and Cambridge

The November 2016 National Infrastructure Commission interim report clearly sets out the opportunity and current constraints for enabling further growth in the corridor:

'To succeed in the global economy, Britain must build on its strengths. The corridor connecting Cambridge, Milton Keynes and Oxford could be the UK's Silicon Valley –a world renowned centre for science, technology and innovation. But its future success is not guaranteed.'

'The Commission's central finding is that a lack of sufficient and suitable housing presents a fundamental risk to the success of the area. Without a joined-up plan for housing, jobs and infrastructure across the corridor, it will be left behind by its international competitors. By providing the foundations for such a strategy, new east-west transport links present a once-in-a-generation opportunity to secure the area's future success.' [page 5]

The report recommends that governance should be strengthened across the area, potentially through the creation of new unitary authorities.

⁵⁶ [Infrastructure commissions interim report into the Cambridge Milton Keynes Oxford corridor](#)
⁵⁷ <https://www.gov.uk/government/topical-events/autumn-statement-2016>

9. Options Appraisal

This chapter reviews the evidence for competing options for reform of local government structures, including maintaining the status quo

This chapter sets out the recent debate on options for local government reform in Oxfordshire and summarises the findings of two independent reports commissioned by the county and district councils.⁵⁸

Both reports concluded that a single unitary structure would save the most money and would be best for strategic purposes, but that a key issue that must be addressed would be how to ensure that this structure would be sufficiently responsive to local needs.

In early 2016, a new debate on local government structural reform started when Oxfordshire's district councils accepted the premise that unitary government was necessary to meet Oxfordshire's future challenges.

Oxfordshire County Council's budget-setting meeting in February 2016 passed a motion calling for a full and timetabled consultation relating to unitary government, including discussing the issue on a cross-party basis with district, town and parish councils.

In late February 2016, districts and city councils publically announced proposals for the establishment of four new unitary district councils covering Oxfordshire and parts of Gloucestershire and Northamptonshire based on:

- South Oxfordshire District Council merging with Vale of the White Horse District Council, Oxford City Council
- West Oxfordshire District Council merging with Cotswolds District Council
- Cherwell District Council merging with South Northamptonshire District Council

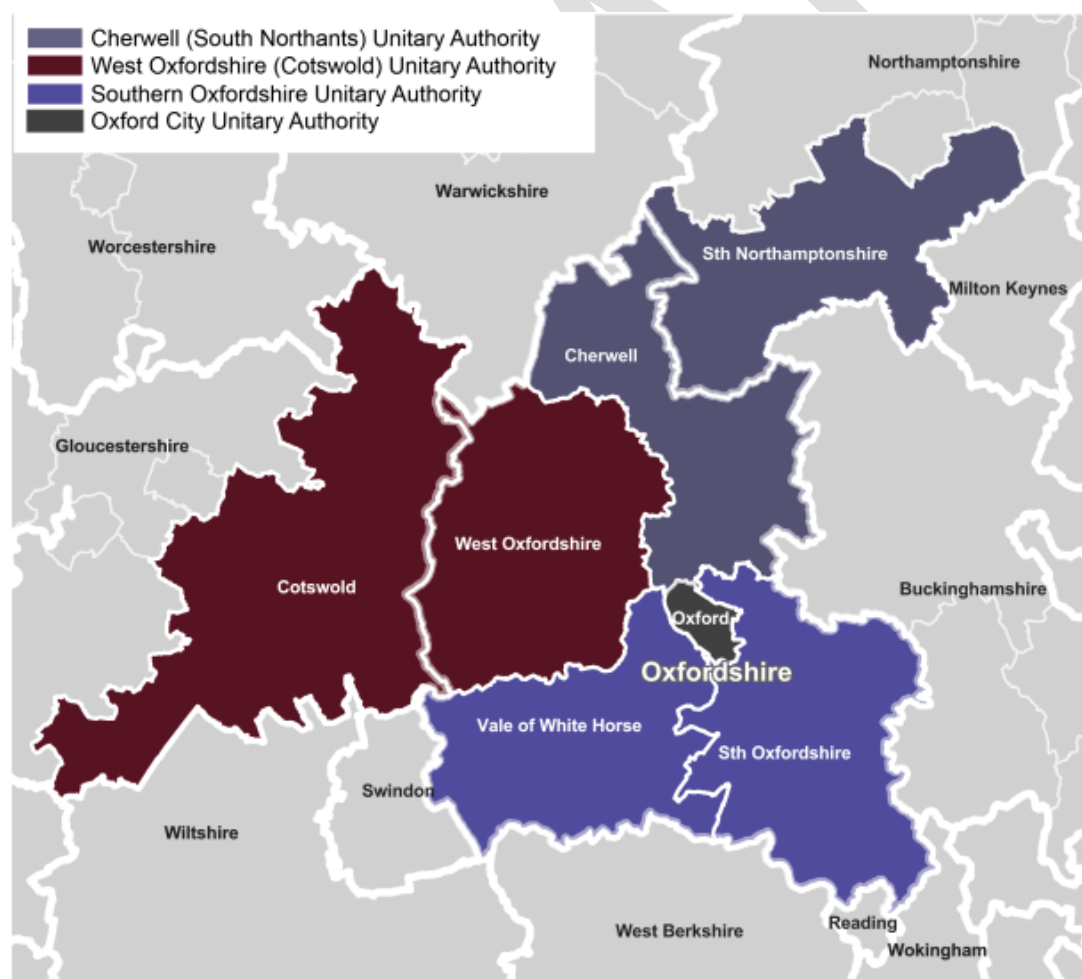


Figure 26 – Initial district council unitary proposals

⁵⁸ Both reports by Grant Thornton and PwC are available at <http://www.betteroxfordshire.org>

The County Council welcomed the debate that was triggered by the district councils' proposals, noting this formally at its meeting on 5th April, and undertook a range of research and engagement to consider the best way forward in residents' interests.

County Council Motion 5th April - passed by 58 votes to 1, with 3 abstentions

"This Council welcomes the fact that the recent Unitary proposal by the City & District councils recognises that there needs to be reorganisation of local Government within Oxfordshire. This Council agrees that more than 1 option should be considered and will work with the City, District, Town and Parish councils to provide full details in an open and transparent manner to allow a full debate on all options to take place."

Independent studies

In May 2016 the County Council appointed Grant Thornton PLC to undertake an independent review of all options for local government reorganisation in Oxfordshire. In order to make an objective assessment, the County Council established five criteria.

Establishing the evaluation criteria

The current government has not set criteria for decision making on local government structural reform, instead referring to the need for local areas to make proposals that are in their own best interests.

While there are not firm evaluation criteria the Secretary of State for Communities and Local Government, the Rt Hon Sajid Javid MP, has recently indicated that he will welcome proactive and locally developed proposals and has set out some of the issues that he would expect unitary government to address.

In October 2016 in a letter to Leader of Oxfordshire County Council, the Secretary of State states that he will welcome seeing proposals for reorganisation in Oxfordshire saying

'I believe this will enable better local service delivery, greater value for money, stronger and more accountable local leadership and significant cost-savings, along with sustainable governance structures'.

In November 2016 he stated

"I think unitary status can be a great model. It certainly seems to be working well in Durham and Wiltshire. And, as we've seen from the CCN [County Council network] reports being published last week, it has the potential to save a lot of money....., if the people of your county want it, and if it's going to make their services and their lives better, I'll do my best to help you make it happen". Rt Hon Sajid Javid MP

The five criteria

Having engaged with key local stakeholders the County Council determined that the following were the most appropriate criteria to consider for Oxfordshire:

1. **Service Delivery and Outcomes:** reforms should improve local service delivery and outcomes, particularly for the most vulnerable.
2. **Cost Savings and Value For Money:** reforms should deliver significant cost savings and drive value for money and long-term financial sustainability.
3. **Stronger Leadership:** reforms should provide stronger and more accountable strategic and local leadership.
4. **Economic Growth and Infrastructure:** reforms should deliver economic growth and meet the infrastructure challenge.
5. **Local Engagement and Empowerment:** new structures should involve communities and empower local areas.

These criteria are consistent with previously issued government guidance and subsequent statements of priority.

In order to undertake a comprehensive analysis of the options against the specified criteria, Grant Thornton:

- Established an independent advisory group, independently chaired by the Right Reverend Colin Fletcher, Bishop of Dorchester, with a view to giving robust and honest feedback and challenge. Membership was drawn from a wide variety of key local partners and is shown at Appendix 2. The group met twice with Grant Thornton, firstly to provide input to the review, and secondly to challenge the emerging findings.
- Held 30 one-to-one interviews with local and national partners. These are detailed in the full report.
- Opened a public call for evidence, seeking feedback from residents and local organisations. The call for evidence resulted in 626 responses.
- Took evidence from the ten local area meetings for Town and Parish councillors, hosted by Oxfordshire County Council in May 2016.

Options assessed in the Grant Thornton study

Grant Thornton was asked to consider equally five possible models for a possible future structure, against the criteria set out on the page above :

- **Four unitary authorities** – Southern Oxfordshire unitary council (South and Vale of White Horse council area); Oxford city unitary council, West Oxfordshire unitary council; and Cherwell unitary council. [note that this was amended part way through the study as previously it had been to consider the districts' proposal to include the areas of Cotswold and South Northamptonshire district councils, but this was dropped apparently on the advice of PwC who described it as being 'impractical'].
- **Three unitary authorities** - Southern Oxfordshire unitary council (South and Vale of White Horse council area); Oxford city unitary council, Northern Oxfordshire unitary council (West Oxfordshire and Cherwell council area)
- **Two unitary authorities** - an Oxford City unitary council based on expanding the existing boundaries of Oxford City to serve a total population of between 250,000 - 300,000 and another unitary Authority covering the remaining area of Oxfordshire serving a population of between 370,000 – 430,000
- **One unitary authority** – a single unitary council covering the current administrative area of Oxfordshire

The status quo - a county council for the administrative area of Oxfordshire, and five District Councils for South Oxfordshire, Cherwell, West Oxfordshire, Oxford City, and the Vale of the White Horse.

The city and district councils separately appointed PricewaterhouseCoopers LLP (PwC) to conduct a study further considering their preferred approach.

Whilst the district and county councils were not able to agree on the basis for a single study, the respective studies did share similar criteria for review, and the proposals in this report draw from the findings of both studies.

Criteria and options considered in PwC study

In commissioning a study, the city and district councils asked consultants to consider four possible models of local government against the criteria below:

"Will it best:

- *Deliver better public services*
- *Provide value for money*
- *Ensure strong and accountable local leadership and governance*
- *Deliver outcomes in terms of the costs of transition against the efficiency savings the change will generate"*

*"The Districts' proposal for future governance is for **four new unitary authorities**:*

- *A Southern Oxfordshire Unitary - covering the area currently administered by Vale of White Horse and South Oxfordshire District Councils serving a population of 261,867.*
- *An Oxford City Unitary - covering the area currently administered by Oxford City Council serving a population of 157,997.*
- *A West Oxfordshire & Cotswold Unitary - covering the area currently administered by West Oxfordshire District Council and Cotswold District Council serving a population of 192,795.*
- *A Cherwell & South Northants Unitary - covering the area currently administered by Cherwell District Council and South Northamptonshire Council serving a population of 232,658. "*

An alternative option of three unitary authorities:

"If progress cannot be made on the cross boundary proposed option then the Districts alternative option would be a three Unitary option within the County Boundary consisting of:

- *A Southern Oxfordshire Unitary - covering the area currently administered by Vale of White Horse and South Oxfordshire District Councils serving a population of 261,867.*
- *An Oxford City Unitary -covering the area currently administered by Oxford City Council serving a population of 157,997.*
- *A Northern Oxfordshire Unitary Authority covering the area currently administered by Cherwell District Council and West Oxfordshire District Council serving a population of 252,700."*

[And two comparators]

"A comparator "donut" option of two unitary authorities:

- *An Oxford City Unitary based on the existing boundaries of Oxford City Council and an expanded boundary to serve a population of between 250,000 - 300,000*
- *A Unitary Authority covering the remaining area of Oxfordshire outside the City Unitary serving a population of between 370,000 – 430,000*

and

A single unitary authority

- *covering the area administered by Oxfordshire County Council, serving a population 672,500 "*

Independent report findings

The Grant Thornton 'Review of future options for local government in Oxfordshire' was published on 17 August 2016. The full report is included re-published as an appendix to this report and is available at www.betteroxfordshire.org. For additional context the PwC report is also provided on this website.

Analysis of both reports

Both reports draw fundamentally similar conclusions on the **need for change and the primacy of a unitary model**:

PwC - 'Long standing frustrations with planning, transport and housing delivery are now having a material impact on operational performance and will increasingly hold back the potential of the region. The split of governance, decision making, strategic development and service provision across the two tier system has not provided a whole-place approach to these issues. Therefore the current rate of economic growth will be increasingly constrained by the lack of capacity of the transport network, unmet demand for affordable housing and commercial space, and a lack of clear strategic planning visions... A unitary model could help achieve this'

Grant Thornton - 'There is general agreement that the status quo is not the best option to respond to the current or future needs of Oxfordshire.'

Both reports also concluded that in terms of ability to **delivery economies of scale one unitary council would deliver the best outcomes**:

PwC – 'Based purely on our analysis, a single Unitary Authority has the potential to generate the most financial benefits due to the economies of scale (an estimated net saving of £113.3m over a five year period).'

Grant Thornton - 'There is greater scope for benefits from consolidation of senior management and asset rationalisation under the larger two unitary or county-wide unitary options. Given the greater scope for aggregation and economies of scale, the county-wide unitary option offers significantly higher savings than the others.'

Both reports also recognised that there are certain functions undertaken by local government in Oxfordshire that are best dealt with at a **strategic, pan-Oxfordshire level**:

In the PwC report this is set out in their consideration of the functions that should sit within the Combined Authority: *'It is suggested that a Combined Authority has the following functions:*

- **Strategic planning** – one agreed spatial plan (an agreed strategy for growth and housing and employment sites, transport and connectivity plan; property and assets) i.e. planning on a whole-place basis.
- **Infrastructure strategy** – an agreed investment programme to deliver the infrastructure required to unlock growth.
- **Economic development** and business services i.e. a consistent approach to attracting investment and providing a consistent and streamlined service to businesses locating e.g. planning applications, regulatory services, business and supply chain support.
- **Skills**: providing the skills for local people that local and future businesses need
- **Integrated commissioning of adult social care and health with the CCG**– the right governance and delivery arrangements should be used including an understanding of how to incentivise providers to improve the health and well-being of the population before they need acute care services.
- **Children's services** – Jointly led and commissioned in partnership with the police and NHS, and other public and community organisations, to build on strengths and create a system wide redesign with early intervention, resilience and synergy with community investment and housing services.'

Grant Thornton - *'There are also clear benefits from delivering some services at scale. It makes sense for City and District services such as spatial planning, economic development and housing to be delivered over as wide an area as possible in recognition of the fact that the economic and infrastructure needs of different parts of Oxfordshire are interconnected.'*

For other areas such as environmental services, leisure and libraries – aggregation would provide an opportunity to reduce costs whilst improving the quality and consistency of the service offering to all parts of the County. The majority of stakeholders across Oxfordshire recognise that services to the most vulnerable – in particular the safeguarding of adults and children – must continue to be delivered on a county-wide footprint.'

Both reports clearly set out the need for **strong local models to effectively address local need** within any large county wide structure:

Grant Thornton - *'A county-wide unitary could, however, be perceived as being too large to maintain a connection with communities'*

PwC - *'A single UA will be viewed as similar to the current County arrangement which risks a remoteness of services and gives rise to loss of accountability with potentially lower levels of political representation at decision making committees than other models. This would need to be addressed through the creation of sub-structures and area committees which could result in reduction of benefits from economies of scale, albeit greater representation. Routes of accountability would need to be made clear in this option.'*

'A single UA will generate economies of scale but this needs to be balanced with the fact that it will become the third largest single tier authority in England that will need to provide District level services to a city and rural areas. This option carries a risk of a lack of responsiveness to the diversity and vast differences in local needs across the County geography. A bureaucracy of this scale may be less flexible and agile to the changing nature of need and demand, so mechanisms would need to be created to enhance responsiveness of the 1UA option.'

Report conclusions

The Grant Thornton report drew a clear set of conclusions about the relative merits of different options against each of the criteria that they had been asked to consider: This clearly showed that, for all criteria the strongest evidence of a likely improvement from the status quo was for a single unitary authority for Oxfordshire.

The overall summary by Grant Thornton of the comparative position of each option against the key criteria is provided below.

Options	Better Service Outcomes	Cost savings and value for money	Economic growth and infrastructure improvement	Leadership and accountability	Local engagement and empowerment
Single Unitary authority	A	A	A	A	A
Two Unitary authority	C	B	C	B	C
Three Unitary authority	B	C=	B	C	B=
Four Unitary authority	D	C=	D	D	B=

Key

A = strongest evidence of a likely improvement from status quo

B = second evidence of a likely improvement from status quo

C = third strongest evidence of a likely improvement from status quo

D = weakest evidence of a likely improvement from status quo

Figure 27: Grant Thornton summary findings. Source: "Review of future options for local government in Oxfordshire" by Grant Thornton, page 15

Grant Thornton's Call for Evidence generated more than 600 responses from local residents and stakeholders. Analysis of the evidence against the five criteria also shows that those responding felt that a single new unitary for Oxfordshire would be most likely to meet the criteria, as below:

Option / Criteria	Services	Savings	Leadership	Growth	Localism
4 Unitaries (Option 1)	9%	6%	10%	8%	22%
3 Unitaries (Option 2)	11%	9%	10%	12%	13%
2 Unitaries (Option 3)	10%	7%	10%	9%	8%
1 Unitary (Option 4)	58%	66%	58%	60%	40%
Status Quo (option 5)	13%	12%	12%	12%	17%

Figure28: Summary of feedback from the Grant Thornton Call for Evidence

The Grant Thornton report went on to propose a that a variation of the one unitary option should be considered. They stated that:

“In our view a further option, which did not form part of the scope of our review, should be considered by the councils in Oxfordshire. ... This further option builds the commonalities of proposals put forward by the County Council and the City and Districts, specifically that:

- *Local identity and variation should be respected*
- *A strategic body is required to make joined-up decisions and deliver certain services on a county-wide basis*
- *Decisions should be taken as close as possible to communities with appropriate levels of democratic engagement and accountability*
- *Simplicity for partners and a unified voice to government are critical”*

A strategic county-wide unitary with strong local decision making

This option initially considered the option of retaining existing district boundaries as the building block of the new unitary. It is described in the Grant Thornton report as follows:

“A strategic unitary council for Oxfordshire with overall responsibility for determining a framework of delegation of powers and budgets

Constitutionally established area boards reflecting the administrative boundaries of the current City and District Councils exercising these delegated powers and budgets

A commitment to explore further enhancements to the roles of Town and Parish Councils.”

Grant Thornton state that:

“Our initial view is that [this approach] would be likely to deliver similar financial and service benefits to local residents and businesses as the county-wide unitary model. It protects the key strengths of scale, clarified accountability, shared boundaries with partners and strong leadership through a single body of elected members and a single officer corps. Crucially, however, it also offers a pragmatic route to achieving political consensus through recognition of the existing District Council administrative areas.”

PwC did not draw a similarly firm set of conclusions from their work, but evidence on all the options that they considered was clearly set out in their report, including repeated references to the preference of unitary government over the existing two tier model, the need for a strong strategic county wide approach and the need for effective local engagement.

Other evidence

In addition to the study commissioned from Grant Thornton, the County Council undertook additional research to inform its decision on the preferred approach and develop the proposals into a discussion document. This included:

Taking advice from national stakeholders, including the Department of Communities and Local Government, the Local Government Association, the County Council Network, the National Association of Local Councils, Centre for Public Scrutiny, and other advisors.

Arranging ten meetings in Oxfordshire's main market towns with local town and parish councils, attended by representatives of over 120 local councils, to consider opportunities around community empowerment and local devolution. The headline conclusions were:

- There was strong appetite for greater influence, tempered with scepticism that the voice of local communities can have more impact than it currently does.
- Many parish representatives have reported feeling as if their views are ignored in the existing planning system.
- Concern about the capacity to take formal decisions and procurement for delivering services, and call for indemnity to protect volunteers from liabilities.
- Parishes do not want devolution of powers imposed; they want it offered with real choice.
- Money is universally recognised as the central issue – improvements to communities and neighbourhoods will come at a cost.

Holding two focus groups with members of the public to understand their perceptions of the current system and what they would be important to them in designing a new unitary model. The headline conclusions were:

- Local accountability should be retained, with local service delivery and local representation by councillors
- Two tier council model leads to buck passing with some perception that one body will mean greater accountability
- Many see the potential for greater efficiencies, due to a perception that many services may well be duplicated across the different council areas
- Many see centralisation as providing an opportunity for economies of scale and combining related services e.g. waste collection with waste disposal
- Potential for clearer route of escalation for problems and issues
- Savings must translate into better services
- Infrastructure should precede housing development

Engagement with the public at seven events in town centres through an initiative known as 'The great Oxfordshire shake up' to help residents to understand what was being considered. The main aim was check the public's understanding of two tier local government (which was low); raise awareness of the possibility of change, and encourage people to take part in the Grant Thornton call for evidence.

- Detailed discussions with many current county councillors, many of whom are also district councillors and have a good understanding across the breadth of local government services.

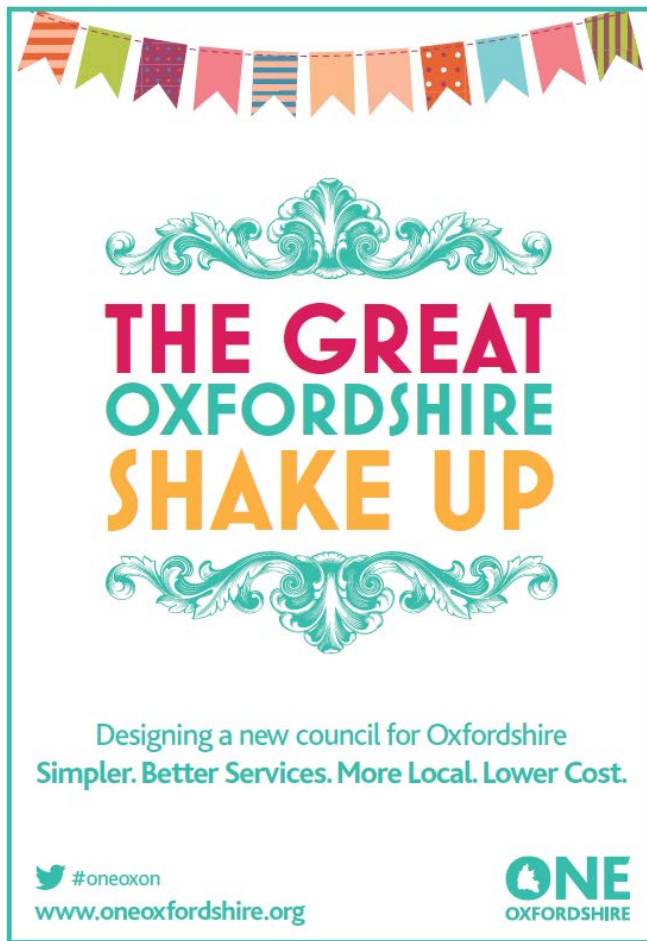


Figure 29 Image from the Great Oxfordshire Shake Up public engagement campaign

Further public and stakeholder engagement

The County Council's cabinet formally agreed to progress proposals for a single new unitary council in September 2017.

In order to ensure that as wide as possible an audience was able to participate in the development of full proposals, it was determined that a discussion paper should be published at the earliest possible point on a "white paper" basis, with the draft proposal set out to promote and frame a public and stakeholder conversation.

Throughout the development of the discussion document, the County Council continued to engage with members of the Stakeholder Advisory Group and other key partners in regular individual and group discussions.

The discussion document was published on 19 January and an extensive public and stakeholder engagement exercise was undertaken to refine the proposals now presented in this document.

The engagement process included:

- Commissioning a 500 interview representative door-step survey and an open online questionnaire;
- Holding well-publicised engagement visits to 42 libraries around Oxfordshire, resulting in 700 conversations with local residents. Throughout the entire engagement period the libraries have also had posters and response boxes with comment forms;

- Continuing to work through the Stakeholder Advisory Group of key local organisations and holding a further formal meeting of this group as well as multiple individual meetings, telephone calls and presentations to groups and boards;
- Writing to stakeholder organisations when the draft proposals were launched, and since. Our website and social media accounts direct visitors to a dedicated website;
- Running digital and print media advertisements to raise awareness of the proposals;
- Engaging with town and parish councils on the detail of the proposal, including four formal events and attendance at individual meetings when requested, and offering articles to community newsletters and small local publications;
- Featuring on the proposals in council circulars such as Your Oxfordshire and the Libraries newsletter;
- E-mailing over 30,000 Oxfordshire residents; and
- Holding deliberative workshops (one per city/district council area) to understand in detail residents' interests and concerns.

A full report on the engagement process and its outcomes will be available as an appendix to these proposals.

Joint working between South Oxfordshire and Vale of Whitehorse District Councils and Oxfordshire County Council

On 9 February a joint statement was issued by the leaders of Oxfordshire County Council, South Oxfordshire District Council and Vale of White Horse District Council.

In this statement they set out that *“Having looked at all the evidence, we are convinced that a single unitary council for Oxfordshire provides the best prospect for maintaining high quality services and securing badly needed investment in infrastructure”*.

As a result of this, joint work has been undertaken around a number of themes in the bid, in particular the localism model, to set out a proposal which commands support across both tiers of local government.

Developing the full proposals

A major element of feedback from the public and from district councils concerned the proposed approach to localism. The discussion document proposed a localism model centred on five area executive boards based on the boundaries of current districts. Strong feedback from both the public and key partners was that the advantages in maintaining these boundaries – including continuity and existing identity – were outweighed by the fact that the five units would be too large for genuine community governance that addressed local need. Feedback suggested that most residents identify with groups of communities centred on Oxfordshire's thriving market towns, or in the case of Oxford, with the city (although not necessarily within its current boundary) - rather than with existing district areas. Feedback also suggested that these boards need to work closely with local partners and take into account more closely partners' geographies—especially the NHS.

Feedback was received that Oxford needs a governance model that allows it to retain a sovereign decision making capacity separate from the unitary council that covers the community, environmental and civic issues that are best managed at the community level.

The planning section has been also been updated and includes clarity on the on-going status of Local Plans through the transition period and until the point that a revised planning framework is in place.

The role of the unitary council in direct delivery and management of housing has been expanded to make it clear that the new council would be in a strong position to take an active role in promoting house building through its own actions, including by building housing directly both within and outside of the retained Housing Revenue Account to the benefit of residents from all areas of the county.

Finally, the original title of the discussion document as “One Oxfordshire” has been renamed as “A New Council for a Better Oxfordshire”. While at one level symbolic, this change does reflect feedback that “One Oxfordshire” does not sufficiently encompass the diversity and difference that these proposals should maintain and promote within a thriving new unitary council.

Using this feedback, the proposals in this document have been developed for submission to government.

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SECTION THREE:

Transition

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10. Transitioning to a new authority

This chapter outlines how a new council would be established

Transitioning to a new council

These proposals would create a single new unitary authority for Oxfordshire. The new authority would take on the powers of the existing authorities after a period of transition. At that point the existing authorities would be abolished.

Establishing an entirely new organisation from an existing pool of over 6,000 staff and an annual revenue budget projected to be in the order of £800m will be a complex task requiring appropriate resources along with experienced managerial and political leadership.

Rigorous and disciplined programme and change management will be required to deliver the full benefits of unitary government as quickly as possible. As the new council develops, it will be able to draw on the legacy and talents of all of the existing authorities, as well as the recent experience of authorities which became unitary in 2009, including places like Shropshire, Wiltshire, the Cheshire authorities, Cornwall and County Durham.

While organisational structures will need to be re-established and all staff and services will be affected, service delivery and existing change and transformation programmes will need to be maintained. Therefore emphasis will need to be placed on effective risk management, maintaining service continuity and in particular, retaining key staff through the transition period.

The proposals described above require the full delivery of annual integration savings of £20m at the earliest possible point. In addition, to meet ambitions on housing delivery and infrastructure investment, Oxfordshire cannot wait until the new authority is in place to start taking a more strategic approach, nor to start negotiating with government on securing additional investment in the county and region, potentially through a deal for infrastructure, housing and skills.

Critical success factors for transition:

- Establishing strong and accountable governance for at the earliest opportunity
- Valuing the legacy of all of the existing authorities and levelling up to the best in each area
- Maintaining continuity of service delivery
- Valuing the role of staff and elected members from all six existing organisations
- Maintaining and enhancing relationships with partners
- Delivering integration savings of at least £20m on a recurring annual basis

Transition Approach

The detail of transition arrangements will be a decision for the Secretary of State drawing on the relevant legislation and experience of similar reorganisations. However, it is proposed to the Secretary of State that the following approach is taken to transition:

- That an Implementation Executive of ten members is formed of made up of equal numbers of county, and district and city councillors, to be accountable for the formation of the new council including establishing initial organisational structures and setting the first budget;
- That the Implementation Executive should include County Council members of the main political groups of the County Council;
- That the Implementation Executive should appoint a Chief Executive through an open competition for the new authority as soon as is practical to lead the implementation process;
- That a transition team is put in place by the new Chief Executive drawn from the skills of all of the existing councils should be established, retaining additional or temporary external support only where appropriate resources are not available within the transition authorities;
- That the transition team should identify in full the integration activity required to deliver the initial £20m annual savings and commission delivery projects accordingly and that regular reports on progress are submitted to the Implementation Executive;
- That the Implementation Executive should seek to work with existing authorities to establish an interim shared officer structure to reduce the costs and timescale of implementation;
- That the Implementation Executive should seek to work with existing authorities to identify opportunities for early implementation at service level – such as joint management of strategic planning activity - at the soonest point to accelerate integration and improved delivery and to ensure continuity through transition;
- That the Implementation Executive should seek to work with existing authorities to review property assets - including to develop the new council's accommodation strategy to take early steps towards freeing sites for disposal – bringing forward delivery of reduced operating costs, capital receipts for reinvestment in agreed priorities and the release of sites for regeneration, housing or commercial use;
- That elections to the new council should be held in May 2019 at which point a new Executive appointed by the new council will take over responsibility for the new council;
- That an advisory group to the Implementation Executive is formed, composed of partners and key stakeholders building upon the engagement undertaken through the Stakeholder Advisory Group formed to advise on the development of these proposals. This should invite membership including from the health sector; the Local Enterprise Partnership and business; the education and research sectors; the community and voluntary sector; the Oxfordshire Association of Local Councils and other key stakeholders;
- That the Implementation Executive should seek to agree arrangements for due diligence and transparency between existing authorities and a series of protocols on finance, human resources and contracts, to ensure transition is being planned based on the most accurate information possible, and communities and staff are treated equitably;
- That in the event of a “decision in principle” in favour of structural reorganisation, an inter-authority agreement should be put in place between all willing councils at the earliest possible point to accelerate planning for transition prior to the formal establishment of the Implementation Executive and to put in place as far as is possible the arrangements described above;
- That a statutory joint-committee be established to oversee activity within this agreement to be dissolved on the establishment of the Implementation Executive.

First elections and boundary review

It is proposed that the first elections to the new council are conducted on the basis of retaining the current boundaries of existing County Council divisions but electing two councillors to each division, doubling the overall number of councillors overall. (Special arrangements will need to be put in place for the two current two member divisions).

The new council will then be subject to a full formal Boundary Review undertaken by the Boundary Commission and the following elections will be based on the outcomes of that review.

This approach allows the time and consultation required for the Boundary Review and for the new council to be in place to submit its evidence and proposals to the Boundary Commission.

County Councillors elected in 2017 would serve for two years until the existing council was dissolved ahead of elections to the new council. District and City Council Elections in 2018 would be postponed with existing councillors remaining in post until the establishment of the new council.

Accommodation Strategy

During the public engagement process, a common question asked was where the new council will be based.

Ultimately, this will be a decision for the Implementation Executive, taking full account of existing assets and opportunities and the proposed operating model of the new organisation.

However, it is clear that a new council built on principles of locality working will want to ensure strong local presence across Oxfordshire.

It is also the case that as well as reducing accommodation costs through rationalising assets, the proposed changed arrangements create a significant opportunity to overcome barriers to recruitment and retention such as the difficulties faced by staff commuting into the centre of Oxford and the Implementation Executive will want to take full advantage of this.

County Hall in Oxford is reaching the end of its life as an operational building. It will be a significant strategic asset of the new council and its release could be used to further stimulate the redevelopment of the Westgate and Castle Quarter of the City. The new Council will clearly need a presence in Oxford in some form to serve its customers and to support partnership working however it should not be assumed that the Implementation Executive or the new council once established would wish to retain County Hall in anything other than the short term.

Timeline for the new council

To initiate the consideration of structural change, the Department for Communities and Local Government (DCLG) requires a bid to be submitted.

The decision to establish a new council will then rest with the Secretary of State under the powers contained within the Local Government and Public Involvement in Health Act 2007 as amended by the Cities and Local Government Act 2016.

The order, if agreed, would set a date for 'vesting-day', the point at which the new authority would take on the full powers from the predecessor authorities which would then be abolished. The timescale for decision-making, or the length of formal consultation if required, is not set in advance by central government and would be affected by considerations of local and national priorities. However, assuming that a bid is submitted in March 2017, the following indicative timetable highlights key points for the transition and assumes a two year transition period:

2017	March	Bid submitted to the Secretary of State
	May	Secretary of takes decision in principle
	June	Inter-authority agreement put in place to accelerate delivery Joint committee established
	July	Formal decision to proceed by Secretary of State
	September	Outline approval of transition programme plan
	December	Legislative arrangements put in place Formal establishment of Implementation Executive Joint committee dissolved
2018		Appointment of Chief Executive Establish joint implementation team Deliver transition programme Deliver agreed early wins
2019	February	Implementation Executive sets budget and policy & resource strategy for 2019/20
	April	Full establishment of the new authority – 'vesting day'
	May	Elections to the new council New council takes over from Implementation Executive Gateway from transition to transformation

Establishing the transition programme

Strong programme management will be required to implement transition effectively and the programme will need to establish appropriate arrangements for:

- **Risk management**
- **Business continuity through change**
- **Benefits delivery**
- **Programme governance**
- **Due diligence**

As a priority, it is anticipated that the implementation executive would oversee a solid framework of organisational vision, values and behaviours to inform the development of the new organisation and the approach taken to service design and change management.

Major workstreams for a transition programme are likely to include:

- **Financial management**
- **Contracts & procurement**
- **People and culture change**
- **Systems & IT**
- **Customer experience**
- **Strategy framework**
- **Locality working**
- **Democratic leadership and governance**
- **Service design**
- **Property & accommodation**
- **Communications and stakeholder engagement**
- **Planning for transformation**

Service and contract integration

It is important to recognise that not all of the benefits of becoming a unitary council will be delivered on the first day of the new authority. The approach outlined here proposes that the transition programme focuses on:

- Ensuring that the new authority is in place and fit for purpose for vesting day
- Putting in place the changes that will deliver the £20m annual integration savings
- Taking early action to improve the delivery of housing and infrastructure
- Ensuring strong foundations are in place for future change and transformation

To achieve continuity through this change period, emphasis will need to be placed on retaining existing staff and maintaining key systems throughout the transition period and beyond.

An early analysis of contract arrangements will establish the timetable for review and harmonisation, where appropriate.

The proposed arrangements for locality governance present a significant opportunity to ensure a smooth transition, since they make it possible to retain oversight and governance of locally based services at the local area level where appropriate.

Oxfordshire's current county and district councils have extensive and valuable partnership arrangements and outsourcing contracts, including with partners beyond the county boundaries. The new authority will both want to learn and benefit from these arrangements wherever possible. It will also want to ensure that all possible options for the future of the partnerships currently in place are explored, to ensure that the creative and efficient working arrangements currently in place are maintained and to ensure that any impact on third party authorities is minimised and managed.

Maintaining delivery through transition

Existing authorities will need to maintain strong operational and performance management and budget monitoring and management arrangements throughout the transitional period.

Priorities for improvement along with existing commitments for change and transformation will also need to be delivered.

In key areas, such as the delivery of planning and infrastructure, it will be appropriate to establish joint working arrangements at the earliest possible point under the implementation executive. This will help ensure that the benefits of unitary are delivered as early as possible and that there is no slow-down in current delivery. It will also help to maintain investor and business confidence and provide the right joint arrangements for the most effective negotiations with government and regional partners, for example on the development of the Oxford-Cambridge Expressway and East-West Rail.

It is proposed that joint reporting is developed through the transitional period, to be shared with the existing authorities and the implementation executive. The authorities may also choose to establish joint overview and scrutiny and audit arrangements.

The implementation executive will seek to support, continue and deliver proposed capital programmes and projects that pre-exist and are fully funded without borrowing, as at the date of any 'minded' decision and will seek to support schemes based on borrowing where they represent a planned commitment at the date of any minded decision and do not run counter to any evidence base or reassessment on the needs of a unitary council regarding its future capital programme. During the implementation period, it is proposed that any new capital scheme should be considered by the proposing council and the implementation executive.

Establishing a future transformation programme

As part of the transition programme, the new authority can be expected to develop a future transformation programme to deliver the full benefits of unitary government to deliver additional efficiencies and improve outcomes over a further three-five year period.

While the Grant Thornton report focussed on initial integration savings, the PwC⁵⁹ report identified considerable scope for longer term transformation activity within a unitary environment providing a sound evidence base for transformation planning. Such a programme would identify key areas for service review and integration and would use the opportunities of unitary government to ensure innovation in service design, maximum integration with partners, demand management and early intervention.

The new council is also likely to wish to review engagement and accountability mechanisms through a public exercise to gain understanding of how the new council works to listen to, hear, understand and respond to all voices in the community.

Finally, the new council can be expected to request the Boundary Commission for Local Government to conduct a review of representation within the new council to establish long term arrangements beyond the transition period.

⁵⁹ See Grant Thornton and PwC reports at <http://www.betteroxfordshire.org>

SECTION FOUR:

Background Information

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The following appendices are available at www.betteroxfordshire.org

SECTION FOUR: Background information		
Appendix 1	Independent reports	
Appendix 2	Public and stakeholder engagement summary	
Appendix 3	Supporting documentation	

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