

Public service reorganisation for Oxfordshire

Background

- Last year government invited proposals for councils and other public service providers working together to accelerate economic growth in return for devolved powers and investment. (The 'northern powerhouse' of greater Manchester is the best known example.)
- All Oxfordshire councils submitted a proposal to coordinate investment of £6.6 billion in transport infrastructure and housing, skills and training with control of a pooled budget for health and social care of £1.3 billion.
- The government has not responded formally to the Oxfordshire proposal though it is still being considered seriously. However government is keen to see creation of elected mayors, which was not part of the Oxfordshire proposal.
- Three weeks after the proposal was submitted, Oxfordshire district councils announced an alternative proposal. The county council was not involved in the discussions about the new proposal, despite delivering 80% of council services by value.

County council position on devolution

- The county council supported the devolution proposal, which involved closer working with district councils and the NHS, because reorganisation had been explicitly ruled out by the districts.
- The county council has for some time believed a single unitary council for Oxfordshire would be best placed to support planned economic growth for the area and provide good public services efficiently.
- In January 2015, the County Council published an independent report by consultants EY that examined options for one, two and three unitary councils for Oxfordshire. EY concluded a single unitary council for Oxfordshire would save the over £30m per year.

Key points of the district proposals

- Creation of four new quasi-unitary councils that would cover areas currently served by these districts:
 - Oxford City
 - West Oxfordshire and Cotswolds (Gloucestershire)
 - South Oxfordshire and Vale of White Horse
 - Cherwell and South Northamptonshire (Northants)
- There is little detail but it would be likely that each council would have its own administration, elected members and professional officers. A 'combined authority' would deliver some county council services such as children's social care across the entire area.

Concerns about the new proposals

- Significant risks to public service delivery without clear evidence of benefits. Social services in particular work better on a larger scale than these four quasi unitaries offer.
- Jeopardises the fully worked through devolution bid that could have significantly improved prospects for economic growth and the wellbeing of residents.
- Fragments strategic planning of transport and housing that underpin growth
- Complicates public service delivery in Oxfordshire by involving parts of Gloucestershire and Northamptonshire, and range of other agencies including five local enterprises partnerships (LEPs), three police and five NHS clinical commissioning groups. It also perpetuates two-tier service delivery by creating a combined authority quango.
- Duplication of council functions reduces the chances of efficiency savings at a time when local government funding is under severe pressure.

Next steps

- Given agreement by all councils that reorganisation is required; the political leaders of Oxfordshire county council have called for an informed debate about all the options, backed up by a single independent study looking at the costs and benefits of each model.
- We are seeking clarification from government on the status of the original devolution proposal and the process for submitting alternative proposals. We would like the option of a One Oxfordshire single county unitary to be properly considered.

About local government in Oxfordshire

- As the county council provides the bulk of services by value, the reductions in government funding have had greatest impact on its services. The county council's core government funding will have reduced to zero by 2019/20.
- This reduction in funding has from central government has hit at the same time that demand for County Council services has increased dramatically. Social care accounts for about half of the county council's expenditure, and the proportion is expected to rise to three-quarters by 2020 as the population ages.
- Like all upper tier councils responsible for children and adult social care, cuts to services are driven by the legal requirement to meet this growing demand. Smaller unitary councils would have the same pressures without the economies of scale to manage them.

County council responsibilities	District council responsibilities
Adult social care	Leisure
Children's services	Waste collection
Highways and transport planning	Housing
Fire and rescue service	Environmental health
Education (support to schools, school admissions and school transport)	Collecting Council Tax
Libraries	Street cleaning
Waste management	Benefits payments
Public health	Homelessness support
Trading Standards	Electoral registration