

OXFORDSHIRE:

The evolving role of the County Council in delivering infrastructure and investment





Oxfordshire County Council has a critical role in supporting investment and delivery in an area of the country that already makes a significant contribution to UK PLC and has the potential to do much more.

It has been successful in securing substantial funding from the Government to assist with the delivery of this growth. However, ongoing difficulties in reaching agreement on how much growth should be planned for and a lack of agreement on how the different branches of local government within Oxfordshire should work together act as boundaries to collaboration.

This briefing provides an overview of the role of the County Council, the scale of opportunity, and the challenges that have arisen in recent years.

WHAT DOES THE COUNTY COUNCIL DO?

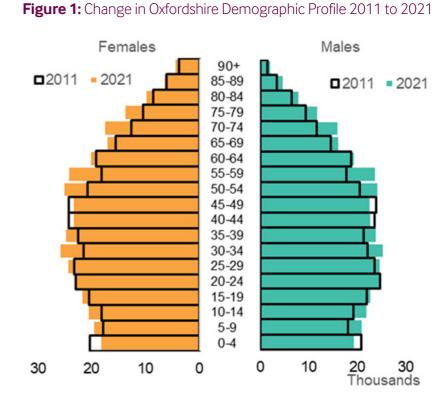
Oxfordshire County Council is the upper tier local authority for the Oxfordshire area. Initially established in 1889, it is responsible for most strategic local government services in Oxfordshire. Key services provided by the County Council include:

- Adult and children's social care
- Local Education Authority
- Local Highways Authority
- Waste and recycling
- Libraries and museums
- Minerals and waste planning
- Public rights of way

• Determination of Planning Applications for the County Council's own developments including developments at schools, fire stations and other county council assets as well as for infrastructure such as new roads.

There are five lower tier District Councils within the County Council's area, namely Oxford, Cherwell, South Oxfordshire. Vale of White Horse, and West Oxfordshire. The District Councils are responsible for various other local government services including planning for housing and employment, and affordable housing.

- 1. Around 740,000 residents (ONS 2022 Mid-year Estimates)
- 2. 10.9% population growth between 2011 and 2021, exceeding the average for England of 6.6%
- 3. Population growing between the ages of **5 and 64+**, but falling between **0 and 4 years**
- 4. Growth in number of households overall between 2011 and 2021, but a small fall in Oxford over the same period of 0.3%
- 5. Over 370,000 people in employment as of September 2023, more than 5% above the average for Great Britain
- 6. **67.5%** of employed people in management and professional roles, around 25% more than the average for Great Britain
- 7. Median annual wage nearly £2,400 higher than Great Britain
- 8. **429,000 jobs** as of April 2021
- 9. **£24.2 billion** contribution to UK GVA in 2021





THE IMPORTANCE OF OXFORDSHIRE TO THE UK ECONOMY

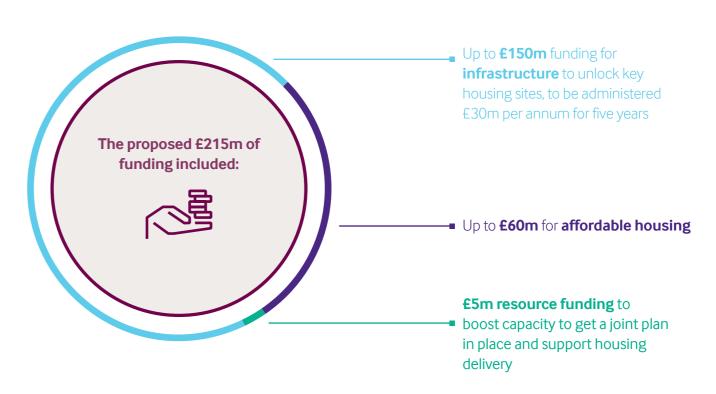
Oxfordshire has one of the strongest economies in the UK and continues to grow rapidly with an average growth in nominal terms of **3.9%** year-on-year since 2006. It benefits from a high concentration of technology-based businesses that are at the forefront of global innovation. Many of these businesses have been attracted to the County due to the strong stream of educated graduates from the University of Oxford and Oxford Brookes. In addition, Oxfordshire has the highest intensity of university spin-out companies in the country. The University of Oxford continues to generate more spin-outs than any other university nationally.

The output of workers per head in Oxfordshire is within the top **20%** of English regions. Oxfordshire is also leading the way for 'good growth' — Oxford is the highest ranked city in the UK in PwC's 2023 'Good Growth for Cities' report which measures the performance of cities against key economic and wellbeing indicators, such as employment, health, income, and skills.

SIGNIFICANT PUBLIC FUNDING SECURED

In November 2017, it was announced by the Government that Oxfordshire would receive up to **£215 million** of new funding to support their ambition to plan for and support the delivery of **100,000 homes** by 2031. As part of this announcement, a commitment was made by the five District Councils and County Council to prepare and adopt an Oxfordshire-wide statutory joint plan by 2021.





In addition, in 2018 the standard requirement in the National Planning Policy Framework to demonstrate a five-year housing supply was reduced to just three years in Oxfordshire until the adoption of the Joint Statutory Spatial Plan in each area, provided the timescales agreed in the Housing and Growth Deal were met.

Notably, unlike the Housing and Growth Deals agreed with the West Midlands and Greater Manchester a year later in 2018, there was no requirement to be a Mayoral Combined Authority.



In March 2019, an additional **£218m** of funding was announced from the Housing Infrastructure Fund to assist with the delivery of Didcot Garden Town. This funding was awarded to directly unlock **11,711** new homes and support the delivery of more than **17,000** new homes in total in the Didcot Garden Town area. The new homes are proposed across 12 separate sites in and around Didcot in South Oxfordshire and the Vale of White Horse districts. In addition, the proposed infrastructure improvements were also identified as being essential for the economic and social prosperity of Science Vale UK, one of the first Enterprise Zones, as well as other newer Enterprise Zones in the area.

Yet more funding was announced in November 2019, with confirmation of another award from the Housing Infrastructure Fund of £102m for the A40 Smart Corridor project to increase capacity for all users of the route between Witney and Eynsham, while providing a high-quality, congestion-free public transport, cycling and walking for travel between Eynsham and Oxford. Again, these improvements were to serve the needs of planned residential and employment sites in the future.

DELIVERY DIFFICULTIES

In March 2021, it was announced by the then Secretary of State that due to delays to the preparation of the Joint Statutory Spatial Plan, the three-year housing land supply requirement was no longer in force. As a result, the Councils reverted to the standard five-year requirement set out in the National Planning Policy Framework.

A few weeks later, South Oxfordshire and the Vale of White Horse District Councils announced their intent to prepare a Joint Local Plan which at the time was proposed to be aligned with and follow closely behind the Oxfordshire Plan 2050.

However, in August 2022 it was jointly announced by the Leaders of the five District Councils that they had been unable to reach agreement on the approach to planning for future housing needs within the framework of the Oxfordshire Plan. In September 2022 the Future Oxfordshire Partnership, comprised of the five District Councils and the County Council, announced a new approach to coordinating planning across the county by updating the remit of the Oxfordshire Plan Advisory Group. These arrangements are yet to be formally agreed nearly 18 months later.

Further issues were encountered in July 2023 when the County Council's Planning and Regulation Committee voted to refuse the planning application for the delivery of the proposed infrastructure required to enable the delivery of the Didcot Garden Town development. The application, which was made by the County Council, has since been called in by the Secretary of State and will be considered through a conjoined planning and Orders (compulsory purchase order, side roads order and bridge scheme) public inquiry which is due to take place between February and April 2024, over 15 days.





CONTESTED GROWTH

Given the County's enviable metrics, it is no wonder that many are supportive of maximising the opportunities for growth within Oxfordshire. However, this is a highly contested notion with key concerns being raised locally and nationally in relation to:

The potential for adverse impacts at a local level on the environment and infrastructure.

The potential to concentrate growth in an already prosperous region, to the detriment of other parts of the country that have not been as successful.



These concerns appear to be key factors in the lack of progress by Government on the Oxford – Cambridge Arc Spatial Framework. This was proposed in 2021 to create a vision for an area described as a 'national economic priority area' with "the potential to be one of the most prosperous, innovative and sustainable economic areas in the world" that could make a major contribution to the national economic recovery from the effects of the COVID-19 pandemic. The early proposals set out by the Government included the controversial suggestion that 1 million homes should be planned for in the Arc, alongside significant investment in infrastructure and commercial development.

While the Government has still not formally published its response to the consultation on the Spatial Framework, the lack of progress strongly suggests that they will not be proceeding with such an approach. This is further evidenced by the formation of the pan-regional Oxford to Cambridge Partnership, which has received financial support from the Government. The Partnership consists of a group of leaders from local government, Local Enterprise Partnerships, the Arc Universities Group and England's Economic Heartland, and has been presented as a more bottom-up approach to growth locally. Its mission is to:

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Secure a future in which our communities prosper from the very best in environmentally sustainable ways of living and working. We collaborate to accelerate economic opportunities created through the region's innovation strengths to achieve significant environmental enhancements and to unlock investment for inclusive, high quality sustainable development

IS DEVOLUTION THE ANSWER?

Various forms of devolution have been promoted by the Government since 2014 following the 'no' vote in the Scottish Referendum. Alongside proposals for additional devolution to Scotland, Wales, and Northern Ireland it was announced by the then Prime Minister, David Cameron, that proposals would be developed to empower cities in England. The first 'devolution deal' was subsequently announced in November 2014 for Greater Manchester.

Following forthcoming elections in May 2024 there will be 13 Mayoral Combined Authorities across England. This will also mark the moment when the majority of people living in England will be represented by an elected Mayor. In addition, a non-mayoral devolution deal is in place for Cornwall, and discussions are ongoing for further devolution deals in Cumbria, Lancashire, Hull and East Riding, Greater Lincolnshire, Greater Essex, and Devon, Plymouth, and Torbay. In addition, a number of new unitary Councils have been established in Buckinghamshire, Dorset, and Northamptonshire, often as a result of a need to do more with less public funding.

However, while devolution has been explored in Oxfordshire it is a hotly contested subject. In November 2014, a proposed Combined Authority launched by Oxfordshire, Buckinghamshire, and Northamptonshire County Councils encountered immediate opposition from District Councils across the proposed area who had not been engaged in these discussions.

Subsequently, a range of proposals have been put forward, in some cases more than once, including:

- An Oxfordshire Combined Authority
- Four unitary councils that would have included then district council areas outside of Oxfordshire
- Five unitary councils in Oxfordshire forming a Combined Authority
- A single unitary council for Oxfordshire
- Three unitary councils forming a Combined Authority
- A Combined Authority made up of the existing County and District Councils
- Two Unitary Councils

To date, none of these proposals have been successful. In part, this has been a result of lack of agreement on the preferred option, while in other cases some of the councils have felt disenfranchised through lack of involvement in shaping the proposals.

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DEVOLUTION OPTIONS

The Levelling-Up White Paper published in February 2022 sets out a 'devolution framework' with three 'levels':

LEVEL 1

Informal joint working between authorities

LEVEL 2

A single institution without an elected mayoralty

LEVEL 3

A single institution with a directly-elected mayoralty

The range of powers that are available through devolution increase per level.

Level 2 powers include bus franchising, the Adult Education Budget, compulsory purchase powers, a role in resilience, and planning of the UK Shared Prosperity Fund.

Additional powers available at Level 3 include a consolidated transport budget; key route network of roads; brownfield funding; an investment fund; employment support programmes; Mayoral Development Corporations; Police and Crime Commissioner responsibilities; a public health duty; and the power to set a precept on council tax and a supplement on business rates.

The Levelling-Up and Regeneration Act 2023 introduced a new legal structure known as a Combined County Authority, which consists of only upper-tier (county and unitary) councils as members, whereas mayoral combined authorities have all councils in the areas as members.

Many of the devolution deals negotiated in 2015-16 included the power to create a spatial plan for the area and / or the power to establish Mayoral Development Corporations. A statutory spatial development strategy was included as part of the West Yorkshire deal that was agreed in 2021. However, the concept was not featured in any of the deals negotiated in 2022. Where spatial plans have been included, difficulties have been encountered, with the West of England halting work on their spatial plan in 2022 due to disagreements between members. Similarly, issues were encountered with Greater Manchester's spatial strategy, Places for Everyone. This included Stockport pulling out of the preparation process in 2020, over disputes regarding the level of growth and need for Green Belt release. However, the Examination of Places for Everyone has recently completed, and the plan is now going through the

process of adoption by the constituent councils.

LOOKING FORWARD

It remains the case that some form of devolution is strongly encouraged by the Government, but it is also clear that such discussions are likely to be fraught given the history of failed proposals to date.

Continuing pressure on Local Government finances may assist in bringing the various parties involved to the negotiating table. However, experiences elsewhere suggest that even if agreement can be made on some form of devolution or joint working, it is unlikely to be a silver bullet given the varied views on how much growth should be delivered within Oxfordshire and where it should be delivered.

Despite these issues, the County and District Councils' success in securing substantial funding to deliver much needed infrastructure for local residents should be celebrated. Furthermore, not working together in some form risks development being delivered in a disjointed and uncoordinated manner. In contrast, cooperation will ensure that growth, of whatever level is eventually agreed, is focused on the most sustainable locations within the County.

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