



Ministry of Housing, Communities & Local Government

Rt Hon Steve Reed OBE MP
*Secretary of State for Housing,
Communities & Local Government*
2 Marsham Street
London
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Leaders in Oxfordshire and West Berkshire
By email

16 July 2026

Dear Leaders,

Thank you for your continued work to deliver local government reorganisation in Oxfordshire. This Government is delivering the most ambitious programme of local government reform in a generation, replacing the inefficient two-tier system with new unitary councils so that all parts of our country can access strong services, and are ready for devolution. We need to devolve power out of Whitehall so that we can rebalance wealth, power and opportunity across our country. But devolution must be built on strong local councils that can deliver good public services, support growth, and remain closely connected to the communities they serve.

Doing this right means recognising the unique contributions that different areas make to people's lives, as well as to the national economy. Some of our smaller cities are highly productive, but have been constrained by tight boundaries, set decades ago, which stop them from building the homes they need. Others are more rural, with significant demand for social care services and affordable housing. Local government should be set up to address the unique circumstances of each area and design public services tailored to each community.

Reorganisation provides us with a once-in-a-generation opportunity to ensure that councils genuinely represent the communities they serve today and stand the test of time. We know that people care about their own villages, home towns, high streets and communities. In many parts of the country, existing boundaries do not match local economies, public services, or local identities.

We won't achieve effective devolution or enable effective place-based public services with outdated and misaligned structures that slow down delivery, fragment public services, hamper housebuilding and slow down important decision making. We need to make sure that new councils are grounded in place and are genuinely connected to their communities.

Decisions

I have considered your proposals carefully against the criteria set out in the invitation letter of 5 February last year, alongside the responses to the consultation, representations made, requests for modifications made alongside the proposals and all other relevant information.

Following this assessment, I have decided to move forward with the implementation of the **three unitary proposal submitted by Oxford City Council, with West Berkshire included in the southern unitary**. In doing so, in accordance with the provisions of the Local Government and Public Involvement in Health Act 2007, I will exercise my power to modify

the proposal to achieve the boundary change requested alongside their proposal. For ease, this is now referred to as “my selected option”.

The new councils will comprise the current areas of:

- Oxford City Council, together with 15 parishes from Cherwell District Council, 25 parishes from South Oxfordshire District Council and nine parishes from Vale of White Horse District Council (referred to in the proposal as ‘Greater Oxford Council’)
- Cherwell District Council (less the 15 parishes included within ‘Greater Oxford Council’) and West Oxfordshire District Council (referred to in the proposal as ‘Northern Oxfordshire Council’)
- South Oxfordshire District Council (less the 25 parishes included within ‘Greater Oxford Council’), Vale of White Horse District Council (less the nine parishes included within Greater Oxford Council), and West Berkshire Council (referred to in the proposal as ‘Ridgeway Council’)

In my view, my selected option will enable a better outcome overall for the area than the unmodified proposal. I want to thank you for all the work that has gone into developing proposals that seek to deliver new unitary councils that will help to grow the local economy and provide better public services for the people of Oxfordshire. Your ongoing collaboration will be vital to ensure that the proposal submitted by Oxford City Council, with requested modification, is implemented by April 2028 with the interests of residents at its heart.

Turning to the reasons for my decision, in my judgement, although all the proposals met the criteria for unitary local government, overall I consider my selected option to be the best option for Oxfordshire. Given the importance that the Government places on Oxford and its wider region for national economic growth, and the shortage of housing being a factor constraining that growth, my selected option performed particularly well due to the fact it clearly supports housing growth, reflects Oxford’s economic geography, gives the city a distinct voice within devolution arrangements, and enables place-based service delivery aligned with local needs.

In more detail, my selected option performs particularly well in the following areas:

- **Supporting housing growth and Oxford’s economic geography:**
 - While the single unitary could provide some benefits from a countywide housing and planning framework and the two unitary model would align reasonably well with economic geographies, I judge that my selected option sets out a clearer and more effective approach to addressing housing challenges around Oxford, which will in turn better support economic growth across Oxfordshire. I found that the modifications that adjust the boundaries around Oxford create more sensible economic areas and geographies than the other proposals, including the unmodified proposal, because they more effectively balance addressing Oxford’s current under-bounding, while retaining a dedicated council focussed on urban growth in Oxford. The underbounding of Oxford city was noted as a constraint to housebuilding in the Interim Report of the Oxford Growth Commission in December 2025. I consider addressing this issue key to ensuring sustainable economic growth in the city.
 - My selected option would therefore better support housing growth, infrastructure planning and economic development across the area whilst providing a stronger and more visible voice for the city. This would be especially beneficial should a

decision be taken to establish a centrally-led Development Corporation, with the proposed Greater Oxford council providing a strong local partner for that Development Corporation, to support planning, transport, housing and infrastructure in and around Oxford.

- Growing Oxford and the surrounding areas will necessarily include a focus on urban housing developments and urban extensions in and around Oxford, and I judge my selected option provides a more sensible geography to enable this. Specifically, as it would better allow for the many communities in and around Oxford - who already operate as part of the city-region - to sit under one council with aligned housing, infrastructure and service planning within that lived geography.
- **Place-based service delivery reflecting local identities and needs:** While I recognise some benefits of the single unitary, including for continuity of service delivery, as well as the balanced populations provided by the two unitary proposal, in my view, my selected option will better reflect the identities and needs of the different communities across Oxfordshire. As set out above, I judge that the boundary change around Oxford will create a city unitary that is more aligned with the needs and lived realities of communities around Oxford's urban centre; the new northern unitary and southern Oxfordshire unitaries will similarly be able to match services to the needs of people living in market towns and rural areas. I recognise that my selected option will require more disaggregation of services, but I am satisfied that this is justified by the benefits set out, alongside the strengths of the public service delivery model within the proposal. In particular, I judge that the public service delivery model will enable more locally sensitive public service delivery with opportunities to deliver greater place-based preventative services. I specifically note the detailed Target Operating Model that sets out how local, preventative and neighbourhood-based services might work in practice, including co-terminosity with neighbourhood health structures.
- **Devolution:** in my view, my selected option provides the strongest fit for potential future devolution arrangements. Given the importance of the city of Oxford for economic growth within the region, I judge that my selected option will provide stronger representation at Strategic Authority level by ensuring the nationally significant city of Oxford has a dedicated voice with a council that best fits economic geography and is able to represent the interests of the communities in and around Oxford. Similarly, it will give a clear voice for the distinct communities in the northern and southern unitaries, and ensure they can benefit from growth across the region. I judge that this will help to balance representation across any potential future Strategic Authority geography. I am conscious that there is currently a lack of local consensus over progressing devolution, but that engagement on that issue is continuing and I do not believe this decision precludes or limits consideration of future devolution options for the area.

I considered the expected costs and benefits set out in the proposals, as well as the ability of each new council to be financially resilient. I have noted that my selected option may take longer than the other proposals to payback the upfront costs of reorganisation. However, based on the information provided by councils, and our assessment against the criteria, I believe that

my selected option is likely to represent an improvement in sustainability compared to current structures.

On West Berkshire specifically, I judge that its inclusion in a new southern unitary (referred to as 'Ridgeway Council') will create a viable southern authority with shared strategic interests and stronger capacity to plan and deliver services. It is also a positive move for the financial sustainability of West Berkshire, given the financial challenges it currently faces. I have taken account of the extra complexity from the administrative change of the fire authority but am confident there is a legal and viable way through transition and note that the Government is providing funding for the governance shifts required, which credibly will help to mitigate the additional cost and transition risk. I note, too, Reading Borough Council's concerns about the new 'Ridgeway Council' and its interest in three wards in the east of West Berkshire. I consider that this is a matter for the Local Government Boundary Commission for England, which the affected councils can request their advice on. I also carefully considered the fact that the new councils would all be below the 500,000 population figure, alongside the boundary changes requested. The 500,000 figure has always been a guiding principle, not a fixed threshold. For all the reasons set out above, I am satisfied that creating councils under that threshold is justified.

In my view, there is a strong public services and financial sustainability related justification for the boundary change required for my selected option. In summary, the boundary change around the city of Oxford will retain a dedicated authority for the city, whilst creating the vital space it needs for housebuilding and urban extension. It will reflect how people work, live and travel in and around the city. The Target Operating Model set out in the proposal for my selected option will enable locally sensitive public service delivery with opportunities to deliver greater place-based preventative services more closely aligned to urban, market town and rural needs. Taken together, my view is that my selected option will deliver the best outcome for local government reorganisation in this area.

Next steps

In relation to next steps, as you are aware a Structural Changes Order, which will be subject to Parliamentary approval, is required to abolish existing councils, establish new structures and make transitional arrangements. I have carefully considered the information in the proposals as well as the further representations you have made on the content of this Order.

My officials will shortly write to your Chief Executives setting out the next steps and timeline for implementation, including my initial decisions on transitional arrangements that will be included in the draft legislation. This will enable you to take forward the work needed to begin preparation for implementation, in advance of Parliamentary approval of the Order. Critically, and drawing on learning from previous rounds of reorganisation, this will include a single Implementation Team formed of officers from across the area, and elections to the new unitary councils in May 2027. For the avoidance of doubt, these elections to the new unitary councils will replace any scheduled local elections, and affected councillors will have their terms extended.

A broad support offer is in place for councils, including support to councils through our sector advisors and through funding to the Local Government Association for an enhanced support offer. We have already announced £63m in capacity funding to support the reorganisation

process, and I am pleased to provide further detail today on how this funding will be allocated.

Of the £63 million capacity funding, as well as the unprecedented £900,000 transition support to each new unitary already announced, we are also committing up to £150,000 per each new unitary as supplementary funding for Leadership Capacity and Continuity in Children's Services, Adult Social Care and Public Health. This is part of a wider package of support worth up to £10m for children's services, adult social care and public health leadership, which will also fund targeted development, mentoring and peer support for current, new and aspiring leaders.

In addition, up to £1m of funding overall will be available to support the small number of areas with complex fire and rescue authority transitions.

Taken together, this means that areas undergoing local government reorganisation will receive more than £1 million per new unitary created. This is the first time reorganisation has been supported in this way and shows this Government is committed to supporting councils to get these reforms right. We will confirm details of these allocations in due course.

I look forward to continuing to work closely with you to deliver the vital improvements that reorganisation can facilitate.

I am copying this letter to your Chief Executives, MPs, Chief Fire Officers and the Thames Valley Police and Crime Commissioner.

Yours sincerely,

A handwritten signature in dark ink, reading "Steve Reed". The signature is fluid and cursive, with a horizontal line underneath the name.

RT HON STEVE REED OBE MP

Secretary of State for Housing, Communities and Local Government