



Ministry of Housing,
Communities &
Local Government

Cllr Sue Cooper
South Oxfordshire District Council
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Luke Hall MP
Minister for Regional Growth and Local Government

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Dear Cllr Cooper,

Thank you for your letter dated 24 December, to Rt Hon Robert Jenrick MP, regarding potential for South Oxfordshire District Council merger with Vale of Whitehorse District Council and funding for local services. I appreciate how important this matter is to you and I am grateful to you for contacting my department with your concerns.

Firstly, on the potential for a merger, we recognise that locally led changes to the structure of local government, whether in the form of unitarisation or district mergers, can be an appropriate means of improving local service delivery, saving taxpayers' money and improving local accountability. We are clear that any reform of an area's local government is most effectively achieved through locally led proposals put forward by those who best know the area, the very essence of localism to which the Government remains committed.

I am immensely grateful to local councils across the country for all that they have done throughout this pandemic. We want to empower local authorities to continue in this vein, leading the vaccine roll-out and promoting our economic recovery from the pandemic.

The Government has allocated over £8 billion directly to councils since the start of the pandemic alongside additional funding support to businesses as part of the move to national restrictions. In addition to this, the Government has released further details of the £3 billion in additional support for Covid-19 in 2021-22, responding both to additional expenditure pressures and to loss of income. This includes an additional £1.55 billion of grant funding to meet additional service pressures, £670 million of new grant funding to enable councils to continue reducing council tax bills for more than four million vulnerable households, and £800 million to compensate local authorities for 75% per cent of irrecoverable loss of council tax and business rates revenues.

This takes the total support committed to councils in England to tackle the impacts of Covid-19 to over £11 billion. Of the over £8 billion that has already been provided, South Oxfordshire District Council has received over £2.58 million so far, and will receive at least a further £0.52 million in un-ringfenced funding next year.

On 10 February, the Local Government Finance Settlement for 2021-22 passed in Parliament unopposed. Next year, Core Spending Power in England will rise by up to 4.6% in cash terms, from £49.0 billion in 2020-21 to up to £51.3 billion in 2021-22. For South Oxfordshire District Council, this corresponds to an increase of up to £0.33 million, or 2.6%. This real terms increase

builds on the largest year on year increase in spending power in a decade last year, and recognises the resources councils need to meet their pressures and maintain critical services.

Once again, I appreciate how important this matter is to you and I am grateful to you for writing in with your concerns.



LUKE HALL MP