

Annex E: Enterprise Oxfordshire - overview

1. Purpose of the report

This annex provides:

- A clear explanation of what Enterprise Oxfordshire is and what it does
- The governance arrangements and rationale for the current model
- Context on good practice in economic development agencies, including OECD evidence
- High-level performance information from 2025/26 (to Q3)
- An assessment of alternative delivery models and associated trade-offs

2. What is Enterprise Oxfordshire?

Enterprise Oxfordshire is the County Council's economic development delivery company, responsible for implementing programmes that support:

- Business growth and productivity
- Employment and skills
- Inward investment
- Delivery of economic strategy

It is the successor to the Oxfordshire Local Enterprise Partnership (OxLEP), following national reforms which brought LEP functions under local authority accountability. It differs from OxLEP in that it is now wholly owned by Oxfordshire County Council.

2.1. Legal and governance form

Enterprise Oxfordshire is constituted as a company limited by guarantee, with Oxfordshire County Council as the sole company member. This means the company benefits from the Teckal exemption, enabling direct commissioning from the company member, while retaining a degree of commercial flexibility. It is fully accountable to the Council, but operationally distinct.

As a company limited by guarantee, Enterprise Oxfordshire is governed by its Articles of Association (which set out how it operates) and is managed by directors, who oversee operations and ensure it stays compliant with its obligations and legal requirements.

Company operations are overseen by its Board of non-executive directors, which currently comprises of one elected member and two senior officers. A private sector chair is currently being recruited, with a recommendation due to be made to the Shareholder Committee on 16 June.

As per Part 7 the company's Articles of Association, the rights of directors to make decisions with regard to the company are subject to a number of "reserved matters," which are subject to approval of the County Council via the Shareholder Committee. There are 20 reserved matters, including (inter alia) approval of the business plan and budget; the appointment and removal of senior staff; and the appointment of auditors and approval of the balance sheet / profit & loss account.

2.2. Its role in the system

Enterprise Oxfordshire acts as a delivery arm for Council-led economic strategy (although it should be noted that, at present, the County Council has neither adopted nor endorsed an economic strategy or plan). It is a bridge between policy and the market, translating strategy into delivery, and has the ability to act as a convener of partnerships across business, education and the public sector (although this is currently under-utilised).

In practical terms, it delivers programmes such as:

- Growth Hub (business support)
- Skills Bootcamps and employment programmes
- Careers Hub (education-business interface)
- Inward investment activity
- Capital programme delivery (e.g. LGF/GBF)

3. Why use an arm's-length economic development body?

3.1. International evidence (OECD)

The OECD identifies arm's-length economic development agencies as a widely adopted model internationally. These organisations are considered effective because they:

- Focus specifically on economic development
- Operate with greater agility than the public sector
- Act as “bridging institutions” between public policy and private markets

3.2 Features of high-performing models

OECD evidence highlights several characteristics of “good practice” agencies:

- Operational autonomy with accountability
- Strong private-sector engagement
- Specialist expertise and institutional continuity
- Partnership governance (public–private–academic)
- Commercial flexibility (e.g. funding, partnerships)

4. Current governance model

Enterprise Oxfordshire operates a “controlled arm's-length” model, combining full public ownership and accountability, a separate corporate structure, and delegated delivery responsibility.

The current model reflects national policy changes requiring democratic accountability, while retaining delivery capability. It allows the Council to set strategy and priorities, and retain financial and governance control, while enabling Enterprise Oxfordshire to:

- Deliver programmes more flexibly than an in-house service
- Maintain business relationships and specialist expertise
- Operate in a more market-facing way

5. Performance and delivery (2025/26 Q3 overview)

Enterprise Oxfordshire delivers a portfolio of economic programmes, and core economic outputs (jobs, businesses supported) are meeting or exceeding targets. Skills programmes show mixed delivery performance, with strong outcomes but some delivery challenges (many of which are national challenges). In summary, Enterprise Oxfordshire is performing strongly relative to national programmes in many areas, and high-level performance to Q3 2025/26 includes:

5.1 Business growth and support

- 1,389 businesses supported (YTD) against 1,250 annual target
- 185 jobs created (target: 40)
- 666 jobs safeguarded (target: 300)
- Business accelerator programmes exceeding targets by 40%+
- Specialist support (e.g. AI, marketing, cyber resilience) delivered

5.2 Employment and skills

Apprenticeships and levy transfer:

- 544 apprenticeship starts supported
- £6.6m levy funding utilised
- 210 SMEs engaged

No Limits programme (closing phase)

- 171 participants supported
- 123 work-ready
- 61 into employment

Connect to Work

- 56 participants onboarded
- Programme delivered on national target, outperforming national average performance

Careers Hub

- 283 employers engaged
- 82 SMEs engaged (towards annual target of 100)
- Strong system leadership preparing for national work experience reforms

Skills Bootcamps

- Wave 5:
 - 56% of starts achieved
 - 70% completions
 - 118% of outcome target achieved
- Wave 6:
 - Delivery underway, with outcomes expected later in 2026

Community Employment Plans

- 673 jobs created (YTD)
- Strong pipeline of development-linked employment initiatives

5.3 Inward investment and strategic programmes

- Active engagement with government, investors and sector clusters (e.g. life sciences, quantum)

5.4 Legacy capital programmes

- Getting Building Fund programme meeting overall targets
- 26 of 32 LGF projects meeting targets

6. Value for money

One of the major benefits of an arms' length model is that it can deliver better value for money than alternative models. Value for money in this context is assessed in terms of:

- Economy (cost of operating the function)
- Efficiency (outputs delivered for the resources used)
- Effectiveness (extent to which intended economic outcomes are achieved)

6.1 Financial position

Enterprise Oxfordshire operates with a relatively modest cost base:

- Core funding (2025/26): £2.26m
- Additional leveraged funding: £1.1m
- Total programme and enabling funding: £3.38m

It is important to note that Oxfordshire County Council does not make a direct revenue contribution to Enterprise Oxfordshire – it is entirely funded from other sources:

- 55% funded from local retained sources (Enterprise Zone income and reserves)
- 45% from external or programme-related sources

6.2 Indicative value metrics

While not all programmes are directly comparable, indicative value can be inferred as follows:

- The cost per business supported is relatively low when set against the overall budget
- Employment outcomes (jobs created/safeguarded) compare favourably with typical public economic development programmes
- The apprenticeship levy programme demonstrates high financial leverage, with £6.6m distributed to employers against relatively limited administrative overhead

6.3 Comparison with alternative models

There is no real counter-factual available to answer definitively the question of whether this activity could be delivered more efficiently and effectively – however, the evidence provided by the OECD provides a strong indicator that, overall, arms' length bodies are considered to be good practice

Model	Value considerations
Fully in-house	Likely lower overhead and greater transparency, but risks of reduced performance due to slower processes and weaker business engagement

Fully arms' length	Potential for higher impact and additional income generation, but with higher risk, less direct control, and potentially higher operating costs
Current hybrid model	Relatively low cost base, good delivery performance, benefits from the Teckal exemption, and ability to leverage external and commercial funding

6.4 Limitations of the current position

There are, however, constraints which may affect long-term value:

- A relatively narrow governance base limits commercial thinking, partnership working, external challenge, and innovation
- Reduced perceived independence could affect investor or partner engagement
- Currently, no income generation beyond public sector grants
- Processes between Enterprise Oxfordshire and the County Council sometimes act as a brake and limit the pace of delivery

6.5 Overall assessment

Enterprise Oxfordshire is delivering strong outputs relative to its cost base. It is successfully leveraging external funding to deliver much-needed services for business and residents, and provides capability that would be difficult and potentially more costly to replicate fully in-house.

The current model therefore represents good overall value for money, particularly in terms of:

- Scale of delivery achieved
- External funding leveraged
- Alignment with Council priorities
- Cost per job

However, there is scope to enhance value further through:

- Broader external governance and expertise
- Fostering genuine collaboration across the county
- Loosening of processes while providing accountability and assurance
- Continued improvement in performance transparency and benchmarking
- Increased commercial activity and income generation

This will be particularly important in the context of local government reorganisation. The work on economic strategy has provided robust evidence of the need for both increased functional delivery, alongside partnership and collaboration mechanisms.

7. Future considerations

The Enterprise Oxfordshire Board has considered its current governance and partnership working arrangements. Areas for potential development include:

- Strengthening private sector and partner involvement in company membership, governance, and delivery
- Enhancing commercial capability and flexibility
- Continuing to improve performance transparency to members
- Clarifying the long-term role of Enterprise Oxfordshire within the county's economic development system