

# **DELEGATED DECISIONS BY LEADER OF THE COUNCIL**

**11 May 2026**

## **Innovate Oxfordshire: Authority to Provide External Innovation Services**

### **Report by Director of Economy and Place**

#### **RECOMMENDATION**

The Cabinet Member is **RECOMMENDED** to:

- a) Note that Innovate Oxfordshire's business model includes the provision of time-limited, innovation-related services externally for payment.
- b) Delegate authority to the Director of Economy and Place to agree to the provision of services to third parties by Innovate Oxfordshire, within the Director's financial delegations, on the basis set out in paragraph 10, in consultation with the Executive Director of Resources and s151 Officer (Deputy Chief Executive) and the Director or Law and Governance and Monitoring Officer.
- c) Note that external activity will be approved on a case-by-case basis and priced primarily on a full cost recovery basis (including overheads), on the basis set out in paragraph 17.
- d) Note that the Council may invoice for current external work undertaken by Innovate Oxfordshire on a full cost recovery basis.

#### **Executive Summary**

1. Innovate Oxfordshire is the Council's self-funding innovation service, providing time-limited innovation-related support aligned to council priorities. This report seeks Cabinet Member approval for Innovate Oxfordshire to provide such services externally for payment and, where lawful and appropriate, to trade with third parties, supported by appropriate officer delegation.

#### **Background**

2. Innovate Oxfordshire is the Council's self-funding innovation service. Alongside supporting Oxfordshire County Council (OCC)'s internal priorities, the service may work with a limited range of external partners (primarily public sector organisations, academia and innovation intermediaries; and, where appropriate, other organisations involved in innovation activity), provided this does not compromise delivery of the Council's core services.
3. Innovate Oxfordshire has a defined, external-facing offer of innovation-related support (for example innovation consultancy, monitoring and evaluation, and programme/bid management). Historically, the service has focussed on delivering grant funded innovation projects and internal innovation work within the council but is now moving into consultancy and contracted work. External work of this nature will only be undertaken where it aligns with the Council's strategic objectives and delivers public benefit, and it is intended to be time-limited and non-operational in nature. Individual engagements will be progressed in line with the approvals and delegation set out in the Recommendations. These services are discretionary (non-statutory) and do not include the delivery of mandatory council services.

### **Purpose and rationale**

4. Cabinet Member approval is required to provide a clear and compliant basis for Innovate Oxfordshire to provide time-limited, innovation-related services externally for payment (and, where lawful and appropriate, to trade with third parties). Innovate Oxfordshire does not currently have the specific approval and delegated authority required under Financial Regulation 10.4.1. This regulation states that "work can only be undertaken for third parties where the council has the legal powers to undertake the work. Where such legal powers exist, Cabinet approval must be obtained before any negotiations are concluded". In order to facilitate new consultancy and traded activity, this report seeks a delegation for Innovate Oxfordshire's activity. The lack of delegation has led to avoidable delays and increased risk as external opportunities arise. The proposed decision will enable appropriate external engagements to be progressed in a timely and controlled way, using the Council's established governance, contracting and invoicing processes.
5. External activity will be priced primarily on a full cost recovery basis (including overheads), within the boundaries of costs set out in the cabinet approved fees and charges schedule. There is an active pipeline of externally funded and commissioned opportunities aligned to council priorities.

### **Track record and public value**

6. Innovate Oxfordshire has an established track record of delivering grant-funded programmes and providing specialist, time-limited support

to external partners on a full cost recovery basis. The service has collaborated with public sector organisations, academic institutions, and innovation intermediaries, building a strong foundation for further expansion. With the launch of the new consultancy model, consultancy income and external collaborations are expected to grow over the next two years, supporting the self-funding model. Specific income projections are provided in the Financial Implications section.

7. Recent small-scale external work has highlighted the operational impact of not having the required officer delegation in place. For example, Innovate Oxfordshire has been providing time-limited cost recovery support to the SENSE project (funded by Energy Systems Catapult) which have now been determined to fall within Financial Regulation 10.4.1. In the absence of the required approvals under the Financial Regulations, finalising arrangements and issuing invoices can be delayed, creating avoidable resourcing pressure for a small, self-funding team. The proposed decision would enable similar, time-limited external engagements to be progressed more efficiently in future, with appropriate legal and financial checks completed as part of the process.

## **Governance, controls and delegation**

8. Financial Regulation 10.4.1 requires Cabinet approval before the Council concludes negotiations for the provision of services to third parties for payment.
9. External work will be scoped and agreed on a case-by-case basis, supported by proportionate financial appraisal, legal review and due diligence. Contracting and invoicing will be progressed through the Council's established routes, under the delegated authority set out in recommendation (b).
10. This report seeks a delegation to the Director of Economy and Place to implement the required arrangements in accordance with the Council's Contract Procedure Rules and Financial Regulations, with Procurement/Legal input for engagements over **£25,000 (ex VAT)** or where otherwise required.

## **Options considered**

11. This section summarises the main options available to the Council in relation to this report. The recommended approach is set out below.
12. **Do nothing:** Innovate Oxfordshire would continue to prioritise internal council work but would need to pause or decline appropriate external cost-recovery engagements. This could result in missed opportunities, delayed cost recovery, and short-term scheduling gaps. Over time, this is likely to undermine the service's self-funding model and increase the risk of losing staff and specialist capability within OCC.

13. **Permit without the proposed delegation:** External activity could be permitted, but without the officer delegation set out in the Recommendations. This would be less efficient and higher risk, with more frequent escalation for approvals and contracting decisions, and a greater likelihood of avoidable delay and administrative burden.
14. **Recommended approach:** Approve external activity in principle and delegate authority to progress individual engagements. This supports time-limited external work being progressed efficiently, with proportionate Finance and Legal input.

## Corporate policies and priorities

15. The proposals in this report support the Council's priorities for economic development, innovation, and partnership working by enabling Innovate Oxfordshire to work with external organisations where this delivers benefits for Oxfordshire residents and communities. In the context of Innovate Oxfordshire operating on a self-financing basis, the proposals also support a financially sustainable operating model by enabling appropriate external work to be governed, contracted and charged for consistently.

## Financial Implications

16. Innovate Oxfordshire is a self-funding service. External income is £14,042.50 in 2025/26 and is forecast at £25,000 in 2026/27 and £75,000 in 2027/28 (indicative and capacity-led). Except where grant-funded work includes conditions that limit the level of overheads that can be recovered, all external service charges will be set on a full cost recovery basis (including overheads), using the Council's full cost recovery template. The recommended decision has no adverse financial implications for the Council. The financial impact of the do nothing option would be detrimental, as the indicated forecasts above could not be brought in, leading to challenges with Innovate Oxfordshire's financial sustainability and staff retention. Permitting without the proposed delegated authority would also have a lesser detrimental impact, due to the requirement for additional work required and delays to accessing funding streams, putting this element of the service's business model at risk.

Comments checked by :  
Rob Finlayson, Strategic Finance Business Partner  
[Rob.Finlayson@Oxfordshire.gov.uk](mailto:Rob.Finlayson@Oxfordshire.gov.uk)

## Legal Implications

17. The Council has powers to provide certain services for a charge and, in limited circumstances, to trade, subject to compliance with relevant legislation and the Council's Constitution, Contract Procedure Rules and Financial Regulations (including Financial Regulation section 10.4). The Council is able to provide services for a charge where the services are discretionary, and the charge is on a cost-recovery basis only. S.93 Local Government Act 2003. The Council is also able to trade with third parties for a profit without setting up a separate trading company where the activity is covered by the Local Authorities (Goods and Services) Act 1970 (which requires the services to be of specific types and to be provided to certain public sector bodies). Where wider commercial trading is proposed (i.e. where the primary motive is trading to make money), this will require a separate trading company structure.
18. Legal advice should be sought before any arrangements are entered into to ensure that the Council has sufficient power to enter into any proposed contract. Any contracts will be developed or reviewed in accordance with the Council's Contract Procedure Rules and the appropriate delegations.

Comments checked by Busola Akande, Solicitor, Contracts (Legal).  
[Busola.Akande@Oxfordshire.gov.uk](mailto:Busola.Akande@Oxfordshire.gov.uk)

## **Staff Implications**

19. Innovate Oxfordshire's existing staff resources will be used to deliver any external work, which will be planned and prioritised so that delivery of the Council's core objectives is not compromised. This decision does not in itself create an expectation of recruitment, and the service will not make unfunded staffing commitments in advance of securing external work. Any additional capacity required for a specific engagement will be managed within existing service management arrangements and funded through confirmed full cost recovery.

## **Equality & Inclusion Implications**

20. The service will continue to meet the Council's equality duties; An Equality Impact Assessment will be completed where a specific proposal may have a material impact on people with protected characteristics.

## **Sustainability Implications**

21. This decision enables Innovate Oxfordshire to undertake innovation-related work with external partners that may support the council's climate and ecological ambitions. A Climate Impact Assessment will be completed where a specific proposal may have a material climate or ecological impact, in line with council guidance.

## Risk Management

22. Key risks include financial risk (for example, failure to achieve full cost recovery and/or non-payment), legal and contractual risk, reputational risk, and the risk that external work could reduce capacity for core council priorities. There is also an operational resilience risk (including staff retention and potential loss of specialist capability/skills) if there are avoidable delays in processing external engagements. Risks will be mitigated through approval and oversight under the delegated authority in recommendation (b), appropriate due diligence, robust contract terms agreed with Legal Services (where required), and ongoing financial and performance monitoring.

## Consultations

22. This report has been developed with input from relevant officers, including early review by Finance (including the Section 151 Officer) and Legal Services. Further consultation will take place as standard terms and initial contracts are developed and before individual engagements are contracted and invoiced.

### **Robin Rogers** **Director of Economy and Place**

Annex: Nil  
Background papers: Nil

[Other Documents:] Nil  
Contact Officer: Jiaqian Zhang, Project Manager (Innovation), Economy & Place, Tel: +44 7536142700, Email: [Jiaqian.zhang@oxfordshire.gov.uk](mailto:Jiaqian.zhang@oxfordshire.gov.uk)

Katie Parnell, Innovation Delivery Operations Manager, Economy & Place, Tel: +44 7500814828, Email: [katie.parnell@oxfordshire.gov.uk](mailto:katie.parnell@oxfordshire.gov.uk)

May 2026