



WEST OXFORDSHIRE
DISTRICT COUNCIL

Annex A: Decision Notice

This form is used to record any delegated decision which has been taken by officers under delegated authority.

Decision title	Ubico Growth Opportunity
Decision date	15 July 2025
Decision maker	Chief Executive & Head of Paid Service - Giles Hughes
Source of delegation (resolution or Constitution – please reference)	<p>Constitution Part 5A RULE 30: Business of an Urgent Nature</p> <p>If having consulted both the Chief Financial Officer and the Monitoring Officer, the Chief Executive is of the opinion that urgent action is required, in accordance with the Scheme of Officer Delegations, before a decision could be taken by Council, the Executive or a Committee that has the appropriate authority, they may take the decision in accordance with their urgency power as set out in the Part 4A of the Constitution (Officer Scheme of Delegations).</p> <p>... If the decision is one which would normally be taken by the Executive, the Chief Executive will consult with the Leader...</p>
Decision taken	<p>I. To confirm approval to enter into a Written Resolution at the appropriate time (likely to be December 2025) to approve the matters detailed within the business case</p>
Reasons for the decision	<p>West Oxfordshire District Council (WODC), as a shareholder of Ubico Ltd, is asked to approve the business case for admitting a new council as an equal shareholder. This follows a 2024 review by the prospective council and shareholder agreement in principle at the July 2024 forum. Ubico has since been invited to formally submit a bid for the council's services, with a decision due by December 2025.</p> <p>Ubico's growth strategy focuses on opportunities that align geographically and operationally, offering shared benefits across the partnership. Expert legal advice based on Local Government Reorganisation (LGR) plans have confirmed the current model is suitable for expansion.</p> <p>Five options were considered. Option 4.1 – Equal Shareholder is recommended as it meets all seven critical success factors, including improved resilience, cost efficiency, and long-term growth. Other models were discounted due to complexity, cost, or risk.</p>



	Benefits to WODC include: Enhanced capacity through TUPE of skilled staff, strengthened leadership and Long-term financial benefit, including a joining fee and increased Teckal headroom.
Alternative options considered	<p>Option 1 – Do Nothing</p> <p>This option maintained Ubico’s existing shareholding structure, excluding the new Council from joining. It avoided any change, cost, or risk, allowing the company to focus entirely on current shareholders. However, it also meant forgoing the opportunity to expand services, increase resilience, or realise efficiencies through growth. As a result, while it offered short-term stability, it limited long-term strategic potential and was rejected.</p> <p>Option 2 – Regional Model</p> <p>Under this model, the new Council would have joined via a regional subsidiary, with existing shareholders retaining control of a parent company. Although this preserved the current shareholder group, it introduced complex governance arrangements, increased administrative costs, and reduced control. With Local Government Reorganisation (LGR) expected to simplify structures, this model would quickly become outdated and was therefore rejected.</p> <p>Option 3 – Joint Venture Teckal (JVT)</p> <p>This option involved creating a new joint venture between Ubico and the new Council, allowing growth without altering Ubico’s core governance. While it offered a clear pathway for expansion, it carried significant setup and ongoing costs and required early investment before any contract award was secured. In light of the high risk and diminishing rationale post-LGR, this option was rejected.</p> <p>Option 4.1 – Equal Shareholder</p> <p>The new Council would join Ubico as an equal shareholder, paying a royalty fee to reflect the value of joining an established Teckal company. This model met all seven critical success factors, offering operational efficiencies, economies of scale, improved resilience, and long-term growth. Although adding a ninth shareholder will create short-term governance complexity, this will be resolved through LGR. This option is the most sustainable and strategically aligned and is therefore recommended.</p>



	<p>Option 4.2 – Differentiated Shareholder</p> <p>This model allowed the new Council to join with ‘B’ shares that excluded rights to external trading profits, preserving income for existing shareholders. While it protected commercial returns, it disconnected financial benefit from decision-making power, making the new Council less likely to support investment in growth. This misalignment undermined the partnership model and limited Ubico’s ability to scale commercial activity, so the option was rejected.</p>
Key or non-key?	No
Subject to urgency rules?	Yes
Affected wards	None
Details of consultation undertaken	Leader of the Council Executive Member for Environment Director of Finance Director of Governance and Regulatory Services
Lead officer	Si Pocock-Cluley, Environmental Services and Waste Transformation Lead
List of documents considered	Decision report titled “Ubico Growth Opportunity”