

Shareholder Committee

Veritau Limited Business Update

Introduction

1. Veritau Limited is a local authority shared service company jointly owned by the City of York Council and North Yorkshire County Council. The company was established in 2009. The company has two subsidiary companies, Veritau North Yorkshire Limited and Veritau Tees Valley Limited, which are part owned by other councils. Together the companies form the Veritau Group.
2. The wider Veritau Group has 9 member councils but also provides services to a large number of multi-academy trusts and schools, housing associations and other public sector organisations. The group employs approximately 70 professional staff and offers a range of assurance services, including internal audit, counter fraud, risk management, and information governance. The majority of these services are delivered to organisations in the Yorkshire region although the group has clients across the United Kingdom.
3. Veritau delivers shareholder value to its member councils through:
 - Economies of scale resulting in lower unit costs
 - Increased efficiencies and flexibility – standard working practices ensure there is less duplication of effort and best practice is more easily shared
 - Improved access to specialist resources (for example data analytics, risk management and counter fraud specialists) that would otherwise not be available to a small in-house team
 - Increased resilience and the ability to accommodate changes in workload because of the larger pool of staff available
 - Improved service continuity and less reliance on key members of staff for service delivery
 - The ability to invest in new technologies and working practices

2021/22 Finance and Performance Update

4. The Group is on track to achieve its target profit for 2021/22. There are also no significant variances compared to the approved budget at this stage in the year.
5. Since the last meeting of the Shareholder Committee on 6 September 2021, the Group has gained contracts to provide internal audit services to a number of public authorities and has started providing data protection services to another council.
6. Two new specialist service offerings covering risk management and whistleblowing have also been developed for schools.
7. A copy of the 2021/22 Group management accounts (for the 6 months to 30/9/21) is attached as **appendix 1**. A copy of the balance sheet for Veritau Limited is attached as **appendix 2** for information. Details of variances against budget are included in **appendix 3**. The management accounts are confidential because they contain commercially sensitive information.
8. Following an external review, the Group has retained its Investors in People IIP accreditation for another year.

Recommendations

9. That the Shareholder Committee notes the Group's performance to date in 2021/22.

Implications

Financial

10. None directly arising from this report.

Human Resources (HR)

11. None directly arising from this report.

Equalities

12. None directly arising from this report.

Legal

13. None directly arising from this report.

Crime and Disorder, Information Technology and Property

14. None directly arising from this report.

Author responsible for the report:

Max Thomas
Veritau Chief Executive
max.thomas@veritau.co.uk

Report Date 09.11.21
Approved

Wards Affected:

All

For further information please contact the author of the report

Appendices (Confidential)

- Appendix 1 – 2021/22 (quarter 2) Veritau Group management accounts
- Appendix 2 – Veritau Limited balance sheet at 30/9/21
- Appendix 3 – Variances against budget (quarter 2)