

Shareholder Committee

22 November 2021

Report of the Chief Finance Officer

YPO and YPO Procurement Holdings Ltd Finance Update

Purpose of Report

1. To consider a report from YPO outlining the latest financial performance.

Recommendations

2. Note the reports from YPO and YPO Procurement Holdings Ltd attached as annexes to this report.

Reason: To ensure the Council is updated on the financial performance of both YPO and YPO Procurement Holdings Ltd.

Background and analysis

3. YPO (formerly known as the Yorkshire Purchasing Organisation) was established as a joint committee of Local Authorities in 1974 and the Council is one of 13 founder member authorities.
4. YPO Procurement Holdings Ltd was incorporated in 2014 as a subsidiary of YPO and was formed so that YPO would be able to transact with the private sector for the first time and to open up new markets, but also to enable it to act in a more commercial fashion, with a governance structure more aligned to a commercial business than a local authority.
5. The activity of both companies is regularly reported to officers through the Strategic Officers Group which is attended by the Chief Finance Officer on behalf of the Council. There are also elected member representatives from the Council on the YPO Management Committee and the YPO Procurement Holdings Ltd Board.
6. The Council is one of 13 founder members and therefore does not have sole control over the company, but works in partnership with YPO and the other 12 Councils.

7. The latest YPO financial performance review is attached at Annex A and provides an update on the organisations performance in 2021. It reviews the year to date results and forecasted outturn position against the budget.
8. The YPO Procurement Holdings Ltd Business and Trading Report is attached at Annex B to the report and provides an overview of the limited company's financial performance and highlights areas of under / over performance against the budget.
9. At the last meeting of this committee further updates were requested on the Ed-Tech investment and the schools market. These are attached at annexes C and D respectively.

Risk Management

10. There are no specific risk issues arising from this report.

Implications

11. There are no financial, legal, HR, equalities, crime and disorder, information technology, property or other implications arising from this report.

Author:	Chief Officer responsible for the report:			
Debbie Mitchell Chief Finance Officer debbie.mitchell@york.gov.uk	Debbie Mitchell Chief Finance Officer			
	Report Approved	x	Date	11/11/21
Wards Affected: <i>All</i>				
<i>For further information please contact the author of the report</i>				

Annexes

Confidential Annex A – YPO Financial Performance Review

Confidential Annex B – YPO Procurement Holdings Ltd Business & Trading Report

Confidential Annex C – Update on Ed-Tech

Confidential Annex D – Schools update