

## **Shareholder Committee**

**4 March 2021**

Report of the Chief Finance Officer

## **YPO and YPO Procurement Holdings Ltd Finance Update**

### **Purpose of Report**

1. To consider reports from YPO outlining the financial performance for the year ended 31<sup>st</sup> December 2020.

### **Recommendations**

2. Note the reports from YPO and YPO Procurement Holdings Ltd attached at annexes A and B 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 YPO 2020 Performance Review is attached at Annex A and provides an update on the organisations performance in 2020. It reviews the full year results and 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 and assesses the financial position at 31 December 2020.

### **Risk Management**

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

### **Implications**

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

<b>Author:</b>	<b>Chief Officer responsible for the report:</b>			
Debbie Mitchell Chief Finance Officer Tel: 01904 554161	Debbie Mitchell Chief Finance Officer			
	<b>Report Approved</b>	x	<b>Date</b>	15.2.21
<b>Wards Affected: All</b>				
<b><i>For further information please contact the author of the report</i></b>				

Annex A – YPO 2020 Performance Review

Annex B – YPO Procurement Holdings Ltd Business & Trading Report March 2021