

CYC SHAREHOLDER COMMITTEE

City of York Trading Limited business update

Content

The Managing Director, Bill Colman and Operations Director, Karen Bull, intend to present to the committee a business update for City of York Trading Ltd, including performance information for the financial year 2017/18 to date.

Business reporting Cycle

The City of York Trading business cycle has the following key elements:-

1. 3 Year business plan update – approved by the City of York trading Ltd Board of Directors in September 2017 and then forwarded to the Shareholder for approval
2. The annual budget – approved by the City of York Trading Ltd Board of Directors on the 28th February 2018 and then forwarded to the Shareholder for approval
3. Annual external accounts audit – audited accounts signed and approved by the City of York Ltd Board of Directors on the 28th June 2017.

It is anticipated that in future the Business Plan update will be presented to the CYC Shareholder Scrutiny Committee each October and the Annual Budget each March.

Business plan – Executive Summary

City of York Trading Ltd was incorporated on 18th of November 2011. The company is wholly owned by the City of York Council. The Company currently trades using the WorkwithYork (WwY) and WorkwithSchools (WwS) brands, providing agency staff to public, private and commercial organisations in York and the surrounding towns and villages.

CYC entered into a 10 year (Teckal compliant) managed services contract with City of York Trading on the 16TH June 2015 for the supply of temporary staff. City of York Trading supplies staff at low/discounted rates providing excellent 'value for money' contributing to CYC's fiscal objectives.

A key change to the organisation has been the TUPE of staff from CYC to City of York Trading Ltd. This is an important and essential step change to ensure a 'one company' culture is encouraged and that each member of the team is pulling in the same direction.

In summary, the Board have set out the key focus of the 3 year business plan as follows:

- To maximise shareholder value/return to the shareholder by providing ongoing savings, growing annual dividends and increasing shareholder reserves
- Diversification into the wider commercial market and develop additional profitable revenue streams
- Seek out small tactical acquisition opportunities to potentially accelerate the growth of the business
- Establish new office/s in other commercially attractive/viable locations
- Increase the turnover and profitability of the business in line with the stretching targets set out in the business plan for 2017-2020
- Develop new products and services to take to market creating new opportunities
- Leverage technology to drive out cost, improve the customer experience and to increase the businesses reach
- Providing ongoing training and development for our staff and developing a sales led performance culture

Shareholder approvals

Shareholder approval is being sought for the following:

1. Approval of the 3 year business plan
2. Approval of the annual budget 2018/19

Important note: the content of the business plan, budget and business update contains commercially sensitive information and is not for general circulation

Appendices: (all commercially sensitive and confidential)

1. 3 year business plan
2. Annual budget 2018/19
3. Business update presentation 2017/18