

Appendix 4

**ANNUAL BUSINESS PLAN  
2013 -14**

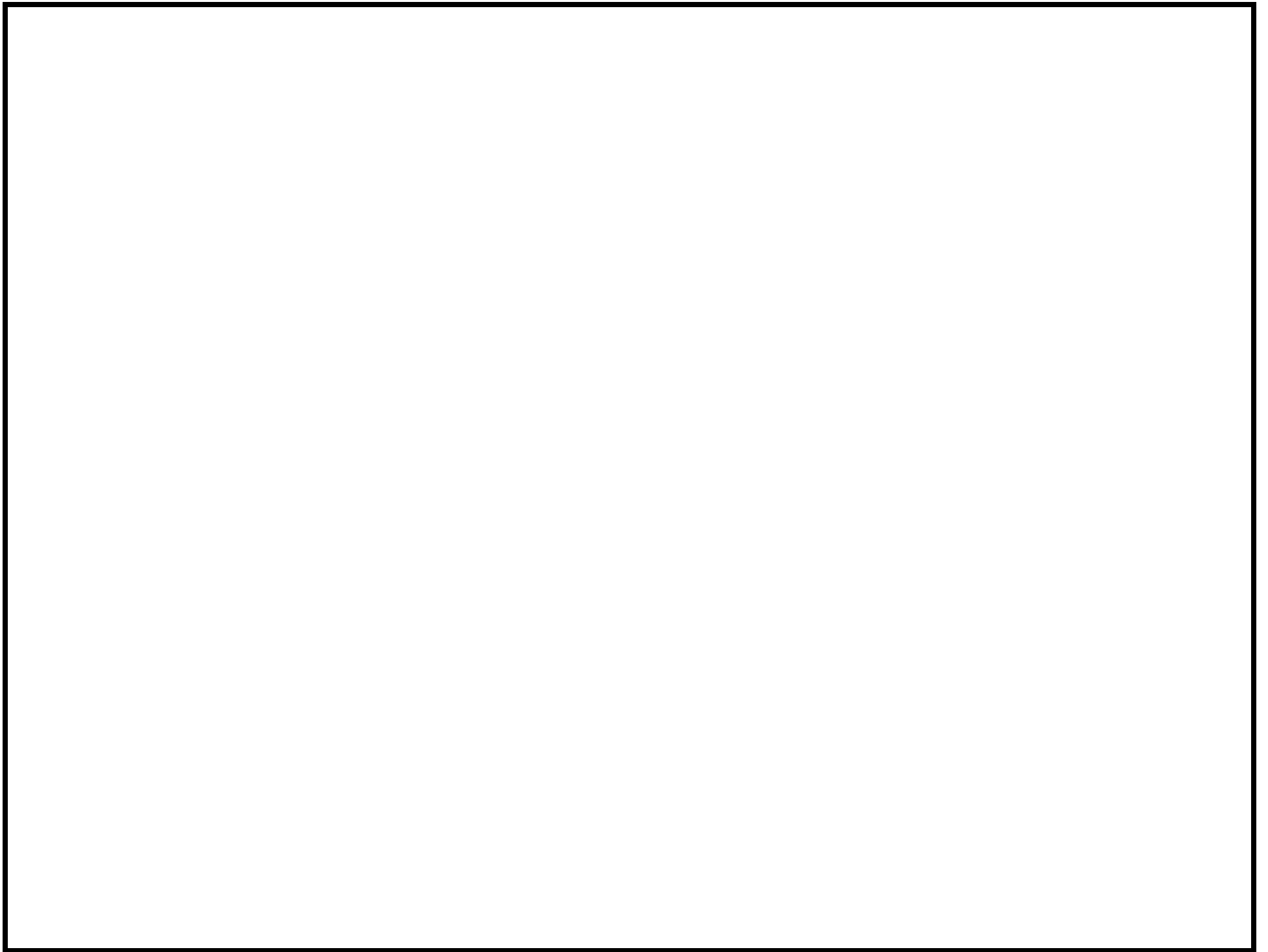
**NORTH TYNESIDE TRADING COMPANY LIMITED**

**QUADRANT  
COBALT BUSINESS PARK  
THE SILVERLINK NORTH  
NORTH TYNESIDE  
TYNE & WEAR  
NE27 0BY**

**DATE OF INCORPORATION: 11 DECEMBER 2012**

**COMPANY NUMBER: 08326780**

**JANUARY 2013**



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## EXECUTIVE SUMMARY

North Tyneside Trading Company Limited was established as a Private Company, Limited by Shares in December 2012.

The Company is wholly owned by North Tyneside Council being the sole shareholder of the Company.

The Company has been created by the Council to generate an income from the delivery of traded services to the public and private sector.

Whilst our primary function is to deliver an income to the Council, it is fundamental that we operate our business with the highest levels of integrity, accountability and transparency.

The Company will deliver services itself and through subsidiaries (e.g. North Tyneside Trading Company (Consulting)). Any trading the Company undertakes must be approved by the Council.

This Annual Business Plan outlines the aims of the company for 2013-14, how these will be achieved and the measures of success.

## INTRODUCTION

This is the first Annual Business Plan for North Tyneside Trading Company Limited. It sets out our aims for 2013-14 and how these can be achieved. These have been informed by the strategic ambitions contained within the Strategic Business Plan 2013 – 15.

The Strategic Business Plan and this Annual Business Plan together will provide a sense of direction for the Company and will guide our business development. They will introduce the Company to potential business partners, clients and stakeholders who wish to do business with us.

As a wholly owned company we are accountable to North Tyneside Council as the sole Shareholder. Our mission is to maximise opportunities to expand Council services and expertise into the public and private sector to generate profit for a public purpose. The object of the company (as defined in the Articles of Association) is to provide services to public bodies and other customers as appropriate.

Through us the Council aims to:

- Create an innovative and dynamic organisation responsive to customer needs and the market;
- Generate income through the delivery of high quality services; and
- Improve and enhance the skills of its workforce through delivering opportunities for staff to work across all sectors and in new markets.

When trading opportunities are identified a business case will be developed outlining the potential benefits, risks and resources involved in pursuing that opportunity. Each business case must be approved by both the Council (By Cabinet or under delegated powers) and by the Company Board of Directors.

The Company was established with no assets or staff. The Council will initially provide the resources required to pursue agreed business opportunities under the European Union De Minimis "State Aid" Regulations. The Council is permitted to provide aid of up to €200,000 (circa £160k) over a rolling three-year period.

## WHAT WE OFFER

### **Products and Services**

Many of the services provided by North Tyneside Council are recognised as being of a high quality and delivered by a highly skilled workforce. Products and services delivered by the Company will largely mirror those which are delivered by the Council.

The initial scope of services will be developed primarily around professional and consultancy services, sport and leisure services, environmental services, services to schools and conferencing and catering facilities. This may however be expanded as and when new business opportunities are identified.

It is important that we understand profitability and the resource impacts of each business opportunity to enable us to make sound development decisions.

### **Customer Base**

It is anticipated that our clients will primarily be public and private sector organisations, though there is the potential to include individual customers.

We acknowledge the need to develop and bring together our portfolio of services in a way which makes it easy to understand access and explore.

## OUR AIMS FOR 2013 -14

### Aims

The Strategic Business Plan 2013 – 15 sets out the strategic ambitions for the Company.

Strategic Ambition	Actions for 2013 - 14	Measure of Success
Create a corporate identity.	Develop branding and design proposals including logo, marketing materials and correspondence templates.	Branding and design proposals accepted by the Board. Logo, materials and templates in use.
Develop and bring together our portfolio of services.	Define the scope of services to be offered to the market place through the Company.	Scope agreed by the Board of Directors and the Council's Senior Management Team.
Understand and test our potential to compete and deliver services.	Approach the market to supply a range of traded services.	Detailed feedback received from unsuccessful bids and from contracts awarded.
Maintain a unified, viable business through growth.	Explore all potential opportunities in the market place and develop an awareness of the Company.	Income for the Council generated.
Deliver high quality services to fulfill our contracts.	Identify, utilise and develop the skills experience and capacity of available resources.	Satisfied customers, contracts extended or renewed, repeat business generated.

### Risks

These ambitions are set against a backdrop of tough financial times. The most significant risks which could prevent us from achieving our strategic ambitions include:

- There may be insufficient opportunities in the marketplace;
- The Company may fail to be competitive and to secure contracts; and
- The Council may not retain the skills, experience and capacity needed to support the Company.

Monitoring and mitigation of these risks by the Directors of the Company and by the Council as shareholder will help to enable the company to fulfill its strategic ambitions and to achieve its mission.