

# Public Document Pack



**Helen Barrington**

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PUBLIC

To: Members of Derbyshire County Council Trading Committee

Monday, 6 November 2023

Dear Councillor

Please attend a meeting of the **Derbyshire County Council Trading Committee** to be held at **4.15 pm** on **Tuesday, 14 November 2023** in **Committee Room 1, County Hall, Matlock**, the agenda for which is set out below.

Yours faithfully

A handwritten signature in black ink that reads 'Helen E. Barrington'.

**Helen Barrington**  
**Director of Legal & Democratic Services**

## **AGENDA**

1. Apologies for absence
2. To receive declarations of interest (if any)
3. To confirm the minutes of the meeting held on 27 July 2023 (Pages 1 - 2)
4. To consider the report of the Director of Property (Pages 3 - 12)

5. Concertus Derbyshire Limited - presentation (Pages 13 - 22)
6. Vertas Derbyshire Limited - presentation (Pages 23 - 34)

PUBLIC

**MINUTES** of a meeting of **DERBYSHIRE COUNTY COUNCIL TRADING COMMITTEE** held on Thursday, 27 July 2023 in Committee Room 1, County Hall, Matlock.

## **PRESENT**

Councillor S Spencer (in the Chair)

Councillors A Dale, K S Athwal, R George and C Renwick.

Also in attendance: Councillor J Dixon.

Officers present: E Alexander, M Fairman, H Forster, M Kenyon, J O'Sullivan, J Scholes and P Stone.

### **1/23 DECLARATIONS OF INTEREST (IF ANY)**

There were no declarations of interest.

### **2/23 TO CONFIRM THE MINUTES OF THE MEETING HELD ON 14 JULY 2022**

The minutes of the meeting held on 14 July 2022 were confirmed as a correct record.

### **3/23 CORPORATE PROPERTY'S ANNUAL REVIEW OF ITS JOINT VENTURES**

Janet Scholes, the Interim Director of Property presented the annual review for the financial year 2022-23 in respect of the three joint ventures, Concertus Derbyshire Limited (CDL), Vertas Derbyshire Limited (VDL) and Develop Renew.

The 2022-23 year represented a period of change for both the Council and the Joint Ventures. A new senior management team within Corporate Property had been formed and there was recognition that the Director of Property had a dual role with the Joint Ventures; as a board member and as the voice of the customer. An adjustment had been made and the Executive Director of Place had replaced the Director of Property on the Joint Venture board. This adjustment would allow the Director of Property to focus on being the voice of the Council and the customer.

Matthew Self, on behalf of Concertus delivered a presentation outlining

key aspects of the work that they had been carrying out over the past twelve months and highlighted the following:

- The unaudited financial position for 2022-23 was a turnover of £5.01m and a margin of £963k.
- New works won - £1.33m. Client diversification into District and Borough Councils; Multi Academy Trusts and One Public Estate.
- Revised procurement strategy with DCC to align with industry best practice utilising construction frameworks.

Karen Burrowes, on behalf of Vertas delivered a presentation outlining key aspects of the work that they had been carrying out over the past twelve months, these included:

- £365k had been invested in VDL plant, machinery and equipment by the end of the 2023 financial year.
- A profit of £455k in the financial year 2022-23
- Since the start of the joint venture, new business wins with Multi Academy Trusts in cleaning in excess of £1.25m and grounds in excess of £50k.
- Launch of the new Customer First Helpline.

It was proposed that 30% of retained earnings were paid as dividend to leave capital in the joint ventures for working capital and investment. Broadly the dividend across the CDL and VDL joint ventures was £400k.

Future meetings of the Committee will be scheduled to align with the production of the companies' half-yearly accounts to enable them to be scrutinised and considered by the Members prior to their submission to Companies House. On that basis, future meetings will be held in early November and early May.

**RESOLVED** that the Committee notes the content of the report and the presentations on the activities of Concertus Derbyshire Limited and Vertas Derbyshire Limited.

The meeting finished at 4.56 pm



**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**DERBYSHIRE COUNTY COUNCIL TRADING COMMITTEE**

**THURSDAY, 14 NOVEMBER 2023**

**Report of the Director of Property**

**Quarterly Review of its Joint Ventures**

**1. Purpose**

- 1.1 The report is the quarterly review of the joint ventures, Concertus Derbyshire Limited (CDL), Vertas Derbyshire Limited (VDL), including the final financial accounts for 2022/23, and Develop Renew. Members will also receive a quarterly performance update at the meeting on the activities of Concertus and Vertas.

**2. Information and Analysis**

- 2.1 The Derbyshire County Council Trading Committee ('Trading Committee') was established by Council in March 2021, to oversee on behalf of the Council, the performance of Concertus (Derbyshire) Limited ('CDL'), Vertas (Derbyshire) Limited ('VDL') and PSP (Derbyshire) LLP and provide approval on reserved matters as set out in the shareholder/members agreements for these organisations. PSP (Derbyshire) Limited operates under the trading name of Develop Renew.
- 2.2 The rationale for establishing the three joint ventures as strategic partners to the Council is to allow the Council to concentrate on its core activity of asset management rather than non-core service delivery, and, for CDL and VDL the ability to trade competitively to the benefit of the Council.

- 2.3 Strategic Partners – Concertus Derbyshire Limited and Vertas Derbyshire Limited.
- 2.4 Separate reports are to be presented by CDL and VDL to the Trading Committee on the performance of the companies since the last Trading Committee. This report therefore considers the Council’s position as shareholder and customer to the joint ventures and is complementary to the specific reports from each joint venture company.
- 2.5 By way of background, both CDL and VDL are Limited Companies. The Council has a 49% shareholding in each company, it has four executive directors, two from each shareholder, which means decision making is 50/50, notwithstanding the 51/49 ownership split. The four executive directors and non-executive chairman are the same in each company.
- Duncan Johnson – Non-Executive Chairman
  - Chris Henning – Director of Place, DCC
  - Paul Stone resigned – TBC DCC
  - Keith Buet – Chief Operating Officer, Vertas Group Limited
  - Matthew Self – Managing Director, Concertus Design & Property Consultants Limited
- 2.6 As previously reported the 2022/23 year represents a period of change for both the Council and the Joint Ventures. The Director of Property is no longer a director of the company and now acts as the voice of the customer only and this report is written from that view. An exercise is taking place to replace Paul Stone on the Board.

**2.7 Concertus Derbyshire Limited**

Performance Measures	
Financial	The company is required to submit its financial accounts to Companies House. CDL will provide the accounts for 2022/23 to the Trading Committee. The Board made the decision to take a dividend from the company from the financial year 2022-2023 of £407k, divided equally between both partners. Discussions are taking place regarding abortive costs incurred by DCC because of failed procurement exercises.
People	Recruitment has responded to gaps identified by the council as client, in terms of our needs. There are still some challenges in recruitment that can impact on the speed of delivery.

Business Development	New Works Won in Q2 over 50 projects with 43 being commissioned by DCC. Client Diversification into District and Borough Councils; Multi Academy Trusts and One Public Estate across the East Midlands
Business Improvement	Detailed below at 2.8.
Sustainability	Carbon Charter Silver Certification Awarded having previously awarded a bronze. The award was a result of changes resulting in a significant carbon emissions reduction. Concertus (including CDL) reduced emissions by 18.2%. Work commenced to assist key suppliers with their Journey to Net Zero by calculating their carbon footprint.

2.8 A series of business improvements meetings and subgroups were established in 2023 going into the 2023/24 financial year with senior managers both from the Joint Venture and Derbyshire County Council. These meetings continue to enable evolution of existing processes to optimise the CDL Joint Venture this includes:

- A strategic view on how work is commissioned, when it is commissioned and what each party can do to enable the appropriate strategies to be deployed to effectively engage with the supply chain early to maximise efficiencies and outcomes.
  - CDL will take up writing project briefs, responding to a simple scoping conversation by reflecting back their understanding of the client requirements, rather than the other way around. They have the resource and expertise to do this and it will relieve significant pressure on DCC officers.
  - Officers are working with CDL to provide a multiyear programme to allow early engagement and resource planning which takes in to consideration the Council’s internal approval timelines.
- A review of the existing fee structure and its alignment with the scale, volume and typology of work being passed to the Joint Venture.
  - Since the previous Trading Committee a new fee structure has been agreed in principle subject to approval. The fees will now reflect the scale and complexity of a project, moving away from the straight percentage fee agreed at the outset of the JVs. A cabinet report will be produced to agree the new fee structure detailing the benefits to DCC.

- The fee scales will be reviewed at various gateways throughout the project to, taking account of whether the project has increased or reduced in size and complexity.
- Fees have been benchmarked against a number of frameworks.
- Consolidating lessons learned from both parties since the joint venture was established to inform good and best practice for the future.
  - Meetings are moving from business improvement to business as usual with the aim of agreeing best practice and bench marking with the wider industry.
  - Parties are in discussion to agree new and measurable KPIs in line with DCC Corporate objectives and benchmarked with the wider industry to drive best practice and improvement.
  - Officers have reviewed outstanding invoices with CDL identifying trends and initiating processes make the exercise more efficient.
  - Service Department Strategic Governance meetings have been relaunched with CDL attending to have a direct link with the customer and the Intelligent Client officer in attendance to ensure early sight of potential projects.
  - Proposal for an operational level 'get to know you' session with CDL to create positive working relationships and identify more areas that can be improved.
  - There have been issues with demolitions through CDL. Ambiguities were identified in procurement documents that are being rectified.

2.9 Due to budget pressures within DCC the additional resource that was to be to provide 'scaffolding' to assist in the implementation of the arising improvements will be paused. The above noted improvements and procedures assist in relieving the pressure on DCC resource to mitigate not having the proposed additional resource.

2.11 CDL will be moving from Chatsworth Hall to the County Hall complex at the end of this calendar with staff using the offices immediately in the new year. This move brings CDL closer to DCC and is a good move for building relationships.



## 2.12 Vertas Derbyshire Limited

Performance Measures	
Financial	The company is required to submit its financial accounts to Companies House. VDL will provide the accounts for 2022/23 to the Trading Committee.
People	Relationships and liaison at all levels have developed and improved, with regular progress meetings now in place. Vacancies and recruitment issues within VDL continue to create challenges and pressures, but there has been some improvement in this area. VDL are implementing a new structure, which will create much greater resilience for DCC as a client.
Business Retention & Development	VDL FM Services showcase location to demonstrate all services including security, waste services, cleaning, front desk, grounds, pest control – further site options being discussed.
Business Improvement	KPI and SLA review across both services
Sustainability	Review and implementation of battery powered machinery and electric vehicles to support Net Zero 2030

- 2.13 This year has seen the introduction of a customer helpline by VDL, which will support our sites with any queries, complaints or compliments they may have and give them a more direct access to VDL. Further communication has been sent to our Service Departments with the help line details.
- 2.14 Work is continuing reviewing and pricing grounds maintenance works on our countryside sites in conjunction with Place colleagues, where new SLAs have now been proposed for the majority of sites.
- 2.15 There continue to be some failings to service provision but VDL management have been quick to respond and address issues and the helpline may further improve Vertas' response to such failings in the future.

- 2.16 Discussions are commencing with VDL on how savings and efficiencies can be achieved through the joint venture with a three-year plan being developed over the next few months.
- 2.17 As the council is under financial pressure work has commenced on how VDL may be able to utilise Property grounds maintenance construction employees to assist in workloads rather than bringing in additional staff and contractors.
- 2.18 Dividend
- 2.19 It is agreed that 30% of retained earnings are paid as dividend to leave capital in the joint ventures for working capital and investment. The split between VDL and CDL is £0.256m and £0.151m respectively. The dividend combined across the CDL and VDL joint ventures is £0.407m which will be divided on a 50/50 basis.
- 2.20 Develop Renew
- 2.21 Develop Renew is the trading name for PSP (Derbyshire) LLP. A joint venture established as a limited liability partnership between the Council and PSP Facilitating Limited. The Council has a 50% share in the partnership which is a public facing commercial entity and seeks to engage with the wider developer, investor and landowner markets.
- 2.22 The Partnership is used on an as and when basis where there is opportunity to deliver social returns from developing land or assets and where it is financially viable.
- 2.23 The Partnership has an option agreement over only one asset which is Cavendish Road.
- 2.24 No further assets have been put through the Partnership in the last quarter.

### **3. Consultation**

- 3.1 No public consultation required.

### **4. Alternative Options Considered**

- 4.1 Alternative Option 1: Do Nothing and not report progress to the Trading Committee. It would be possible to rely on existing arrangements as set out in the Council's Constitution which ensure efficiency, transparency and accountability in how the Council operates, as well as corporate law

that regulates companies and LLPs. However, this is not recommended. In a 2019 report by law firm, Trowers & Hamblins, identified the importance of good governance in local government, noting that the desire to get a company up and running could mean that in some instances, good governance could take second place, resulting in unmanaged risk and lower than expected returns.

- 4.2 Alternative Option 2: Do something different. The arrangement the Council has put in place with the Trading Committee provides a governance framework and it would be possible for officers of the Council to report the progress of the joint ventures. However, this is not recommended. The Trading Committee represents the Council as shareholder and the Financial Reporting Council (FRC) which is the body responsible for promoting high quality corporate governance in companies recommends a dialogue between the company and the shareholders

## **5. Implications**

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

## **6. Background Papers**

- 6.1 None

## **7. Appendices**

- 7.1 Appendix 1 – Implications
- 7.2 Appendix 2 – Presentation report slides from Concertus, Vertas Derbyshire Limited

## **8. Recommendation(s)**

That Committee:

- a) Notes and comments on, as appropriate, presentations on the activities of Concertus Derbyshire Limited and Vertas Derbyshire Limited

## **9. Reasons for Recommendation(s)**

- 9.1 Good governance provides that there is a dialogue between a company and LLP and its shareholders/members.

**Report** Janet Scholes  
**Author:** Helen Forster  
Steve Walters

**Contact** Janet.Scholes@derbyshire.gov.uk  
**details:** Helen.Forster@derbyshire.gov.uk,  
Steve.Walters@derbyshire.gov.uk

## **Implications**

### **Financial**

- 1.1 Regular dialogue between the finance teams of both VDL and CDL takes place with finance officers of the Council. This includes monitoring the cashflow position of each JV to act as an early warning sign of any potential issues. The current expectation is that neither JV will require financial assistance from the shareholders going forwards.
- 1.2 Future decisions on dividend payments will be taken by the Directors of the Companies, with input from the Shareholders.

### **Legal**

- 2.1 Legal services work closely with the client property department to consider any legal implications arising from each of the JVs; Any future legal advice on each JV will be provided as required, with external legal support engaged where appropriate.

### **Human Resources**

- 3.1 None

### **Information Technology**

- 4.1 None

### **Equalities Impact**

- 5.1 None

### **Corporate objectives and priorities for change**

- 6.1 The joint ventures support the Council's Enterprising Council strategy and with market-based charges the key priority relating to value for money.

### **Other (for example, Health and Safety, Environmental, Sustainability, Property and Asset Management, Risk Management and Safeguarding)**

- 7.1 CDL and VDL are private limited companies and required to comply with company law in particular the Companies Act 2006. Develop Renew is a limited liability partnership formed under the Limited Liability

Page 9 Partnerships Act 2000 and many provisions of the Companies Act 2006 also apply. As corporate bodies they have responsibilities and obligations under Health & Safety, Risk Management, Sustainability, etc.

- 7.2 The joint ventures support Corporate Property in the delivery of the Council's Corporate Property Asset Management Strategy.

Derbyshire County Council Trading Committee  
Matthew Self  
Tuesday 14 November 2023



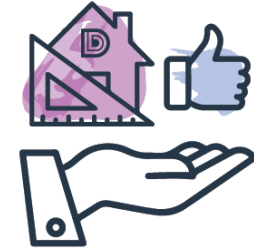
— A PARTNERSHIP | WORKING TOGETHER —



— A PARTNERSHIP | WORKING TOGETHER —



To transform the property delivery team



Deliver better projects for Derbyshire County Council clients



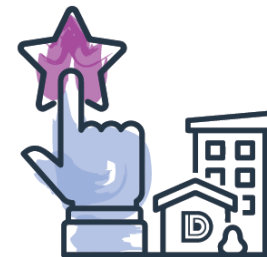
Bring innovation and best practice to the Council Property Services



Deliver savings (overall Project costs and Construction costs)



Deliver projects on time and to a good standard



Improve the reputation of Corporate Property and the Council in respect to Property



Help support the transformation of Property



	FY 22/23 Actual	FY 23/24 Budget	YTD Actual 23/24	Forecast YE 23/24
<b>Turnover (£)</b>	£5,084,825	£5,041,864	£2,237,024	£4,700,000
<b>Net Margin (%)</b>	19.21%	10.80%	(-0.80%)	6.00%
<b>Net Profit</b>	£976,613	£544,423	(-£18,936)	£300,000

/ **FY 22/23** – Improved performance from productive labour, delayed commissions from 21/22 increased revenue significantly, negative WIP rolling into 23/24 all contributing to a positive year end and strong dividend

/ **FY 23/24** – Savings made against productive labour, however turnover impacted by missed recruitment targets failing to backfill positions

/ Positive position for professional services in Q2 is helping to reverse the Q1 position, and solid margin for specialist services has assisted also

/ Negative WIP brought into FY 23/24 of £156k has hampered margin in Q1, however this has reversed into Q2 with turnover exceeding budget resulting in an overall positive net margin for Q2

/ Savings consistently made against overheads YTD has helped to recover net margin for Q2

/ Successful Business Development Activity with National and Regional Frameworks, District Councils; Multi Academy Trusts and Principal Contractors through Design and Build appointments.

# CDL Retained Earnings & Dividend

/ Retained earnings and dividend as reported at board 30/10/2023:

FY 22/23	Concertus Derbyshire Ltd
Retained Earnings	£853,000
Dividend 30% of RE	£255,900
<b>DCC Dividend</b>	<b>£127,950</b>

/ Agreed that 30% of retained earnings are paid as dividend to leave Capital in the Joint Venture for working capital and investment

## COLLEAGUE UPDATE

/ 38 employees start of year vs current headcount of 37 + 3 SLT from Concertus

/ Vacancy list as of 31<sup>st</sup> Oct:

- 2x Project Managers
- 2 x Building Surveyors
- 1 x Structural Engineer / Civil Engineer
- 1 x CAD Technician
- 1 x Bid Writer

Oncoming employees before year end, 1 x Associate Project Manager, 1 x Associate

Funding Manager, 1 x Building Surveyor

/ The YTD rolling staff turnover is 15% vs industry metric of 16%.

/ Rolling year absence 3% (1 long-term case who is now T1 retired)

/ Employee productivity at 82% and efficiency 90%

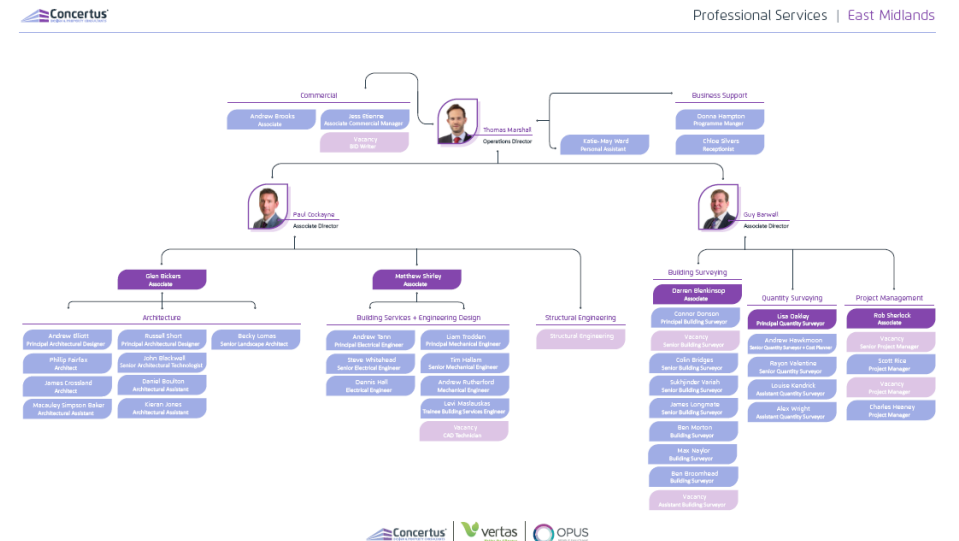
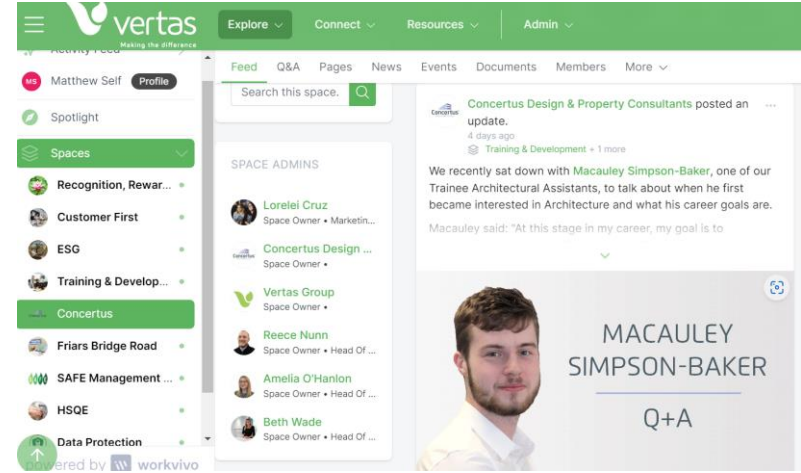
/ 1% of Turnover invested in Employee Training of employees (excludes Apprenticeships/ Trainees/ Professional Chartership Programmes and Time)

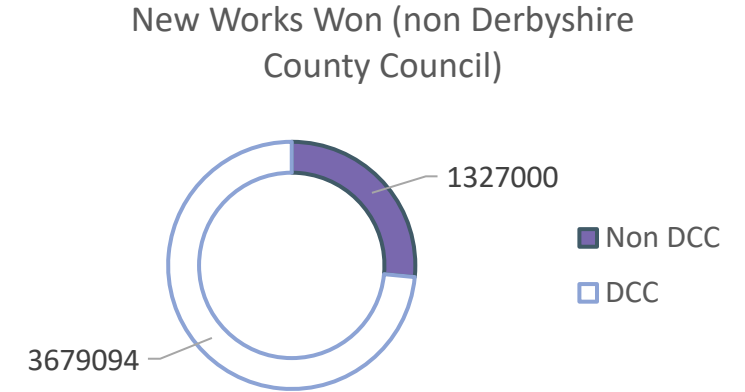
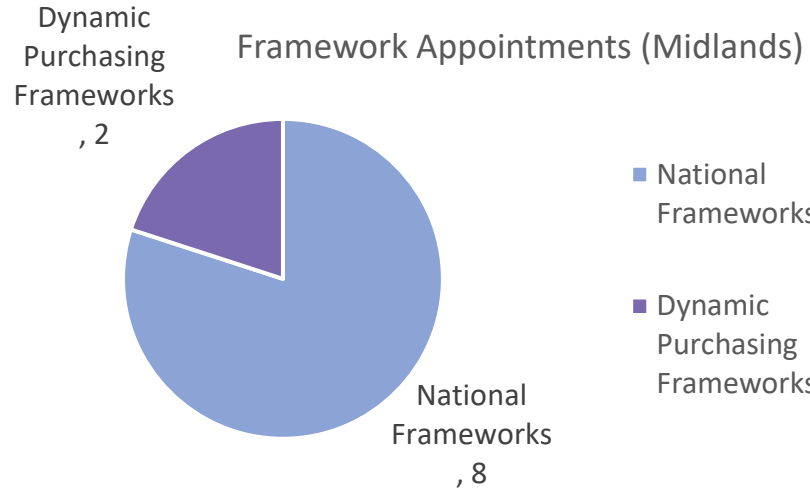
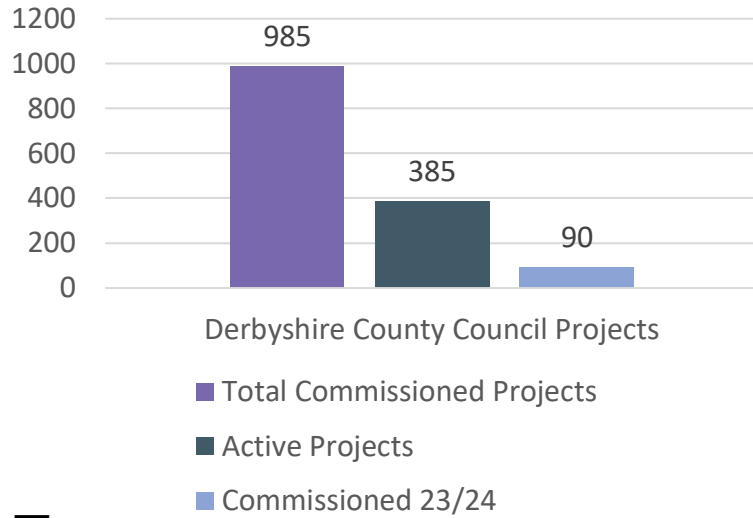
/ 29% of employees on Professional Chartership Programmes and Professional Trainee Programmes (with new initiatives to expand on our staff's professional achievements)



## Achievements / Investing In Our Colleagues

- / Investors in People Gold Accreditation
- / New Leadership and Management Structure
- / Launch of Workvivo – Colleague Engagement Platform
- / Medicash Employee Benefit plus Wecare ERP
- / Colleague Pulse Surveys (a 3% improvement on engagement by staff to 86%)
- / Launch of My Pay Now scheme to support colleagues with up to 30% of earned gross pay in-month
- / Launch Vertas Finest Recognition scheme
- / Continuous Conversations, 3 per year for all staff for positive engagement based on excellence, care and goals
- / Work experience visits from local schools with excellent feedback





## PROJECTS WITH DCC (CDL)

- / Total projects commissioned YTD: 90
- / Total fee of projects commissioned YTD: £1,282,767.61
- / Total active projects: 385
- / Total fee of active projects: £10,779,472.64
- / Of the 985 projects commissioned through DCC, 385 are active projects which the CDL team are working on with a total fee of £10.8m, of this 90 projects were commissioned within the current year with a total fee of £1.28m.

## PROJECTS OUTWITH DCC (CDTL)

- / Total projects commissioned YTD: 13
- / Total fee of projects commissioned YTD: £31,159.53
- / Total active projects: 22
- / Total fee of active projects: £89,503.83
- / Of the 60 projects commissioned to CDTL, 22 are active projects with a fee of £89k, of these 13 were commissioned within the current year with a total fee of £31k

## PROCESSES

- / Procurement policy and process, CDL are aiming to cut delays in procurement which contribute to increased costs
- / Closer ties with DCC Directorates to improve lines of communication and provide tailored services
- / Complex workflows, DCC/CDL working together to create better workflows and SOPs for increased efficiency

## SUSTAINABLE GROWTH

- / Direct expenses reassessment, bringing more services in-house to reduce expense
- / Public Sector funding cuts, reassess fee structure to align with the requirement for best value

## RISK MANAGEMENT

## PEOPLE

- / Retention and recruitment of staff, as well as national skill shortage in accordance with service plans to achieve in year business targets
- / Multi-skilled colleagues to diversify their abilities, creating a more agile workforce

## ECONOMY

- / Public Sector Austerity – implementing new ways of working to maximise benefit to the County in such times
- / Inflation and the availability of labour/ materials to support the delivery of projects to time and to budget

## FINANCIAL

- / Turnover £5.7m for the Financial Year 2024/25
- / Gross profit target of £2.35m
- / Reassessment of overheads and margin capabilities

## GROWTH

- / Marketing and BD to target public sector clients within Derbyshire and Nottinghamshire (MATs, OPE)
- / Creation of discipline specific business plans to ensure CDL remains a market leader in this sector

## INFRASTRUCTURE

- / New office – relocation from Chatsworth Hall to the County Hall Campus (increases our ability to work collaboratively with DCC)
- / Development of Partnership Supply Chain with SME's

## PEOPLE

- / Proactive recruitment and development of colleagues to facilitate Growth Strategy
- / Aspire to Inspire Development Programme to identify future leaders and invest in their success



Thank you for listening.  
**Any questions?**



# Vertas Derbyshire Limited

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Agenda Item 6



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# Focus / Summary

- Continued support of the DCC asset optimisation programme
- Extending the launch of the customer first helpdesk to facilitate calls from clients and colleagues
- Realignment of management to ensure solid structure & foundations are in place to support our colleagues and clients
- Reduce subcontractor use to ensure efficient, and cost-effective absence cover provision ensuring a positive impact on costs and service provision
- Focus on absence to ensure support and wellbeing of colleagues is at the forefront of service delivery
- Innovation is an ongoing priority in terms of new ways of working, service auditing software, client / management reporting, equipment, resolving service issues to achieve efficiencies and improve service delivery
- Financials – profit of £244k (pre minority interest) which is £17.9k ahead of forecast up to end September in current Financial Year 23/24
- SLA and KPI's – Work continues to review SLA's and KPI's with our customers to ensure shared visibility and expectation with regards to performance of service delivery
- Cost savings initiatives currently being researched. Chemical free cleaning - initial outlay for equipment, Robotic suction cleaning – currently being trialled in Vertas Group, Vehicle cost analysis – creating synergies with vehicle type and Machinery analysis in terms of type and servicing costs
- Investment in operational Management team using Insights Discovery Profiling, a tool introduced to support our recruitment initiative to build a management team who strive to improve our service deliver and move the joint venture forward
- Investment- £29.3k invested in new machinery

# Finance

## VERTAS DERBYSHIRE LTD

The turnover for VDL 'as a whole' for Cleaning & Grounds for the financial period 1st April 2023 to 30th September 2023 is £5,354,048.44 for Cleaning and £939, 489.50 for Grounds.

The profit for Cleaning and Grounds for this period is £235,076 for Cleaning & £9,910 for Grounds Maintenance

TURNOVER	CLEANING	GROUND
Sep 20 - Mar 21	£ 7,256,455.00	£ 655,928.00
April 21 - March 22	£ 11,633,763.00	£ 1,469,153.00
April 22 - March 23	£ 10,676,112.50	£ 1,667,777.17
April 23 - Sep 23	£ 5,354,048.44	£ 939,489.50

PROFIT	CLEANING	GROUND
Sep 20 - Mar 21	£106,429	£-3,624
April 21 - March 22	£401,408	£4,709
April 22 - March 23	£452,737	£2,510
April 23 - Sep 23	£235,076	£9,910

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<b>VDL TURNOVER</b>	<b>YTD</b>	
Cleaning	Grounds	Total
£2,141,619	£591,878	£2,733,497
<b>VDTL TURNOVER</b>	<b>YTD</b>	
Cleaning	Grounds	Total
£3,212,429	£347,611	£3,560,040
<b>VDL PROFIT</b>	<b>YTD</b>	
Cleaning	Grounds	Total
£56,098	£-8,757	£85,274
<b>VDTL PROFIT</b>	<b>YTD</b>	
Cleaning	Grounds	Total
£141,045	£18,666	£159,711

## VERTAS DERBYSHIRE LTD & VERTAS DERBYSHIRE TRADED LTD

The turnover for the period 1st April to 30th September 2023 for:

- Derbyshire (VDL) Cleaning £2,141, 619 & Grounds £591,878.
- Non-Derbyshire (VDTL) Cleaning is £3,212.429 & Grounds £347,611.

The profit for the period 1st April to 30th September 2023 for

- Derbyshire (VDL) Cleaning £56,098 & Grounds-£8,757.
- Non Derbyshire (VDTL) Cleaning £141,045 & Grounds £18,666.

# People

## Multi skilling of colleagues

Providing support for colleagues to diversify into other areas of our service provision to provide option for fulltime working and providing a work life balance, also reducing the requirement for sub-contractor working.

## Long Service awards

Continue to support the DCC long service awards for colleagues achieving 25 years and 40 years' service.

## Employee benefits

Wagestream – Access to earned pay at any point of the month. This has now gone live. Colleagues can manage budgeting, choose when to get paid (also known as flexible pay), build up a rainy-day fund, get free financial information, and useful tools including a Benefits Checker.

## Continuous conversations

## Menopause leave

The Vertas Group has introduced a new policy offering leave to colleagues who are experiencing menopause symptoms. The new company-wide policy has been introduced to support colleagues who are experiencing menopause, helping women navigate their symptoms most comfortably and effectively.



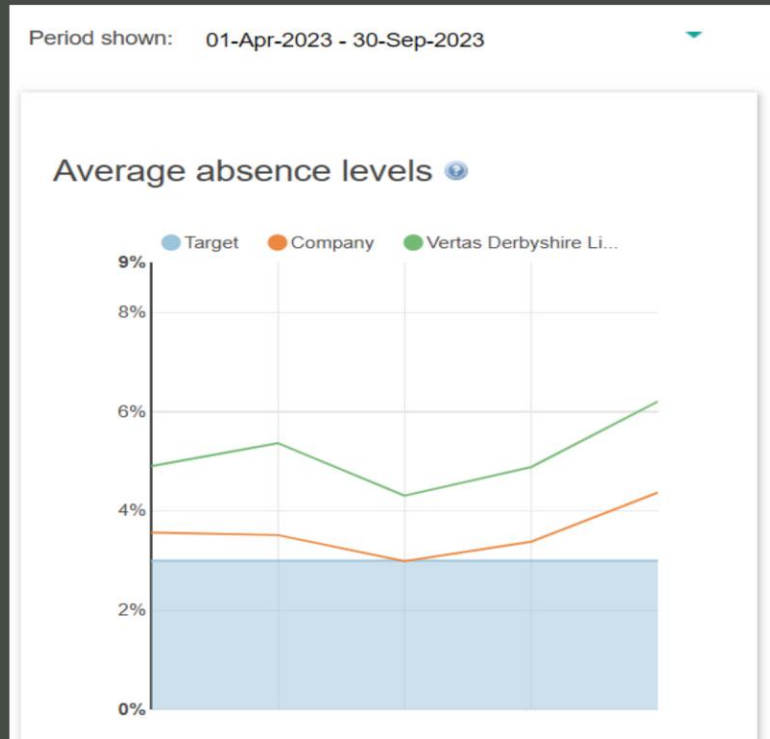
# People

## Absence

- Short & Medium term at levels comparable with Vertas group and the wider FM industry however it is above company target KPI of 3%

Long Term absence is in excess of 4% Most common reasons for absence listed are Surgery & Hospitalisation, Heart, blood pressure & Circulation.

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## WeCare

- A free online support service for all Vertas colleagues; with a range of services including Mental Health support, Get Fit Programme and life event counselling



# People

## Group Recognition Programme

- Vertas Finest Nominations for a bronze, silver and gold winner who will receive a reward.
- All colleagues who receive positive feedback for going the extra mile will receive a personal Thank You Card from Vertas Group's Chief Operational Officer.
- Making the difference Awards Annual nominations can be made by all colleagues and clients to nominate colleagues in 10 different categories. If shortlisted, the colleague will be invited to an annual awards ceremony hosted by the CEO and receive a voucher worth over £200

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# People

## Vacancies

- Primary focus is to overcome an industry wide challenge of recruiting to vacancies and closing a gap in the workforce however the number of vacancies has begun to reduce, and a marked reduction was evidenced in September.
- Vacancies in cleaning have now reduced to 3.38% and grounds has reduced to 2.94% of the overall workforce
- Refer a friend initiative has been introduced for any of our colleagues who refer a friend to work with us and can earn up to £150.
  - Friend is successfully appointed = £75
  - Friend reaches 6-month anniversary = £75
- Working in conjunction with Employment advisors from the Department of Work and Pension at Derby City Job Centre
- Appointed two apprentices supported by Derby College

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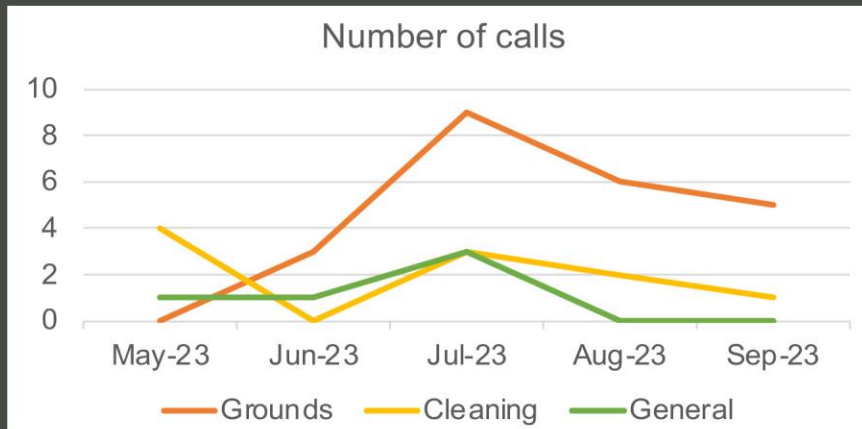
	APR	MAY	JUN	JUL	AUG	SEP
Vacancies Cleaning North	18	5	9	12	17	14
Vacancies Cleaning South	16	5	6	10	19	13
Total Cleaning	34	10	15	22	36	27
Vacancies Grounds	3	2	2	1	1	1
Total	37	12	17	23	37	28



# Customer

- The Customer first helpdesk continues to be available for our Derbyshire County Council partners. With an increasing number of calls since its implementation in May 2023, it is becoming increasingly effective in creating a communication channel.
  - The helpdesk facility is accessible to all DCC colleagues, client and partners and can be shared and continually promoted in all sites to fully utilise its potential to enable a timely response to call and provide full visibility of trends of calls received by the helpdesk.
- The utilisation of the helpdesk ensures that DCC & VDL colleagues have at their disposal an effective means of communication that provides a tracking number to ensure a response and conclusion. The helpdesk has the ability for data reporting which can be shared as part of the fortnightly joint DCC & VDL operational meetings.

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**Vertas Derbyshire supporting Derbyshire County Council**

**Customer First Helpline**  
**Tel: 03330 342202**  
mail@vertas.co.uk

Across Vertas Group, we want to support Derbyshire County Council to ensure the cleaning and grounds for your properties operate exceptionally, and we deliver an outstanding service.

Our Customer First helpdesk offers support with any questions and issues, ensuring:

- ✔ We listen to what you need
- ✔ Log and track your questions
- ✔ Allocate your request to the best person to support
- ✔ Follow up to ensure you are satisfied with our delivery

**Our helpdesk is open from 8:00am and until 5:00pm.**



# Customer

## Business Key Performance Indicator's

The introduction of business Key Performance Indicators (KPI's) have been fundamental in strengthening our service delivery within VDL.

These KPI's help DCC manage our contract, ensuring VDL are working safely in DCC sites in terms of compliance and training, creating effective working relationships with clients and creating an opportunity for feedback and comments about the service.

H & S audits to ensure compliance in terms of chemical and equipment usage.

■ Manager, Senior and Executive site visits undertaken monthly to interact with clients and colleagues, undertake audits, and ensure our colleagues are working safely .

■ Training compliance should exceed 90% completion

■ Colleague and client surveys undertaken on a yearly basis

## Site wins

■ Supporting DCC in the transfer of cleaning services in some sites that previously remained with service departments. This is following the DCC transfer of budgets to the Property Team. Value of sites transferred is £52k per annum



# Business Risks

- Vacancy and absence fulfilment – recruiting and retaining the right staffing levels is challenging in today's climate due to competition with supermarkets etc.
- Increasing sickness absence rates due to cold weather, flu season and new COVID variants.
- Whist working with DCC assisting with their reduction of service/assets and building portfolio trying not to make colleagues redundant.
- Servicing and repair costs on larger items of aging grounds machinery so an opportunity to review replacement machinery to support zero carbon aims. (Net zero by 2030)

# The Future

## People

- Training and Development to create our future leaders and strengthen succession planning
- Continuous Conversations to assist people engagement.
- Recognition of talent through our Vertas finest initiative and Making the difference Awards

## Sustainability

- Focussing on carbon net zero and social value.
- Working with our sustainability partner Planet Mark to identify and agree our scope 1,2 and 3 carbon measures.
- Alignment with DCC strategic sustainability requirements.

## Contracts

- Multi academy trusts; both cleaning and grounds services.
- Additional services with DCC Property such as security, environmental, energy, passenger transport management etc.
- Additional services to non-DCC customers; waste, washroom, specialist cleaning.
- Identifying integrated FM opportunities in Derbyshire.

## Finance

- Rolling 2-year business plan.

# Any Questions?

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