


<b>Report to:</b>	Sutton Shareholdings Board	<b>Date:</b>	1 May 2019
<b>Report title:</b>	Encompass LATC Business Plan 2019/20		
<b>Report from:</b>	Mary Morrissey, Strategic Director, Environment, Housing and Regeneration		
<b>Ward/Areas affected:</b>	Borough wide		
<b>Chair of Committee/Lead Member:</b>	Councillor Sunita Gordon, Chair of Sutton Shareholdings Board and Councillor Jayne McCoy, Chair of Housing, Economy and Business Committee		
<b>Author(s)/Contact Number(s):</b>	Simon Latham, Assistant Director, Housing, Planning and Regeneration 020 8770 4006		
<b>Corporate Plan Priorities:</b>	<ul style="list-style-type: none"> <li>● Being Active</li> <li>● Making Informed Choices</li> <li>● Living Well Independently</li> <li>● Keeping People Safe</li> </ul>		
<b>Open/Exempt:</b>	Open		
<b>Signed:</b>		<b>Date:</b>	17 April 2019

## 1. Summary

1.1 This report presents the Encompass LATC Business Plan 2019/20.

## 2. Recommendations

The Sutton Shareholdings Board is recommended to:

2.1 Approve the Business Plan for 2019/20 attached as Appendix A.

## 3. Background

3.1 Encompass LATC Business Plan for 2019/20 sets out how it will deliver on the aims and objectives set out in its four year Business Plan 2015-2020 and its three year Strategic Plan 2017-2020.

## 4. Issues

Encompass LATC's Objectives

- 4.1 A key objective of Encompass's Business Plan 2019/20 is to increase its revenue from current business streams and to secure new contracts.
- 4.2 Encompass has set itself challenging targets against revenue generation for 2019/20. At the end of the third quarter of 2018/19 Encompass LATC generated revenue from business streams outside the main contract with the London Borough of Sutton of £95,998 and are forecasting an end of year revenue of £129,801 from these business streams.
- 4.3 In 2019/20 Encompass will focus on marketing its current business services by further developing the relationships built with Google, small businesses in Sutton, health services and other local authorities, by increasing our online presence and by direct marketing.
- 4.4 As part of Encompass's wider commitment to quality and effective performance management, it will review its current structures and ensure business processes are aligned to service delivery.
- 4.5 Mainly due to the pressure of implementing the Homelessness Reduction Act, recruitment and retention in 2018/19 has been challenging. Our aim in 2019/20 is to review the current structure of housing services to ensure that sufficient resources are aligned to critical areas of work, current pressure points are minimised and, our pay and reward scheme is competitive, attracts and retains high calibre employees.
- 4.6 The Business Plan is appended as Appendix A.

## **5. Options Considered**

- 5.1 While the Company is wholly owned by the Council, it has to act independently as well as commercially, and its Directors have a fiduciary duty to ensure that it acts according to its business objectives and remains solvent.

## **6. Impacts and Implications**

### Financial

- 6.1 Encompass is financially viable and its annual accounts are reported to Sutton Shareholding Board for approval.
- 6.2 Encompass LATC at 2015/16 projected a pre tax surplus of £168,200 for year ending 2018/19, the equivalent forecast at present is an operating surplus of £337,882.
- 6.3 The LATC continues to operate within the funding contract and has returned annual results in 2018/19 better than the original business plan as reported to committee in 2015/16.

Legal

- 6.2 Encompass LATC is a teckal company, wholly owned by the Council and operates in accordance with its Articles. The Council exerts control through Shareholder Reserved Matters, its contract and management agreement.

**7. Appendices and Background Documents**

<b>Appendix letter</b>	<b>Title</b>
Appendix A	Business Plan for 2019/20
Appendix B	Delivery Plan

<b>Background documents</b>
LATC Business Plan 2016 -20
Encompass Strategic Plan 2017-20

<b>Audit Trail</b>		
Version	Final	Date: 17 April 2019
<b>Consultation with other officers</b>		
Finance	Yes	Solomon Akuffo
Legal	Yes	Fabiola Hickson
Equality Impact Assessment required?	No	N/A

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