

BIRMINGHAM CITY COUNCIL**PUBLIC REPORT**

Report to:	CABINET COMMITTEE – GROUP COMPANY GOVERNANCE
Report of:	Corporate Director – Finance & Governance
Date of Decision:	13 November 2018
Subject:	Acivico Limited – Pen Portrait
Wards affected: All	
1 Purpose	
1.1	This report sets out summary information in respect of Acivico Limited as background information to the consideration of the company's business plan in the private section of the agenda.
2 Decisions recommended:	
	Members are recommended to:
2.1	Note the information provided in this report.

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3 Compliance Issues:

- 3.1 Are Decisions consistent with relevant Council Policies, Plans or Strategies?:
The Council has created companies to support the delivery of services.
- 3.2 Relevant Ward and other Members/Officers etc. consulted on this matter:
The Chair of the Committee has been consulted.
- 3.3 Relevant legal powers, personnel, equalities and other relevant implications (if any):
There are no legal implications associated with this report.
- 3.4 Will decisions be carried out within existing finances and resources?
There are no financial implications associated with this report.
- 3.5 Main Risk Management and Equality Impact Assessment Issues (if any):
This report provides information for members and there are no risk management or equality impacts arising.

4 Relevant background/chronology of key events:

- 4.1 Acivico Limited was created as a wholly owned company of the Council in September 2011.
- 4.2 Two subsidiary companies, wholly owned by Acivico Limited, were created in January 2012, namely:
- Acivico (Building Consultancy) Limited
 - Acivico (Design, Construction and Facilities Management) Limited
- 4.3 Acivico has been designed as a Teckal company, which means that 80% or more of its activity has to be through contracts for services with the Council. The benefit of being a Teckal company means that contracts may be awarded without going through a public tendering exercise.
- 4.4 The principal activities of the group of companies were for the provision of consultancy, design, construction and facilities management within the construction and property industry. The companies became operational from 1 April 2012 as Council staff were TUPE'd to the companies.
- 4.5 In April 2015, three additional services were transferred to Acivico, namely Civic Catering, Cleaning and Birmingham City Laboratories. These services provided catering, cleaning, asbestos surveys and toxicology testing to the public and to the Council.

- 4.6 Acivico has generated operating losses in the past few years and to improve its financial and operating position the company has been undertaking a review of its activities. The review has included an assessment of its staffing requirements and a number of staff have left through voluntary redundancy.
- 4.7 The company transferred its catering function back to the Council with effect from 1 October 2018.

Signature:

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Clive Heaphy, Corporate Director – Finance & Governance

Appendix

Appendix 1 – Pen portrait Acivico Limited.