



# The Wholly Owned Company Model

Nic Cox MD  
Solutions SK Ltd

**SOLUTIONS SK**  
A Stockport Council Company

# History

- SDS success under CCT
- Best value changed the game
- Scrutiny review 2002
- Make or buy ?

# What Mattered to Stockport Members

Retain control – “make it”

**BUT -----**

- Viable
- Flexible
- Reputation & Risk
- Value for money

# Options considered

Status quo

Merge back with client departments

Wholly Owned Company (WOC)

Joint Venture (JV)

Tender work

Management Buy Out

Externalise

# The perceived advantages of the WOC

- Maintain Democratic control
- Ensure Competitiveness
- Clarity of role
- Respond to legislative change
- Maintain the benefits of an in-house provider
- Improve services

– Transforming Stockport Direct Services into a Wholly Owned Company Business Case  
September 2006

# New business

- Original business case + £200k
- Who?
  - Residents
  - Public bodies – Health, Housing Associations
  - Schools, Academy, Colleges, University
  - Private sector
  - Other contractors
  - Other service areas – ISSK, Ref & Rec, Comm Waste ?????

# Issues in setting it up

- Skill gap
- Cash flow
- Brand & name
- Governance
- Communication
- Blockers/critics/doubters.....
- Finance & legal advice – external
- Service level contracts – both ways

# Advantages

- Mutual trading
- Procurement
- TU support
- Pensions
- Commercial remuneration
- Control
- Freedom
- Investment







# Current Company “Family” 2011



# Challenges

- Continue to support the Council
- Deliver dividend or alternative
- Develop remuneration package
- Grow ISSK & WSSK
- Continue to develop the new culture
- Drive efficiencies, take out waste & duplication

# Vision

- JV & WOC partnerships
- Contracting
- Manage public sector reductions
- Subsidiaries
- Acquisitions