

CORSERV

www.corservltd.co.uk

BUSINESS
PLAN
2025-2029



A CORNWALL
COUNCIL COMPANY

**Working together to improve the lives
of people in our communities.**



Financial highlights

Revenue
2028/29

£224.6m

2024/25 £208.0m

increase in
revenue

Profit before tax
2028/29

£5.4m

2024/25 £-5.2m

increase in
profit
before tax

Shareholder dividend
2028/29

£2.7m

2024/25 £0.0m

increase in
dividend

Profit before tax £m



■ 2024/25 ■ 2025/26 ■ 2026/27
■ 2027/28 ■ 2028/29

Revenue £m



■ 2024/25 ■ 2025/26 ■ 2026/27 ■ 2027/28 ■ 2028/29

Contents

Financial highlights	3
Group Strategy at a Glance	4
Foreword by Corsev Chair	5
Statement by Chief Executive Officer and Director of Finance	6
What we do, Our Mission, Vision & Values	10
Our Strategic Priorities	13
Aligning with Cornwall Council Priorities	14
People Strategy	15
Our Sustainable Future	18
Sustainability: Climate Action	19
Sustainability: Nature Recovery	20
Cormac	21
Corsev Facilities	29
Corsev Care	32
Business Support Functions	38
TalentTide and Jobline Staffing	41
Fleet	43
Financial Summary	52
Governance	56
Introducing the Board	58

Group Strategy at a Glance

Cormac

Cormac will grow over the next few years through our external business with both local authorities and the private sector in the South West. Council business is being impacted as a result of recent financial pressures. Despite this, we intend to develop a business which will deliver £5.4m profit by 2028/29.

We will see a reduction in revenue over the 4 years as we see a scaling back of Cornwall Council budgets. The business will focus on replacing this lost revenue through increased external organic growth and strategic collaborations with other public sector organisations.

The business will be centred around delivering great services through its core term maintenance contract and environmental services.

2028/29
Revenue **£165.8m**

2024/25 £141.9m

2028/29
Operating Profit **£5.4m**

2024/25 £4.8m

Facilities & Fleet

Due to the significant trading challenges in the Facilities business we have updated our business plan for 2025-9 to transition our services such that truly viable activity is delivered across the life of the business plan. Some key contracts have already ended with others scheduled to close by March 2027. This will shape the size and direction of Corserv Facilities through to March 2029, focusing on driving profitable activity in its Fleet, Capital Projects and Soft Services contracts. We will look to add further complementary and profitable workstreams to the business as opportunity allows.

Our Fleet business continues to support our internal needs, those of Cornwall Council and offers services to a range of external customers.

2028/29
Revenue **£22.2m**

2024/25 £23.3m

2028/29
Operating Profit **-£0.2m**

2024/25 -£5.6m

Combined Facilities and Fleet

Care

Corserv Care, brings together STEPS, Care and Support, Lifeline and Assisted Living Services together with the creation of management and leadership capacity to support the Council to strategically manage market fragility and provider failure.

The company works in partnership with the Council, Health and the voluntary sector to focus on preventing avoidable admissions into hospital, reablement/recovery and provides longer term support within the community. In 2024 we extended service provision to younger adults with additional support needs when the Council transfers Day opportunities, Respite/Short breaks and Employment Services complimenting and enhancing the Division's focus on delivering personalised outcomes for all adults. We are the contracted Provider of Last Report for Cornwall acting on behalf of Cornwall Council to ensure continuity of care for clients in the event of provider failure.

2028/29
Revenue **£22.3m**

2024/25 £17.4m

2028/29
Operating Profit **£0.3m**

2024/25 £0.5m

Revenue numbers include inter-company sales see Finance section for net figures. Figures rounded to one decimal place.

Foreword by Corserv Chair



"Our brands stand strong, representing our divisions' capabilities and successes. I see many exciting opportunities for the Group in the near future, as this Business Plan ensures our strategy meets the demands of a commercial entity."

As we chart our course into 2025, it is imperative to reflect on the transformative journey we embarked on in the previous year.

Corserv Solutions is now well established as a commercial entity and, with its subsidiaries, Cornwall Airport Newquay (pending investor involvement) Corserv Contracting and Corserv Facilities, has laid the groundwork for a more commercially driven enterprise. Our vision is to not only provide outstanding services to the residents of Cornwall, but also to nurture divisions capable of thriving in the broader market and generating greater returns for our shareholder, Cornwall Council.

In the face of declining central government support, our aim is to generate profits with a genuine social impact, channelling funding back into vital public services within Cornwall, truly 'working together to improve the live of people in our communities'.

Following the legal changes implemented in 2023, culminating in the establishment of Corserv Solutions from the businesses of the former Group, we have focused throughout 2024 on the next step in our journey of improvement. Established as Phase 2 of the successful Change Programme, we have focused on our culture as one, now consolidated business alongside standardising and where necessary, improving our business systems and process. Our vision being to create a modern single business where aligned visions and values, coupled with excellent system and process, drive great performance.

A more commercial outlook is established across the whole business. Where necessary we've made the difficult decisions to rationalise business lines, ensuring that we have a clear focus on viable activities that drive a return to our Shareholder. We have well established visions for each part of the business; driving growth through increased commercial revenues and the development of Local

Authority partnerships outside. There are some amazing opportunities in the pipeline that I'm sure will bring benefit to Cornwall as a whole.

Following our structural shifts, our company composition has evolved to align with the one-company approach, culminating in 2024 in the formation of a new, streamlined board. This board will operate with transparency, collaboration, and a standing invitation for Divisional and Subsidiary Managing Directors to attend, reflecting our commitment to unified success.

Our partnership with Cornwall Council is integral to our success, characterised by open dialogue, mutual challenge, and shared objectives. Together, we are poised to unlock growth and drive innovation that aligns seamlessly with the Council's strategy.

Our brands stand strong, representing our divisions' capabilities and successes. I see many exciting opportunities for the Group in the near future, as this Business Plan ensures our strategy meets the demands of a commercial entity.

We will continue to explore opportunities to contribute to Cornwall Council's growth strategy, actively participating in the development of a prosperous Cornwall for generations to come.

Jan Ward

Chair

Statement by Chief Executive Officer & Director of Finance



Neil Edmond
CEO

"Our vision to work together to improve the lives of people in our communities remains central; whether that is a focus on the quality of local services, maximising local employment opportunities both directly and through our supply chain or the ultimate return of dividend that our Council invests in the communities it is at the heart of everything that we do."

High Level Business Strategy

In refreshing this Business Plan, the Board has reviewed the longer-term strategies of all of our businesses to ensure that they remain targeted and focused on delivering the key priorities of the Company, our Shareholder and partners.

The strategies for the Cormac and Care businesses remain largely unchanged. They will, first and foremost continue to deliver their core services to the highest possible standards, supporting the people of Cornwall. For a number of years, both Cormac and Care have been developing a wider customer base, providing complementary services to a range of external organisations. This serves both to reduce reliance on Cornwall Council as a single customer and to generate growing profits; those profits are returned to the Council to invest in services to the wider benefit of Cornwall. Cormac will continue to grow revenue through developing external frameworks, through the development of Local Authority partnerships outside of Cornwall and, potentially through targeted acquisition. Care has a focus on developing its private funded domiciliary care offer and the further development of digital care services.

The Board, along with Cornwall Council are committed to securing a sustainable commercial and operational future for Cornwall Airport. We will together with Council colleagues to secure an investment with whom we can make this vision a reality. Securing a partner with the resources to invest in the essential infrastructure and the wider Airport site, alongside supporting the operating subsidy will secure the future operations at the Airport. Like last years' plan, this version is prepared on the basis that this programme is successful and that CAL's operational subsidy requirements are met through alternate means from 1st April 2026.

It is important to note that the cash resource released when the Group is no longer financing the operating deficit of the Airport is critical to support ongoing operations and contributes significantly to the investment funds that drive the growth plans in the other businesses. Should the Corserv Group continue to finance the operating deficit beyond 31st March 2025, this plan will need to be reconsidered. Not only would we see an immediate reduction in profit and dividend, but the growth ambitions of other businesses would be curtailed by a lack of investment funds. Profits of all businesses would need to be re-assessed in years 2,3 and 4 of this plan.

This plan describes a significant refocusing of the Facilities business during the course of the coming year. Recognising the significant trading challenges experienced in recent years, it is critical that we re-focus the business on truly viable activity across the life of the business plan. With that in mind, the Corserv Board has undertaken a thorough commercial review of all activities. Some key contracts come naturally to a close in March 2025 and we will move during the year to renegotiate or exit other arrangements that are no longer commercially viable.

The Repairs and Maintenance contract with Cornwall Housing completes in March 2025. After detailed consideration, the Board decided that this contract is not viable for Corserv Facilities and did not participate in the procurement process to select new service partners. A key focus as we draw 2024/25 to a close is to support Cornwall Housing and our staff, most of whom will TUPE transfer to new service providers, to ensure a smooth transition of services.

Across our Facilities business, there will be relentless focus on improving productivity, reducing losses in remaining contracts and ensuring that, when those contracts come to an end over the next 2 to 3 years, we are well placed to make balanced decisions around our continued involvement. The business will retain a capital projects function, to manage out existing commitments and with a view to developing future opportunities, particularly as they



Paul Cooper
Director of Finance

"Recruiting and retaining a great team who feel valued, developed and part of the vision is vital to our success as a company."

complement activities in Cormac.

Working in partnership with Council colleagues and engaging with the wider market, we will develop further service offering, building around an 'asset management' function, that can add value and improve financial performance. The Facilities team see a range of services that sit in this space from extending the scope of Disabled Facilities Grant works, managing further aspects of the Council's asset portfolio, business generation from wider public sector organisations in Cornwall to name a few. We also see a future in the delivery of the Net Zero Carbon Agenda across Cornwall. We will transition our managed fleet to carbon neutral alternatives and will develop the infrastructure required to maintain and fuel not only our own fleet but those of our customer base, supporting the wider economy as it pursues this ambition. In reviewing market potential over the coming 5 to 10 years, there is opportunity to further support the Carbon Neutral agenda that is central to the ambitions of Cornwall Council and drive return for the business that we will look to explore in partnership.

Embedding Change

One Company Change Programme

A new vision for the Corserv Group was set out in last year's business plan with the creation of a new unified commercial company called Corserv Solutions covering the majority of activities with subsidiaries Cornwall Airport Newquay (subject to an investor being found), Corserv Facilities Ltd managing the PRA service and Corserv Contracting established as our non-Teckal commercial vehicle.

Our intention was to create a commercial company with a focus on great service delivery for the residents of Cornwall but also successful divisions that could compete in the external environment winning profitable work and ultimately bringing more return to our Shareholder, Cornwall Council. This provides funding that can be used to fund vital public services within Cornwall during a time when central government support has been declining. Profit with a real social value purpose.

We are working to create a Company :-

- Where everyone is collaborating to deliver the Company's mission and purpose from the Board to the frontline
- Where we build positive and trusted relationships with our colleagues, customers, public and Shareholder
- Where we are focused on delivering for our customers and successfully delivering contract commitments
- Where there is accountability and ownership, with great performance rewarded whilst others are supported to develop and improve
- Where business divisions can thrive and grow using traditional growth strategies of risk-based diversification and acquisition building upon current strengths and expertise
- Where all support services are focused on the bottom line and growth plans of the divisions and feel part of the one company team
- Where assurance systems are effective and ensure compliance with regulation and statutes
- Where we innovate and learn from our mistakes and from others

To deliver the vision for the new company we have adopted a Change Programme which has run since 2023 and will continue into the early years of this plan. We have completed the structural change and, through the lifetime of this plan, we will work to ensure that the company operates to the highest of standards and fully delivers the one company vision.

Board Structure and Operations

The revitalisation of the Corserv Board and how it operates is a critical part of the one company approach and the delivery of our vision. It has many elements, but a key strand is demonstrating our vision and values from the top. During 2024, a much more active approach has been taken by the Board to engage through site visits; listening and

gaining colleagues views and explaining the new approach. This also enables the Board to fully understand the challenges facing our workforce in delivering our services in our large rural geography. This can be reflected on at Board and fed into our decision making. These visits will be built upon and extended in 2025.

To become a successful commercial company delivering across our all our business divisions it was critical that we have the right board expertise to challenge and support the executive and with Non-Executive Directors that bring the appropriate commercial and industry specific expertise. Jan Ward was appointed Chair of the Board in November 2024 with a clear commercial brief. At around the same time, two new Non-Executive Director roles were appointed bringing care, commercial and wide local authority trading company experience.

Our committee structure is well established with, Audit, Risk and Assurance Committee and Remuneration and Nomination Committee meeting corporate code of governance standards and bringing strength into our assurance and control systems, succession planning, development and performance management of both Executive and Non-Executive Directors together.

The Board operates in a transparent, positive and collaborative way with a standing invite to the Divisional and Subsidiary Managing Directors to attend. Our new working arrangements with the Council will see their Strategic Director for Sustainable Growth and Development also attend the Board to discuss strategy and delivery plans at relevant times throughout the year. The Executive Operational Committee led by the Chief Executive and attended by all the Divisional Managing Directors, Subsidiary Managing Directors and the Director of Finance oversees operational performance, financial, and health and safety matters before they are reported to the main board.

Executive Team

As well as having the right Board Membership it is essential that the new company retains, recruits and develops the leaders of Corserv.

Most of the divisional and subsidiary managing directors are in place, and their role profiles have been updated to ensure that they reflect the new company arrangements and its values.

By 2025, we will commence the recruitment of our new Director of Resources. This will allow a handover period with the interim arrangements currently in place. This is a critical position to the success of the company and we will ensure recruitment not only gets a great commercially focused, experienced leader into Corserv, but also one that match our values and expected behaviours.

Ways of working with our Shareholder

Having a successful partnership with our Shareholder and ensuring alignment with their strategy is fundamental to us as a local authority owned arm's length company. We

want to work in a way that reflects our values in a trusted relationship based on collaboration where we can challenge each other in a positive way that brings improvement and innovation.

We have agreed ways of working that see Corserv aligned to the Council's Strategy through regular discourse throughout the year and in particular as we develop our business plan. The section 'Meeting the needs of our shareholder' sets out how we will contribute to the Council's Strategy and Objectives. Recognising the time and cost commitment inherent in our current arrangements, we will work with our Shareholder to improve the efficiency of our governance arrangements.

A memorandum of understanding delegating wider decision rights to the company has been adopted by both parties and aligned with articles of association. This arrangement sets the Shareholder Board free from operational issues so it can focus on strategic matters around its ownership of the company and work with the Board on their future direction.

Cultural Change

To create the one company approach, we will run a series of workshops across the organisation not only to explain the company structure, but to test with staff its values and mission and to truly engage all our employees in what it means for them in the roles they play and to set clear expectations. With a significant refresh of the Board, we will use this exercise to either re-affirm or if necessary, refresh the company's vision and values statement during 2025.

We will ensure that these arrangements are backed up by a performance system capable of ensuring that behaviours and values are used when assessing performance alongside commercial delivery.

A revised executive performance system was approved by Board in October which will drive collaboration to deliver Group financial targets alongside a team which demonstrates our values and the right behaviours to the rest of the organisation.

People Development

Recruiting and retaining a great team who feel valued, developed and part of the vision is vital to our success as a company. During 2025, we will focus on updating our mandatory and discretionary training content and systems, ensuring everyone has an appraisal, development plan and performance goals in line with our new approach and act on employee feedback from our engagement survey. Each division will develop workforce strategies that consider future commercial developments with clear plans to attract and train the right resources to deliver those opportunities. We will also continue market pay reviews to ensure that we can continue to retain as well as attract new talent.

Systems and Processes.

Whilst significant investment has taken place in corporate

systems over recent years, we understand that there is a level of refinement needed before they fully meet the needs of all of the business divisions. We need to join up our systems through integration or reporting software and develop self-service modules. We will continue over the life of the business plan to improve our processes so that they become fit for purpose for a commercial company.

We will continue to develop our communication process and channels, including the company's intranet and internet sites.

We will implement revised systems to manage risk across the organisation, using them to ensure the identification and effective management of critical risks in a consistent way across all business areas. In parallel, our Governance team will roll out electronic systems to support the way we do business, co-ordinating the planning of core meetings, publication of papers and the recording and management of agreed actions. Taken together, these initiatives will ensure the most effective decision making, support management teams in targeting their activities and, from a Board perspective provide clear assurance on the level of 'grip' being applied across the business.

Given the scale of the change programme at a corporate level and also improvement/growth plans within the divisions we will maintain the Programme Management Office within this business plan to ensure that we have the transparency and rigorous monitoring of change deliverables.

Cornwall Council Strategy Alignment

Cornwall Council has an ambitious Growth Strategy which will set out clear plans for Cornwall's future and which will be a key informing document for the next Local Plan 2025-2050.

As its arm's length company, Corserv is committed to ensuring that its business divisions can deliver critical elements of the strategy, unlock growth by acting as a key enabler and work closely with the Strategic Director for Sustainable Development to build detailed action plans. This business plan sets out areas we wish to explore together in 2025, which will then be included in detail in the 2026 Corserv Business Plan.

To that effect in 2026 we will explore:-

- How Cormac and the Sustainable Growth and Development Directorate can devise a new system for S278 developments to unlock delays and bureaucracy for developers speeding up development in the Duchy
- Consider how Cormac can play a wider role in the housing and commercial construction providing innovative solutions building on its current expertise
- The likely new infrastructure requirements within the Duchy, building plans of future works and ensuring that Corserv develops workforce plans and supply chains that will meet the additional capacity needed
- Consider how the Council, Corserv and Treveth can work in partnership with Cornwall's Universities and Colleges

to build a strong pipeline of construction and trade professionals and can together support local SMEs to develop and grow to meet future demand for the supply chain

- Consider how Corserv Care can play a key role in delivering the Integrated Care System which will be severely challenged in future years as the non-working population exceeds those who are working
- How the masterplan of the Airport can be developed to maximise growth in our Aerospace and FLOW industries

Neil Edmond, Corserv CEO and Paul Cooper, Director of Finance

What we do

Corserv Solutions, owned by Cornwall Council, was established to improve the lives of people in our communities.

Through our divisions, services and operations we:

- Keep Cornish communities connected by managing and maintaining 7,500km of Cornwall's highways
- Improve wellbeing and environment and keep the public safe by looking after green spaces, beaches and coast paths
- Enable economic growth by developing infrastructure on roads, housing estates and within businesses
- Keep communities safe by monitoring and stabilising our environment through our geotechnical services
- Keep Cornwall moving through our transport planning and fleet services
- Help family's wellbeing and reduce stress through our Respite and Day Opportunities services
- Give people opportunities for development and growth through our learning, employment and training programmes, and Employment Services
- Bring new talent into Cornwall, enable and improve personal and economic growth within Cornwall through our Recruitment services
- Generate income for Cornwall with our quarry and asphalt services
- Pioneer new fuel sources which will contribute towards a greener Cornwall
- Generating profit with a purpose and investing those funds in the growth and development of our services

Our company structure:

Corserv Solutions is comprised of three primary divisions:

Cormac:

- Highways maintenance and management
- Environmental maintenance
- Highways, transport and environment infrastructure projects
- Transport

Corserv Care:

- Community Care
- Technology Enabled Care
- Respite and Day Opportunities
- Employment Services

Corserv Facilities:

- Cleaning and hygiene
- Compliance
- Property maintenance and voids
- Electrical and Mechanical services

Our other operational businesses include Jobline recruitment agency, TalentTide and the Natter Bridge training centre. We also deliver fleet services. There are two subsidiary companies in the Corserv Group, Cornwall Airport Ltd that runs operational services at the Cornwall Airport, Newquay and Corserv Facilities Ltd that operates the Private Rented Accommodation (PRA) programme on behalf of Cornwall Council, providing temporary accommodation to homeless families.



CORSERV

Subsidiaries



Cormac Contracting

**CORSERV
FACILITIES
Ltd**

Divisions

**CORSERV
FACILITIES**

**CORSERV
CARE**

CORMAC

**CORSERV
SUPPORT**

Our Mission

Working together to improve the lives of people in our communities

In our commitment to enhancing the lives of people in our communities, each of our teams plays a crucial role. From delivering essential care services to ensuring safer roads, or stimulating job creation in the region, we are dedicated to making a positive impact in the lives of both residents and visitors in our communities, fostering a stronger, safer, and more prosperous environment for all.

Examples of how our businesses support our mission:

- Cormac is at the forefront of transforming our highways and environment, paving the way for safe and enjoyable travel across our local areas. More than just road improvement, Cormac is a catalyst for economic expansion, driving progress through the design and construction of vital infrastructure projects
- As well as being a vital business connection that supports our economy Cornwall Airport helps local residents fly to global destinations and brings visitors from every corner of the globe to showcase our beautiful county
- Corserv Care offers more than just care; it provides a helping hand to those needing extra support in their homes, empowering our residents to maintain their independence and enjoy the comfort of living in their own space
- Corserv Facilities will reduce in scale but retain its core interests in servicing, repairs, and specialised property solutions, ensuring that its focus is on delivering long term profitable contracts.



Our Vision

Improving lives across our communities shapes our work ethic and our working practices. It is the reason that we exist and how we ultimately measure our success.

Everything we do helps shape Cornwall and its economic growth. Looking ahead, we will continue to grow by engaging in projects and delivering services in Devon, Dorset, Somerset, and further afield.

Our vision for the future:

- Cormac to become the provider of choice for managing and maintaining our highways, environment and transport needs
- As it transitions to a new arrangement, to continue to support Cornwall Airport to become the first-choice regional airport in the South West for airlines and passengers
- Jobline to be the recruitment agency of choice in its chosen industry sectors and location
- To position Corserv Facilities to contribute to Cornwall Council's Carbon Neutral Challenge, working to deliver a carbon neutral fleet and delivering capital projects with a carbon reducing ambition
- Corserv Care services to grow and develop new services and invest in reablement, domiciliary care and Tech Enabled Care (TEC)



Our Values

Our values shape everything that we do across our Group. From construction to care services, from travel to transport and everything else in between.

Our values guide the way we work with our business partners, within our communities and with each other.

Collaborative -

working and supporting each other to serve our communities

Innovative -

always looking to improve and modernise

Trusted -

we are open and honest and do what we say we'll do

Positive -

we are optimistic and believe in doing the right thing



Our Strategic Priorities

Our strategic priorities reflect our values and centre around people, service excellence, collaboration, innovation and sustainability. These are developed to describe our contribution to the Shareholder's strategic objective to work with communities for a carbon neutral Cornwall, where everyone can start well, live well and age well and the associated priority outcomes and are:



People

Attracting and retaining the best talent and looking after our employees

Enabling growth and development to ensure the people who live and work in Cornwall can become the workforce of the future



Excellent Service

Building centres of excellence and competing in an open market with good value for money

Delivering excellent services which benefit the people of Cornwall, while being commercially viable to ensure profit with a purpose



Collaboration and Innovation

Doing even better by working together

Working with stakeholders, partners, suppliers, communities to achieve the best for everyone, while investing in new and innovate ways of doing things.



Sustainability and Carbon

Meeting the needs of the present without compromising our future

Ensuring we are financially and environmentally sustainable as a business

Aligning with Cornwall Council Priorities



A brilliant place to be a child and grow up



A thriving, sustainable Cornwall that offers a secure home, a decent income and a great environment for all



Vibrant, safe, supportive communities where people help each other to live well



Supported by an empowering and enterprising Council that offers a consistently excellent customer experience and great VFM

We look, in everything we do, to support our Shareholder in delivering their strategic priorities for Cornwall to be.

We contribute in a number of ways and through all Group companies:



Corserv (our whole organisation)

We will enhance our return of value to our Shareholder through our new Business Plan & Commercial Strategy

We will create social value that benefits our communities, including local employment and a local supply chain

We want to give local taxpayers good value for money and deliver efficient services.

We want to give good services to Cornwall's residents.

We will always try to get it right first time.

We will invest in digital technology.

We will work with communities and be open and honest about what we do.

We will be a greener Organisation, reducing our carbon and enhancing our environment

We want to work with communities, so everyone feels safe and a part of their local community.

We want people to volunteer and get involved in their community.

We are committed to the wellbeing of our employees.

Corserv Care

We want to help people to live independently and support people to look after themselves at home for longer.

Community Services including STEPS/CorCare and Corserv Care

Lifeline and Assisted Living - Embedding TEC at the heart of care and support planning.

Corserv Facilities

Providing FM services to Schools and Multi Academy Trusts

Providing FM services to over 300 council buildings

Supporting Carbon neutral ambition

Cornac

Delivery of Highway & Environment Term Services, including network management, community engagement, maintenance and network improvement programmes

Contributing to the delivery of the LTP: 20mph rollout, Community Highway Schemes, School Streets, Travel to Work and Minor Highway Improvement Programme

Delivery of infrastructure for Cornwall's Growth

We will support devolution, carbon reduction, ecological and Social Value objectives of the Council

Working to mitigate the Climate and Ecological Emergencies through the project we deliver and the

People Strategy

Corserv Solutions Ltd is a people centric organisation, with over 2,200 employees, of which, more than 60% provide front line services to the residents of Cornwall. The Group provides meaningful career progression across the diverse divisions where inclusive and engaging working environments make us an employer of choice.

A holistic approach is key to retaining and attracting talent within our business. We embrace this approach by modernising our people practices and policies. Through digital transformation we will drive continuous improvement in all aspects of our work. Through standardisation we continue to build and implement processes which are inclusive, fit for purpose, have improved data accuracy and enhance the experience of our employees.

Opportunities from leveraging data to make informed decisions on talent management and workforce planning allow us to put an emphasis on employee engagement for retention, career development, recognition and listening and acting on colleague feedback.

Recognising the changes within the economic climate we are committed to developing our employee reward offering to ensure we are competitive. Focus continues on developing a trusted and engaging culture with health, wellbeing, inclusion and equality at the top of the agenda. Through the next four years we will build on these foundations as it is clear that the way employees want to work has changed and they will continue to demand more autonomy and flexibility going forward. We are proud of our talented teams and have plans to better recognise achievements and ensure our engagement plans listen to the voice of the employee and embrace all views and ideas to make Corserv a great place to work.

The training and development of employees will continue to be a fundamental building block to maintain and improve the skills and capabilities of our teams.

Graduate and apprentice entry programmes will also be reviewed and refreshed to attract and build our own talent. By promoting group wide career opportunities, we will support ongoing development for all staff.

We continue to work closely with the residents of Cornwall and Social Value will remain an important pillar of the work that we do. Many of our employees readily support community led projects including those that improve the environment and the living space for all.



Strategic Procurement Strategy – 2025

Our procurement strategy aligns with our organisation's overall corporate strategy.

Today's economy demands flexibility and innovation. The procurement department's work supports the overall business objectives and direction, and the overall corporate strategy.

As an organisation we must be lean, quick, and proactive to avoid being left behind by competitors or customers in a challenging environment. Strategic procurement will help us stay ahead of the game.

Our Procurement Strategy sets the framework in which Corserv Solutions operate to ensure that procurement delivers value for money across all services, and directly contributes to the achievement of the priorities set out within our wider business plan. We recognise that our spend on the procurement of goods, works and services has a major impact on many aspects of life in Cornwall. This includes the environment, social factors and local economic development. This can be particularly important to those local businesses and the voluntary and community sector which form part of our supply chain.

Wherever it supports achieving the best value for money, we wish to encourage our local economy and work with our public, private and voluntary sector partners to deliver services. Underpinning this Strategy is the requirement to stimulate our local economy, help local businesses to do more business with us, through tender opportunities, contract breakdown and training/engagement to ensure our supply chain is ready to bid for work with us and the wider region.

Procurement activity will support, enable and empower our business in delivering improvements. We believe this can be achieved by creating an inclusive, collaborative approach to procurement delivery across the whole business and provide solution focused, innovative outcomes that deliver and evidence sustainable value for money.

Corserv Solutions Limited has a centralised strategic procurement function, responsible for procurement strategy and governance over its divisions and any parties purchasing the services of this function.

The strategic function operates a Category Management approach, splitting expenditure into the categorisation of Goods, Services or Works. It is also responsible for Supply Chain Management and has a

dedicated supply chain manager coordinating management activity throughout the organisation.

Members of the team specialise in categories and are supported by procurement administrators to deal with transactional and administrative tasks.

The procurement team consists of eight employees, four of whom are fully MCIPS qualified and are responsible for procuring and managing a variety of procurement framework agreements and contracts. The team is responsible for £90m of external supply chain expenditure per annum.



A well-established department, the team have been servicing the requirements of our customers for a number of years. Because of this, there are a host of procurement activities that are considered business as usual. To achieve continuous improvement and offer additional value above and beyond the business-as-usual activity, we have a set of procurement strategy objectives for the 2025-2029 Business Plan which strive to be a procurement centre of excellence by ensuring the following:

- To develop and implement strategic procurement leadership across all procurement activity in our business.
- To build capability and capacity in procurement resources and the necessary skills.
- To improve collaboration and working with our internal and external stakeholders to achieve sustainable value for money.
- To ensure that all staff recognise their individual and collective responsibilities to deliver value from money for our business and its stakeholders including our communities of Cornwall.
- To embed the need for economy, effectiveness and efficiency across procurement operational activities within our business.
- To achieve sustainable outcomes from procurement activity that provides enhanced benefits with the least detrimental impact.
- To embed equality, diversity and inclusion in all procurement policies, processes, procedures, practices and guidance documents.

Other key considerations and requirements to assist us in becoming a market leading procurement function:

Regulatory / Governance / Compliance:

- Legislative changes are being introduced in February 2025, through the Procurement Act 2023. We need to gather experience over the coming years of complying with the new Procurement Act and operating within these new regulations. We will ensure knowledge is high to take appropriate sourcing routes depending on the nature of the procurement activity we are undertaking, and to act as strategic advisor to the wider business around what is and is not possible.

Strategic Focus for added value procurement deliverables:

- Input into divisional business plans, develop procurement plans and establish a procurement savings delivery programme.
- Develop and implement operationally efficient and commercially beneficial procurement sourcing routes for tail spend – the lower value expenditure is currently outside of established procurement framework but adds up in terms of annual monetary value.
- Risk mitigation – Robust contractual terms and conditions to be reviewed in-line with legislative or market conditions. Risk apportionment to be considered on a contract-by-contract basis to ensure relativity.

- Value Generation to the business over the life of this Business Plan. We will be transparent and communicate the procurement successes that are achieved to evidence the value that procurement activity achieves while contributing to the success of the company. We aim for the cost of running the department to be fully met by the value generation with additional value directly benefitting the bottom-line profit of the organisation.

Supply Chain — Social Value / Sustainability

- In conjunction with our Environmental Manager, Procurement will develop a sustainable procurement strategy and introduce methods to promote sustainability through our procurement frameworks. We are registered with the Supply Chain Sustainability School for Learning and Development and will access their resources to enhance knowledge.
- Social Value benefit generated through our expenditure with our supply chain remains a high priority, including the added value that the economy of Cornwall will receive through our supply chain.
- Utilisation of local supply chain / SMEs will continue to be a key strategy.
- Increase and promote early supplier involvement in project design and planning to enable opportunities for value engineering, innovative opportunities to challenge the norm and improve output for our clients.

Digital Transformation

- Business System improvements – Workday and ProContract are the two key systems that the procurement function uses. We will support continuous improvement to the system configurations, increase the categorisation of the master data we hold about our supply chain, improve reporting capability and enhance the effectiveness of data analysis.
- Continue to embrace alternative electronic methods of transacting through our finance system throughout the Procure to Pay process. Electronic Catalogues and Supplier portals allow suppliers to self-bill, to update their own master data, maintaining their account compliance credentials.
- Supply Chain Management – introduce an electronic platform for recording and reporting supply chain management, KPI's and non-conformances.

Collaboration opportunities with similar businesses

- Continue to embrace and lead the procurement collaboration with the Teckal Advisory Group.
- Greater leverage of combined buying power and economies of scale will reap benefits for our organisation.

Sustainability & Social Value

We contribute significantly to local environments, communities and economies through our diverse range of services, so have a significant responsibility and opportunity to achieve highly positive outcomes.



We aim to generate at least £300 million in Social Value by 2030

What is Sustainability?

Sustainability is often defined as "Meeting the needs of the present without compromising the ability of future generations to meet their own needs".

It recognises how environmental, social and economic issues are completely interconnected, requiring a combined overarching approach that carefully balances each element.

What is Social Value?

Social Value provides a way for organisations to measure and quantify their societal impact.

The National Social Value Measurement Framework outlines a set of measures which enable organisations to calculate the financial value that they are achieving through their sustainability initiatives.

Our Key Focus Areas:



People

Social Sustainability



Safety & Wellbeing

Ensuring everyone gets home safe and well



Equality, Diversity & Inclusion

Being an employer of choice where everyone can thrive



Community Engagement

Collaborating with local people to achieve positive outcomes



Planet

Environmental Sustainability



Carbon Reduction

Taking urgent action to combat the climate emergency



Nature Recovery

Taking urgent action to combat the ecological emergency



Circular Solutions

Reducing, reusing and recycling natural resources



Prosperity

Economic Sustainability



Local Employment

Providing great work opportunities for local people



Learning & Development

Investing in people and their skills to meet future needs



Local Supply Chain

Supporting small and local businesses to thrive



View our published Sustainability & Social Value Strategy for further information.

Carbon Reduction

Following Cornwall Council's Climate Emergency declaration, we have been identifying, investigating and pursuing key emission reduction opportunities across our business.



We recognise that we have a leading role to play and by facilitating positive organisational changes we can achieve carbon neutral operations by 2030. This will give us our best chance of keeping global warming below the critical tipping point thresholds for ecosystems, human health and well-being.

Strategic Approach:



Reduction Forecast:

Using our reduction estimates, we can attempt to model our future carbon reduction trajectory. While our current climate actions will provide a significant reduction, we plan to do more. Additional initiatives and innovative technologies will allow us to aim for an even greater reduction, minimising the carbon removal compensation required. We will work with the Carbon Neutral Cornwall Board to assess the viability of plans for carbon neutrality by 2030. To the extent that alternative carbon targets are introduced, we will further adjust our planned approach to compensation that would, otherwise come into force in 2030.



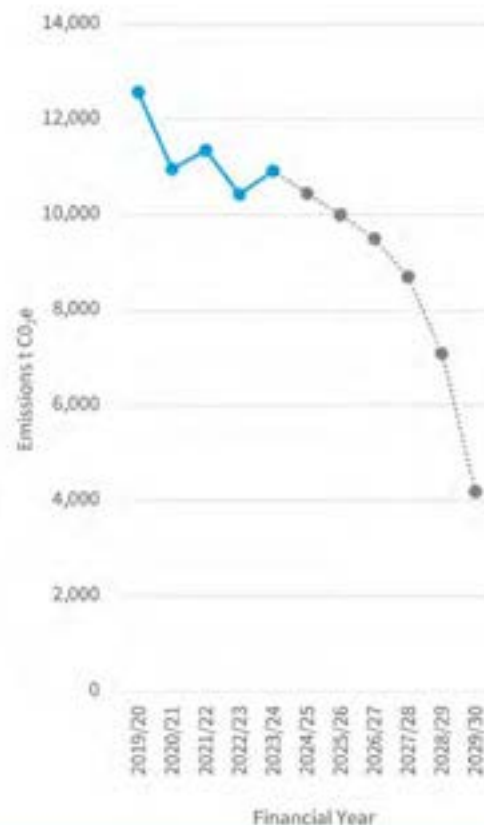
Current reduction progress:
-13% | -1,659 t CO₂e
2019/20 to 2023/24



Latest reduction forecast by 2030:
-67% | -8,383 t CO₂e



Estimated carbon removal required:
-33% | -4,196 t CO₂e



View our published Carbon Reduction Plan for further information.

Nature Recovery

Cornwall is facing both an ecological and climate emergency. Local biodiversity is following exactly the same worrying trends as those seen globally and that impacts everyone.



We aim to be carbon neutral across our operations by 2030

While we do not own any land, we do manage and maintain a large amount on Cornwall Council's behalf. If we add up all the green spaces that we look after, it is clear that we have a significant responsibility and opportunity to achieve highly positive outcomes for people, places and nature. To support our 'Pledge for Nature' with Cornwall & Isles of Scilly 'Local Nature Partnership', we have developed and published our first 'Nature Recovery Plan' which will be regularly updated in the years ahead to take into account our challenges, performance and emerging opportunities.

Strategic Approach:

1. Avoid

Preventing adverse impacts entirely

2. Minimise

Reducing duration, intensity or extent

3. Restore

Returning an area to its original state

4. Offset

Compensating to ensure no 'net' loss



Building upon the previous 'Making Space for Nature' project, Cormac is supporting the delivery Cornwall Council's 'Urban Green Shoots' project, creating even more nature-rich spaces within local communities



View our published Nature Recovery Plan for further information.

Cormac Highways, Environment, Civil Engineering and Construction

CORMAC

“Delivering Value for our Communities”

- We are a mature and sustainable business which is developing in line with our strategy & plans. Our revenue has grown 52% in 5 years, from £92m in 2019/20 to £140m in 2024/25.
- Our external business growth is on track, having grown to 25% of revenue in 2024/25 with our regional business developing, working on frameworks for Devon County Council, Torbay Council and the Environment Agency across the South West.
- 2024/25 has seen a solid financial performance in a challenging environment of continued inflation and a reduced pipeline of opportunities. We have a clear plan to develop our operating model to ensure we are fit for the future.
- We have continued our momentum of Continuous Improvement, becoming a more data led organisation that is focused on our performance across our four imperatives of 1) Safety First, 2) Customer Satisfaction, 3) Investment in People and 4) Profitable.
- Our business has a national profile, as part of a UK wide network, our teams winning industry awards, a growing interest in our established & innovative Teckal company and a widening client base.
- We generate significant Social Value (c.£60m pa), contribute to Cornwall Council's mission and priority outcomes and react quickly to emergency situations.

Cormac manages and maintains approximately 7,500 km of Cornwall's highways as well as providing environmental asset management and maintenance, along with design and construction services to public and private sector clients.

We deliver integrated maintenance services with local focus to build community relationships and to plan, design and build key public infrastructure to enable economic growth and development.



Cormac 2025 Operating Model				
Cormac Business Infrastructure & Support	Term Services Segment	Infrastructure Segment	Regional Segment	Corserv provided central support Functions.
New ways of working, planning, HR, finance, commercial, SHEQ • Business Plan & KPIs • People Plan • H&S Plan • Enviro Plan • Quality (inc innovation) Plan	Cross business resources and supply chains, aligned to services, projects & programmes, planned and scheduled centrally, maximising utilisation and efficiency			• Fleet • Procurement • Corporate Finance • Transactional Services • Business Systems • Internal Comms • Legal/Governance • Jobline/Talent Tide

Principal Activities

Our services include:

- Integrated management and maintenance solutions for highway and environmental assets
- Technical consultancy specialising in transport planning, geotechnical services and infrastructure design
- Integrated turn-key infrastructure solutions for environmental assets, highways, transportation, development infrastructure and public/utilities infrastructure
- Offering technical specifications and material production of surface treatments

Executive Summary

Cormac has continued to build on the foundations of its “For the Future” programme, which commenced in 2021/22 to create an operating model for the delivery of our strategy and objectives and create a long-term sustainable organisation.

This includes significant progress and opportunities from a restructured business with three distinct business segments (previously divisions) and leadership roles that align with our objectives, through our operating model.

1. Term Services (asset management, maintenance and work programmes): through a rigorous Value for Money process this part of our business has secured Cornwall Council’s Highway and Environment Term Service Contracts until 2028/9 with extension options. Its objective is to create value for our communities, working closely with community stakeholders including Town & Parish Councils. In 2023/4 our highway maintenance service was ranked as top quartile in the National Highway & Transportation Network Survey and has continued to grow resident satisfaction in Cornwall, with a 26% increase in satisfaction since 2018.
2. Infrastructure (consultancy and contracting projects): our integrated design and build team is focused on planning, designing and building infrastructure with the objective to support Cornwall’s growth, and outcomes of homes, jobs and sustainable communities. Most notably the business has commenced delivery of the highway infrastructure for Truro’s Langarth Garden Village and Newquay Strategic Route serving the Newquay growth area. 2025 will see the integration of the construction arm of the Corserv Facilities business into Cormac, this will enable Cormac to provide a wider infrastructure offering and will complement our current service.
3. Regional Business (external commercial focus): our external business has continued to develop and diversify during 2024/25, with external growth of our civil engineering, surfacing and quarry, [REDACTED]

4. Construction: following changes to the Corserv Facilities Business, [REDACTED]

Development of our operating model in 2025 will include:

- Addition of a Commercial Director role, to lead business development, bidding, our QS/project commercial management function, management of risk & opportunities, supporting growth in line with our strategy and risk appetite.
- Clearer definition of our three business segments which, along with some reallocations of work between them will create better alignment and balance.
- Appointment of a new Head of Consultancy/Technical Director, to lead and develop our consultancy, focusing on improving our business processes, consultancy structure and creating a more commercial culture, from which sustainable growth will be possible.
- Utilisation of cross business resources which will be aligned to services, programmes and projects, including management & supervision, operatives, fleet/plant and supply chain, ensuring optimum alignment of cost base with revenue, improving our efficiency and cross business collaboration. This will be administered by our central planning function and development of the Total Mobile IT solution.
- Implementation and supporting our colleagues to adopt “New Ways of Working” some of which will be enabled by the Corserv Phase 2 change programme. This will include more efficient system based, lean processes, improved management information to maximise performance and reduce risk and full utilisation of existing IT systems and Apps to improve our efficiency and performance.
- Supported by Fleet and Corserv central functions, we will a revised commercial model for Fleet which, along with a significant fleet renewal programme, maximises the value of having owned fleet,
- in-house workshops and fleet management improving fleet efficiency.
- Investment of c£3.6m in capital supporting our strategic growth and also required Health & Safety works and ongoing maintenance across our depots. This forms part of a c£6.8m Capital Investment programme across our Business Plan.

Principal objectives of our Business Plan and Commercial Strategy remain consistent and continue to support our strapline of “Delivering Value for our Communities” which contributes to the wider Corserv Mission Statement:

1. To create value for Cornwall’s communities through our term service contracts, managing, improving and maintaining highway and environmental assets.

Customer Satisfaction & Asset Value

- Customer satisfaction: including our highway maintenance being rated as top quartile in the national survey, strong contract performance reported through the Council's Contract Oversight & Management Board (COMB) and our performance KPIs on our Term Service Contracts rated as "Green RAG". Cornwall's resident survey continued to show an improving trend in resident satisfaction in highway maintenance and maintenance of public open space.
- In 2024 Resident surveys rated the highway asset maintenance we provide as 15% above LGA average and has increased by 26% since 2018. Resident satisfaction of our environmental services maintaining public assets has increased by 11% since 2022. We seek to continue this trend in our new business plan period.
- We are winning repeat business on our Devon County Council frameworks and are now working collaboratively with a number of Devon second tier authorities. In 2025 we will consolidate all our Devon County Council Work into our Regional Business
- Cormac retained its ISO9001 Quality accreditation (in addition to ISO14001 for Environment and ISO45001 for H&S) following successful independent Third-Party audits, we continue to develop our Integrated Management System (IMS) to support the delivery of our objectives and drive continuous improvement.
- We have more work to do to establish a single NPS measure for our Customer Satisfaction imperative and this will be developed in 2025/26.

Social Value (inc Carbon reduction)

- Our initiatives are continuing to create value, our social value generated in 2023/24 is c.£60m and equates to 43p in every £1 spent with Cormac.
- Our Sustainability Manager is consolidating our employee engagement and through internal communications is creating recognition for teams delivering our initiatives, this includes establishment of environmental goals, including increasing our environmental site compliance, PPE recycling

Cormac Value Model



partnership, rainwater harvesting in depots, wildflower turf trials, zero emissions grass cutting, 60% carbon saving through use of recycled aggregates on our Saints Trails project, numerous project awards, and regular updates on our carbon reduction and nature recovery.

- While our carbon output has increased due to increased revenue, our carbon rate (tonnes/£m) has reduced. The Corserv alternative fuel strategy will be key to reducing our emissions along with low carbon specifications and supply chain (Scope 3) initiatives.



Business Plan and Commercial Strategy

We have developed our plan to ensure it contributes to a sustainable business, focused on growing our margin, through revenue growth, efficiency and effective management of risk and opportunity.



We have opportunities to continue to develop our partnership with Cornwall Council, this includes enhancing our role as the Council's "Place Making Delivery Partner" working in collaboration with Treveth, supporting the Council's growth strategy including commercial opportunities around biodiversity along with our role in development control and planning support services.

In a journey which we commenced last year, we will continue to diversify our business by:

1. Supporting a change in direction of the Council's Capital Programme and spend, we are positioning ourselves to contribute to community-based initiatives such as walking and cycling, living streets, safe streets, regenerated town centres and connected places. Along with facilitating volunteering, rejuvenation of neighbourhoods, making space for nature and helping to tackle climate change.
2. Continued diversification of our 2022 client base of 85% Cornwall Council and 15% other clients to a new, more balanced ratio by 2029. We aim to do this through the delivery of our commercial strategy. This will enable us to still provide a significant return to Cornwall Council to fund vital public services despite an assumption that their commissioned work to Cormac reduces.

To deliver our plan we will seek to build on the Corserv change programme, to improve our business infrastructure, become an employer of choice and invest in business growth.

Our commercial strategy

Key components of the strategy are building on our existing strategic themes, and include:

1. Continue to deliver infrastructure that enables Cornwall Council strategic plans, maximising relevant direct award opportunities and service transfers through the Teckal procurement exemption. Opportunities are to contribute to the following plans, either directly or indirectly:
 - a. The "Cornwall Good Growth Plan" 2024-35 recognising infrastructure opportunities in the 'Distinctive Sectors' of minerals, energy, space and marine along with opportunities from specific 'Foundational Sectors' of transport, construction, waste and water, and the 'Critical Sector' of upgrades to the distribution and transmission grid.
 - b. "Thriving & Sustainable Cornwall" Outcome Delivery Plan
 - c. the new Local Plan's infrastructure strategy which will transition from the existing plan into the 2030-2050 spatial planning framework, during our business plan period.

2.

3.

4. Year on year growth of our new construction business (transferred from Corserv Facilities) will be delivered through the wider Cormac support services such as bidding, commercial, planning and SHEQ, along with our existing client relationships.

5. Continued regional growth, increasing the resources based at our Exeter depot and offices, in line with pipeline and framework opportunities. This will be de-risked by the ability to deploy this resource in Cornwall, should the need arise.
6. Local Authority Collaboration: seeking to achieve additional revenue of £12.5m in Years 3 and 4, through either collaboration or joint Southwest authority initiatives. This specifically focuses on opportunities in Plymouth City, including infrastructure projects and term maintenance highway and environmental services.

Acquisition had been a previous aspect of our commercial strategy, but due to limited identified opportunities over the past two years, is no longer considered viable to contribute to our growth. However we will continue horizon scanning and would bring forward business cases if relevant opportunities arise. No revenue assumptions have been made in this plan.

Our External business growth

Our plan is based on four themes, which we established in 2023 and remain relevant. They continue to support our diversification from a predominantly highways and transportation business into a broader civil engineering and infrastructure offering to a range of carefully selected clients. This creates a more resilient portfolio which we feel will withstand the current market environment:

1.

2. Local Authority & Government: Building on existing contractual relationships (via frameworks) with

3. Recycling and Supply: Continue to develop Low Carbon solutions for highway maintenance and construction

4. Utilities & Energy: building on existing relationships and identified opportunities with

Financial detail

Key Assumptions and Risk Mitigations

- Due to the challenging economic environment, and reduced capital programmes from a number of framework clients
- We will continue to develop our risk management and controls while improving our margin quality.
- Profit exceeds the average of Top100 Construction companies (based on 2023) and is the equivalent of 45th place out of 100.
- Our Cornwall Council revenue assumptions are aligned with our commissioners. However, we recognise these will be firmed up through the Council's budget setting processes.
- We have modelled revenue inflation in line with forecasts of our contract indices. Some long-term contracts are protected from inflation through "open book" cost-based contracts where clients are carrying inflationary risk.
- We have budgeted 0.5% improvement to gross margin in Consultancy through the elimination of commission overspend, and 0.5% improvement to Term Services gross margin delivered through Total Mobile efficiency. We are assuming a 2% improvement of gross margin for Infrastructure operations through improved controls relating to cost/ value management, risk management and commercial/ contractual administration. This will deliver a return more in line with that achieved in

previous years.

- We are seeking a £200k procurement efficiency through collaboration with corporate procurement, focusing on improved commercial management of major supply contracts including annual inflation negotiations.
- Investment in People: We have assumed 2.2% "cost of living" increase in line with Corserv's corporate position. We have invested £130k to maintain Living Wage Foundation status. Full provision is made for the increase in Employers National Insurance costs announced in the Autumn Statement. W A provision of £75k has been included to implement the proposed corporate benefits package, with this cost expected to be offset by Employers NI savings on salary sacrifice.
- Our investment in training and development to ensure a sustainable workforce is £700k. This is consistent with prior years and includes the costs of training and staff time out of the workplace.
- Significant fleet investment in renewing c.120 vehicles will change the cost base, create fleet efficiency and support growth. This will be managed within the previously stated assumptions in the 2024/25 business plan.
- Investment in the Eastern Asphalt Plant will be subject to final business case.
- That our shareholder continues to support
- That revenue growth will require incremental increase to Cormac Business Overhead. The plan assumes no increase to Corserv Recharge. It is anticipated that any increases would be covered through efficiencies.
- Further investment in business process and systems will be made as part of the ongoing Corserv Change Programme, anticipating a Phase 3.

REVENUE	25/26 – Yr1 (£m)	26/27 – Yr2 (£m)	27/28 – Yr3 (£m)	28/29 – Yr4 (£m)
Total Base Plan Revenue	103.5	96.00	91.00	91.00
Organic External Revenue	30.0	39.00	46.00	48.00
Strategic Growth	5.50	13.00	26.00	26.80
Revised Total External	36.10	52.00	72.00	74.80
TOTAL BASE PLAN + STRATEGY REVENUE	139.6	148.00	163.00	165.80
% External of Revenue	25%	35%	44%	45%

Gross Margin	25/26 – Yr1 (£m)	26/27 – Yr2 (£m)	27/28 – Yr3 (£m)	28/29 – Yr4 (£m)
Total Base Plan Profit	11.09	10.38	9.99	9.98
%	10.76%	10.81%	10.97%	10.97%
External Profit	2.939	4.055	5.67	5.926
%	8.06%	7.80%	7.88%	7.92%
TOTAL BASE PLAN + EXTERNAL PROFIT	14.03	14.43	15.66	15.91
%	10.05%	9.75%	9.61%	9.60%

Net Margin	25/26 – Yr1 (£m)	26/27 – Yr2 (£m)	27/28 – Yr3 (£m)	28/29 – Yr4 (£m)
Total Base Plan Profit	1.99	1.69	1.81	1.80
%	1.93%	1.76%	1.99%	1.98%
External Profit	1.50	2.21	3.31	3.57
%	4.11%	4.24%	4.60%	4.77%
TOTAL Base Plan + External Profit	3.49	3.89	5.12	5.37
%	2.50%	2.63%	3.14%	3.24%

[REDACTED]

[REDACTED]

[REDACTED]

Risk	Description	Mitigation
Inflation	Adverse impact to profit	Detailed modelling of cost inflations through supply chain. Revenue inflation model in accordance with contracts. Sustainable labour cost increases as an FLW employer
Plan does not deliver additional growth	Focus on managing the impacts of recession	Continue to grow and develop sustainable business through our 4 themes which have resilience.
Managing growth & ext. business risk profile	Y1 increase in external business, increased risk profile	Review of risk management & controls, to improve and strengthen margin certainty. Appointment of Commercial Director
Economic conditions	Risk to further growth e.g., housing developments not viable despite Govt initiatives	Focus on "safe clients" with a pipeline, [REDACTED]
Fleet model	Delivery of fleet replacement programme and new financial model	Finance secured, replacement project programme with target dates. Provision in 25/26 business plan to manage potential cost impacts.
CC Budget process and timing of business plan	Base on best information available	Clients and commissioner liaison over CC budget assumptions.
Cultural development	Cultural development on client and commercial focus, investment and development of our people	Continue to drive the revised devolved HR structure and leadership to achieve cultural development through leadership, engagement and development
Reduction in core business	Capital spend in highways and transportation	Developing more diverse civil engineering offerings to a more diverse client base within the 4 themes
Potential Shared Services Organisational change	Viability of current overhead model	Ongoing review as part of monthly Executive Leadership sessions
Business Infrastructure & New Ways of working	Improvements to support delivery of efficiency and improved management information.	Defined business processes to provide greater clarity. Recognition of cultural change and support/upskilling with IT
Key unsecured projects assumed in Year 1	LGV Phase 1 and Bloor Homes (Treleddan) are not secured	Continued focus on converting these projects which we have "preferred bidder" status for. Monitor Government/Budget for initiatives that will help with development viability

Income and Profit Summary – Cormac

£'000		2024/25	2024/25		2025/26		2026/27		2027/28		2028/29
		Year 0	Year 0	mt	Year 1	mt	Year 2	mt	Year 3	mt	Year 4
		Budget	Actual YYY								
Sales	Infrastructure	52.50	53.70	-1.20	50.82	-1.82	50.00	0.50	50.50	0.50	51.00
	Regional	36.37	41.50	-5.13	38.58	-2.22	40.50	1.50	42.00	1.50	43.50
	Term Services H&E	39.20	45.11	-5.91	43.18	-2.18	43.00	0.00	43.00	0.00	43.00
	Strategic Growth	0.00	0.00	0.00	5.50	5.50	13.00	13.00	26.00	0.78	26.78
	Overheads	1.58	1.58	-0.04	1.54	-0.04	1.50	0.00	1.50	0.00	1.50
Sales Total		129.45	141.89	-12.44	139.82	-8.40	148.00	15.00	163.00	2.78	165.78
Net Margin	Infrastructure	5.33	4.05	1.28	4.58	0.00	4.58	0.06	4.64	0.07	4.71
	Regional	2.80	3.95	-1.15	3.29	0.09	3.39	0.12	3.51	0.12	3.63
	Term Services H&E	5.59	7.09	-1.50	5.72	-0.18	5.56	-0.00	5.56	-0.00	5.56
	Strategic Growth	0.00	0.00	0.00	0.44	0.47	0.91	1.04	1.95	0.06	2.01
	Overheads/ R&D	-9.32	-10.51	1.19	-10.54	0.00	-10.54	0.00	-10.54	0.00	-10.54
Net Margin Total		4.40	4.78	-0.38	5.49	-0.41	5.90	1.23	6.13	0.25	6.37
Net Margin %		3.40%	3.37%	0.03%	3.93%	-0.04%	4.05%	0.77%	3.70%	0.04%	3.91%

What are we doing to deliver our business plan?

To deliver our plan the Corserv change programme will support:

1. "Great Business Infrastructure"
2. Becoming an "Employer of Choice" and a "Career Development Organisation"
3. Investment in "Business Growth"

These initiatives will support Cormac to meet its business objectives and in turn, the Corserv vision to become a commercial entity. They will be supported by:

- Business development and growth plans which will deliver our commercial strategy and grow our revenues over the business plan period, recognising where further investment is necessary.
- Continuing to manage our performance through our four business imperatives of Safe & Sustainable, Investment in People and Customer Satisfaction and Profitable, doing business and behaving in accordance with our corporate values of Collaborative, Innovative, Respected and Trusted
- Invest in our people, by engaging with them, developing them, focussing on collaboration and a values aligned culture. Supporting our 10% of employees who are apprentices, graduates or on approved training programmes and continuing to reduce attrition.
- Changing the way, we work through "New Ways of Working", and becoming a modern business developing our processes, working environments, IT (creating a connected workforce), and brand, to contribute to the delivery of our objectives.

- Maximise the value our devolved support services create across, HR, finance, H&S, procurement (buying), premises management and our training centre.
- Capital Investment: we have contributed to our corporate Corserv capital investment programme, with critical aspects being further investment in our depot infrastructure (creating wider Corserv corporate benefits), quarry plant investment, recycling centre investment and fleet investments.

Corserv Facilities

Summary of history and direction of travel

The business plan for 2024-2028 set out a number of key consolidating elements to ensure the Facilities Business transitioned to deliver a base level of viable activity going forward to allow for future business growth.

Critical decisions in this process led the business to choose not to retender for activity when that contract ends in March 2025, to renegotiate our position on soft services contracts to secure viable profit-making activity going forward and [REDACTED]

Integral to Corserv Facilities activity has been the trading of Fleet, giving the business a profitable workstream at the cost of other divisions within Corserv. Our plan going forward will secure the core base value of Fleet to our internal customers and look to deliver profitable activity with external clients on a growing basis, thus ensuring increased value for money for our internal customers. Moving forward, Fleet will be transitioned into an "at cost" delivery function internally and grow a profitable workstream for the provision of workshop facilities to the external market within Cornwall and beyond. This will mean that the Fleet & Workshops team will become a centrally managed division.

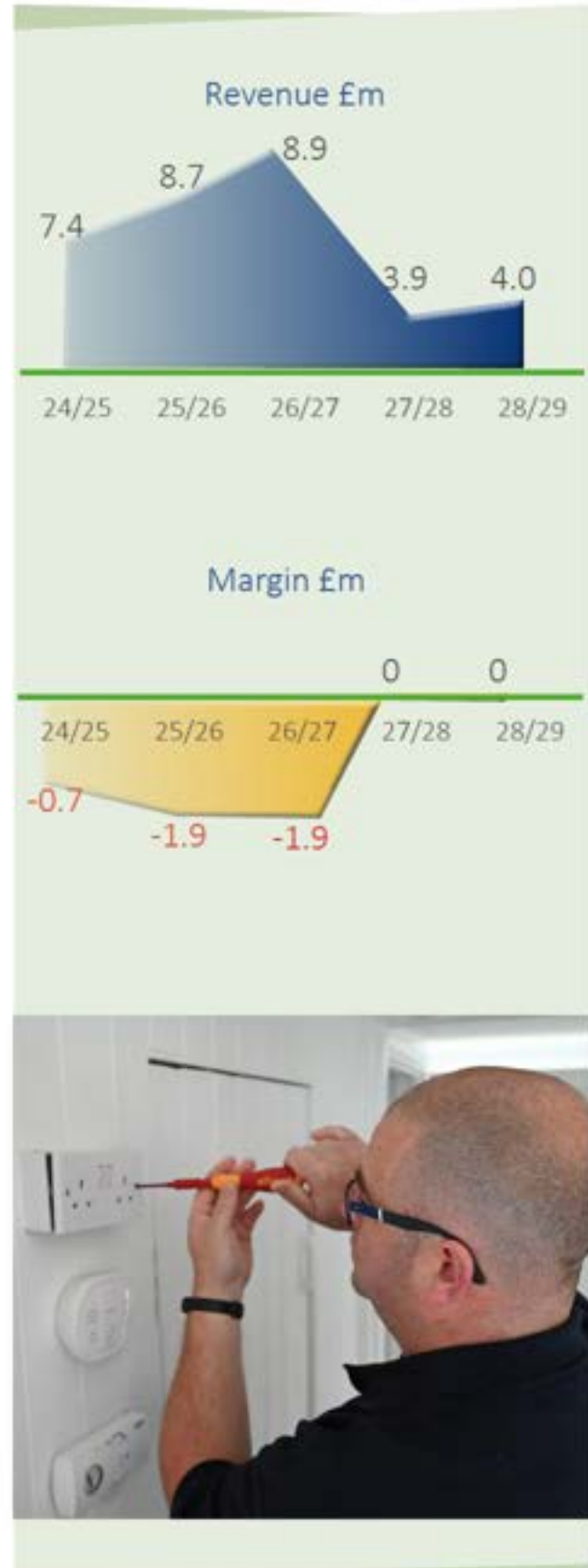
To allow Cornwall Airport to attract external investment partners, in 2024/25 Corserv Facilities passed direct responsibility for facilities management to the Airport.

The year saw us removing and rationalising non-profitable work into ongoing viable activity as well as exiting non-profitable contracts. Moving into 2025/26, we see ourselves having established a solid foundation to take the business forward in a planned and considered manner, in which we can set out strong financially viable activity going forward. [REDACTED]

Through progression of our current business plan, it is clear that our construction division provided strong performance and delivered excellent services that, of late, have been recognised by our client. The team's work is, in its nature, different from core facilities management activity. Going forward the growth prospects of this activity will be better aligned with the work Cormac are undertaking and as a result we would look to ensure a better proposition by this team transferring to Cormac. [REDACTED]

Private Rental Accommodation (PRA) has historically struggled to deliver the headline financial objectives set out in the 2019 business case.

CORSERV FACILITIES



The headline objective of significantly reducing homelessness in Cornwall has, though been achieved. Cornwall has seen significant reductions in homelessness, delivering excellent social and economic benefit from the scheme. The challenge in the coming years is to ensure a balanced budget is applied against a realistic backdrop around property turn around costs and the need to ensure planned investment in the stock.

Facilities Management

This activity is broken down into the following areas:

- [REDACTED]
- Direct soft services cleaning activity.
- Direct hard services activity.
- Securing dangerous structures on behalf of Cornwall Council.

[REDACTED]

[REDACTED]

[REDACTED]

Cornwall Council have a need for a responsive team to be available to secure structures that become dangerous. This is requested through Cornwall Council Building Control. Such interventions are being requested from Corsev Facilities Hard Services team to be delivered on a purely reactive basis. This workstream has no budget, therefore no retention invoicing however, despite the reactive nature, this is a good workstream for the skilled staff we have available.

Private Rental Accommodation (PRA)

The headline objective of significantly reducing homelessness in Cornwall has been achieved. Cornwall has seen significant reductions in homelessness, delivering excellent social economic benefit from the scheme. The challenge in the coming years is to ensure a balanced budget is applied against a realistic backdrop around property turn around costs and the need to ensure planned investment in the stock.

We will focus on controlling costs, primarily in respect of maximising rental income by reducing void turnaround times and subcontract costs. This will be enhanced by developing a planned maintenance regime going forward.

In order to move toward a balanced budget and reduce subcontract costs, Corsev Facilities will be self-delivering the maintenance and void repair activity. This will give greater control over time and cost to maximise live rental income.

Within the business we have the skills needed through our retained workforce to deliver not just this work, but a range of other complementary activities such as Disabled Facilities Grants (DFG) work. Corsev Facilities has piloted a number of initial projects that have delivered well and will actively look to grow this area. This will further drive efficiency within the division along with a profitable contribution.

Currently it is far from clear where responsibility lies with delivering the various aspects of PRA management. There has been no key document that sets out the requirements, service standards, and targets of the various aspects of delivery.

Our proposals going forward are to retain a relationship with CHL who will deliver rental income, safety compliance and housing management functions more generally. A management fee is in place for providing these services.

A robust Service Level Agreement (SLA) will be developed setting out the required cost, quality and time standards needed to ensure maximisation of live rental periods and income.

The future business case assumes that an increased budget of c.£500k per year would deliver a balanced outcome while still performing against Cornwall Councils Homelessness targets and costs associated with this.

The PRA portfolio offers future opportunities to review the range of properties that remain in the scheme, and this should be regularly reviewed to determine its best future use to assist funding the planned maintenance programme for what remains.

Risk and Opportunity

Facilities as a division has had to rationalise the range of activities that existed in the business primarily due to commercial viability and ineffective delivery models. Going forward the bulk of these challenges have been concluded, although the Lorne Stewart and PRA work will still be a challenge presenting ongoing risks. It is essential to ensure that we learn from the past and actively pursue strong profitable business growth that both mitigates these risks and puts Facilities in a strong position through well thought-through viable business growth.

Our challenge is to secure strong business growth but within financial constraints that cannot afford dedicated business growth resource. Initially, at least, we will need to rely on the existing management structure to organically grow our various areas of business interest.

Working with Council colleagues we have identified a range of activities where, working together we might improve on the financial results presented in this plan. We will commit to work with Council colleagues to explore and, if viable plan and deliver these opportunities in the coming months with the intention of out-performing this plan in the latter part of the 2025/26 and beyond. These opportunities can be broadly badged under a heading of 'asset management' and include:

- The possibility to undertake more or potentially all of the Council's Disabled Facilities Grant works under direct award. This could create a more stable workload supporting efficiency in both DFG and PRA void activities, driving efficiency in both.
- Explore opportunities for efficiency and total cost saving in the interaction between Council's overarching facilities management contract with Lorne Stewart contract and the sub-contract held by Corserv Facilities.
- Management of assets held for future carbon trading

We will continue to explore opportunities throughout the year and add to this list where possible.



Income and Profit Summary – Corserv Facilities

£'000	Soft & Hard Services	2024/25	2024/25		2025/26		2026/27		2027/28		2028/29
		Year 0	Year 0	mt	Year 1	mt	Year 2	mt	Year 3	mt	Year 4
		Budget	Actual/19%								
Sales	Soft Services	1,336.87	2,169.00	-938.46	2,065.54	61.97	2,127.51	-1,127.51	0.00	0.00	0.00
	Soft Services - Facilities Management	844.35	1,842.08	-16.46	1,858.54	55.76	1,914.30	-1,914.30	0.00	0.00	0.00
	Response	1,188.80	1,916.30	-923.33	992.96	29.79	1,022.75	-1,022.75	0.00	0.00	0.00
	PRA/DFG				2,477.35		2,551.67		2,628.22		2,707.07
	PRA	1,355.05	1,497.29	-209.41	1,287.88	15.04	1,302.92	18.09	1,319.01	17.17	1,336.18
Sales Total		4,725.67	7,424.66	1,257.61	8,682.28	236.87	8,919.14	-4,971.92	3,947.23	96.02	4,043.24
Net Margin	Soft Services	-23.25	-188.77	-432.38	-621.16	-18.63	-639.79	639.79	0.00	0.00	0.00
	Soft Services - Facilities Management	-148.56	-279.14	-227.79	-506.87	-15.21	-522.07	522.07	0.00	0.00	0.00
	Response	15.17	-11.10	-479.42	-480.51	-14.72	-505.23	505.23	0.00	0.00	0.00
	PRA/DFG				300.60		309.61		318.90		328.47
	PRA	585.02	-203.03	-358.51	-562.55	-29.75	-592.30	234.33	-357.97	-22.41	-380.38
Net Margin Total		428.38	-682.04	-1,138.45	-1,880.48	-78.31	-1,948.77	1,910.71	-39.07	-12.85	-51.91
Net Margin %		9.06%	-9.19%		-21.66%		-21.86%		-0.99%		-1.28%

Corserv Care

What value does Corserv Care create for Cornwall?

Corserv Care provides care and support to over 8000 people a year across Cornwall. Working with the voluntary and community sector, our partnership approach enables people to receive support to ensure their health and wellbeing is maintained and they do not become socially isolated following a period of short-term care.

Corserv Care has proven to be a reliable, flexible and responsive partner to support the wider health and adult social care system regularly supporting system recovery when increasing demand for services meets significant market capacity pressures.

The domiciliary care market in Cornwall is diverse and fragmented with increasing an number of providers showing early signs of fragility. Corserv Care works in partnership with the Council and provides strategic leadership capacity to ensure stability within these fragile services. Working with the Council's operational, commissioning, safeguarding and quality assurance team, this role provides essential resilience within the market to minimise the loss of workforce capacity and to deliver continuity of care for people impacted.

STEPS reablement service supports people to optimise their independence, avoid or reduce ongoing reliance on funded care, to reduce pressure on hospitals through admissions avoidance, supports timely discharges and reduces costs to Adult Social Care and Health services. The service works in partnership with Health Community Services and the voluntary sector to ensure people's wellbeing is supported following a period of reablement, ensuring they integrate back into their community. The investment in reablement delivers significant savings to the wider health and social care system through efficiencies in the way services operate, avoiding admissions into hospital and reducing any delays when people are ready for discharge. For Adult Social Care the return on investment is measured through long term avoidance/reduction in care needs. In addition to the benefit we already achieve through the provision of reablement £3.6m of financial benefit is continued into the Council's Medium Term Financial Plan for 2025-26. This approach enables people to be as independent as possible ensuring long term care capacity is available to focus on those individuals who require it.

Our Care and Support Service provides long term care for people who require care at home. The service supports people who are funded through the Council, health and private clients.

In 2024 Corserv Care were successful in securing new home care contracts as a Strategic Provider to manage and support the development of two alliance areas. The division was also successful in securing alliance membership in areas in the west, east and northeast of Cornwall. These areas are identified as areas of growth for Care and Support in 25/26.

CORSERV CARE



The new contracting arrangements will ensure Corserv Care retain and further develop its strategic position in supporting the Council to deliver home care to people across Cornwall in an efficient way through partnership working with the private and voluntary sector.

Corserv Care's Technology Enabled Service provides a 24/7 call monitoring service to support people across Cornwall and outside of Cornwall through contract arrangements with housing providers and local authorities. Through the development of innovative and collaborative partnerships with specialist providers, Corserv Care is introducing the latest technology. Monitoring devices that provide accurate health and wellbeing data provide assurance to families and carers. Vital information highlights any issues to ensure the right support is provided at the right time whilst providing accurate data to inform comprehensive and personalised assessments of the individual's need.

The roll out of technology enabled care will complement and enhance a wide range of support for people who remain living in their own homes and ensure vital care capacity is focused on supporting essential personal care. Collaborating with the Council and specialist TEC providers will ensure we are able to enhance the offer of support to our clients and deliver a holistic and preventative approach across our services and the wider private and voluntary sector market.

Reablement and wider community services support a range of adults with diverse needs at scale and pace focusing on improved outcomes by ensuring the right level of support is provided. This approach will provide more people with the opportunity to remain living in the home of their choice with the right level of care and support to the individual, their carers and wider family network.

In July 2024 respite care services, day opportunities and employment services transferred from the Council into the Care Division increasing the diversity of the services provided across Cornwall. The services further enhance our position in the market to focus on reablement and preventative solutions. Work commenced in 24/25 to further improve service capacity within respite care and day opportunities whilst planning and preparing for transformation of the services to ensure services are designed and delivered to optimise people's independence and prepare people for work wherever possible. The work will focus on improving value for money within existing resources whilst ensuring people are part of their local community.

Building partnerships with the voluntary sector and local employers will support the delivery of more personalised care and support for an increasing number of people.

Executive Summary

The care company is focussed on:-

- Providing high quality reabling and preventive services for Cornwall residents across the range of services provided
- Responding innovatively to service developments with the introduction of technology and upskilling the workforce to ensure safe and appropriate care and timely assessments are provided
- Continued development of partnership working across the integrated care systems to support increasing demand for services and identify service development and funding opportunities
- Providing value for money, support and flexibility for Cornwall Council
- Further development of early help and prevention services through collaborative working with the voluntary sector across its community services and its Technology Enabled Care Service
- Enabling the growth of a sustainable, productive, and profitable care division through its care and support service that is focused on public and privately funded care.
- Embedding the new home care contracting arrangements in partnership with other private sector providers and the voluntary sector.
- Improving the quality, capacity and resilience of the care market in Cornwall through the new home care contracting arrangements. As a Strategic Provider we will work collaboratively with the Council and other Strategic Partners in discharging our responsibilities.
- Growth across our Technology Enabled Service, capitalising on our digitally compliant Alarm Response Centre and the introduction of TEC, expanding geographically and increasing the number of clients both private and through contracts with external local authorities. We will also focus on diversifying the offer to our local communities to enable people with caring responsibilities to continue with their employment, offering TEC solutions that provide assurance that their loved ones are appropriately supported.
- Future design and development of day and respite care services for younger adults to ensure clients achieve a greater level of independence across their local communities and that services offer building based solutions for those with the most complex needs
- Growth across employment services to support people into employment and training, expanding the range of opportunities across local employers.
- Achieving improved productivity and performance, increasing capacity within the existing funding resource and offering better value for money to the Shareholder.

The Care Division currently provides a number of services to Cornwall (2025/26 contract values with Cornwall Council). Care and Support provides services as an approved provider under the Dynamic Purchasing System (DPS) and as a Strategic Provider in two areas in the east of the county:

Service	Value p/a £M 24/25	Period of contract	No of Staff FTE	Activity	Strategic Focus
STEPS	6.137	3 years to 31 March 25. (discussions re 1 year extension)	119	Delivery of an intake assessment and reablement service in collaboration with Homefirst and Voluntary sector	Strengthen collaboration within the Home Together partnership model, focusing on delivering 30% Community and 70% hospital referrals ensuring the provision of a county wide reablement model, including the offer of technology enabled care, to support independence and capacity in partnership with Cornwall Foundation Trust to deliver reablement capacity and optimise resources, sustain service growth that meet the demands for the people who live in Cornwall.
Care and Support	2.268	7 year contract to Oct 31	71.12	DPS call off	Implementation of new Home Care contract as a Strategic Provider to meet the demands for long term home care in a defined area of Cornwall, whilst supporting growth in Care & Support as an alliance member in other strategic areas of the County.
Strategic Provider	0.106				To continue to provide and grow high-quality services for longer term home care to meet the increasing demand, delivering 50% capacity to private fee payers and 50% capacity to the Council. Introduce technology enabled care to support independence.
Lifeline	0.104	3.5 years to 26/27	26.79	Installation of equipment and call monitoring service	Commercial growth through contract income and increase in individual private clients, expanding private offer beyond Cornwall and to have a more national presence. Ensuring digital compliance and continuing to ensure our service users have digitally enabled equipment by the switch, January 2027. Roll out and Development of innovative, preventative TEC solutions to enhance care and support to customers and provide clear data to inform assessment and reduce the escalation of care needs and admission to hospital. Support the development of the TEC strategy for Cornwall and a TEC first approach to meeting peoples needs. A key delivery partner
Strategic provider of last resort	0.15	to 31 March 25 (variation to reablement contract) (discussion re 1 year extension)	2	Strategic POLR capacity	Work in partnership with the Council to undertake lessons learnt with experience of working in partnership to support provider failure. To ensure available leadership and management skills and capacity to provide strategic response. And consider how greater preventative work may be undertaken to avoid future situations arising where they can be.

Day opportunities	2.620	3 years to 30 June 2027	140		<p>Development and implementation of transformation plans to improve service quality, increasing accessibility and enhancing the flexibility of services. Developing new models of support, including digital tools and community based services to deliver positive outcomes and personalised care that meet the growing demands of the community for the future, in partnership with the Council and voluntary sector. Transformation plans will include the review and implementation Direct budget payments to empower families to choose services that best meet their needs and reflect value for money to the shareholder.</p> <p>To continue to build on its success to date in both achieving work-related outcomes for clients 16yrs+ with Learning Disabilities and/or autism alongside the success of the service's PROPER JOB Café enterprise.</p> <p>The service will be applying to the National Lottery Fund which is essential in the next stage of its growth and development. Included in the application will be, the establishment of a new meals on wheels enterprise that will include welfare checks, and an increase in the size of the supported employment team in line with demand which will open up new opportunities working with employers and local providers.</p> <p>Current discussions with commissioning re additional grant funding under IDA to support capacity growth (TBC).</p>
Respite/ Shortbreaks Services	2.204				
Employment Services	0.401				
Total	13.991		358.91		

Income and Profit Summary

€'000	2024/25	2024/25	mt.	2025/26	mt.	2026/27	mt.	2027/28	mt.	2028/29
	Year 0	Year 0		Year 1		Year 2		Year 3		Year 4
	Budget	Actual/Y1F								
STEPS	5,778	5,778	98	5,876	100	5,976	102	6,076	103	6,181
Trefula	2,538	2,538	-2,538	-	-	-	-	-	-	-
Lifeline & Assisted Living	2,599	1,881	172	2,053	262	2,315	69	2,384	72	2,456
Care & Support	3,668	2,343	1,524	3,867	116	3,983	119	4,102	123	4,225
SPOLR	150	170	27	187	6	203	6	209	6	215
Supported Employment	288	513	189	712	19	731	6	737	16	753
Respite	1,515	1,654	714	2,368	77	2,445	10	2,455	74	2,529
Day Services	1,798	1,925	886	2,823	34	2,857	86	2,943	88	3,001
Strategic Homecare Alliance	-	77	29	106	3	109	3	112	4	116
Leadership	-	417	-33	384	41	425	13	438	13	451
HR	-	39	340	379	11	390	12	402	12	414
Finance	-	26	1,762	1,788	53	1,841	56	1,897	58	1,935
Total Revenue	18,334	17,361	3,192	20,353	722	21,275	482	21,757	549	22,306
Net Margin	1,052	491	-130	561	-21	340	-64	276	33	509
Net Margin %	5.74%	2.83%	-4.07%	2.76%	-2.91%	1.60%	-13.28%	1.27%	6.01%	2.39%

Achievements to date

- Development and delivery of "Home Together" reablement initiative in partnership with Health and Voluntary Sector evidencing achievement of KPI requirements
- Success in the Home Care tender with award of contracts as both Strategic Provider in two zones and Alliance membership. Development of key partnerships to deliver against new requirements.
- Provider support to the Council in response to market fragility/provider failure to ensure continuity of care for clients and retention of workforce capacity
- Successful transfer of Employment, Respite Care and Day Opportunity Services increasing capacity within existing transferred resource
- Delivery of MTFP savings attached to transferred services in 24/25
- Improving productivity and performance across transferred services in 24/25
- Roll out of TEC and secured funding from Adult Social Care for TEC innovation pilot
- Direct investment into the voluntary sector to support the design and delivery of transformation plans for services supporting younger adults through day opportunities and respite care provision ensuring service development plans reflect opportunities for employment and more localized, flexible care and support in partnership with developing community hubs
- Development and successful delivery of apprenticeship training across a variety of front line and management roles across the organization
- Development of a career pathways supported by identified training and development plans across the portfolio of services provided

Planned growth and developments for 2025-29

Development	Date
Commercial growth of Corserv Care and Support Service	Ongoing
Development of partnership working within new structure of home care contracts including development of Strategic Provider and associated governance arrangements to ensure growth of capacity within the home care market to meet current and future demand	October 2024 onwards
Commercial growth of Technology Enabled Care through securing of business to business contracts and private customer growth within Cornwall and across other regions	Ongoing
Development and implementation of collaborative reablement services in partnership with CFT Homefirst and voluntary sector embedding the "Home Together" partnership to maximise capacity and efficiency to support community and hospital referrals that will contribute to Council and wider system savings through by reducing long term dependency on home care services	Ongoing
Development of a transformation program for transferred services to deliver new models of care and support identified through co-production and community engagement in respite care services and day opportunities	Nov 2024 onwards
Embedding new contract requirements within STEPS Enablement Service to ensure it meets KPI targets for Assessments and reablement provision	Ongoing

Core Development Plans 2025 – 2029

Development Opportunities

A key area is the development of the new alliance arrangements as part of the new home care contracts. Corserv will lead alliances in the east of the county and support as an alliance member the development of partnership working across the west of Cornwall and north-east of Cornwall. The success of this approach will support the growth of the Care and Support service to increase the number of people funded by the local authority, health and private funded packages of care. The voluntary sector is integral to development plans to ensure people receive the right level of support and are encouraged to increase their independence and greater integration within their local communities.

Maintenance of leadership and management capacity to ensure we are able to urgently respond to market fragility/ failure in partnership with the Council. Under the new home care commissioning arrangements form strong partnership working with other Strategic Providers to ensure support is offered when market failure/fragility occurs.

Day Opportunities, Respite/Shortbreaks and Employment Services transferred to Corserv Care at the beginning of July 2024. Following transfer there has been a focus on service improvement to create improved value for money for the shareholder through the creation of additional capacity within existing resource.

25/26 will see the development of comprehensive transformation plans across the services to ensure they provide innovative, flexible and person centred care with a focus on reablement to minimise dependency/reliance on services. Through the creation of improved choice and control on how families receive the essential respite we will support them in continuing their caring role.

There will also be a focus on supporting people into employment through partnership working with Adult Social Care, the voluntary and private sector. Enhanced training and support to individuals and employers across Cornwall will ensure that meaningful employment opportunities are provided.



Corserv Care will develop a transformation plan with

service users, their families and carers including key stakeholder partners.

Our Technology Enabled Care service will continue to focus on growth through the generation of external contracts and increasing private and publicly funded clients within Cornwall and across wider regions. We will continue to focus on rolling out and embedding technology enabled care to ensure we optimise independence of the clients we support; provide assurance to their families as we remotely monitor the persons health and wellbeing. This will deliver accurate assessment data to inform care and support plans to avoid/ reduce/delay escalation of needs.

A key area of development is the creation of appropriate accommodation to support the range of services provided across Cornwall. Working within the wider company to ensure accommodation is strategically located providing an environment that meets the service needs.

Our workforce is key to the successful delivery of our Business Plan. Recruitment and retention is essential to support growth.

Marketing and recruitments campaigns will be enhanced to raise our profile emphasising our unique ability to offer employment and career progression opportunities across a range of diverse and connected services.

We will be investing in Wellbeing strategies to support our workforce to:

- **Reduce Turnover Rates:** By supporting the workforce with wellbeing programs and vital skills. We aim to increase retention, ensuring our staff feel valued and motivated to stay.
- **Prevent Burnout and Absenteeism:** Through proactive strategies, we focus on preserving our staff's well-being, maintaining service continuity, and upholding care quality.
- **Improve Worker Engagement:** Targeted initiatives and supportive programs to uplift care worker engagement, motivation, and morale, fostering a positive and thriving work culture & environment.

Our organisational development plan recognises clear career and training pathways to support staff with choices and opportunities to widen their experience or step away from front line services into support roles thereby maintaining vital capacity.

Business Support Functions



Principal Activities

The Corporate Support Division provides services to all of the areas of the business within the Company, including:

Finance, procurement, IT business systems, marketing and communications, sustainability and environmental, company secretarial and legal.

Development Priorities

Strategic priorities for the Corporate Teams as we enter the next stage of development include:

- Following on from the implementation of our cloud-based HR, payroll and finance solutions, the Board has considered its IT strategy for the coming years. The license agreements for all systems have been aligned and, for the duration of this planning period, our Business Systems Team will focus on creating and implementing a Master Data Management Strategy that fully integrates these key systems. This will ensure single point data entry and, through the development of integration tools, the accurate reflection of that data across all systems. The programme will include the identification and training of Information Asset owners with clear accountability for managing these systems. Reporting tools will be developed, underpinning the provision of accurate and consistent information into the businesses and onwards to the Board
- The Business Systems Team has a critical role to play over the next four years to support the businesses to develop their local systems and to deliver the Master Data management and Integration Strategies. This will require considerable change, over and above our normal service delivery. Additional resources have been included in the financial plan for 2025/26
- Adopting Lean methodologies we will, in parallel with the development of core systems, review and refine the business administration processes for key data flows, initially around the Accounts Payable and HR processes. This will ensure the timely and accurate entry of data into our systems, with the responsibilities of business of businesses and corporate teams clearly set out. Throughout, we will implement web-based manager self-service functionality to ensure the maximum

possible efficiency across all processes.

- By improving both our systems and business processes we will, wherever possible reduce our close-down and reporting times and speeding up the provision of management information into the businesses
- With the Workday system now well established, we will move forward, adding additional modules that will add value to the business. The next phase will be to deliver, a budgeting and forecasting platform for the Group which for the first time would give a joined-up cash-flow, balance sheet and profit and loss forecast for each business and the Company as a whole.

Current

Stand-alone Group-wide solutions
Multiple sources of the truth for single data items
High levels of manual intervention in data and processes
Lack of data ownership and accountability

Future

Fully automated, integrated IT estate – as little human intervention as possible
Single, well-maintained source of truth for each data item
Cleaner corporate data and reduced data breach
Efficiencies delivered by having correct data in the right place at the right time

Phase 2 Change Programme

Following the restructure of the Group into a single-business structure, a further programme of change is required to continue to develop our processes, culture and ways of working.

Discussions with the Corserv Change and Corserv Solutions Boards led to the identification of key areas for inclusion within this Phase 2 Change Programme. These included:

Procurement Transformation

Following an external review by Calathea (completed under the initial change Programme) which identified key opportunities, financial savings and areas for development

Business Process Improvement

Due to a restructure/alignment of Accounts Payable (AP) and HR Operations as a central process function in the Support Division, and much change and development occurring across the operational structure, key business processes were identified for review and development

Central HR transformation

Following the formation of a 'one company' approach and a change in the operational delivery structure, key areas for development and improvement were identified

Workday Development

As part of wide scale change and individual business requirements, various areas for further development were identified within the workday system

Internet and Intranet updates

To ensure the intranet supports and compliments the 'one company' business structure, in line with the change from the Phase 1 programme

The implementation of the Master Data Management Strategy (MDMS)

Identified at the start of the Corserv Group Change Programme, but unable to be implemented at that time due to budget requirements and conflicting priorities

Culture Transformation

Reviewing and refreshing the ways we work, to further strengthen the boundaryless organisation 'one company' model.

Programme Goal

The following goal was drafted and finalised following confirmation of the programme objectives and benefits:

To deliver a data-led great business infrastructure, through the review and development of processes, practices and systems, across a joined-up 'one company' approach, further strengthening the boundaryless operational structure implemented in Phase One.

Additionally, aligned with and supporting the above, specifically for Project 7: Culture Transformation, the following goal was

created in July 24. This additional goal was designed to bring structure to the cultural objectives:

A culture where all colleagues role model professional behaviour in line with company values, championing confidence and promoting a safe place to work, where employees feel safe to be themselves and grow as individuals.

Change Management:

The central Project Management Office (PMO) is delivering the programme as part of the established change portfolio and governance model. Project leads, workstreams and key stakeholders are identified, with a timescale for implementation identified for delivery by end of the 2025/26.

Following the establishment of the first six projects within this programme, central HR and Senior Leadership completed a further review. This determined the detail of a Culture Transformation Project for inclusion within this Phase 2 Change Programme. This project will consider how to drive a 'one company' aligned approach to transforming culture across the boundaryless organisation, while taking on board staff feedback from the employee survey completed in early 2024.

Projects:

The programme will deliver;

A Procurement Project. Introducing cost savings and efficiencies, reducing reliance on external resource, implementing an alternative commercial model for Plant Hire, and potentially another Cormac asphalt plant.

A Business Process Project. A review and development of Accounts Payable (AP) processes and management, maximising efficiencies and capabilities for systems, ensuring people processes are automated and system driven – minimising duplication and turnaround times for business operations.

HR Transformation. Reviewing our Learning Management System (LMS) content and functionality (supporting a one system approach) and our Equality Diversity and Inclusion (EDI) practices, promoting organisational inclusion, raising awareness and encouraging reflection.

A Workday Development Project. Further development of Project Billing, CIS reporting, escalation routes for business process, business reporting, supplier invoicing, system reconciliation, adaptive planning, customisation of dashboards and integration.

An Internet & Intranet Project. A review of the current content to ensure up to date and representative of the business, updating the architecture to support the 'one-company'.

A Master Data Management Systems (MDMS) Project. The delivery of a data model, strategy and architecture, defining data ownership and accountability, focusing on improving processes and practices to maintain and improve data quality.

A Culture Transformation Project. Reviewing and refreshing the ways we work, to further strengthen the boundaryless organisation 'one company' model.

Through the above work, the Change Programme will solidify the one-company structure and enable the organisation to work productively and innovatively, and deliver the business plan.

2025-2027 Change Portfolio

In addition to the existing Change 2 Programme, and the Corsev Care Change Programme, CFL Transition Project and Fleet Replacement & Alternative Fuel(s) Strategy Project, a wider portfolio of change has been identified for 2025-27.

Facilities - Private Rental Acquisition (PRA) Transformation Project	Care TEC Development Project
Facilities - Lorne Stewart (LS) Transformation Project	Carbon Reduction Project
Facilities Division Growth Project	Master Data Management (MDM) Programme
Respite, Day opportunities & Employment Transformation Programme	Risk Management Project

This includes eight new projects or programmes of change:

Corsev Facilities Projects

Through a review of the commercial viability and profitability of the Facilities contracts, as part of the CFL Transition Project delivered in 2024/25, we identified that there were opportunities for growth and development for the Corsev Facilities division that could reduce the expected deficit in the short term and, potentially develop into a viable ongoing business stream. The three new Facilities projects are focused on strengthening our services, realising the identified opportunities for growth and becoming the facilities management provider of choice.

Respite, Day opportunities & Employment Transformation Programme

Following the recent transfer of key services from Cornwall Council (through Direct Award) to the Corsev Care division, we will be undertaking a Transformation Programme to identify and agree future models of Care delivery. This is a multi-faceted programme which will focus on properties, delivery,

management and processes, ensuring that the services are sustainable, represent value for money and deliver person centred Care and Support. The Programme will also be specifically focused on increasing people's independence and, wherever practicable, ensuring younger adults with learning disabilities are able to access local employment.

Care TEC Development Project

This project is designed to deliver innovative Technology Enabled Care (TEC) solutions, in partnership with Cornwall Council, specialist industry providers and subject matter experts. The underlining objective of this Project will be to develop preventative care approaches (at scale and pace) that maximise peoples independence, through a range of TEC solutions and enable people to remain living independently for longer.

Carbon Reduction Project

This project will drive and deliver the key emission reduction opportunities we have identified as a business, leading to positive organisational change and carbon neutral opportunities by 2030.

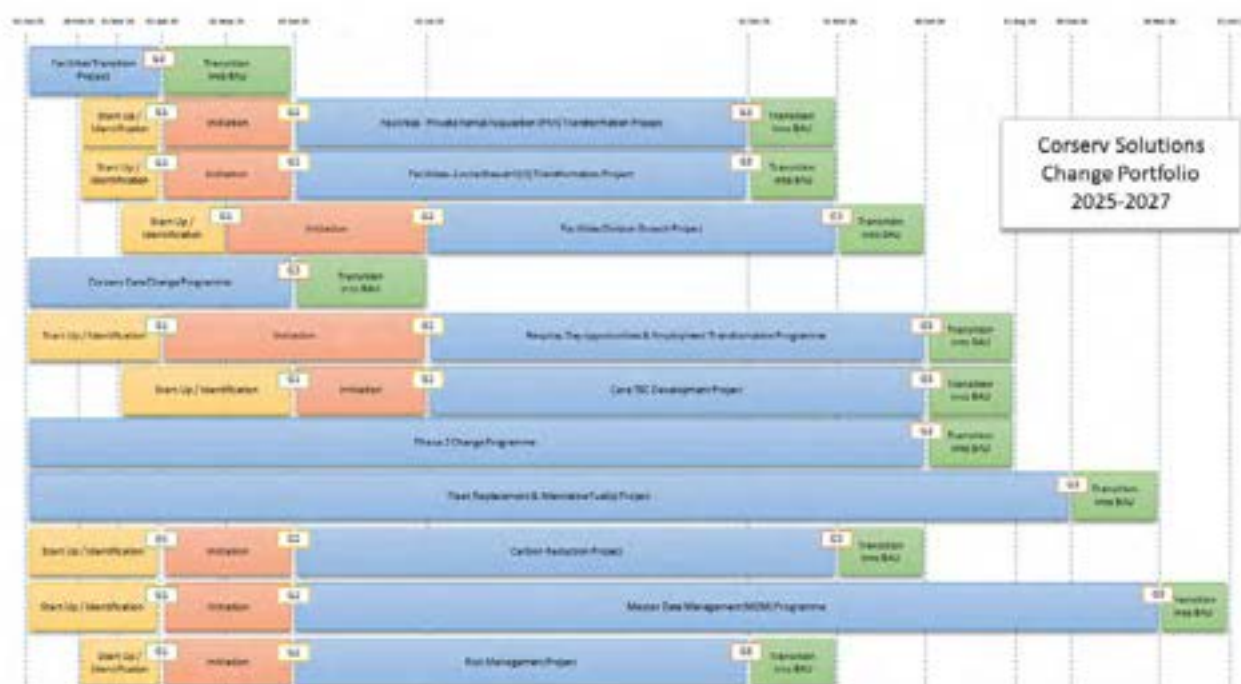
Master Data Management Programme

To achieve common monitoring and reporting of business performance, it is vital to ensure that our data is accurate, pertinent and seamlessly shared across our organisation. Through a series of activities including data quality assessment, education & training on maintaining data, systems integrations and the delivery of a common data store, we will achieve a holistic approach to data management. This will enhance our processes and services, while also reducing risk and improving productivity.

Risk Management Project

Following the Group structure changes delivered in 2023/24, we have identified multiple opportunities to enhance our Risk Management system and processes across the one-company.

This will streamline and better align our approach to risk management, simplifying our processes, providing better visibility to our stakeholders, supported by clear and concise reporting.



TalentTide and Jobline Staffing



Executive Summary

Over the past few years, we have successfully transitioned from a predominantly inter-company sales focus and significantly grown our external market, now generating a substantial portion of our revenue from external clients. This strategic shift has allowed us to establish ourselves as a trusted recruitment partner in key sectors such as renewables, marine, and space, which will be central to our growth over the next four years. Despite current economic uncertainty and the challenges presented by the changing UK government our growth plan aims for a steady 5% year-on-year profit increase, maximising our contribution to the shareholder and driving growth in Cornwall and beyond.

Vision

By 2028, we aim to be the leading recruitment provider for the renewables, marine, and space sectors in the Southwest. Our goal is to support businesses in these high-growth industries by delivering bespoke, value-driven recruitment solutions, while continuing to increase our external revenue streams and profitability. We are committed to further reducing reliance on inter-company sales, solidifying our position as a recruitment partner trusted by external businesses for their long-term workforce needs.

Strategic Priorities

1. Expanding Market Reach in Key Sectors

We are committed to strengthening our presence in the renewables, marine, and space sectors by building strategic relationships and becoming a trusted recruitment partner. These industries are pivotal to the future economy of Cornwall and the UK, and we will leverage our expertise to support businesses by providing skilled professionals that meet their growth needs. Our external sales efforts will be supported by a robust pipeline of repeat business, with the aim of reducing inter-company sales to a more balanced, externally focused revenue model.

2. Delivering Value to the Shareholder

A key part of our strategy is to increase our profitability by 5% year-on-year, focusing on driving external revenue and reducing dependency on inter-company sales. This shift will not only increase our income but also provide greater value to the shareholder by diversifying our client base and expanding into high-growth industries.

3. Strengthening Relationships and Repeat Business

Building strong, long-lasting relationships with our clients is central to our strategy. We will focus on offering a highly personalised recruitment service, ensuring our clients view us as a trusted partner they can rely on for future recruitment needs. By prioritising repeat business and fostering loyalty, we will create a sustainable pipeline of external sales, which will underpin our revenue growth in the coming years.

4. Technology and Innovation

Continuing to invest in recruitment technologies will allow us to stay agile and responsive to market demands. Utilising AI-driven recruitment tools, improved CRM systems, and enhanced marketing strategies will ensure that we can efficiently match the right candidates with the right roles, enabling businesses to thrive. These innovations will also support our goal of expanding our presence in the renewable, marine, and space sectors, offering bespoke solutions that are scalable and adaptable.

Growth and Financial Objectives

1. External Revenue Expansion

Having already significantly grown our external sales, our focus is now on continuing to expand these revenue streams. Over the next four years, we aim to further strengthen our position in the renewables, marine, and space sectors, expanding our client base and increasing external revenue to drive sustainable growth. While external sales currently represent a growing portion of our business, we are committed to further diversifying our revenue by accelerating this growth.



2. Profit Growth

Our financial objective is to achieve a 5% year-on-year increase in profits. This will be driven by expanding into high-growth sectors, increasing client acquisition, and securing repeat business. Through a combination of targeted recruitment strategies and efficient processes, we will increase our overall profitability while continuing to deliver value to the shareholder.

3. Operational Efficiency

Investment in technology and streamlined recruitment processes will allow us to reduce costs and improve the efficiency of our operations. By making recruitment faster and more efficient, we will be able to increase placements while reducing time-to-hire, ultimately boosting both client satisfaction and profitability.

Collaboration and Added Value

Our brands will continue to be a strategic asset to our parent company by offering high-quality, scalable recruitment solutions that meet the growing demands of specialist sectors. The relationships we build across the renewable, marine, and space industries will provide a solid foundation for future growth, as well as delivering value back to the wider group. By transitioning to a majority of external sales, we will also reduce our reliance on internal transactions, offering a more balanced and diversified revenue stream.

Social Responsibility

As part of our commitment to supporting the local economy, we will continue to focus on recruiting and developing local talent in Cornwall and the Southwest. By partnering with educational institutions and community organisations, we will help equip the local workforce with the skills needed to succeed in the renewables, marine, and space sectors. This approach will not only benefit local businesses but also contribute to the long-term economic development of the region.

Conclusion

This business plan for 2025-2029 outlines our strategy for achieving sustained growth in key sectors, increasing external revenue, and delivering value to our shareholder. Our continued expansion in external sales provides a solid foundation for future growth, and our focus on high-potential industries such as renewables, marine, and space will ensure we continue to thrive in an uncertain economic environment. By leveraging technology, fostering strong client relationships, and contributing to the local economy, we are well-positioned to achieve our growth objectives and deliver long-term value to both our clients and shareholders.



Fleet and Workshop Solutions

As part of Corserv Facilities, Fleet & Workshop Solutions serves each division of Corserv Solutions, Cornwall Council and its external customer base including key customers such as Go Ahead (Transport for Cornwall) and National Highways.

The future provision of Fleet services will see its financial model updated to see the division become a centrally managed, “at cost” delivery function internally, whilst using external profit to subsidise the cost-of-service provision to its internal users, whilst ensuring profitable activity with external clients on a growing basis, further strengthening increased value for money for our internal customers.

Overview of delivery

Managing over 2,200 items of Fleet and Mechanical Equipment, and over 2,000 drivers across Corserv Solutions providing an end-to-end asset management service including:

- Asset Management (Replacement & Disposal)
- Fleet & Mechanical Equipment Service, Maintenance & Repair (SMR) including Asset Maintenance, Accident Repair and Fabrication services.
- Fleet Compliance (Driver & Asset)
- Staff Lease Cars and Pool Cars

The Fleet services teams manage the Cornwall Council operator’s licence to ensure that both Group and Council can operate goods vehicles (commonly referred to as Heavy Goods Vehicles or HGV’s) in support of our core businesses and statutory operations. To ensure continuation of the licence the licence holder commits to meet the general conditions and undertakings attached to their operator’s licence.

The Goods Vehicles (Licensing of Operators) Act 1995 ensures that no person shall use a goods vehicle on a road for the carriage of goods for hire or reward, for or in connection with any trade or business carried on by him except under a licence issued under this Act; and in this Act such a licence is referred to as an “operator’s licence” – Goods Vehicles (Licensing of Operators) Act 1995 (legislation.gov.uk)

Whilst there is no requirement to hold an operator’s licence to use Cars and/or Light Commercial Vehicles (commonly referred to as Vans or LCV’s) in Great Britain their use remains subject to the requirements of both the Road Traffic Act 1988 and The Health and Safety at Work Act 1974, failure to significantly control the condition and use of the Council and Groups Car and LCV fleet could lead to adverse scrutiny of its operator’s licence by the Driver and Vehicle standards agency (DVSA) on behalf of the Office of the Traffic Commissioner (OTC).

Transition to new business model

The transition of Fleet & Workshop Solutions to central management, coupled with a revised internal “at cost” financial model will see a reorganisation of reporting structure and the unpicking and rebuild of complex financial modelling and systems utilised for many years, this direction of travel will see the fleet service restructure its required support services, including H.R., Training, Health & Safety, Quality Management and the requirement for dedicated Finance support, whilst ensuring fleet colleagues are successfully transferred centrally and communicated with throughout transition.

Key tasks relating to both the transition to new business model and the wider Corserv Solutions Master Data Management Systems (MDMS) Project commenced in FY 24/25 including:

- Standardisation of Tranman and Workday systems
- Re-categorisation of Fleet and Mechanical Equipment
- Review of Workshop Labour allocation across internal and external business
- Workshop Technician salary review
- Introduction of extended Workshop(s) opening hours

Fleet and Workshop Solutions will operate at cost to each division of Corserv Solutions during FY 25/26. Further changes towards future provision of service will be implemented incrementally, both internally and externally, in agreement with users and customers.

Future plan for external workshop customers

Corserv Solutions are contracted to provide Go Ahead (Transport for Cornwall) with the following services for a period of 8 years (since June 2020):

- Facilities cleaning
- Bus cleaning
- Maintenance services
- Parking, fuelling, utilities and office solutions

In June 2023 the Bus and Facilities cleaning provision was centralised under the Fleet structure, this led to a wider review of all areas of service provision and actions being put in place to ensure the required level of service was being met. A successful commercial review of contract was undertaken in FY 24/25, which will see the introduction of an agreed revision to current staffing allocated across maintenance and valet services and an uplift in income solidifying our position as a key partner for Go Ahead (Transport for Cornwall).

The replacement of aged and high mileage Fleet & Mechanical Equipment for both Corserv and Cornwall Council will see the disposal of unreliable vehicles and removal of excess vehicle downtime in turn freeing resource

within our Workshops provision. This will allow for business development in the area of Fleet & Mechanical Equipment Service, Maintenance & Repair (SMR) where our Workshop business will seek to extend its offer to current customers such as Southwest Water whilst expanding its customer base across the county targeting key clients such as National Grid and Live west who operate similar commercial fleets to those we use internally. We will use improved external profit to further subsidise the cost of service provision to its internal users.

Fleet Replacement

A review of our short-term strategy was completed in FY 24/25 concluding with a requirement to identify “high priority” vehicles, that are overdue replacement and to conduct a review of the best value procurement and funding options to replace said vehicles.

Around 120 vehicles were identified for priority 1 replacement and used to provide a baseline for market testing, a soft market test was conducted and identified outright purchase, as opposed to lease provision, as the most cost-effective way of procuring replacement fleet and mechanical equipment.

Market testing was based on the supply of Euro 6, ICE vehicles which will produce a reduction in vehicle emissions when compared to the aged vehicles currently in operation, with future provision for these vehicles to be fuelled using Hydrotreated Vegetable Oil (HVO) realising a further reduction in vehicle emissions.

The ordering of new vehicles identified within our short-term strategy commenced in FY 24/25 using agreed loan funding. The timeline to have replacement vehicles in use (which will remove the issues faced both operationally and internally to the fleet and workshops solution) will be dictated by the delivery times available at point of order with the majority expected in 2025. There will also be some reallocation of suitable, newer, lower mileage vehicles operated elsewhere across the Group as changes in service provision take effect throughout FY 25/26.

Procurement, funding and asset type modelling practices utilised during our short-term strategy review will also be applied during our long-term strategy review for the transition to alternatively fuelled vehicles.

As well as managing the Corser Solutions operational fleet the company also owns and runs a fleet of vehicles used by Cornwall Council; operating costs are charged in full to the Council. As members of the Councils Fleet Transition Board, Corser Fleet and Finance teams have developed a replacement and financing strategy, supported by Council capital grant, which will see (circa) 90 internal combustion engine (ICE) vehicles within the Council fleet transitioned to Battery Electric Vehicles (BEV), the ordering of these vehicles commenced in FY 24/25 using the procurement, funding and asset type modelling practices identified during our own short-term strategy review.

Alternative Fuel(s) Strategy

It is anticipated that the transition to alternative fuels will be achieved through a combination of solutions which will reduce the level of emissions from Corser Solutions Fleet. A detailed options appraisal commenced in FY 24/25 to identify cost, timeline and associated emissions reductions, with options to be approved by Corser Solutions board in 2025.

Corser Solutions interim strategy for transition to alternative fuel(s) and emissions reduction will see the Fleet team working in partnership with operational teams in the following areas:

- Continued use of 14 Bio Methane Fuelled Vehicles – Predominantly for larger vehicles, these are readily available in the market, however at a higher price than a comparable Internal Combustion Engine (ICE) vehicles,
- Use of Hydrotreated Vegetable Oil (HVO) – Planned for use in ICE vehicles that have no affordable alternative fuel replacement option. Use will be extended to ICE vehicles procured during FY 24/25 onwards with a pilot to be undertaken in 2025/26, HVO remains at a higher price than equivalent petrol and diesel fuels but increases in these fuel prices, coupled with increased use of HVO across the UK has seen the price differential reduce significantly in recent years now being (circa) 10% more expensive.
- Continued purchase of Battery Electric Vehicles (BEV), Plug in Hybrid Electric Vehicles (PHEV) and Electric power tools – These types of alternatively fuelled vehicles are already successfully in operation across the County as part of the Pool vehicle fleet, where over 35% of vehicles are now either BEV or PHEV, and with over 10% of current non operated plant (trimmer’s, chainsaws etc.) transitioned from traditionally petrol fuelled versions to electric. Provision will continue to be made within replacement decision making for the purchase of these types of fuelled fleet and mechanical equipment for “no regrets” roll out.
- Introduction of Corser Solutions Car Scheme – Working in partnership with Human Resources colleagues, work commenced in FY 24/25 on the roll out of an improved staff benefits package, this will include the introduction of a car leasing scheme for colleagues with vehicle options fixed to either Battery Electric Vehicles (BEV) or Plug in Hybrid Electric Vehicles (PHEV).

A fully costed options appraisal document will be completed in early 2025 as part of the Fleet Replacement / Alternative Fuel(s) Strategy Project, this will be presented to Corser Solutions Board, from which a timeline for transition to an alternatively fuelled fleet will be agreed, thus leading to the production of the Groups long term “Fleet Replacement Strategy” as part of the groups wider Carbon Reduction Plan.

Income and Profit Summary

£'000	Fleet & Workshops	2024/25	2024/25		2025/26		2026/27		2027/28		2028/29
		Year 0	Year 0	mt	Year 1	mt	Year 2	mt	Year 3	mt	Year 4
		Budget	Actual/TYF								
Sales	Workshop- Newquay	1,337.76	1,365.85	79.43	1,445.28	43.36	1,488.64	44.66	1,533.30	46.00	1,579.29
	Fleet	9,126.73	9,164.69	173.27	9,357.97	280.74	9,638.70	778.39	10,417.09	312.51	10,729.63
	Workshop-Scornier	4,304.93	4,305.69	77.27	4,382.96	131.49	4,514.45	135.43	4,649.88	139.50	4,789.38
	Valet- Go Bus Contract	933.60	943.31	51.75	995.06	29.85	1,024.91	30.75	1,055.66	31.67	1,087.33
Sales Total		15,703.07	15,799.54	581.72	16,181.26	485.44	16,666.69	989.23	17,655.92	529.68	18,185.60
Net Margin	Workshop- Newquay	105.66	120.00	75.40	195.40	5.86	201.36	6.04	207.50	6.22	213.52
	Fleet	641.60	135.94	-612.64	-476.70	-14.50	-491.00	-14.73	-505.73	-15.17	-520.90
	Workshop-Scornier	120.79	241.64	-138.61	303.03	3.09	106.12	3.18	109.31	3.28	112.59
	Valet- Go Bus Contract	4.26	-100.08	100.53	0.45	0.01	0.46	0.01	0.48	0.01	0.49
Net Margin Total		872.51	387.50	-575.32	-177.82	-5.33	-183.15	-5.49	-188.64	-5.66	-194.30
Net Margin %		5.55%	2.52%		-1.10%		-1.10%		-1.07%		-1.07%



The Airport



The Airport's primary goal is to drive economic benefit to Cornwall by connecting the region with the rest of the UK.

In 2024, an independent economist assessed that:

- 1,123 jobs were directly and indirectly supported by the airport
- It adds £90m of GDP to the economy of Cornwall annually
- The Aerohub Enterprise Zone and ABP is now responsible for the creation of 542 FTE jobs
- Spaceport Cornwall is forecast to create 150 direct jobs and add £200m GVA to the economy by 2035

These benefits far outweigh the annual loss. As well as this key economic purpose it plays a vital role in keeping critical safety and emergency services in Cornwall operational including:

- C. 3,000 movements for HM Coastguard Search and Rescue
- C. 2,500 movements for Cornwall Air Ambulance
- C. 10,000 movements for Ministry of Defence

The airport plays a key role in the development and deployment of new technologies such as unpowered aircraft and of course the operation of the Spaceport. These developing workstreams are and will continue to support the growth of the aerospace cluster on the site.

Executive Summary

This business plan facilitates our strategy to deliver a long term commercially and environmentally sustainable airport, ensuring Cornwall remains connected and open for business, whilst minimising the cost to the Cornish taxpayer.

Our primary objective is to diversify and grow our non-aeronautical revenues, investing in new and better products and maximising property income.

The Airport's key challenges are two-fold during this business plan period; continuing to accommodate the airlines' growing schedules within constrained facilities, whilst also developing a commercially sustainable business model. This is the airport's 'Plan B' should the strategic review not result in identifying an external investment partner.

To that end this business plan includes the development of the airport's revenues. A new target operating model has been included to manage the entire airport estate under one entity thereby facilitating a cohesive, site wide development strategy.

The capital expenditure required to deliver this is significant and has been detailed within our business plan.

Costs have been modelled realistically using a granular bottom-up approach and have been subject to internal challenge. They retain the strong operational cost discipline



that has been embedded in the business in recent years.

However, this still results in a total operating subsidy requirement of £14m across the full four-year Business Plan.

The ultimate aim for the Airport is to become subsidy free and produce a profit from a mix of commercial flights, property income and other site activities, whilst creating economic benefit for Cornwall through a vibrant business and transport hub where highly-skilled high-value jobs are based.

Principal Activities

In addition to the compliance capex, this business plan now includes capital expenditure required to increase the capacity of the terminal, grown ancillary revenues from the aeronautical activities, develop the property estate over a 10 year period and develop and deliver a sustainable airport site.

Cornwall Airport Newquay, according to most recently published statistics for 2023, is the fastest growing airport in the UK, providing access to and from important business and leisure markets.

A range of airline partnerships and routes have been developed over time, catering to a wide range of Cornwall's travel needs. This includes domestic links supporting regional connectivity, International hub access to global destinations, high-value inbound tourism from key visitor markets such as Germany and Scandinavia and traditional outbound holiday flights to Spain and Portugal.

Recent independent analysis for Cornwall Council estimates that the economic benefit of the airport has increased following the pandemic and the Airport is now delivering £97.5m of GVA for the region, directly supporting 1,100 jobs.

The 2025/26 year is forecast to see total passenger numbers of approximately 420,000. The airport is now served by more airlines, reducing the risk to the business should an airline fail and also providing a strong position from which to continue to grow.

Other on-site activities, which range widely and include military and civilian flight training, aircraft maintenance and lifesaving emergency helicopter flights have continued to operate throughout the period, and in many cases have increased in volume.

Airport Market

• Passenger traffic

Passenger traffic has recovered post-pandemic at the high-end forecast scenario level. Whilst the growth has now stabilised, further growth at a steady rate is forecast over the next four year budget planning period. It is clear however that investment in the infrastructure will be required in order to accommodate that growth and also ensure that ancillary incomes can be grown. The latter being important given the increased reliance on ultra low

cost carriers for passenger volumers, with such airlines delivering volume but less direct income.

• London Public Service Obligation Route

This service, awarded under contract by Cornwall Council in partnership with DfT, is the largest single route by volume and the predominant driver income for the Airport. Awarded to Eastern Airways in late 2021 on a 4 year term, and whilst the route has steadily built in volumes over the period, it has been impacted by operational issues and unreliability that have prevented the market reaching its full potential. The process for secure the next 4 year PSO will need to commence in early 2025.

It is worth noting also that the available funding for the current PSO has meant that only a double daily service is funded and passenger volumes are therefore having to be recovered from commercial rather than PSO flying which has a significant impact on our income.

• Property

Demand for quality on-airport property remains robust, with a lack of suitable accommodation often serving as the limiting factor. Therefore, we have added a capital expenditure plan to develop the estate, grow the revenues and professional job opportunities and deliver on the shareholder aspiration to develop and aerospace related business cluster.

• Other income

A diverse range of additional income streams linked to passenger and non-passenger operation will continue to be exploited over the course of this business plan. To make a meaningful and positive impact on revenues will require capital investment. Where existing activities take place, such as in-terminal retail and catering, changes to operating structures and commercial arrangements are being progressed to grow profit per passenger. Significant focus will continue to be deployed to maximise the attractiveness of the aerodrome operating environment to potential new operators on site, as well as capitalising on special events in Cornwall to grow landing fees and aviation services.



Assumptions and Sensitivities

The long term goal remains to ultimately remove the need for the operational subsidy and for the Airport to become financial self-sustaining. Key to delivering this is securing adequate capital funding to develop the airport's estate, drive business development and automation, and enhance capacity.

What are we doing to deliver our Business Plan?

1. Developing the terminal to facilitate passenger growth and increasing ancillary revenues.

The successful growth of the route network has arrived with a very different shaped airline schedule. We have benchmarked our facilities against industry standards and already need to expand the terminal. This will also facilitate the development and growth of ancillary terminal revenues.

The focus going into 25/26 and beyond is to build the frequency, capacity and network with that established carrier base, although growth in volume is limited until the infrastructure constraints are addressed

2. Spaceport

Space presents significant opportunities for economic growth in Cornwall. The global space economy is projected to grow from an estimated £270 billion in 2019 to £490 billion by 2030. Constellations of satellites are being launched to deliver worldwide services and the UK space sector is growing faster than the rest of the UK economy. The average worker in the space sector is 2.6 times more productive than in other sectors. It is worth over £16.4 billion per year, employs over 45,000 people, and satellites underpin £360 billion per year of wider economic activity

3. Enhanced focus on property strategy and optimising capital expenditure.

This plan includes capital investment to grow the commercial revenues and reduce the subsidy requirement. Should we not be successful in identifying an external investor, we have taken a prudent approach to developing the estate.

This will support us in our drive to develop a Space technologies cluster and optimise the Spaceport license. We have also identified expenditure to develop the capacity of the terminal infrastructure to facilitate the passenger forecast and maintain service standards



Income and Profit Summary

E'000	2024/25	2024/25		2025/26		2026/27		2027/28		2028/29
	Year 0	Year 0	mvt	Year 1	mvt	Year 2	mvt	Year 3	mvt	Year 4
	Budget	Actual/FYF								
Sales	12,988	12,708	1,198	13,906	3,947	17,583	1,391	19,244	1,002	20,246
Net Margin	-4,909	-5,306	-922	-6,228	3,053	-3,175	720	-2,455	382	-2,072
Net Margin %	-37.8%	-41.8%		-44.8%		-17.8%		-12.8%		-10.2%

Financial Summary

This plan follows a period of significant organisational change for the Group, shaping the Company to best support businesses in their future development. The refinancing package agreed with our Shareholder has replaced much of the historic loan capital with equity and sets the business well to grow over the lifetime of this plan and deliver increased value to Cornwall. As plans to refocus the Facilities Business and develop the Airport come to fruition, the business will consolidate and look towards a more commercially focused and stable financial future.

The Group agreed a deficit target of £0.9m for the 2024/25 financial year. The return to the Shareholder was therefore limited to loan interest only, totaling £350k.

Cormac and Care have performed strongly and, when taken together delivered close to plan.

The Airport continues to run at an operational deficit, the level of which remains in line with the agreed Business Plan. That deficit was included in the 2024/25 Business Plan until 1 January 2025, at which point it was anticipated that support for the Airport would be accommodated by the investment partner. The transfer has been delayed, adversely affecting the 2024/25 financial result.

In agreeing the final Business Plan for 2024-28 a significant reshaping of the Corserv Facilities business began, clearing the way for the company exit loss making contracts. Reflecting the contractual lead time in that process, a £2.2m deficit was reflected in the plan for 2024/25.

That process, particularly the transfer of the Cornwall Housing contract to new suppliers has taken longer than anticipated. When coupled with a significant workload reduction announced mid-year, the forecast deficit is now considerably higher.

Taking these factors into account, the forecast result for 2024/25 is a deficit of £5.2m.

Since the last business plan the Group continues to see a significant reduction and mix change in its revenue from Cornwall Council. The Group will redouble its efforts on growing its external revenues to offset this.

As we enter 2025/26, all businesses are facing 6% inflation for Foundation Living wage (FLW), 3% pay inflation and an expected 3% material inflation. Over and above this the business is facing some significant additional cost pressures in 2025/26. The announcement of increased Employers National Insurance contributions announced in the Chancellor's Autumn Statement have added £1.6m to the cost base. IT systems costs, both Council and proprietary licenses have increased by £700k. Lower than expected inflation uplifts in care contracts have reduced income by £400k. These pressures have been built into this plan, with consequent pressure on margins. Businesses have worked hard to identify savings and further growth opportunities in 25/26 to offset their impact with some, but limited success.

This, along the now planned continuation of PRA activities results in ongoing deficits in the Facilities business, starting at £1.9m in 2025/26 and reducing to around £0.3m by 2028/29.

Taking these pressures into account the ongoing business – Cormac, Care, Facilities and Fleet – is planned to achieve a profit of £1.8m in the 2025/26 financial year. The continuing overlay of the operating subsidy at Cornwall Airport for a further year takes the Group as a whole into £4.4m deficit. No dividend is therefore forecast and the



return to the Shareholder will be limited to £350k interest payable on the loan supporting the PRA business. The return steps up markedly in 2027/28 as deficits in the Facilities and Airport businesses are addressed, reaching more sustainable levels thereafter. By the end of the plan period, profits are expected to reach £5.4m per annum.

Financial Plans 2025 to 2029

This business plan offers our Shareholder a dividend of £6.3m over the next four years.

In generating this return, the plan delivers:

- A profitable Group, with all principle areas in profit from 2027/28 onwards.
- The continuation of a fair and transparent overhead pricing model, ensuring that all Divisions and companies being supported by Corserv central services are charged appropriately
- Significant revenue growth which, excluding the Airport, rises from £198m in year 1 to £224m in year 4 of this plan. This is driven largely through external growth

In the financial tables that follow, the figures are presented by trading divisions, rather than the legal entities that form the Group. This reflects the reflecting the

actual business structure of the Group. This presentation reflects the restructure and ensures that forward projected results can be seen within the consistent context of previous performance.

Recognising that development plans for Cornwall Airport are expected to address the operating subsidy, their results are not consolidated into the Company's financial plan beyond 1 April 2026. In line with other companies, the Board has overseen the development of a business plan for the period 2025 to 2029. At present the plan shows an increase on the previously planned deficit for 2025/26. This is driven by additional pay inflation, principally FLW staff and targeted market rate increases, National Insurance, mandatory training requirements and compliance costs associated with additional security staff needed to comply with regulation changes around liquids in baggage.

Conscious of the potential impact of an increased subsidy requirement in discussions with commercial partners, we will continue with every effort to minimise the operating subsidy requirement.

Revenue

Revenue over the next four years is, excluding the Airport projected to grow from £198m to £224m. In the earlier sections of this plan, each business has set out the growth strategy that will deliver this revenue projection, with a particular focus on the expansion of external, commercial activities.

The Cormac business will focus on extending its existing external income streams and, with the support of Shareholder colleagues, developing partnership models with other Local Authorities.

Revenue has been restated in the plan for Facilities, such that discontinued activities such as the Cornwall Housing Repairs and Maintenance contract are removed from the baseline for comparative purposes. Fleet activity has been set out as a separate plan, with growth attributable to growth in external activities.

The Care business will focus on developing an income stream from the development of their tech-enabled care services and extending their domiciliary care offer to private, self-paying customers.

Sales Revenue £'000	24/25		This Plan							
	Plan	Forecast	mvt	2025/26	mvt	2026/27	mvt	2027/28	mvt	2028/29
Cormac	129,450	141,890	-2,290	139,600	8,400	148,000	15,000	163,000	2,780	165,780
Care	18,334	17,361	3,192	20,553	722	21,275	482	21,757	549	22,306
Facilities Management	4,726	7,524	1,158	8,682	237	8,919	-4,972	3,947	96	4,043
Fleet	15,703	15,800	381	16,181	486	16,667	989	17,656	530	18,186
Corserv Support	12,590	12,689	381	13,070	392	13,462	404	13,866	416	14,282
Sub-Total	180,803	195,264	2,822	198,086	10,237	208,323	11,903	220,226	4,371	224,597
Airport	12,988	12,708	1,198	13,906	-13,906	0	0	0	0	0
Total	193,791	207,972	4,020	211,992	-3,669	208,323	11,903	220,226	4,371	224,597

Margin and Dividend

Throughout this business plan, there is a clear focus on generating the best possible returns across all commercial income streams. The plan shows growing profitability across

principal trading areas with a stable, break even position for Corporate services, with all costs charged to operating services on the basis of the agreed allocation model.

Margin £'000	24/25		This Plan							
	Plan	Forecast	mvt	2025/26	mvt	2026/27	mvt	2027/28	mvt	2028/29
Cormac	4,400	4,780	-1,288	3,492	399	3,891	1,229	5,120	249	5,369
Care	1,052	491	-130	361	-21	340	-64	276	33	309
Facilities Management	-3,050	-5,993	4,113	-1,880	-70	-1,950	1,911	-39	-13	-52
Fleet	870	398	-576	-178	-5	-183	-6	-189	-5	-194
Corserv Support	-426	200	-200	0	0	0	0	0	0	0
Sub-Total	2,846	-124	1,919	1,795	303	2,098	3,070	5,168	264	5,432
Airport	-3,741	-5,062	-1,166	-6,228	6,228		0		0	
Total	-895	-5,186	753	-4,433	6,531	2,098	3,070	5,168	264	5,432

The refinancing and earnings distribution policy agreed in September 2023 defines the dividend return to the

Shareholder as 50% of earnings after tax from April 24 onwards.

Shareholder Dividend £'000	2024/25		This Plan			
	Plan	Forecast	2025/26	2026/27	2027/28	2028/29
Profit / Loss	-895	-5,186	-4,433	2,098	5,168	5,432
Estimated Corporation Tax	0	0	0	0	0	0
Profit / Loss After Tax	-895	-5,186	-4,433	2,098	5,168	5,432
Dividend	0	0	0	1,049	2,584	2,716

A total dividend of £6.4m is assumed to be paid to the Shareholder through the lifetime of this plan,

Since the inception of the PRA programme, this dividend is supplemented by £350k per annum of interest payable on

the loan supporting the purchase of properties. This plan is presented on the basis that this function will not move out of Corserv management in the foreseeable future, meaning that this interest will be payable in each of the 4 years covered in this plan.

Cornwall Airport Ltd

This plan is prepared on the basis that development plans for Cornwall Airport will result in the operating subsidy being removed from 1 April 2026. In the event that a new partner is not identified, or if there is any delay in moving to that arrangement, this Business Plan will need to be substantially revised. The cash resource anticipated to be released by no longer financing the operating deficit of the Airport is critical to the reinstatement of working capital balances, financing the capital expenditure programme and to fund investments that drive the growth plans in the other businesses.

The Corserv Group would not be able to finance the operating deficit beyond 1 April 2026 and continue with this programme. Doing so would see not only an immediate reduction in profit and dividend, but the growth ambitions of other businesses would be curtailed by a lack of investment funds. Profits of all businesses would need to be re-assessed in years 2,3 and 4 of this plan. Recognising that a reversion to Corserv support is untenable, we will work with Council colleagues to develop an alternative plan for the Airport in the event that the current search for an investment partner fails.

Capital Expenditure

Funding for the short-term Fleet vehicle replacement programme has been secured, and the initial orders have been placed for delivery over the next two financial years. The company does however remain committed to a net Zero carbon ambition in line with its shareholder, with an Alternative fuels Strategy project team meeting regularly to meet this objective.

Included in the planned capital expenditure for the coming year is the purchase of a range of Electric Vehicles which is an initiative in conjunction with The Council's Fleet transition Project board to replace ICE (internal combustion engine) vehicles currently being utilized by Cornwall Council staff.

The Cormac Division is planning a property improvement programme across a number of business premises, including the Quarry and the Scorrier Head Office, which should commence in Q1 2025/26 and run through to the end of 2026/27.

The Eastern Asphalt plant development is dependent upon a successful SPF bid, with the investments described here being the match funding requirement. The source of match funding remains subject to discussion with the Shareholder.

We have not yet included the capital expenditure plans beyond 2027/28 as this will be dependent upon any future change in the position on the Airport operating subsidy, and business performance over the next 2 to 3 years.

Cash Flow

The refinancing arrangements implemented during 2023/24 restated the basis upon which cash generated by the business is shared with Cornwall Council via dividends. During the year 2024/25, the group agreed a flexible facility with the Shareholder to draw down cash to fund working capital, which mostly arose due to the loss-making positions at Cornwall Airport and in the Facilities Division. Following the decision to retain the Airport in the Group for a further 12 months and the need to continue to fund the operating subsidy, the loan facility will need to be retained and extended during the life of this plan.

Capital Programme 2024/25	25/26	26/27
Fleet Replacement - Corserv vehicles	4,601	1,150
Fleet replacement - CC vehicles (EV)	1,988	
Eastern Asphalt plant	1,600	3,100
PRA Property improvements	0	
Depot and Head Office property improvements	1,534	3,064
Environmental Efficiency Schemes	500	500
Total	10,223	7,814

This extension is necessary in order to meet both ongoing working capital requirements and to fund the capital investment requirements the business have identified that are critical to the growth strategy of the business.

The plan also provides for a reasonable working capital cash fund so that it can manage the usual fluctuations of managing business cashflow.

Forecast cash balances at each year of the plan are set out below:

The cash position is expected to improve during 2026/27 once the Group is released of the responsibility to support the operating subsidy of the Airport and exits loss making contracts in the Facilities business. This will enable the business to commence repaying the RCF loan, and the plan aims for this to fully paid before the end of the 4-year period.

	This Plan				
Forecast Cash £'000	Baseline 2024/25 Forecast	25/26	26/27	27/28	28/29
Available Working Capital /	2,186	2,567	2,342	3,123	2,733

Balance Sheet

On the basis of the business performance, planned capital expenditure and borrowing set out in this plan, the Balance Sheet projections for the Company is shown below:

Balance sheet table

£'000	2024/25 (Forecast)	2025/26	2026/27	2027/28	2028/29
Fixed Assets	73,046	79,826	79,081	77,648	76,814
Current Assets					
Cash and Bank	2,186	2,567	2,342	3,123	2,733
Inventory	3,359	3,359	3,359	3,359	3,359
Trade Debtors	9,825	7,524	8,073	9,339	9,747
Other Debtors	16,586	16,586	16,586	16,586	16,586
Total Current Assets	31,956	30,036	30,360	32,407	32,425
Current Liabilities					
Trade creditors	-4,677	-4,565	-4,660	-5,145	-5,317
Accruals	-14,686	-14,686	-14,686	-14,686	-14,686
Other Creditors	-3,251	-1,956	-2,161	-2,317	-2,438
Loans and Overdrafts	0	0	0	0	0
Total Current Liabilities	-22,615	-21,207	-21,507	-22,149	-22,441
Net Current Assets	9,341	8,829	8,853	10,258	9,985
Provisions including Deferred Tax	-2,170	-2,170	-2,170	-2,170	-2,170
Long Term Creditors	0	0	0	0	0
Long Term Loans	-15,437	-26,222	-23,523	-19,588	-15,653
Total Assets	64,779	60,262	62,241	66,148	68,975
Capital and Reserves					
Share Capital and reserves brought forward	-70,344	-64,779	-60,262	-62,241	-66,148
dividend				989	2,448
Projected profit	5,565	4,517	-1,978	-4,896	-5,276
Total Capital and Reserves	-64,779	-60,262	-62,241	-66,148	-68,975

Financial Sensitivity Analysis

There are a number of key risks facing the business in the lifetime of this plan:

Most significant is the transfer of the Airport to the proposed investment partner; not doing so would fundamentally affect the financial stability of the Company, would require an alternative capital financing strategy and ongoing working capital risk cover, both backed by the Shareholder and would reduce dividend well below the levels assumed in the Medium Term Financial Plan until at least 2026/27.

Other business risks considered in the setting of this plan are as follows:

- The business development target attributed to the Care Division is challenging. The business opportunity is strong; the team of confident of delivery but there

is a risk of delay. A six month delay in the roll out programme would reduce profit by circa £200k in 2025/26.

- Failure to offset PRA losses with planned activities, will result in an operating deficit being retained in the Company. Initially estimated at £400k per annum in 2025/26, but potentially rising depending on future management of the properties.

We have a clear strategy and Shareholder support to manage the pressures in 2025/26 described in this plan. Once clear of the known pressures and as we head into 2025/26, these smaller items could be absorbed within Company's position, as long as the Strategic Plan for the Airport is delivered. Adding their individual or collective impact to a position where the Airport remains in the Group, would only further exacerbate the challenge set out above.

Sensitivity Scenario 1	2025/26	2026/27	2027/28	2028/29
Planned Profit	-4,433	2,098	5,168	5,432
Continued Airport support		-6,228	-6,228	-6,228
Revised Profit	-4,433	-4,130	-1,060	-796

Group funding (loans)

Following the refinancing and restructure arrangements expected in 2024/25, the Company will be left with just one loan arrangement supporting the purchase and development of PRA properties.

A temporary working capital facility (RCF) of £5m was agreed, exercised in 2024/25 and will remain in place until 31st March 2026.

At this stage, there is no intention to draw down additional loan facilities for the duration of this plan.

PRA Loan	Lender: Cornwall Council	Interest rate: 2.75%.
Fleet Replacement	Lender: Nat West	Interest rate: Base + 1.5%.

Governance

Executive Summary

In-line with our single entity approach, the businesses of each of our subsidiaries transferred into Corserv Solutions throughout 2023 and early 2024. The restructure has enabled us to streamline our company governance.

Corserv Facilities Limited continues to be a subsidiary of Corserv Limited. The facilities and fleet related activity has been transferred to Corserv Solutions. The Private Rented Acquisitions (PRA) currently remains in Corserv Facilities Ltd.

For the time being, Cornwall Airport Newquay remains part of our structure as a subsidiary of Corserv Limited. The Airport is expected to exit in the Corserv Group by April 2026.

Once the Airport has left the Group and the future of the PRA project has been determined, this will enable us to take the final step of our Change Programme which will be for Corserv Solutions to become a directly owned subsidiary of Cornwall Council.

At the top of our governance structure sits the Corserv Solutions Board which is schedule to meet 10 times a year. The Airport continues to hold separate Board meetings. The Board is supported by a number of committees including the Audit, Risk and Assurance Committee and the Remuneration and Nominations Committee. These committees consist solely of Non-Executive Directors in order to maintain independence. The Change Board (which consists of both Non-Executive Directors and Managers) was established to oversee the Change Programme. The executive Operational Committee, which meets monthly, is chaired by the CEO who is responsible for holding the Divisional Directors to account for their operational and financial performance. Exceptions are reported to the Board. The launch of this executive Committee has allowed the Board more time to focus on the company's strategic objectives.

The latter part of 2024 saw appointments to the two most senior leadership positions. Jan Ward was appointed as Chair of the Board in November and, following the retirement of our former CEO, we have appointed Neil Edmond as the Corserv Chief Executive Officer.

Over the next 4 years, we will continue to focus to build a Board with the rights skills, commercial knowledge and experience across our respective service areas to lead Corserv Solutions. In particular it is important that we appoint Non-Executive Directors with expert commercial knowledge across construction, care and facilities management. We have recently appointed two additional non-executive directors; one with a care specialism and one with direct sales focused commercial expertise in order to strengthen the knowledge and resilience of our Board.

Our Articles of Association have recently been reviewed and updated in-line with our single entity structure. In addition, the terms of reference for the Audit, Risk and Audit Committee and the Remuneration and Nomination Committee are reviewed and updated annually.

As our new structure develops, regular governance reviews will be undertaken to ensure the structure remains fit for purpose. We also will review our governance processes to ensure that they are compliant with the Local Partnerships Guidance. We annually undertake an effectiveness review in order to ensure that our Board continues to support our divisions in line with the Business Plan.

The Board will operate with following key principles

- Ensure that the non-executive directors' experience and knowledge align with our core services
- Simplify and speed up decision making through a single Board structure
- Improve the scrutiny that the governance delivers to the company, and
- Develop and maintain a one company ethos whilst maintaining the identity and autonomy of its operating divisions.

Whilst remaining part of the structure, we will ensure that Cornwall Airport Limited (CAL) Board structure complies with the requirements set out within the Airports Act 1986 in terms of the experience and number of directors.

The CAL Board is comprised of four statutory directors; the CEO, 2 non-executive directors and the CAL Managing

Director. Other Corserv Solutions Directors attend meetings on a non- voting basis.



Committees

Audit, Risk and Assurance Committee

The Board is supported by the Audit, Risk and Assurance Committee. Its responsibilities include:

- Statutory reporting and compliance with company law
- To review and to report to the Board on, significant financial reporting issues and judgements made in connection with the preparation of the financial statements
- Internal controls (including financial, operational and compliance) and risk management framework including the company's risk appetite and tolerance levels
- External audit fees and engagement
- Internal audit mandate and engagement

Remuneration and Nomination Committee

The Board is also supported by the Remuneration and Nomination Committee. Responsibilities of the committee include:

- Review and agree the framework and broad policy for the remuneration of Divisional Directors and senior managers of the company

- Review the ongoing appropriateness and relevance of the remuneration policy
- Review and note annually the remuneration trends across the company
- Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee
- Make recommendations to the Board with regard to remuneration levels and benefit packages for the company's workforce

Operational Committee

The Operational Committee will report operational and finance risks to the Board. Its responsibilities include:

- Review key contract performance within each service area ensuring that any under performance or over performance is quantified in financial and operational terms
- Review contracts which represent a significant risk in terms of delivery or require significant capital expenditure
- Monitor operational financial performance against budget

Membership of the committees will be structured as:

Committee	Members	Attendees
Audit, Risk and Assurance	Chair – Simon Ashby, Non-Executive Member Antony Byrne, Non-Executive Director Jane Milligan, Non Executive Director	Chair, Corsev Solutions, Non-Executive Director CEO, Corsev Solutions Head of HR, Corsev Solutions Interim Director of Finance, Corsev Solutions Principal Audit Manager, Cornwall Council Principal Auditor, Cornwall Council – by invitation External Audit – by invitation
Remuneration and Nomination Committee	Chair – Julia Gregory, Non-Executive Director Member Matt Johnson, Non-Executive Director	Chair, Corsev Solutions, Non-Executive CEO, Corsev Solutions Interim Director of Finance Corsev Solutions Head of HR, Corsev Solutions
Operational Committee	Chair – Neil Edmond, CEO Paul Cooper, Director of Finance Dominic Bostock, Cormac Managing Director Alison Waller, Corsev Care Managing Director John Phillips, Interim Corsev Facilities Managing Director Sam O'Dwyer, Cornwall Airport Newquay Managing Director	Head of HR – Corsev Solutions Programme Director – Corsev Solutions Head of Legal and Governance – Corsev Solutions

Introducing the Board

We are proud to introduce the new Corsev Board. Our members' experience and skills are built around the core business areas of Highways, Care, Property and Aviation. Many of our Non-Executive Directors are recognised nationally and internationally in their field of expertise.



Jan Ward

CHAIR

Jan is a business leader with an impressive track record of guiding high-performing businesses across a wide range of industries. Her leadership has been instrumental in driving operational improvements and building a reputation for excellence in service delivery.

With over 35 years of international experience in both the public and private sectors, Jan brings a wealth of expertise from various industries, including her mechanical engineering background and work in marine engineering. Currently, she sits on the boards of Red Penguin Marine Ltd as a Non-Executive Director and serves as Chair of Calculus VCT PLC, Millers Oils Ltd, Optoma Holdings Ltd, and Plymouth and South Devon Freeport. From 2009 to 2023, Jan has also held positions as a Non-Executive Director and Chair of nine other companies. Her major achievements include turning around loss-making companies by driving organizational restructuring and delivering operating profits. Jan has mentored numerous companies and strengthened relationships between organizations and stakeholders. She is a Fellow of the Institute of Directors and a graduate member of the Institute of Export.



Neil Edmond

CEO

Neil is a business leader with an impressive track record of leading high performing businesses across a broad range of industries.

Neil was previously the CEO of the Government Facilities Services Ltd (GFS), a government owned company that provides estates and facilities management services to the prison estate in the South of England. His leadership there was instrumental in driving operational improvements and enhancing the business reputation for excellence in service delivery.

Born and raised in Cornwall, Neil's career has spanned a number of major international and major companies including ExxonMobil, BT and Mace, where he spent successful years in various roles across the UK and internationally.



Julia Gregory

SENIOR INDEPENDENT DIRECTOR

Julia is a Non-Executive and Senior Independent Director, Chair, and Trustee with almost three decades of fostering unprecedented growth for private, public, and charitable organisations through strategic leadership and transformational change. Her career has been focussed in leading the development and delivery of key infrastructure across the highways, real-estate, and aviation sectors. She spent her executive career working with global companies such as BAA, Ferrovial and GIP, as well as driving forward major Government Projects such as the new Garden City.

Her career has demonstrated a strong focus on driving results to improve commerciality, performance, customer service, quality and safety. Julia is a Fellow of the Chartered Institute of Highways and Transportation (CIHT). Julia is also currently a Non Executive Director for Gateway 14 Ltd and Milton Keynes Development Company, a NED and Chair of the Remuneration and ESG Committee at This Land and as well as Chairperson for Hone-Start Hertfordshire. Julia has acted as expert Judge for the National Construction Awards for over 8 years and in 2023 co-founded the InfraNED network for women NED's in infrastructure, real estate and construction.

In 2022, Julia was awarded a lifetime achievement award for Women in Business.



Paul Cooper

FINANCE DIRECTOR

Paul initially joined the Group as Interim Finance Director in August 2022. Following the restructure, he moved into the Director of Resources role and was appointed Interim Chief Executive Office for 6 months at the end of 2024. In his time with the Group, Paul has overseen much of the restructure, the recent re-financing and the development of Corporate Support services. Working initially in practice, qualifying as a Chartered Accountant with KPMG, Paul has spent most of his career in the NHS, working at Director level in NHS Trusts across Devon and Cornwall. He has a wealth of experience, not only in financial management, but also in performance management, governance, analytics and information management, programme management and change delivery. During his NHS career, Paul led a range of major change programmes - some of the biggest to health and care system delivery across the two counties in recent years - and has used that experience to support the Group to deliver its transformation agenda.



Dr Simon Ashby

NON-EXECUTIVE DIRECTOR

Dr Simon Ashby is Professor of Financial Services and Risk Management at Vlerick Business School, Belgium. Simon has worked as an academic, a financial regulator and a senior operational risk manager in a number of UK financial institutions. He is an expert in risk management, corporate finance and governance and provides training and consultancy services in these areas. Simon is a Fellow and former Chairman of the Institute of Operational Risk and a Director (until March 2022) and past Audit and Risk Committee Chair of Plymouth Community Homes. Simon lives in North Cornwall with his wife Alison and several chickens. They enjoy long walks around the Cornish coast, sea swimming and body boarding and growing as much of their own food as possible.



Jane Milligan

NON-EXECUTIVE DIRECTOR

Jane has held executive Board level roles in the NHS and is a public service leader with extensive, strategic, commissioning and operational experience and track record of working in complex and diverse health and social care systems. Nonexecutive experience has included working in not-for-profit organisations in areas of health inequalities across housing, education and regeneration delivering transformation change programmes, performance improvements and people strategies with focus on development of inclusive culture and workforce development.

Jane's career has a focused on addressing the wider determinants of health, often working with vulnerable communities and wider stakeholders in local authorities, local businesses, housing and education, with an emphasis on the provision of high-quality health care, good housing, jobs and aspiration for communities.



Matt Johnson

NON-EXECUTIVE DIRECTOR

Matt is currently employed as the Group Chief Executive Officer of Commercial Services Group (CSG), the largest local authority trading company (LATCO) in the UK. Matt is a customer focused and results driven Group CEO, Chair and onExecutive Director with a proven track record in successfully leading complex, multi-sector organisations. Matt has led and developed diverse businesses under both public sector and private equity ownership whilst delivering both significant organic and inorganic growth domestically and internationally, including acquisitions and is passionate about delivering excellent service and committed to driving customer, social and shareholder value through the use of modern technology and a motivated and empowered workforce.



Antony Byrne

NON-EXECUTIVE DIRECTOR

Tony is currently the CEO for DEBRA UK, a national charity that supports individuals and families affected by Epidermolysis Bullosa (EB). He has held numerous senior management positions in various industries, including catering, facilities management, hotels and retail. He has also held non-executive positions in the charity, not for profit and commercial sectors many of which were involved in supporting children and young people. He has worked primarily in the UK but has worked internationally both in Europe and North America.



Dominic Bostock

DIVISIONAL DIRECTOR

Dominic was appointed as Cormac Highways, Environment and Civils Managing Director in February 2020. As a "results-driven" chartered engineer, Dominic has over eight years' experience as the Commercial Director at Cormac. He thrives on inspiring multi-disciplinary teams to find solutions to challenging projects – providing the most innovative approach to help clients and stakeholders achieve their vision, particularly in the face of ever-increasing financial and budgetary constraints.

Dominic has a strong record of attaining revenue targets, and business growth objectives within an integrated service provider, in rapidly changing environments. As a procurement professional (member of the Chartered Institute of Purchase & Supply), he has a keen interest in supply chain development, and supplier added value.



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