

A doing good company



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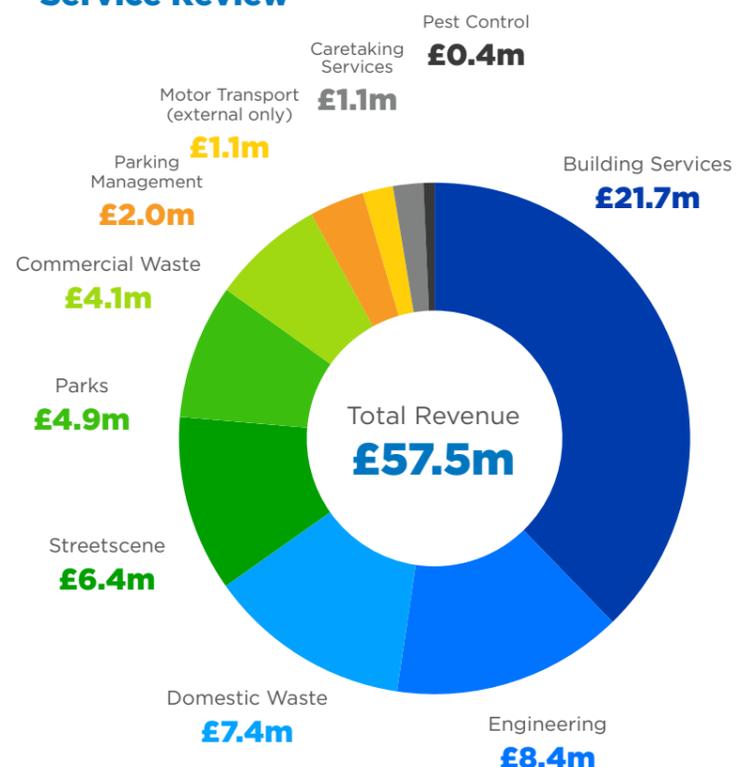
“Our commercial success has allowed us to focus on doing good in the communities we serve.”

Tim Sadler

Financial highlights 18/19

Revenue	£57.5m
Adjusted Gross Profit	£15.4m
Underlying Profit (Profit Before Tax)	£2.1m
Post Tax Profit	£1.8m
Gross Profit (% of revenue)	26.8%
Underlying Profit (% of revenue, Profit Before Tax)	3.6%
Dividends / Rebates to shareholders	£1.3m

Service Review



Delivering on our mission

I am honoured and proud to have been the Chair of the Board of Directors of the Oxford Direct Services (ODS) group of companies in its first year of operation. Our sole owner, Oxford City Council, set us the challenge of continuing to deliver great services for their taxpayers and tenants and providing a return through dividends to support vital local services.



I am delighted to say that we met and, in some cases, exceeded the expectations of our shareholders set out in our first business plan. In addition we set about forming firm foundations for modern, efficient operations and business growth through our transformation plan.

I am particularly pleased that our commercial success has allowed us to focus on doing good in the communities we serve, much like a social enterprise and entirely in keeping with our vision and values.

This has been an exciting but, at times, tough year and I have been immensely impressed by the team's effort to rise to the challenge. I would also like to take this opportunity to thank colleagues at Oxford City Council who have worked hard and collaboratively to help us make this a successful year. I look forward to the continued success and implementation of our ambitious plans.

Tim Sadler, Chair of Board of ODS

A doing good company

Our Vision

To make your part of the world a great place to live, work and visit.

Our Mission

“Doing good business that’s good for everyone.”

To find innovative ways to deliver profitable and sustainable growth that brings genuine benefits to people, communities and the planet.



Why we are here

As a Local Authority Trading Company (LATCo) we are here to build a new kind of business, a better business; a business that’s good for everyone. One that creates a more inclusive and sustainable economy that balances purpose and profit; one that considers the impact of decisions on employees, customers, suppliers, community and the environment. We call it ‘doing good’.

Our services build upon our public sector heritage; we are nimble and commercially-minded but also committed to doing good for both the communities we serve and the wider world. By building this commitment to doing good into the development of our business services, we deliver a positive social, environmental and economic impact.

What we do

We build homes and maintain streets, parks and properties. We construct highways and buildings. We provide managed services, repair vehicles, conduct MOTs, recycle waste, control pests and even remove trees. We work for local authorities, businesses, schools, universities and residents across the county.

Who we are

We are one of Oxfordshire’s biggest trade employers, providing over 600 people with a great place to work. What makes us unique, though, is the way we do business. From our people to our profits, we are 100% invested in the communities we serve. We are committed to finding innovative ways to deliver services that bring genuine benefits to our economy and planet.

Doing good business that’s good for everyone

Customers - we are committed to fair and open business practices and good customer relations.

Suppliers - we choose suppliers carefully looking at their social impact, labour, environmental, health and safety practices.

Communities - we support the local economy, employing and buying locally. We create income for the council and support the community and businesses in Oxford.

Employees - we pay the Oxford Living Wage, invest in training and development, and deliver HR initiatives such as reward schemes and flex days.

£22.5 million

spent on local wages of which

£10 million

is re-spent in Oxfordshire

1,251

jobs supported directly and indirectly in Oxfordshire



£37.6 million

in GVA (Gross Value Added) to the Oxford economy

£19.5 million

spent with businesses in Oxfordshire



Electrifyingly Good

Our business plan sets a target of achieving over 25% of zero emission capable vehicles by 2023. To help us get there, we are taking part in the Energy Superhub Oxford project and will be trialling a wide range of electric vehicles over 2020-2021.



Militarily Good

Last summer we donated 30 abandoned bikes to the Tom Nevard Memorial competition, which challenges apprentices across the MOD to design, build and demonstrate their version of a ‘para-bike’.



Good with Wood

RAW is a charity and business that trains and employs people who have experienced disadvantage and prejudice to create high quality wooden products. We have partnered with them to help recycle wood on two major ODS projects for the council - the Museum of Oxford’s refurbishment and the redevelopment of Floyds Row.



Youthfully Good

Our recycling team attends schools, colleges and university events throughout the year to provide education and training to children, students and residents about recycling and other initiatives to help reduce waste and improve the environment.



Good as New

Working with our partner we have launched the new Oxfordshire Reuses festival aimed at helping residents go beyond recycling and move towards a zero waste life. The festival attracted over 500 visitors.



A company that CARES



Anne-Marie Scott, Director of HR and OD at ODS

We are a people business. We want to be the employer of choice for new and existing employees: a place where diversity is valued as an essential element in providing better services and a better work experience; where career development is encouraged, performance rewarded and recognised, and people know that their health, safety and wellbeing truly matter.

Achieving this ambition means we can recruit and retain a workforce that can deliver our ambitious business plan inline with our values, focus on our customers and optimise our social value. Our People Strategy encompasses our values and our commitment to optimising social value through our employment practices. It includes our approach to wellbeing, diversity and inclusion, management and leadership development, workforce/succession planning and reward.

We are currently partnering with local charities, schools and other organisations to provide and promote opportunities for disadvantaged groups and expand our apprenticeship programme. We are embedding our CARES values and evolving our culture to the point where commercial efficiencies unlock opportunities for the community and drive enhanced social value.



Oxford Living Wage

“ We believe paying the Oxford Living Wage is the minimum we should commit to in order to help our staff with the high cost of living in Oxford as well as improving staff motivation, retention, quality of work and customer service.”

Simon Howick
Managing Director at ODS



The 5% Club

As a member we aspire to achieve not just 5% but 10% of our workforce in ‘earn and learn’ positions (including apprentices, sponsored students and graduates on formalised training schemes) within five years of joining. Currently this figure is 6%.

Key figures FY18-19:

-  **38** apprentices
-  **31** schools were offered work experience placements for students
-  **664** employees
-  **51%** live in Oxford and a further **44%** in the rest of Oxfordshire.
-  **2985** training courses completed
-  **£200K** spent on external training

The CARES Values Award was created to celebrate our people living our values

Commitment

- » Delivering on our promises
- » Taking personal responsibility for making things happen
- » Going beyond what is expected

Aspiration

- » Championing ODS with family and friends
- » Looking for ways to improve our service
- » Supporting people to achieve their ambitions

Respect

- » Being thoughtful and considerate to customers, colleagues and the environment
- » Doing what is right, in the right way
- » Trusting people to do a good job

Engagement

- » Achieving our goals through co-operation and teamwork
- » Challenging when things are not right
- » Understanding customers’ expectations and striving to meet them

Safety

- » Putting safety first in everything we do
- » Taking personal responsibility for our safety and the safety of others
- » Focussing on wellbeing through listening, learning and acting



Jon Cox

Making the ultimate difference

We thought Jon had gone above and beyond when he worked five hours extra to cover an emergency. Then he did something truly extraordinary, as this letter testifies. “On Wednesday 15th May my mother was in the garden of her home in Upway Road, Oxford, when she fell heavily onto the concrete patio, lying on her back and unable to sit up. She lay there for the next three hours until you heard her and came to her aid. It could have been a sad outcome otherwise, as the sun was very strong that day and there was absolutely no shade. Thank you very much Jonathan on behalf of my mum and all our family for saving her life that day. We are, and always will be, deeply indebted to you for hearing her cries of help and subsequently rescuing her from her ordeal.”



James Barrett

Going the extra mile

James has seen the pop up EV project in Lonsdale Road through from start to finish working in collaboration with Duku, Urban Electric and Oxford City Council. Our own Mairi Brookes (Head of Transformation) described James as “an expert and nimble intermediary who helped the project run smoothly”, while the founder of Urban Electric said: “James went the extra mile, even going so far as to cancel a holiday in order to assist us to meet deadlines.”



Josh Holland

A winning habit

After winning our own “Living the Values Award” for his effort and achievement during his apprenticeship, Josh Holland, a former apprentice in the EQC team, has bagged yet another award. He’s won the “Freemen of Oxford Electrical Apprentice Award”. Assistant Compliance and Installation Manager, Steve Hainge said: “Josh is a credit not only to his family but also to Oxford Direct Services. This is a fantastic achievement and we are very, very pleased.”

Measuring our performance

We are here to make the experience of living, learning, working and visiting our communities better for everyone we serve. To do that and to constantly improve, we need really accurate feedback on how we are doing and where we could improve, change or refocus our services to better meet the needs of our clients and customers.

So, we have introduced a range of new metrics and measurement tools to help us gauge client and end-user satisfaction, calibrate the effectiveness of our delivery and highlight where we could and should improve.

How is customer feedback driving improvements?

Over the last 12 months we have focused heavily on increasing customer feedback (circa 15,000 responses) to help us identify opportunities to improve the customer journey. We have used a range of methods to achieve this:

- collaborative work with our key clients, including journey mapping
- undertaking outbound calling
- quarterly surveys in place – to cover seasonal differences
- phone surveys conducted through the contact centre
- QR Codes in public toilets and parks
- Facebook to target specific audiences
- conducting root cause analysis where themes have been identified
- developing bespoke surveys to capture data.

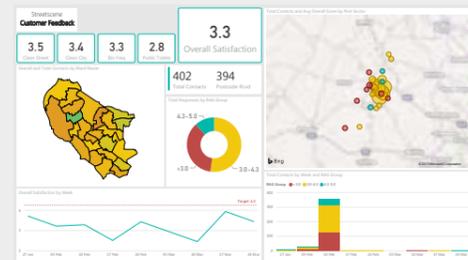
Moving forward

We will be introducing Net Promoter Score (NPS) as a benchmark to gauge customer loyalty and business growth. Used by millions of businesses worldwide, NPS is a proven tool for forecasting business growth and cash flow, as well as assessing the health of our brand and overall satisfaction of our customers.

We have put in place some solid foundations on which we can now build on and we look forward to sharing more of these insights with you in the next financial year.

Delivering high quality services to our No.1 client – Oxford City Council

Understanding Oxford City Council's challenges and opportunities is key to both our business success and ensuring that the council can best serve the needs of the public and residents.



One of the measures we use, our 'Streetscene' survey, came back with a low satisfaction score of only 3.3 for public toilets in and around Oxford. The survey revealed the following issues:

- needles and homelessness
- not enough public toilets in the city
- anti-social behaviours in public toilets.

Providing the council with this intelligence has helped us work in partnership with them to begin addressing these issues and ensure that Oxford remains a great place to live, learn, work and visit. It also prompted us to recruit and allocate an attendant at one of the sites.

Providing high quality service to Oxford City Council is our number one priority. We have been proactively engaging with the public and residents to improve our services and help the council review their spending budget and make better informed spending decisions.



Highways schemes road surfacing 88% average satisfaction score



Parks retain Green Flag award

Motor transport fleet 87% very good



Commercial waste 92.8% overall customer satisfaction



Domestic waste 94% overall satisfaction



Building services 98% overall satisfaction

Doing good...



Simon Howick, Managing Director at ODS

Oxford Direct Services took its first steps as a company in 2018/19, delivering the returns expected in year one of a four year business plan, including a £1.3m dividend back to our sole shareholder and most important client, Oxford City Council. Over the course of less than a year, our people have pulled together and worked hard to create a new brand for our business and identify the mission, vision and values that underpin everything we do and make us truly different. Quite simply, we are here to grow stronger and be better by doing good – in and for the communities we serve.

Just like a social enterprise, our profits support a wider purpose; reinvestment in public services. With our financial return expectations set to grow year-on-year, our ability to do good will expand and accelerate accordingly, driving our commercial performance forward and creating new and different opportunities. So far so good.

Finding innovative approaches to generating revenue

ODS has started providing drone-based services to include roof and building surveying, land mapping, aerial photography and filming.

Ben Strang, ODS’ project leader of drone services, explains, “If you’re working on low to high-rise housing blocks to identify, for example, pest entry points or find roof leaks, putting up scaffolding is at best a very hit and miss process. Using a drone resolves this and helps us pinpoint exactly where we need to work so that we can do first time fixes and enhance efficiency.

In addition, drones are a clean, environmentally friendly, relatively quiet and unobtrusive way of surveying compared to using scaffolding or motorised elevated platforms.”



...growing stronger

Experience, expertise, ambition

We already had a strong track record of business-to-business trading as a department of Oxford City Council. Our ambition and potential pointed to something different and hence the ODS brand was born.

From the outset, ODS has had two main business objectives, both of which serve and are served by our commitment to doing good:

- provide high quality, value for money public services on behalf of Oxford City Council
- grow an external revenue stream.

Public service to us is just that, a service to the public. We clean the streets, manage waste and recycling, look after parks and open spaces, and manage and maintain the city’s roads, many public buildings, car parks, and a large stock of housing. We undertake and oversee the work to support all of this, including managing a fleet of over 300 vehicles.

We have over 600 staff doing thousands of daily jobs to keep Oxford running. With a large, skilled workforce and a huge degree of know-how, we have helped support many other businesses by offering them our services and expertise. This business-to-business strategy has seen us grow a revenue stream in excess of £9m per annum.

We are builders, civil engineers and highways contractors. We manage commercial waste, grounds maintenance and fleet. We care about what we do. We care about how we do it.

We have plans which build on our track record of success.

To modernise and mobilise our workforce

We have great people with great potential to do more – so we are investing in better systems, training and development. This, as part of a range of measures, will improve our efficiency, which means we can plough more money back into public services. With more capacity from the same resources, we can lower our cost base and build our commercial arm.

To electrify our fleet

Our shareholder is a leading-light in tackling the climate emergency and we’re determined to demonstrate the same level of commitment. We believe we can convert our entire fleet to zero or ultra-low emissions by 2024. That’s good for our customers, good for business, good for the environment.

To transform our depot infrastructure

A commercial, customer-focused business needs the right environment and we hope to rationalise our operations on one site. Better, more efficient services, from a closer team.

These are the three strands of our future plan, each of which serves our vision of great public services, growing an external revenue stream and reinvestment back into public service. All of which supports our mission – to do good business that’s good for everyone.

Growing external revenue streams - Construction



“ We are delighted to have been appointed as principal contractors on a number of key projects which will build on the previous hard work and effort of ODS and our construction team. For example, we have partnered up with Blackbird Leys-based RAW on, initially, two major construction projects for Oxford City Council. Our aim is to ensure maximum social value and environmental benefit to the community. And we are looking to do more in the future.”

Ian Batchelor ACIOB, Director of Construction and Building Services at ODS

Building a new major projects team

Becoming a LATCo opened ODS up to new possibilities and ambitions. So, we have invested in transforming our building services with a new, major projects team. This team delivers quality design-and-build, new-build, restoration and refurbishment work on a range of projects, some very complex, as well as providing turnkey maintenance services.

Led by Ian Batchelor, a respected veteran of the industry, and supported by seasoned players, the team had secured £10 million worth of work by the start of 2019's Q2, equivalent to more than 50% of the department's yearly revenue targets.

Projects to be delivered by ODS include:

- Seacourt Park & Ride terminal and extension
- refurbishment of the Museum of Oxford in Oxford's Town Hall
- homeless shelter in Floyds Row
- Weston Turville village hall extension for Weston Turville Parish Council
- two new terraced houses in Sandy Lane, Oxford.

ODS wins Oxford Preservation Trust Award for good design



ODS has been recognised by the Oxford Preservation Trust (OPT) for the restoration of a medieval passageway in The Grates Alley (Cowley), a project commissioned by Oxford City Council. The OPT award celebrates good design and conservation, keeping the best of the old and encouraging the best of the new. We partnered with a structural engineer, an archaeologist and a conservation officer to follow the council's brief and allow the correction of an unsafe, leaning wall while preserving it's character. Local resident Tom thought Oxford City Council and ODS had done a fantastic job.



City Centre retail project

Client: Oxford City Council

Project: Structural repair, renovation and alteration of retail premises

Department: Major Projects

Date of completion: May 2019

Budget: £450k

The 300 year-old shop had fallen into disrepair over a number of years with water ingress, broken windows and faulty rainwater goods contributing to the saturation of external solid brick walls. Over time this had resulted in structural instability. Working closely with Oxford City Council's Conservation Team, our skilled workforce was able to manage this work with sensitivity, sourcing and using materials that met the demands of working on this historic building. The works were completed on time and to budget with the final result being a safe, upgraded retail unit becoming available within this highly desirable commercial area of the city.



Abbey Meadows toilet refurbishment

Client: Vale of White Horse District Council

Project: Refurbishment of public conveniences within popular local park

Department: Major Projects

Date of completion: March 2019

Budget: £220k

This major refurbishment of Abingdon's Abbey Meadow park public toilet facilities is the first project carried out by ODS for Vale of White Horse District Council (VOWHDC). The revamped toilet block now includes a space to change facility, with a wheelchair accessible toilet and a height-adjustable adult-sized changing bench and hoist. Our successful track record of delivering local authority projects and our breadth and depth of in-house trade skills make us the ideal partner for local authorities. We understand the importance of social projects and recognise the need to be considerate when working in public spaces, such as the park. Dylan Evans, Active Communities Manager at VOWHDC, added: "Working with ODS was straightforward and positive. They understood our priorities and completed the work within the agreed time and budget."



Adaptations for improved disabled living

Client: Oxford City Council

Project: Bungalow extension

Department: Major Projects

Date of completion: September 2019

Budget: £285k

The challenge was to adapt a council property with the requirements of a family with specific needs. The project refurbished and extended the existing bungalow to bring it up to modern living standards with higher levels of access for the tenant who uses a wheelchair. The result was that the project was successfully completed in-line with the project programme budget. The end-user moved into the property shortly after handover.

Growing external revenue streams - Highways & Civil Engineering



“ We are focussed on delivering projects to our two key clients, Oxford City Council and Oxfordshire County Council, whilst continuing to grow our established reputation with external private clients.”

Shaun Hatton, Director of Operations at ODS

Our goal is to continue to deliver diverse, high quality services to Oxfordshire County Council, Oxford City Council and a broad range of other clients.

With a wide range of specialist in-house resources such as road marking, sign shop, drainage team, plus a highly trained expert workforce and an extensive range of specialist plant and equipment, we are ideally placed to undertake a comprehensive range of contracts and projects.

Half-way through our financial year, we have already managed to meet our turnover expectations. We have a full order book for the remainder of the year. Projects to be delivered in the second half includes:

- Great Estate Parking projects at Furlong Close and Samphire Road with a number of others at design stage
- UKAEA Culham Science Centre - resurfacing of car park
- construction of new footways in West Hagbourne and Wantage for Oxfordshire County Council's Highway Asset Team
- working on Highways Adoption with major housebuilders.

In order to build on and secure future opportunities, we have developed an exciting recruitment programme. We are investing in training and development to strengthen our team and because some industry roles - Estimators, for example - are particularly hard to recruit, it's in our interest to develop and grow our own talent.



Cotteslowe Park car parking improvements

Client: Oxford City Council

Project: Car park extension

Department: Highways & Engineering

Date of completion: July 2018

Budget: £230k

Cotteslowe Park is a large and very popular sports and recreation area but has had inadequate parking allocation for many years. Our brief was to rectify this issue without compromising the look or feel of this valued green space.

We updated and improved the existing parking spaces and created additional spaces.

The end result was a high quality, visually appealing car park delivered to a high-end specification and within budget by our skilled technicians. We ensured access for visitors was maintained throughout the busy summer months.



Great Estates parking schemes

Client: Oxford City Council

Project: Creation of off street parking and landscaping in Oxford's housing estates

Department: Highways & Engineering

Date of completion: Ongoing

Budget: £450k per annum

Many of the housing estates owned and maintained by Oxford City Council were built prior to the significant rise in car ownership and therefore parking was not considered in the plans. Vehicles park where they can on verges and green spaces, causing damage, obstruction to other road users and disputes among residents.

A budget of £450,000 per annum was allocated for a rolling programme of parking improvement works, often carried out at sites with challenging access issues. The project was delivered on budget and within tight timeframes. To date, we have created 479 additional parking spaces across the city.



Mayfield Road and Summerfield Road carriageway resurfacing

Client: Oxfordshire County Council

Project: Carriageway reconstruction and kerb works

Department: Highways & Engineering

Date of completion: March 2019

Budget: £106k

Repeated pothole repairs and proximity to a number of construction sites meant that the fabric of these roads - one of which serves a school - had deteriorated significantly.

In addition to carrying out the work, we managed subcontractors, suspension of parking bays, ordering and delivery of high quality materials, noticing, traffic flow and road closures. We also liaised with businesses and schools immediately affected to ensure minimal disruption.

The end result was a high quality road surface on a busy school and supermarket route, delivered within budget and on time by our skilled technicians, with minimum disruption to road users.

