



Cabinet Office

Crown Commercial Service Trading Fund

Presented to Parliament by the Chancellor of the Duchy of Lancaster
pursuant to section 4(1)(b) of the Government Trading Funds Act 1973

July 2020

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Crown Commercial Service Trading Fund

1. Section 4(1) of the Government Trading Funds Act 1973 provides that a Trading Fund established under the Act shall be under the control and management of the responsible Minister and in the discharge of the Minister's functions in relation to that fund it shall be the Minister's duty:

- a. To manage the funded operations so that the revenue of the fund:
 - i. consists principally of receipts in respect of goods and services provided in the course of the funded operations, and
 - ii. is not less than sufficient, taking one year with another, to meet outgoings which are properly chargeable to income and expenditure account; and
- b. To achieve such further financial objectives as the Treasury may from time to time, by Minute laid before the House of Commons, indicate as having been determined by the responsible Minister (with Treasury concurrence) to be desirable of achievement.

2. OGCBuying.solutions Trading Fund was established as the Buying Agency Trading Fund with effect from 1 April 1991. The name of the Buying Agency Trading Fund was amended to OGCBuying.solutions Trading Fund with effect from 3 April 2001 by the OGCBuying.solutions Trading Fund Order 1991 (S.I. 2001. No 922). The Buying Agency Trading Fund (Amendment) Order 2009 (S.I. 2009/647) then changed OGCBuying.solutions Trading Fund to the Buying Solutions Trading Fund from 6 April 2009, which was subsequently changed to the Government Procurement Service Trading Fund by the Buying Agency Trading Fund (Amendment) Order 2011 (S.I. 2011/2208) from 1 October 2011. The Government Procurement Service Trading Fund has since changed to the Crown Commercial Service Trading Fund by the Buying Agency Trading Fund (Amendment) Order 2014 (S.I. 2014/561) from 1 April 2014.

3. The Minister for the Cabinet Office, being the responsible Minister, has determined (with Treasury concurrence) that a further financial objective desirable of achievement by Crown Commercial Service Trading Fund for the 2 year period from 1 April 2019 to 31 March 2021 shall be to achieve a minimum return, averaged over the period as a whole, equivalent to 5 percent a year in the form of an operating surplus, i.e. before interest (both receivable and payable) and dividends payable expressed as a percentage of average capital employed. Capital employed shall equate to the capital

and reserves, i.e. the Public Dividend Capital, long term loan capital (if any) and the general reserve.

4. This minute supersedes that dated 30 June 2017.

5. Let a copy of this Minute be laid before the House of Commons pursuant to section 4(1)(b) of the Government Trading Funds Act 1973.

**The Chancellor of the Duchy of Lancaster
July 2020**