

Notice of a public meeting of

Shareholder Committee

To: Councillors Gillies (Chair) and Ayre

Date: Tuesday, 27 March 2018

Time: 2.00 pm

Venue: The Thornton Room - Ground Floor, West Offices (G039)

AGENDA

1. **Declarations of Interest**

At this point in the meeting Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

2. **Minutes** (Pages 1 - 4)

To approve and sign the minutes of the last meeting of the Committee, held on 31 March 2017.

3. **Exclusion of Press and Public**

To consider excluding the public and press from the meeting during consideration of the following:

- Annexes 1 and 2 to Agenda item 5 (Make it York)
- Appendices 1, 2 and 3 to Agenda Item 6 (City of York Trading)
- Appendices 1 and 2 to Agenda Item 7 (Veritau)
- Appendices 1 and 2 to Agenda Item 8 (Yorwaste and SJB Recycling)

on the grounds that they contain information relating to the financial or business affairs of particular persons (including the authority holding that information). This information is classed as exempt under Paragraph 3 of Schedule 12A to Section 100A of

the Local Government Act 1972, as amended by the Local Government (Access to information) (Variation) Order 2006.

4. Public Participation

At this point in the meeting members of the public who have registered to speak can do so. The deadline for registering is **5.00pm** on Monday, 26 March 2018. Members of the public can speak on agenda items or matters within the remit of the committee.

To register to speak please contact the Democracy Officer for the meeting, on the details at the foot of the agenda.

Filming, Recording or Webcasting Meetings

Please note that, subject to available resources, this meeting will be filmed and webcast, or recorded, including any registered public speakers, who have given their permission. The broadcast can be viewed at <http://www.york.gov.uk/webcasts> or, if sound recorded, this will be uploaded onto the Council's website following the meeting.

Residents are welcome to photograph, film or record Councillors and Officers at all meetings open to the press and public. This includes the use of social media reporting, i.e. tweeting. Anyone wishing to film, record or take photos at any public meeting should contact the Democracy Officer (whose contact details are at the foot of this agenda) in advance of the meeting.

The Council's protocol on Webcasting, Filming & Recording of Meetings ensures that these practices are carried out in a manner both respectful to the conduct of the meeting and all those present. It can be viewed at http://www.york.gov.uk/download/downloads/id/11406/protocol_f_or_webcasting_filming_and_recording_of_council_meetings_20160809.pdf

- 5. Make it York Business Update** (Pages 5 - 84)
The Managing Director of Make it York will present a business update for Make it York, including a review of performance against the 2015-18 Service Level Agreement (SLA) and an overview of plans after June 2018, when a new 3-year SLA will come into operation.
- 6. City of York Trading Ltd. Business Update** (Pages 85 - 116)
The Managing Director and Operations Director of City of York Trading Ltd. will present a business update for the company, including performance information for the financial year 2017/18.
- 7. Veritau Ltd Business Update** (Pages 117 - 136)
The Chief Executive and Deputy Chief Executive of Veritau will present the company's draft business plan and budget for 2018/19.
- 8. Yorwaste Ltd. and SJB Recycling Ltd. Business Update** (Pages 137 - 158)
The Managing Director of Yorwaste Ltd and & SJB Recycling Ltd will present a business update for the companies, including key business developments, trading performance to the end of 2017/18 quarter 3, and provisional annual budgets for 2018/19.
- 9. Urgent Business**
Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer: Fiona Young

Contact details:

- Telephone – (01904) 552030
- Email – fiona.young@york.gov.uk

For more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports and
- For receiving reports in other formats

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 (01904) 551550

City of York Council

Committee Minutes

| | |
|--|--------------------------------------|
| Meeting | Shareholder Committee |
| Date | 31 March 2017 |
| Present | Councillors Gillies (Chair) and Ayre |
| Other Members Participating in the meeting | Councillors Hayes, Kramm and Looker |

9. Declarations of Interest

Members were asked to declare any personal interests not included on the Register of Interests, any prejudicial interests or any disclosable pecuniary interests which they may have in respect of business on the agenda.

Despite not having voting rights, Councillor Hayes chose to declare a personal, non-prejudicial interest in that he was Chair of York Independent Business Association (Indie York) which brought him into contact with Make it York.

10. Minutes

Resolved: That the minutes of the last meeting held on 20 March 2017 be approved and then signed by the Chair as a correct record.

11. Exclusion of Press and Public

Resolved: That the press and public be excluded from the meeting during consideration of Annexes 1 & 2 to agenda item 6 (Make it York) and Appendices 1 & 2 to agenda item 7 (Veritau) on the grounds that they contained information relating to the financial or business affairs of any particular person (including the authority holding that information). This information is classed as exempt under Paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to information) (Variation) Order 2006.

12. Public Participation

It was reported that there had been one registration to speak at the meeting under the Council's Public Participation Scheme.

Gwen Swinburn spoke on her concerns regarding transparency and oversight and suggested that, in future, reports coming to this committee could be redacted rather than exempt. She also suggested that an overall framework be created covering all businesses in which the Council was involved.

13. Council Owned Companies

Members considered a report advising them of the role of the Shareholder Committee and providing a background on the Council companies.

Resolved: That;

- I. the report be noted
- II. Members agree to the proposal that the Shareholder Committee meet to consider each company at least twice a year.

Reason: To ensure proper governance of Council companies.

14. Make it York

The Managing Director of Make it York (MiY) presented the committee with a business update, including performance information for 2015/16 and 2016/17 and their proposals for 2017/18 and beyond.

In response to questions from Members the Managing Director stated that:

- Money that had transferred with Science City York was ring fenced for York science companies and a board had been established to advise as to how it would best be spent.
- Make it York was still a Teckal company.
- There was a hope for capital investment in the Shambles Market area. At this stage it would not be feasible to look at Parliament Street due to costs and the disruption it would cause to businesses.

- In terms of security issues around the Christmas Market after serious incidents elsewhere in the world, North Yorkshire Police were in close contact with MiY and training sessions had been arranged.
- Alcohol was not always involved in festivals, for example the Easter Family Festival, it depended on the kind of event being offered.

Resolved: That;

1. the annual budget for Make it York be approved.
2. The business development proposals contained in the delivery plans be approved.

Reason: As required under the Shareholder Agreement.

15. Veritau

The Chief Executive and the Deputy Chief Executive presented the company's draft business plan and budget for 2017/18.

In response to points raised by Members the Chief Executive stated that:

- City of York Council had a ten year service contract with Veritau which ran from 2008.
- Plans were brought to Audit and Governance Committee annually.
- In terms of governance structure Veritau was jointly owned by City of York and North Yorkshire County Councils. Veritau North Yorkshire was a joint venture, with 50% owned by Veritau and the remaining 50% split between the four remaining Local Authorities (Hambleton, Richmondshire, Ryedale and Selby).

Resolved: That the business plan and budget for 2017/18 be approved.

Reason: As required under the Shareholder Agreement.

Councillor Gillies, Chair

[The meeting started at 2.05 pm and finished at 3.50 pm].

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MAKE IT YORK 2018/19 BUSINESS PLAN

Contents

1. Chair's Introduction
2. Business Plan Overview
3. Strategic Framework
4. Company Values
5. Management Structure
6. Composition of Board
7. SLA update
8. Risk Analysis
9. 2018-19 Summary Budget
10. 2018-19 Budget Narrative
11. Balance Sheet

Commercial in Confidence

- Annex 1 Detailed Operational Plans 2018/19
- Annex 2 Detailed 2018/19 Budget Cost Centre

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Chair's Introduction

Make It York is now entering its second, three-year business cycle, so has picked up valuable learning along the way about the best ways of delivering value to York and its environs. Learning then from where we have been most effective, our core focus will be to either lead on, or contribute to, programmes or projects that benefit York, whilst becoming a more financially sustainable and embedded organisation.

The Mission

To improve York's competitiveness and contribute to its liveability for the benefit of its citizens, communities and businesses.

Overarching Objectives

1. To capture more value for the city of York and its functioning economic area, by providing a market-facing organisation promoting and developing York in a joined-up way, to residents, visitors, businesses and students
2. To promote and sustain collaborative working, avoiding duplication of effort, across York's stakeholders, alighted around a shared interest in the success of York

The business model assumes that we capture as much value in the form of revenue as we can (Objective 1), which then offsets the costs of non-commercial activity (Objective 2). The job of the Directors of Make It York is to assist the management team to get the balance right between the two objectives, our **strategy**, and to lead on **performance** and **assurance** to ensure that we are doing what we have been commissioned to do to the best of our ability. As Directors we are charged with promoting the success of the company, and in our case this means, where possible, generating a surplus which is used for the public good of the city.

The external operating environment is very fluid at the moment with Brexit and Yorkshire Devolution likely to change the way we work within the life of this 3 year plan. We must therefore remain fleet of foot to be able to react quickly to opportunities that emerge for York.

Jane Lady Gibson
Chair
Make It York
15 March 2018

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BUSINESS PLAN OVERVIEW 2018/19 TO 2020/21

INTRODUCTION

The initial 3 year agreement of Make It York with City of York Council (CYC) is now concluded with a new agreement for 3 years, and a new SLA, being finalised for the period April 2018 to March 2021.

The performance of Make It York (MIY) against the 2015-2018 SLA is detailed in section 7 of this document. The new SLA should be agreed by June and therefore elements of the operational plan going forward remain flexible, particularly with regard to business support and inward investment.

Going in to the new 3 year agreement, the overall purpose of MIY remains unchanged: to develop and promote York as a great place to live, visit, study, work and do business. MIY's role in supporting the city's economic strategy directly relates to this.

The values of the company also remain unchanged; to be respectful, ambitious, collaborative and entrepreneurial.

The strategic framework for the business can be found at the end of this overview.

What has become clear with the experience of operating as a new company for 3 years is that MIY has to balance 4 different imperatives:

- Delivering on the SLA for the shareholder, CYC
- Creating a sustainable, commercial business
- Delivering on behalf of 800+ Visit York members
- Being agile enough to respond to opportunities

These imperatives are reflected in the plan for the next 3 years.

2017/18 - Review of the previous 12 months

MIY will achieve its budget for the third year in a row, making a small annual surplus of somewhere between £20k and £30k. This despite the payment of a £25k dividend for 2016/17 and a £100k reduction in the contribution of CYC. There has been no reduction in the services

BUSINESS PLAN OVERVIEW 2018/19 TO 2020/21

provided by Make It York and the SLA remained unchanged. This has been managed by successfully raising revenue in other areas of the business and this has effectively cross subsidised areas such as business support and inward investment.

A progress report on what has been achieved over the last financial year can be summarised as follows:

Visit York

Tourism numbers have been strong over the past year, reflecting a strong performance across the UK, helped by the weakness of the pound. For the calendar year 2017, hotel occupancy and room rates were up year on year by 1.4% and 2.4% respectively while visits to the main attractions were up by 4.5%. Marketing activity has been intense with the York Pass in particular being used to good effect. Sales of the York Pass were 6% up on the previous year. A tremendous amount of work has gone into the new Visit York website. The new 'mobile friendly' site will be live before Easter 2018. The Visit York team won a contract to help develop Selby's tourism strategy and this was successfully delivered to time and to budget. During the year, Sally Greenaway joined the company as the new Head of Visit York.

Business Support

Business support in 2017/18 once again concentrated on helping growth businesses with accessing grants and finance, creating events to help with training and development and advising start-up businesses through the Leeds City Region Ad:Venture programme. In the year to date 251 businesses have been supported, against an SLA target of 250. A more rigorous key account management system has been set up with quarterly reports now going to key decision makers in the city. 'Stand and Deliver' is a new, quarterly event aimed at helping new business ideas off the ground. The Top 100 initiative, in partnership with York St. John University and the York Press, was very well received and provides a really good snapshot of the commercial make-up of the city.

Inward Investment

The main focus of activity this year has been the development of the business ambassador scheme. There are now over 50 ambassadors signed up, influential people 'tooled up' to talk knowledgeably about the city as they go about their normal business. The first success of the scheme has been actioned. Following a lead from one of the ambassadors, Enviva Biomass has now established an office in the city, their first investment into the UK. 50 inward investment enquiries have been handled across the year.

BUSINESS PLAN OVERVIEW 2018/19 TO 2020/21

Science City York

Activity in 2017/18 has centred on supporting the agri-food sector through the Stimulating Innovation in the Agri-food Sector (SIAFS) programme in partnership with FERA. The job of the Science City York (SCY) team is to get businesses signed up to the scheme and the achievement of the 400 target is broadly on track. Other SCY activity has included supporting the Guild of Media Arts and the Mediale, continuing to run networking events for the creative, digital/IT and bioscience sectors and doing a major piece of work on developing a new creative strategy for the city.

Events and festivals

This area of the business continues to develop. The ‘family friendly’ Easter festival is now an established event in the calendar, MIY helped to establish the hot-air balloon fiesta and the development of York’s Christmas offer led to the city being voted ‘the most festive city in the UK’. A new city-wide ghost hunt was also introduced for the Halloween half-term and was well supported by residents and visitors. Lots of work in 2017/18 was done to develop a really ambitious programme of festivals for the year ahead.

Culture

Make It York supports rather than leads on culture in the city and substantial time has been spent supporting the Cultural Leaders Group. The main action now is the creation of a new cultural strategy for the city, reflecting the ambitions of all key stakeholders. The second York Culture Awards took place in the Minster in November, an event attended by over 300 people from the city’s cultural sector.

City Centre Management

After a tough couple of years managing the Shambles Market, things have started to turn around over the last 12 months. Market revenue is up by 12% year on year, bucking previous York and national trends. Crucial to the turnaround has been investment in the street food court which has proved to be a really popular new space in the city centre. One of the food traders is now number 1 on TripAdvisor for York restaurants. No complacency in the city centre though – there is still much to do.

2018/19

BUSINESS PLAN OVERVIEW 2018/19 TO 2020/21

The operational budget for 2018/19 has set a surplus target of £27k despite a further £100k reduction in the contribution that CYC makes to MIY and significant increases in depreciation as a result of the new Visit York website and a proposed investment in a new CRM database for the company. A more detailed financial narrative is presented alongside the budget summary.

The operational plan can be segmented into 3:

New priorities

- Enhance the support given to *new* businesses in York
- With partners, work on a retention strategy for young talent
- Reinvigorate York Business week – give it a real purpose
- Develop York as a hotbed for innovation in the tourism sector
- Address the infrastructure issues in the Shambles Market
- Streamline and improve MIY's digital output
- Improve the dissemination of PR content for York business
- Enhance support for the hospitality sector (e.g. the hospitality awards)
- Understand the support MIY can give to new developments e.g. York Central
- Horizon scanning for large-scale events and fund-raising

Known Developments

- Supporting an unprecedented array of new festivals (Bloom!, Shakespeare's Rose Theatre, The Mediale)
- Delivery of the creative strategy
- Delivery of the cultural strategy
- Refreshing the tourism and events strategies
- New SLA requirements (to be confirmed)
- Developing the new Visit York website
- New approach to curating Visit York tourism content
- CRM database project

BUSINESS PLAN OVERVIEW 2018/19 TO 2020/21

- Supporting the Guildhall development
- Bidding for elements of the 2021 Rugby League World cup (Community stadium)

Business as usual

- Developing and supporting Visit York membership
- Building the business ambassador programme
- Completing the SIAFS project
- Shambles market development
- Promoting business tourism
- The key account management
- The annual MIY events and networking programme
- Producing marketing publications
- Supporting existing festivals
- Managing the Ad:Venture programme

The biggest priority in 2018/19 is perhaps ensuring that two festivals – Shakespeare’s Rose Theatre and the Mediale - reach their full potential. In terms of both driving tourism and enhancing York’s international reputation, the opportunity for the city is immense. 2018/19 should be the year when the UNESCO City of Media Arts designation really comes to life.

Detailed operational plans can be found in Annex 1.

2019/20 and beyond

As 2018/19 marks the start of the new 3 year agreement with CYC, it is important to look longer ahead. The new SLA will inform some of MIY’s future direction but there are other longer-term issues that will shape the future of the company:

- The outcome of devolution talks and York’s future role in the region
- York’s response to the Industrial Strategy and the priorities which result

BUSINESS PLAN OVERVIEW 2018/19 TO 2020/21

- MIY's need to find long-term sustainability and additional sources of revenue
- The progress of York's key developments: the Community Stadium, The Guildhall, The Castle Gateway project and York Central.

The other influence, which has become clear over the first 3 years of the company's life, is that it is the strategic priorities of others (CYC, the Universities, the Cultural Leaders Group etc.) that will to a large degree shape future plans and objectives for MIY.

Make It York is a company that can't plan too far ahead. The key thing is to remain flexible, responsive and opportunistic – allocating resource on those things that will give most benefit to its residents, students, businesses and visitors.

STRATEGIC FRAMEWORK 2018-2019

PURPOSE: To develop and promote York as a great place to live, visit, work, study and do business

VALUES: To be respectful, ambitious, collaborative and entrepreneurial

STRATEGIC IMPERATIVES

SUSTAINABILITY: Broadening our revenue streams to drive additional income

CLARITY: Being really precise about what we're trying to achieve

FOCUS: Doing several things exceptionally well rather than more things badly

COHESION: Ensuring that activity fits together in a consistent way

STRATEGIC PRIORITIES 2018/19

INWARD INVESTMENT: Develop the Business Ambassador programme to support York's key developments

SCIENCE CITY YORK: Finalise and deliver a new creative strategy for the city

BUSINESS SUPPORT: Deliver against the new SLA (tbc)

LEISURE TOURISM: Maximise tourism growth through consistent and exceptional marketing

BUSINESS TOURISM: Continue focus on York's core industry sectors

THE SHAMBLES MARKET: Develop the infrastructure of the market

EVENTS AND FESTIVALS: Maximise an unprecedented year of festival activity

CULTURAL DEVELOPMENT: Build a new cultural strategy through the cultural leaders group

UNESCO: Deliver a world class Mediale, bringing the city's UNESCO status to life

TALENT RETENTION: Work with partners on a talent retention strategy

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Company Values

VALUES, BEHAVIOURS & ACTIONS

| VALUES | BEHAVIOURS | ACTIONS |
|---|---|--|
| <p>ENTREPRENEURIAL 'Head' How we think</p> | <p>We will champion new ideas</p> <p>We will deliver great results</p> <p>We will always be improving</p> | <ul style="list-style-type: none"> - New ideas fund/prize, innovation pilot teams - Shared physical and online whiteboards - Regular fact-find missions and guest speakers - Introduce MIY Excellence Awards - Pioneer new value-add revenue models - Build evidence/research for valuable outcomes - Cross departmental management buddy scheme - 'Project Review and Delivery Challenges' sessions - Positive learning from our mistakes sessions |

Company Values

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| <p>COLLABORATIVE 'Hand' How we do</p> | <p>We will thrive on partnership</p> <p>We will share our resources</p> <p>We will empower our teams</p> | <ul style="list-style-type: none"> - Allocate responsibility to definitive Partner list - Develop Key Account approach and CRM system - Regular companywide 'bonding' e.g. away-days - Cross department 'Fresh Eyes' sessions on projects - Internal Communications Plan to inform/inspire - Share MIY SLA and Ops Plan as 'open challenge' - Design all projects with Team/Objective/Outcome - All projects have a clear lead, owner or champion - Instil best practice project delivery practices |
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Company Values

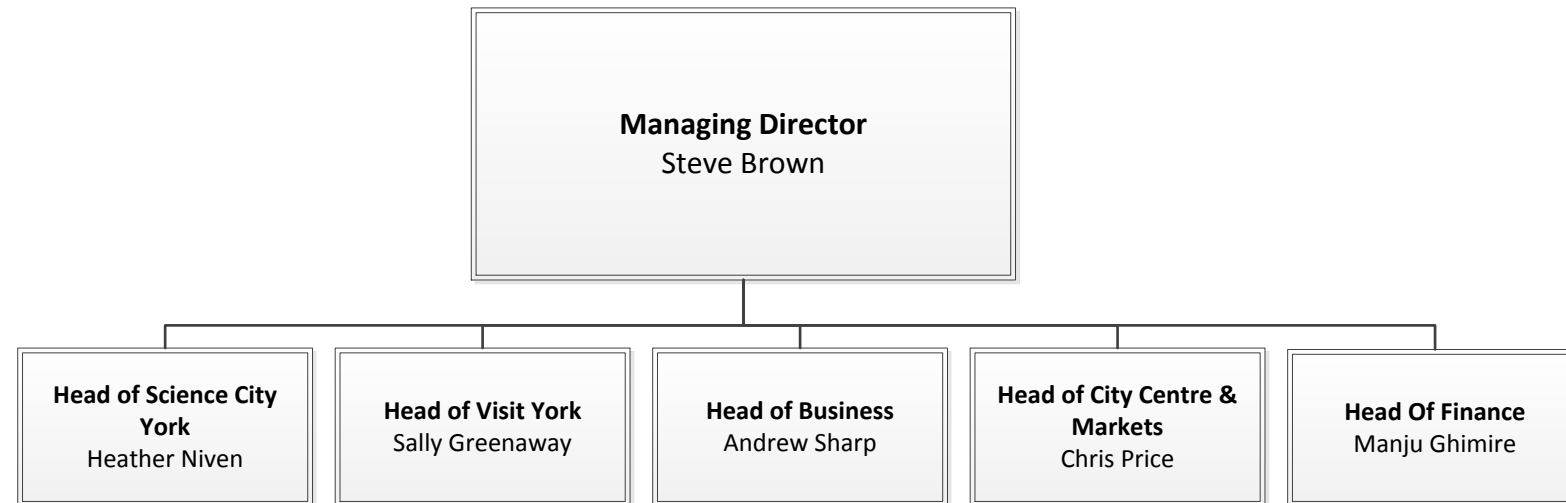
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| <p>RESPECTFUL 'Heart' How we feel</p> | <p>We will put customers first</p> <p>We will do what we say</p> <p>We will be true to our City</p> | <ul style="list-style-type: none"> - Develop one-stop customer service charter - Regular customer focus and feedback sessions - Engage end customer in project/solution design - Develop processes around customer journey - Invest in customer service training for all - KPI's around ownership and accountability - Regular meetings with all key stakeholders - Regular meetings with all political parties - Ensure private sector fully engaged |
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Company Values

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| <p>AMBITIOUS 'Spirit' What drives us</p> | <p>We will make York the best place it can be</p> <p>We will make MIY the best company it can be</p> <p>We will become the best team we can be</p> | <ul style="list-style-type: none"> - Regularly track health/strength of York brand - Research local/international competition - Benchmark/learn from best-in-class places - Celebrate and reward big and small successes - Deeply embed and live the Values and Behaviours - Benchmark/learn from best business practices - Transparent policies and performance measures - Align reward/appraisal/training to drive values - Performance and progression plans for all |
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Make It York

Management Structure



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COMPOSITION OF MAKE IT YORK BOARD

Directors:

Chair: Jane Lady Gibson

Managing Director: Steve Brown

CYC representative: Cllr Ashley Mason

CYC representative: To be appointed

Professor Karen Stanton (Vice Chancellor York St John University)

Joan Concannon (The University of York)

Professor Chris Bailey (Cultural Advisor)

Peter Clinker (Nestlé)

Mark Fordyce (York Data Services)

Sally Joynson (Screen Yorkshire)

Advisors to the Board:

Lyndsey Turner Swift (VisitEngland)

James Farrar (York, North Yorkshire and East Riding LEP)

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SLA UPDATE

| Activity April 2017 to March 2018 | |
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| High value jobs growth initiatives | |
| WORK WITH EXPANDING BUSINESSES TO BE ANCHOR TENANTS ON KEY SITES | <ul style="list-style-type: none"> • MIY have continued to work with indigenous businesses both large and small to support key expansion plans. Enquiries have spanned a broad spread of sectors including financial and professional services, creative and digital, retail, manufacturing, and biotechnology, with strong interest in both short term immediate availability and longer term development at key sites. This includes working closely with CYC planning and local plan teams where relevant to determine future opportunities. • MIY attended MIPIM UK in October alongside colleagues from City of York Council, the York Central Partnership and Leeds City Region, to promote key inward investment and development opportunities, with a particular focus on York Central. MIY has also worked with the York Central Partnership to prepare attendance at MIPIM in March 2018 and is feeding into the ongoing work in developing Castle Gateway as part of the Castle Gateway Advisory Group. MIY is also continuing to work with developers to understand the future investment potential including developments at Hudson House and the Guildhall. |
| HOLD KEY ACCOUNTS WITH 100 HIGH VALUE COMPANIES | <ul style="list-style-type: none"> • MIY produced quarterly Key Account Management (KAM) insight reports. The reports draw together the intelligence gained from over 200 KAM discussions over the reporting period. Skills, recruitment, finance and premises remain at the top of the list in terms of issues raised by business whilst overall performance growth amongst the companies remains steady. An annual report pulling together key insights from across the year will be produced in April and will help shape detailed support over the coming period. • MIY worked alongside York St John University to develop the York Top 100 Businesses publication. The list provides a detailed assessment of the top 100 businesses in York. Published as a 48 page supplement in the York Press in November the report provides a valuable insight into business performance and is being used to inform future Key Account Management activity. The report was successfully launched during York Business Week at an event attended by 120 senior business leaders and has been very well received by those appearing in the rankings. The 2nd iteration of the rankings is currently being discussed and will once again be published during York Business Week. |

SLA UPDATE

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| <p>DELIVER IMPROVED WEB + DIGITAL MARKETING OF THE CITY TO A BUSINESS AUDIENCE</p> | <ul style="list-style-type: none"> • An Inward Investment app is available in both the APP store and on Google Play store. Targeted for use by the city’s business ambassadors the App provides access to key Inward Investment data and information, allowing them to carry a full suite of relevant information in their pocket. More standard collateral in the form of printed and online brochures and leaflets are also available. Work has begun to update our sector specific materials. • All business websites continue to be developed with content added regularly. Twitter and LinkedIn are being used proactively to target business messages. The Make it York for Business twitter handle (@York_Means_Biz) is being used as the primary business feed and now has 3,616 followers. Science City York (SCY) now have 2,467 twitter followers on @sciencecityyork. • Bright White were supported by SCY to exhibit at the UNESCO Data City exhibition in Enghien-Les-Bains and this has resulted in opportunities with the Singapore National Museum and has given York increased profile in the Digital Culture report which has just been produced by the Cabinet Office. |
| <p>TARGET INWARD INVESTMENT THROUGH SENIOR ADVOCATES AND INTERMEDIARIES</p> | <ul style="list-style-type: none"> • There are now 51 business ambassadors for the city in place. A special event is taking place in March to bring the ambassadors together and to engage them specifically in the York Central project. • Make It York have handled over 50 Inward Investment enquires over the financial year with a number of interesting prospects ranging from hotel investment to pharmaceutical and healthcare companies. Confirmations include Hewitt and Walker (Film Production), Covance (US BioPharma), Enviva Biomass (US Biomass Fuel supplier), Kora Healthcare (Irish BioPharma), and Film Daily (US, Film Media). A further breakdown of reported investment into York can be found in the MIY Investment tracker available by visiting www.makeityork.com/invest/investment-tracker • In November, as part of a Leeds City Region Local Enterprise Partnership delegation, MIY showcased York at the Smart City Expo World Congress in Spain. The Smart City Expo attracts a global, high level audience including 700 cities and 17,000 visitors from across the world. Joining the delegation from York were York St John University and Incremental Solutions. York St John University has longstanding interests and expertise in themes and developments at the forefront of smart cities technology and thinking, while private sector |

SLA UPDATE

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| | <p>business Incremental Solutions provides smart transport systems driven by software employing GPS and geo spatial technology. A number of exciting projects have developed off the back of our attendance which we are currently taking forward in partnership with the LEP and private sector interests.</p> <ul style="list-style-type: none"> • MIY have worked closely with Leeds City Region and partners including City of York Council, Screen Yorkshire, Leeds City Council, Bradford MBC, True North and Thompson Brand Partners to develop proposals for Channel 4 to relocate to the region. October saw the launch of the ongoing #4sparks campaign to bring Channel 4 to the Leeds City Region. With a wealth of creative talent, fantastic infrastructure and brilliant festivals such as Aesthetica Short Film Festival and the upcoming Mediale, York has a hugely important role to play. Creating opportunity for our young dynamic creatives is key to driving York forward and Channel 4 can be the spark that ignites the hotbed of talent we know is already here. Further information can be found on Twitter using #4sparks or by visiting the website at http://investleedscityregion.com/4sparks • Working with CYC and the City’s Civic Office, MIY welcomed a Chinese Delegation from the Chinese Consulate General’s office in Manchester. Consulate officials, including the Consul General Dr Sun Dali, were joined by representatives from a number of companies already established in Manchester and now looking at opportunities across the rest of the North. Companies included Hainan Airlines, Bank of China and the Beijing Construction Company. A number of related York businesses were also in attendance. • MIY has worked with DIT to host trade missions from both India and the US and, under the UNESCO banner, SCY organised and hosted a delegation of Media Arts business people from the city of Changsha in China. There are at least two solid collaborative opportunities which have come about as a result of this visit and also some future UNESCO work is in the pipeline. • SCY have also worked with Barclays Eagle Labs to explore the possibility of bringing the venture to York. They are now helping Barclays to map the business support ecosystem and have provided comprehensive and current data from our creative and digital businesses to support the development of this exciting opportunity. |
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SLA UPDATE

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| <p>BROKERAGE TO PRIVATE SECTOR/REGIONAL BUSINESS SUPPORT AND FUNDING OPPORTUNITIES</p> | <ul style="list-style-type: none"> • MIY continue to deliver high quality business support with 248 (target 250) established businesses supported since the start of the year. The business team have assisted companies to raise over £220,000 in funding and a further £731k of identified deals that is being worked on with businesses. • The Ad:Venture Start Up programme is now being delivered across York, supporting high growth potential start up and early stage businesses to access specific information, advice, mentoring, finance and workshops. The programme runs until June 2019. • The Business team continue to support partners in delivery of their activity with examples of activity including provision of expert advice at York and North Yorkshire pop up café and regular surgeries and support sessions at Hiscox Business Club. • MIY have partnered with local training providers and businesses to deliver 19 Masterclass events over the course of the year attended by 318 people. These events increasingly cover issues raised by businesses through the KAM programme. • York Business Week 2017 took place during November. Over 30 events from networking events to detailed workshops and masterclasses were attended by over a 1,000 delegates at venues across the city. Key MIY hosted events during the week included the York Top 100 Businesses report launch, an MIY masterclass on maximising tendering opportunities, and a ‘meet the funder’ event which brought together 20 funders to provide a one-stop advice drop-in for businesses in York. • A business directory is now live on the Make It York for Business website. The directory, principally aimed at start up and small businesses, will work as a business match making tool, signposting clients towards local B2B service providers such as accountants, solicitors, marketers etc. To date over 60 local businesses are taking part, nearly all of which offer specialist start-up packages or up to an hour consultation free of charge for start-up and young businesses. • MIY has launched its very own ‘Dragons Den’ style pitch event - ‘Stand and Deliver’. The first event was held in June attracting an audience of 46 to see 6 businesses pitch for investment. The second event involved 4 local businesses pitching to a panel of investors including Enterprise Ventures (part of the Northern |
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SLA UPDATE

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| | <p>Powerhouse Investment Fund), North Invest, Patmore Commercial and Angel Groups Yorkshire in front of an audience of over 80 people. To date, one success story is Incremental Solutions who are now working with one investor assisting them going forward, whilst a number of other pitchers have subsequently been successful in raising finance from other sources including Bakeplan and Aptamer group.</p> <ul style="list-style-type: none"> • During the year MIY has focussed on building strong relationships with key business support partners, holding numerous meetings with LEPs, business service providers, key funding agencies, and intermediaries including banks, accountants and solicitors. Members of the Make it York business team have also regularly sat on funding appraisal panels for major LEP schemes including the Business Growth Programme and PAPI at the request of those organisations. • The Small Business Christmas Market took place once again at the Judges Lodgings on Lendal. The market which ran from Nov 16th to 22nd December, gave 27 small and micro businesses the opportunity to showcase their products in the heart of the city. As part of the focus on small business MIY also facilitated the visit from the Small Business Saturday Campaign bus, promoting small and independent businesses in the run up to Christmas. • Science City York (SCY) partnering with FERA Science Ltd have completed five quarters of the ERDF funded £1.6m Stimulating Innovation in the Agri-Food Sector (SIAFS) programme. The programme is aimed at encouraging investment and growth in the agri-food sector and will provide access to specialist support and grant funding to catalyse business innovation. |
| <p>CREATIVE MARKETING + PR TO CHANGE PERCEPTION OF CITY</p> | <ul style="list-style-type: none"> • Year round PR effort to invite travel writers and travel bloggers to visit York. 38 media visits have been hosted to create compelling content about the city • A media press pack contains key messaging about the city • York Book of Ideas press kit emailed to 500 media contacts • 50 reactive media enquiries handled |

SLA UPDATE

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| | <ul style="list-style-type: none"> • Key festivals and events promoted through news releases • Film crews facilitated - eg TV Tokyo currently filming a one hour travel show in York • #onlyinyork campaign being developed for launch during national tourism week • Ongoing marketing in China at a business and tourism level • Business ambassador scheme designed to spread the inward investment story |
| | |
| <p>ENABLE SUSTAINABLE PRIVATE/VOLUNTARY SECTOR CULTURAL EVENTS + FESTIVALS</p> | <ul style="list-style-type: none"> • The 2nd Annual York Culture Awards took place on 23rd November at York Minster. A total of 70 entries were received for the awards with a panel of independent judges whittling this down to 36 finalists and 12 winners. • Make It York is supporting 21 festivals taking place in 2018 • Make It York specifically leads on 4 major festivals : Christmas, Easter family festival, 'Bloom!' and the Mediale • Make It York has fully supported the Shakespeare Rose Theatre project coming to York. |
| <p>DIRECTORS FORUMS AND/OR PRIVATE SECTOR LED SECTOR NETWORKS</p> | <ul style="list-style-type: none"> • Science City York (SCY) hold regular dinners for directors in the digital/IT, bioscience and creative sectors • The Top 100 initiative brought 120 people from York's top companies together • 'Stand and Deliver' events bring together entrepreneurs and potential financiers • SCY organised a 'Challenge-a-Thon' event which brought bioscience businesses and students together, collaborating to solve real-world challenges • 4 creative strategy workshops that focused on business development, talent pipeline, workspace and visibility have been held and the resulting conclusions will be fed into the creative strategy document • A network to support the Agri-food sector has been created with over 200 registered businesses to date |

SLA UPDATE

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| | <ul style="list-style-type: none"> • Science City York has also delivered a number of supplementary events to engage the business community including Tech Scene York, The Hutch, Digital Catapult partnership event and Agri-food Yorkshire events. The Tech Scene York in July, organised in collaboration with the University of York was designed to showcase York’s most amazing digital output. • In November, SCY sponsored Dot York’s annual conference dedicated to digital technologies bringing more than 300 industry experts to the city • The food and drink sector come together for the second annual York Food and Drink Conference. The event attracted 140 delegates from across the region and speakers were from a range of companies including Nestle, FERA, Lemon Zest PR, Booths Supermarkets, NFU, DIT, Deliciously Yorkshire and a range of local food entrepreneurs. |
| ROLLOUT OF BISHOPTHORPE ROAD MODEL | <ul style="list-style-type: none"> • MIY continues to support a number of the city’s trade associations and has helped established new groups including g the Shambles Area Traders Association. |
| | |
| MARKET MANAGEMENT | <ul style="list-style-type: none"> • Work is ongoing to improve the Shambles Market environment, footfall and occupancy levels, with the Food Court becoming a major driver of footfall into the market. • The Shambles Food Court has been a major success since its investment. Additional benches have been installed to cater for the demand for seating, along with ‘Food Court’ branded parasols. An alcohol with food licence has been granted by CYC and one of the food traders is currently number one on Trip Adviser for restaurants in North Yorkshire and the area has been recommended by BBC Good Food Magazine. • Further development of the area is under review with an expansion of the footprint onto the cobbled area near the rear of Marks and Spencer and potentially a permanent cover to allow the food traders to trade over the winter months. • The city centre team is working with National Market Traders Federation to introduce a Youth Market into |

SLA UPDATE

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| | <p>Shambles Market to encourage young entrepreneurs.</p> <ul style="list-style-type: none"> • Buskers are being encouraged to perform in the Shambles Market to add more atmosphere. • Shambles Market Traders Business Improvement Group has recently been formed, working closely with Make It York to mutually develop the market. • Made in Yorkshire held their Christmas Craft fair in Shambles Market in 2017 instead of The Guildhall for the first time. This was a success and brought additional Christmas Market footfall into the Shambles Market. They have booked the space again for 2018. Shambles Market traders saw footfall and overall takings rise over the Christmas period • The monthly Makers Market continues to grow in the Market on the last Sunday of each month and is allowing local crafters a platform to develop their businesses. |
| <p>CITY CENTRE, EVENTS & FESTIVALS MANAGEMENT</p> | <ul style="list-style-type: none"> • The 2017 York Christmas Festival received very positive feedback, attracting more visitors than ever and receiving praise for the content and, combined with the best ever Christmas lights installation in the city (in conjunction with York BID), resulting in York being officially named ‘The UK’s Most Festive City • ‘Bloom!’ Horticultural festival, celebrating the 250th anniversary of the York Horticultural Society, will take place in July and will include a plant/flower event in Shambles Market • The 2018 Easter Family Festival along with the York Chocolate Festival is planned and will feature an original Easter Pantomime amongst other attractions • York’s first Hot Air Balloon Fiesta took place in September and, despite losing a couple of flights due to bad weather, was a success, particularly facilitating new aerial photography of the City. It will return in 2018. • The York Farmers Market continues to be staged on the first Friday of the month on St Sampson’s Square, and is expected to grow in the summer months |
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SLA UPDATE

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| <p>VISITOR ECONOMY PRODUCT DEVELOPMENT</p> | <ul style="list-style-type: none"> • Substantial progress continues to be made in uplifting the quality of marketing collateral for Visit York • Visit York is now jointly managing the Hoteliers Association with Graham Usher, Chair, working very closely with Visit York members, York BID and partner organisations to enhance the overall visitor experience • Through the Visit York Economic Tourism Advisory Board, the tourism strategy for York is being reviewed and refreshed to ensure its ongoing relevance • Visit York will be marketing key events and festivals happening throughout the year. As well as supporting the regular events such as food and drink festivals, Yorkshire Fringe and Literature festival, Visit York will also be promoting heavily, the Mediale, York Balloon Fiesta, Waggon Plays, Shakespeare’s Rose Theatre and ‘Bloom!’ |
| <p>VISITOR INFORMATION & MARKETING</p> | <ul style="list-style-type: none"> • Plans are in place to improve the customer experience in the Visitor Information Centre through improved point of sale and repositioning certain areas to streamline the offering and make it more commercially customer focused, without compromising on the outstanding service and advice provided to more than 400,000 people who visit the centre each year • A new Visitor Information point has been established at the station • Continue to sell tickets and tour sales as well as York Pass • A substantial investment in the Visit York website will provide a much better experience for potential visitors, particularly on mobile devices • The annual Visitor Guide and Mini Guide have been developed substantially over the last 3 years of the SLA and for 2018, have reached record pagination levels. The 2018 Visitor Guide is now more than twice the size of the 2015 version • The weekly ‘7 Days’ newsletter continues to be promoted and developed for residents and visitors |

SLA UPDATE

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| <p>BUSINESS TOURISM</p> | <ul style="list-style-type: none">• The UK Conference and Meetings survey on volume and value statistics of business tourism to York in 2016 was released during the year. This indicates that there have been over 14,500 business events in York venues, attended by 993,000 business event visitors who accounted for an estimated spend of £142.1m at venues and in the local destination. Volume indicators (number of delegates and delegate days) were up on 2015 while expenditure levels remained broadly the same.• MIY delivered a dedicated professional Conference Bureau service (VisitYork4Meetings) throughout the year, working with close to 100 venues across the city and beyond, handling almost 300 specific enquiries and securing business worth an estimated £320,000.• As part of the ongoing marketing for Business Tourism, MIY exhibited at The Meetings Show in June 2017 alongside 6 York venue partners. This generated 230 new leads resulting in new business for the city• The latest Conference Guide, showcasing 35 of the city’s best venues, will be published in March 2018• MIY have developed a new business tourism ambassador scheme, aiming to increase the number of international conferences hosted in the city. Working with key academic and association member partners, 2 bids are being worked on to host major international conferences. A further 4 bids are in the pipeline. |
|--------------------------------|---|

| Risk Category | Risk Description | LIKELIHOOD | IMPACT | SCORE | MITIGATION | Residual Risk | | | Direction of Travel |
|--|--|------------|--------|-------|--|---------------|---|---|---------------------|
| | | | | | | L | I | S | |
| 1. Programme and Delivery Risks | | | | | | | | | |
| 1a | Failure to deliver project revenue generation targets | 3 | 4 | 12 | <ul style="list-style-type: none"> Evidence based targets based on realistic assumptions Regular budget monitoring and performance review Contingency plans for improved revenue generation | 2 | 4 | 8 | ↓ |
| 1b^ | Shambles Market performance improvement stalls. | 3 | 3 | 9 | <ul style="list-style-type: none"> Key focus of city centre team Pro-active business development Contingency activity outside of the market area e.g. Christmas market on Parliament Street Monthly review meetings with Managing Director | 2 | 2 | 4 | ↓ |
| 1c ⁽¹⁾ | <<RISK Removed. Please see below. >> | - | - | - | - | - | - | - | - |
| 1d^ | VY membership collapses | 2 | 4 | 8 | <ul style="list-style-type: none"> Concerted, ongoing effort to attract new members Continue to enhance member benefits and add value to the proposition | 2 | 3 | 6 | ↓ |
| 1e | Unexpected increase in overhead and project costs | 2 | 4 | 8 | <ul style="list-style-type: none"> Evidence based targets based on realistic assumptions Regular budget monitoring and performance review Contingency plans for improved revenue generation Monthly accounting | 2 | 4 | 8 | → |
| 1f^ | Failure to deliver UNESCO/Mediale outcomes damages the reputation of the company | 2 | 3 | 6 | <ul style="list-style-type: none"> Ongoing focus on gaining 'buy in' from the creative sector for the project CIC set up with Board to monitor progress Creative Director in post to ensure delivery of key Mediale event. Full delivery team in place Funding in place | 1 | 3 | 3 | ↓ |

RISK ANALYSIS MARCH 2018 NOT FOR EXTERNAL DISTRIBUTION

| Risk Category | Risk Description | LIKELIHOOD | IMPACT | SCORE | MITIGATION | Residual Risk | | | Direction of Travel |
|---|---|------------|--------|-------|---|---------------|---|----|---------------------|
| | | | | | | L | I | S | |
| 1g | Failure to deliver programme outputs and outcomes for SIAFS ERDF programme. | 3 | 4 | 12 | <ul style="list-style-type: none"> Detailed Programme activity plan in place. Potential issues raised and addressed with FERA Science Ltd. | 3 | 4 | 12 | ➔ |
| 1h ⁽¹⁾ | <<RISK Removed. Please see below. >> | - | - | - | - | - | - | - | |
| 1i | Any potential changes to/New VAT liabilities for Market and City Centre Activity are applied retrospectively. | 3 | 4 | 12 | <ul style="list-style-type: none"> Review latest HMRC position and ensure we are implementing latest policy guidance on all activity. Monitor HMRC for potential future rules changes. | 3 | 4 | 12 | ➔ |
| 2. *Process and Governance Risks | | | | | | | | | |
| 2a^ | CYC further reduces funding to MIY | 4 | 4 | 16 | <ul style="list-style-type: none"> Further commercial revenue development Open and constructive dialogue with CYC officers and councillors Agreement and full delivery of new SLA Positive relationship with shareholder group Reserves and budget contingency | 4 | 4 | 16 | ➔ |
| 2b | Change in CYC Governance arrangements impacting MIY business model and reporting requirements | 3 | 3 | 9 | <ul style="list-style-type: none"> Open and constructive dialogue with CYC officers and councillors | 3 | 3 | 9 | ➔ |
| 2c | Failure to define and agree suitable SLA | 2 | 4 | 8 | <ul style="list-style-type: none"> Open and constructive dialogue with CYC officers and councillors | 2 | 4 | 8 | ➔ |
| 2d | Staff Capacity - Lack of staff numbers/departure of key staff reduces the performance of the business and constrains capacity | 1 | 5 | 5 | <ul style="list-style-type: none"> Emphasis on making the business 'a great place to work' Retention and succession plans to be introduced Timely recruitment to fill vacancies Sickness and absence monitoring at team and corporate level Induction Programme for new starters People Performance Management Framework including annual appraisal process and training needs analysis | 1 | 4 | 4 | ⬇ |

RISK ANALYSIS MARCH 2018 NOT FOR EXTERNAL DISTRIBUTION

| Risk Category | Risk Description | LIKELIHOOD | IMPACT | SCORE | MITIGATION | Residual Risk | | | Direction of Travel |
|--|---|------------|--------|-------|---|---------------|---|---|---------------------|
| | | | | | | L | I | S | |
| 2e | Business Continuity failure – IT failure, data loss, or building failure limits MIYs ability to function normally | 1 | 5 | 5 | <ul style="list-style-type: none"> Business Continuity plans for all teams IT contingency/disaster recovery plan with Deans (IT provider) Fire and emergency procedures in place Need to identify alternative location for VIC and office space | 1 | 4 | 4 | ↓ |
| 2f | Legal and Financial Compliance failure | 1 | 5 | 5 | <ul style="list-style-type: none"> Policies and procedures to promote sound use of financial resources including clear delegation authorities and sign off procedures, expenses policy etc Policies and procedures to maintain high standards of behaviour and integrity e.g. IT use policy Full public liability assessment and insurance cover in place | 1 | 4 | 5 | ↓ |
| 2g^ | GDPR and data protection compliance failure | 1 | 5 | 5 | <ul style="list-style-type: none"> Full review of data collection, usage and storage Review of relevant policies inc. privacy notices, data handling and storage policies. Policies and procedures to maintain good data management in line with GDPR legislation and guidelines Policies and procedures to maintain high standards of behaviour and integrity e.g. IT use policy | 1 | 4 | 4 | ↓ |
| 2h | Health and safety breach/incident | 1 | 5 | 5 | <ul style="list-style-type: none"> Designated Health and Safety officer Health and Safety procedures and processes in place and updated regularly Health and Safety induction for all new starters Regular H&S assessments Full H&S assessment for each major event Appropriate insurance including public liability for all external premises and events | 1 | 4 | 4 | ↓ |
| 3. External Threats and Opportunities | | | | | | | | | |
| 3a^ | Economic constraints impacting MIY customers and clients reducing revenue generation capability | 3 | 4 | 12 | <ul style="list-style-type: none"> Close liaison with LEPs Be alive to the opportunities as well as the threats Full-time sponsorship manager in place to concentrate effort Forensic approach to spotting funding/sponsorship opportunities | 2 | 4 | 8 | ↓ |

RISK ANALYSIS MARCH 2018 NOT FOR EXTERNAL DISTRIBUTION

| Risk Category | Risk Description | LIKELIHOOD | IMPACT | SCORE | MITIGATION | Residual Risk | | | Direction of Travel |
|-------------------|---|------------|--------|-------|--|---------------|---|---|---------------------|
| | | | | | | L | I | S | |
| 3b^ | Reduction or removal of European and other third party funding from key projects | 2 | 4 | 8 | <ul style="list-style-type: none"> Work closely with all key funding agencies to ensure clear guarantees on all future project funding | 1 | 4 | 4 | ↓ |
| 3c ⁽¹⁾ | <<RISK Removed. Please see below. >> | - | - | - | - | - | - | - | - |
| 3d | Funding restrictions in partner organisations impact contribution to MIY work streams/activity | 3 | 3 | 9 | <ul style="list-style-type: none"> Deliver pipeline of new opportunities Intensify commitment to partnership/collaborative working | 3 | 3 | 9 | → |
| 3e | Adverse Media Attention - Public perception and reputation damaged | 2 | 4 | 8 | <ul style="list-style-type: none"> Maintain and build strong Media relationships Establish steady stream of positive media coverage based on project outcomes More attention on anticipating media coverage | 2 | 3 | 6 | ↓ |
| 3f | Anti-social behaviour damages the reputation of the city and undermines development activity/inward investment plans etc. | 3 | 4 | 12 | <ul style="list-style-type: none"> Involvement in 'Task force' committed to minimising the problem CYC recognition of the issue and commitment to resolve Continued lobbying that this is a major issue | 3 | 3 | 9 | ↓ |
| 3g ⁽¹⁾ | <<RISK Removed. Please see below. >> | - | - | - | - | - | - | - | - |
| 3h | Factors outside of MIY's control means key aspects of the SLA aren't delivered | 2 | 4 | 8 | <ul style="list-style-type: none"> Ongoing communication with key stakeholders Regular monitoring of the SLA with corrective planning if targets aren't being hit | 2 | 3 | 6 | ↓ |
| 3i | Failure to keep partners on board | 2 | 4 | 8 | <ul style="list-style-type: none"> Regular dialogue through KAM process Regular promotion of key achievements and activity | 2 | 4 | 8 | → |

RISK ANALYSIS MARCH 2018 NOT FOR EXTERNAL DISTRIBUTION

| Risk Category | Risk Description | LIKELIHOOD | IMPACT | SCORE | MITIGATION | Residual Risk | | | Direction of Travel |
|---------------|------------------|------------|--------|-------|------------|---------------|---|---|---------------------|
| | | | | | | L | I | S | |

Removed Risks ⁽¹⁾

Due to completed activity / changes to circumstances, the following risks have been removed.





| | | | | | | | | | |
|----|---|---|---|---|---|---|---|---|---|
| 1c | Failure to deliver Venturefest Yorkshire outcomes damages the reputation of the company | 2 | 4 | 8 | <ul style="list-style-type: none"> Advisory Board in place to support delivery Dedicated Programme Manager Detailed delivery and marketing plan | 1 | 4 | 4 | ↓ |
| 1h | Reputational damage from Illuminating York changes – i.e. move to biennial | 3 | 2 | 6 | <ul style="list-style-type: none"> Concerted Communications effort to highlight positive change Producing strong alternative half-term content Incorporating into Mediale with strong communication of benefits. | 3 | 2 | 6 | → |
| 3c | Austerity from both the private and the public sector | 2 | 4 | 8 | <ul style="list-style-type: none"> Full-time sponsorship manager in place to concentrate effort Forensic approach to spotting funding/sponsorship opportunities | 2 | 4 | 8 | → |
| 3g | Digital strategy fails to develop due to capacity/and or lack of funding | 4 | 2 | 8 | <ul style="list-style-type: none"> Resourcefulness e.g. using student placements to deliver value Build in to the business plan for 2016/17 | 3 | 2 | 6 | ↓ |

| Risk Category | Risk Description | LIKELIHOOD | IMPACT | SCORE | MITIGATION | Residual Risk | | | Direction of Travel |
|---------------|------------------|------------|--------|-------|------------|---------------|---|---|---------------------|
| | | | | | | L | I | S | |

Risk Matrix:

| | Likelihood | | | | |
|----------------|------------|------------|------------|----------|------------------|
| Consequence | 1 Rare | 2 Unlikely | 3 Possible | 4 Likely | 5 Almost Certain |
| 5 Catastrophic | 5 | 10 | 15 | 20 | 25 |
| 4 Major | 4 | 8 | 12 | 16 | 20 |
| 3 Moderate | 3 | 6 | 9 | 12 | 15 |
| 2 Minor | 2 | 4 | 6 | 8 | 10 |
| 1 Negligible | 1 | 2 | 3 | 4 | 5 |

For grading Risk the scores obtained from the risk matrix are assigned grades as follows:

| | | |
|-------|---------------|---|
| 1-3 | Low Risk |  |
| 4-6 | Moderate Risk |  |
| 8-12 | High Risk |  |
| 15-25 | Extreme Risk |  |

Increased Risk

Risk remains the same

Decreased Risk



^ = Risk wording updated to reflect changed circumstance

**Make It York
Summary Budget
For the year ending 31st March 2019**

| | Actual to 31/03/17 | Budget to 31/03/18 | Budget to 31/03/19 |
|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Income | | | |
| CYC Gross Investment | 898,000 | 898,000 | 898,000 |
| Visit York Membership | 316,549 | 320,800 | 355,693 |
| VIC | 607,036 | 673,332 | 752,859 |
| Website Advertising | 48,893 | 63,500 | 62,500 |
| Leisure Marketing | 179,606 | 40,000 | 70,000 |
| York Pass | 441,295 | 499,984 | 668,817 |
| Publications | 320,375 | 321,547 | 341,000 |
| Shambles Market | 440,666 | 454,996 | 550,000 |
| Other City Centre Activity | 126,266 | 141,500 | 173,250 |
| Illuminating York | 134,547 | 165,547 | 0 |
| Christmas Activity | 671,972 | 680,250 | 737,000 |
| Conference Marketing | 74,188 | 70,000 | 67,500 |
| Science City York | 225,237 | 95,270 | 85,679 |
| Business Income | 35,670 | 53,090 | 52,131 |
| Sponsorship/Partner Income | 29,534 | 28,000 | 52,000 |
| Other Revenue | 3,629 | 4,000 | 4,500 |
| External Grant Funding | 49,257 | 0 | 0 |
| Bank Interest | 3,178 | 2,000 | 2,000 |
| | 4,605,897 | 4,511,815 | 4,872,929 |
| Direct Costs | | | |
| Consumer Staff Costs | 768,662 | 779,403 | 812,562 |
| Business Staff Costs | 472,192 | 511,884 | 570,100 |
| Other Direct Costs | 2,760,108 | 2,641,186 | 2,879,428 |
| | 4,000,962 | 3,932,474 | 4,262,089 |
| Gross Profit | 604,935 | 579,341 | 610,840 |
| Overheads | | | |
| Other Staff Costs | 247,753 | 249,415 | 268,887 |
| Establishment Costs | 286,888 | 270,318 | 273,669 |
| Depreciation | 25,402 | 37,016 | 34,724 |
| Corporation Tax | 0 | 0 | 6,376 |
| | 560,043 | 556,749 | 583,657 |
| Net Profit | 44,892 | 22,592 | 27,183 |

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2018/19 BUDGET NARRATIVE

The current forecast for the financial year 2017/18 is to make an operating surplus of around £30k. This is subject to February and March monthly trading figures which have been adversely affected by the poor weather.

A budget surplus of £27k is planned for 2018/19, this is despite a further reduction in the net CYC contribution of £100k and a number of new cost increases.

Key points about the 2018/19 budget are as follows:

1. Overall revenue for the company is budgeted to grow year on year by around £200k. This is fuelled by planned growth from the York Pass, the Visitor Information Centre, Visit York membership, digital advertising and further modest increases from the Shambles Market and Christmas activity.
2. Visit York membership revenue is budgeted to grow by 8%, a reflection of the effort going into the benefits package and the current success in gaining new members. Trends over the last couple of years have been positive.
3. VIC revenue is budgeted to grow by 4%, continuing the impressive revenue growth that has been achieved in 2017/18.
4. Investment in the new Visit York Website (£55k expenditure) should see a substantial dividend in 2018/19. Revenue has been very poor in 2017/18 and a more focused approach next year is budgeted to yield a 56% revenue increase. Extra sales resource has been built into the plan.
5. Leisure marketing revenue is budgeted to increase by £17k. Income generated goes straight out as expenditure.
6. York Pass sales are budgeted to grow by £37k largely as a result of yield increases. Depreciation for the York Pass system ended in 2017/18 so the profitability of this initiative increases significantly in the year ahead.
7. Publications revenue is budgeted to grow by £10k in 2018/19, modest growth following significant development over the last 3 years.
8. Revenue from the Shambles Market shows growth of 2.4%, building on the excellent growth achieved in 2017/18.

2018/19 BUDGET NARRATIVE

9. Other city centre activity is also budgeted to grow significantly, reflecting the movement of the Ice Trail revenue from Christmas into early February next year.
10. A £15k reduction in Christmas revenue reflects the Ice Trail move referred to above. The figures do though benefit from 2 extra trading days on the Christmas market.
11. Science City York includes revenue in and similar costs out for the SIAFS project. Support for the digital/IT, bioscience and creative sectors continues to benefit from surpluses achieved elsewhere in the business.
12. Business income is budgeted to grow by £20k through taking a more commercial approach to events and seminars.
13. A £20k investment into the 'Bloom!' festival has been built into the budget.
14. A 2% salary increase is assumed across the company.
15. Overheads and establishment costs increase by £37k due to increases in pension costs, insurance etc. The company does though benefit from a decrease in computer depreciation costs.
16. Depreciation has been built in for a new capital project to improve Make It York's database capabilities.
17. Market rents increase by £100k per annum, the alternative to the CYC contribution reducing by £100k. The net CYC contribution to Make It York reduces to £4324k, 6.6% of Make It York's overall revenue. This has reduced from 16% when the original budget was set in 2015/16.
18. The total revenue budget for Make It York in 2018/19 is £4,872,000. This is £1,074,000 above the original revenue budget set for the company in 2015/16, a 28% rise. Just about all of this revenue improvement has been invested back into activity for the city.

Make It York

Balance Sheet

###

| | <u>31 March 2019</u> | |
|--|-----------------------------|-----------------------|
| Fixed assets | | |
| Tangible assets | 69,107 | |
| Intangible assets | 57,400 | |
| | | <u>126,507</u> |
| Current assets | | |
| Stocks | 30,000 | |
| Debtors | 305,650 | |
| Prepayments | 95,000 | |
| Cash at bank and in hand | 540,675 | |
| Accrued Income | 65,000 | |
| SCY Loan | 3,634 | |
| | | 1,039,959 |
| Creditors: amounts falling due | | |
| Trade Creditors | 371,000 | |
| VAT | 12,000 | |
| Prepaid Subs | 7,000 | |
| CYC Debtor/Creditor | 35,000 | |
| SCY Microfund | 94,789 | |
| Other creditors | 35,930 | |
| Deferred Income | 133,700 | |
| Accruals | 127,000 | |
| | | 816,419 |
| Net current liabilities | | <u>223,540</u> |
| Total assets less current liabilities | | <u>350,047</u> |
| Long Term Liabilities | | |
| Pension Liabilities | | 153,000 |
| Total Assets less Total Liabilities: | | <u>197,047</u> |
| Reserves | | |
| Retained Profits brought forward | | 194,864 |
| Dividends declared on previous year profit | | <u>(25,000)</u> |
| Profit/(Loss) for the year to date | | |
| | 27,183 | |
| Trading Surplus/Deficit | | <u>27,183</u> |
| | | <u>197,047</u> |

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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CYC SHAREHOLDER COMMITTEE
City of York Trading Limited business update

Content

The Managing Director, Bill Colman and Operations Director, Karen Bull, intend to present to the committee a business update for City of York Trading Ltd, including performance information for the financial year 2017/18 to date.

Business reporting Cycle

The City of York Trading business cycle has the following key elements:-

1. 3 Year business plan update – approved by the City of York trading Ltd Board of Directors in September 2017 and then forwarded to the Shareholder for approval
2. The annual budget – approved by the City of York Trading Ltd Board of Directors on the 28th February 2018 and then forwarded to the Shareholder for approval
3. Annual external accounts audit – audited accounts signed and approved by the City of York Ltd Board of Directors on the 28th June 2017.

It is anticipated that in future the Business Plan update will be presented to the CYC Shareholder Scrutiny Committee each October and the Annual Budget each March.

Business plan – Executive Summary

City of York Trading Ltd was incorporated on 18th of November 2011. The company is wholly owned by the City of York Council. The Company currently trades using the WorkwithYork (WwY) and WorkwithSchools (WwS) brands, providing agency staff to public, private and commercial organisations in York and the surrounding towns and villages.

CYC entered into a 10 year (Teckal compliant) managed services contract with City of York Trading on the 16TH June 2015 for the supply of temporary staff. City of York Trading supplies staff at low/discounted rates providing excellent 'value for money' contributing to CYC's fiscal objectives.

A key change to the organisation has been the TUPE of staff from CYC to City of York Trading Ltd. This is an important and essential step change to ensure a 'one company' culture is encouraged and that each member of the team is pulling in the same direction.

In summary, the Board have set out the key focus of the 3 year business plan as follows:

- To maximise shareholder value/return to the shareholder by providing ongoing savings, growing annual dividends and increasing shareholder reserves
- Diversification into the wider commercial market and develop additional profitable revenue streams
- Seek out small tactical acquisition opportunities to potentially accelerate the growth of the business
- Establish new office/s in other commercially attractive/viable locations
- Increase the turnover and profitability of the business in line with the stretching targets set out in the business plan for 2017-2020
- Develop new products and services to take to market creating new opportunities
- Leverage technology to drive out cost, improve the customer experience and to increase the businesses reach
- Providing ongoing training and development for our staff and developing a sales led performance culture

Shareholder approvals

Shareholder approval is being sought for the following:

1. Approval of the 3 year business plan
2. Approval of the annual budget 2018/19

Important note: the content of the business plan, budget and business update contains commercially sensitive information and is not for general circulation

Appendices: (all commercially sensitive and confidential)

1. 3 year business plan
2. Annual budget 2018/19
3. Business update presentation 2017/18

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CYC SHAREHOLDER COMMITTEE

Veritau Limited Business Update

Purpose

The Chief Executive, Max Thomas and the Deputy Chief Executive, Richard Smith will present the company's draft business plan and budget for 2018/19.

Business Reporting Cycle

The Veritau business cycle has the following key elements:

- 2018/19 Annual Budget and Business Plan – to be approved by the company's board on 28 March 2018.
- Annual report and statement of accounts – to be approved by the company's board in July 2018 (date to be confirmed).
- Mid-year performance updates – to be presented to the company's board in November / December 2018 (date to be confirmed).

Business Plan – Executive Summary

The Veritau group comprises Veritau Limited and Veritau North Yorkshire Limited. The City of York Council owns 50% of the shares in Veritau Limited. The remaining shares are owned by North Yorkshire County Council. Veritau North Yorkshire is a joint venture with a number of the North Yorkshire district councils. The two companies operate as a single business.

The Business Plan sets out the key aims and priorities for the next three years to 2021. The key risks facing the business are also identified.

Specific deliverables for 2018/19 include:

- The roll-out of the new Data Protection Officer service to schools and councils
- The continued roll-out of plans to create a data enabled service (as part of a 5 year vision)
- Preparation for the next IIP assessment (due in July 2018)

- The development of new areas of expertise to enhance the existing 'offer', for example risk management and data analytics

Shareholder Approvals

None

Appendices (all commercially confidential)

- 1 Draft Veritau budget for 2018/19
- 2 Draft Veritau business plan for 2018/19

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CYC SHAREHOLDER COMMITTEE

Yorwaste Ltd & SJB Recycling Ltd Business Update

Content

The Managing Director, Sandy Boyle, intends to present to the committee, a business update for Yorwaste & SJB Recycling, including key business developments and trading performance to the end of 2017/18 Q3.

Annual Budget 2018/19

The Annual Budget for Yorwaste Ltd and SJB Recycling Ltd is due to be considered by the respective Boards on 29th March 2018.

The budgets included in these reports are therefore provisional and may be subject to change. Any changes will be reported back to the Shareholder Members for ratification.

Yorwaste

Yorwaste has undergone significant change over the past 12 months including the acquisition of Todd Waste Management in July 2017, its subsequent hive-up into Yorwaste in December 2017, and the earlier than planned opening of Harewood Transfer station in August 2017 to support the commissioning of AWRP. In addition 2017 also saw the mobilisation of the NYCC HWRC contract covering 20 sites.

Yorwaste also had changes in its senior management with the retirement of its long serving Finance Director in August 2017 and the departure of its Managing director in September 2017. The Board subsequently appointed a new Managing Director who took up post on 1st January 2018.

The challenges facing the company in the 2018/19 budget year are no less significant with a need to:

- Deliver sufficient tonnages to maximise the shareholder benefit of AWRP tiers.
- Optimise the trade transport business acquired as part of Todds including the implementation of new route management software.
- Deliver a cost effective PAS100 solution for green waste at Harewood.
- Closure and restoration of the Harewood Landfill site.

SJB Recycling Limited

SJB Recycling is the region's largest independent, specialist, green waste composting business.

The focus of the business over the next year is to deliver cost effective operations as well as explore opportunities to develop both new and existing sites. In terms of product development SJB plans to build on its newly created Yorganics™ brand.

Shareholder Approvals

Shareholder approval is being sought to note the provisional budgets pending the approval at Yorwaste / SJB Recycling Board on 29th March 2018.

Important Note: the content of the business plan and budgets contains commercially sensitive information and is not for general circulation.

Appendices (all commercially confidential)

1. Yorwaste Ltd budget summary 2018-19
2. SJB Recycling Ltd budget summary 2018-19

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