

**Notice of a public meeting of
Shareholder Committee**

To: Councillors Widdowson (Chair) and D'Agorne

Date: Monday, 31 October 2022

Time: 4.30pm

Venue: The George Hudson Board Room - 1st Floor,
West Offices (F045)

AGENDA

1. Declarations of Interest

At this point in the meeting, Members are asked to declare any disclosable pecuniary interests or other registerable interests they might have in respect of business on this agenda, if they have not already done so in advance on the Register of Interests.

2. Minutes (Pages 1 - 8)

To approve and sign the minutes of the last meeting of the Committee held on 15 June 2022.

3. Exclusion of Press and Public

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

(i) Agenda Item 6, Veritau Limited Business Update

- Appendix 1 – Annual Report and Financial Statements for the Year Ended 31 March 2022
- Appendix 2 – Veritau Group Management Accounts 2022/23 (Quarter 2)

(ii) Agenda Item 7, City of York Trading Ltd Update

- Annex B - CYT Performance Update Oct 2022

(iii) Agenda Item 8, Make It York Update

- Appendix 2 - Proposed non-executive directors
- Appendix 4 - Budget Forecast 22-23 and 23-24
- Appendix 5 - Balance Sheet
- Appendix 6 - Cashflow Forecast 22-23
- Appendix 7 - Summary Profit Loss

On the grounds that these contain information relating to the financial or business affairs of any 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. Members of the public may speak on agenda items or on matters within the remit of the committee.

Please note that our registration deadlines are set as 2 working days before the meeting, in order to facilitate the management of public participation at our meetings. The deadline for registering at this meeting is **5:00pm on Thursday 27 October 2022**.

To register to speak please visit www.york.gov.uk/AttendCouncilMeetings to fill in an online registration form. If you have any questions about the registration form or the meeting, please contact Democratic Services. Contact details can be found at the foot of this agenda.

Webcasting of Public Meetings

Please note that, subject to available resources, this meeting will be webcast including any registered public speakers who have given their permission. The meeting can be viewed live and on demand at <http://www.york.gov.uk/webcasts>.

During coronavirus, we made some changes to how we ran council meetings, including facilitating remote participation by public speakers. See our updates (<http://www.york.gov.uk/COVIDDemocracy>) for more information on meetings and decisions.

- 5. Yorwaste Ltd Finance Update** (Pages 9 - 54)
The report provides the year end trading position for Yorwaste and accounts for the 2021/22 financial year as well as an update on trading information for 2022/23.
- 6. Veritau Limited Business Update** (Pages 55 - 90)
The report provides an update on Veritau Group's finance and performance to date.
- 7. City of York Trading Ltd Update** (Pages 91 - 124)
The report provides an update on City of York Trading Ltd's performance.
- 8. Make It York Update** (Pages 125 - 224)
The report provides an update on Make It York's (MIY) financial performance since the last report in March 2022.
- 9. Work Plan** (Pages 225 - 226)
To consider the Committee's draft work plan for the 2022/23 municipal year.
- 10. Urgent Business**
Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

Name: Louise Cook

Contact details:

- Telephone – (01904) 551031
- Email - louise.cook@york.gov.uk

For more information about any of the following please contact the Democracy 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	15 June 2022
Present	Councillors Widdowson (Chair) and D'Agorne (left at 5:53pm)
In Attendance	Councillor Douglas (from 4:31pm)
Officers Present	Dan Moynihan, Senior Solicitor Contract and Commercial (City of York Council (CYC)) Patrick Looker, Head of Service, Finance (CYC) Helen Whiting, Head of Human Resources & Organisational Development, (CYC)(Remotely) Max Thomas, Chief Executive (Veritau) Sandy Boyle, Managing Director (Yorwaste) Simon Hill, Managing Director (YPO) Karen Bull, Managing Director (CYT)

1. **Declarations of Interest (4:30pm)**

Members were asked to declare, at this point in the meeting, any disclosable pecuniary interests or other registerable interests they might have in respect of business on the agenda, if they had not already done so in advance on the Register of Interests. None were declared.

2. **Minutes (4:31pm)**

Resolved: That the minutes of the last meeting held on 28 March be approved and signed by the Chair as a correct record, subject to changing the word 'reduce' to 'increase' in point 28, second bullet point.

3. **Exclusion of Press and Public (4:32pm)**

Resolved: That the press and public be excluded from the meeting during any discussion arising on the following documents, on the grounds that they contain information relating to the financial or business affairs of particular persons (including the authority holding that information), which was

classified 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:

- (i) Agenda Item 8, City of York Trading Ltd Update:-
- Annex A– CYT Performance Update June 2022
 - Annex B – Report of the City of York Trading Ltd Remuneration Committee

4. Public Participation (4:32pm)

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

5. Veritau Limited Business Update (4:32pm)

Members considered a report that provided an update on Veritau's finance and performance to date.

The Chief Executive of Veritau provided an overview and confirmed that the Group had continued to gain new contracts and client retention remained strong. The 2021/22 accounts were currently being audited and profit was above target.

Members commended the trainee internal auditors who had completed their professional qualifications and progressed to become internal auditors. The Chief Executive responded to questions raised regarding the client satisfaction surveys and confirmed that the low rating received in Information Governance (IG) had been linked to a Freedom of Information (FOI) request, which had been addressed.

The Group's procurement activity and sustainability objectives were discussed and in answer to questions raised, Officers confirmed they would:

- Investigate if the Company was a member of the Good Business Charter.
- Consider expanding their sustainability and procurement approaches across their workforce, customers and supply chain.

The Chief Executive was thanked for his report.

Resolved: That the Group's performance, since the last business update report, be noted.

Reason: To ensure the Council was updated on the performance of Veritau Ltd.

6. Yorwaste Ltd Finance Update (4:41pm)

Members considered a report from Yorwaste that provided a trading update for the 2021/22 financial year as well as early trading information for 2022/23.

The Managing Director of Yorwaste noted that the Company was carrying out its annual audit process and just over £1m profit before tax was likely to be achieved. The budget for the current year (2022/23) and cost inflation challenges were discussed including the annual review of the restoration aftercare liability and higher operating costs (including red diesel and annualization of HGV pay increases). It was confirmed that HGV drivers were well stocked but that there remained some recruitment issues.

During discussion and in answer to questions raised, it was noted that:

- The Company supported the United Nations Sustainability Development Goals.
- Commercial customer prices had increased in line with the market and options for cost reduction and/or other mitigations would be sought.
- The Company were still investigating moving its fleet of vehicles from diesel to electric but for the geographical area covered, the move to electric heavy plant vehicles was not currently suitable and recharging times had become a concern when considering transitioning its fleet of smaller vehicles to electric.
- The Green Energy Parks report had identified viable green energy options at both Harewood and Seamer, however there were some wider grid infrastructure issues which required further investigation.
- As part of its ISO 50001 process, the Company was reviewing the energy efficiency of its buildings with a view to identifying investment projects which would both

mitigate the impact of higher energy costs whilst contributing to management of the Company's carbon footprint.

- The Company continued to collaborate with the council on the range and quality of services.

Members welcomed the United Nations Sustainable Development Goals and suggested that all Shareholders should consider this blueprint.

The Managing Director was thanked for his report.

Resolved: That the report from Yorwaste Ltd, attached at Annex 1 to the report, be noted.

Reason: To ensure the council was updated on the financial performance of Yorwaste Ltd.

7. YPO Ltd Finance Update (5:02pm)

Members considered a report from YPO that outlined the latest financial performance.

The Managing Director of YPO provided an update noting the global cost of living increases that had affected product and operating costs. The adoption of a new price benchmarking software system had helped in determining pricing levels, which were still competitive and good value for money. YPO was determined to ensure no profiteering results and was committed to striking the on-going balance between competitive pricing and surplus for member authorities. A full mid-year budget review was underway to identify areas where costs could be controlled or reduced, without restricting capacity available for long term growth.

The Managing Director highlighted their procurement and sustainability strategies, noting that they were operators of national procurement regulations and had achieved re-accreditation to the ISO 14001 Environmental Standard with no non-conformances. They had also employed a new Health & Safety Manager and the first of the electric delivery vehicles, sourced through a government funded trial, had been delivered.

During questions, the Managing Director provided a detailed background to the Company and confirmed:

- Their sustainability and procurement approaches could be disseminated through their supply chain to ensure continued value for money.
- Recruitment was a challenge, particularly in sourcing qualified drivers, as a result of this they had trained some internal staff.
- Schools were under significant financial pressures and the Company were forecasting for the shift in product ranges and changes from traditional learning techniques to online learning.

The Managing Director was thanked for his update.

Resolved: That the report from YPO and YPO Procurement Holdings Ltd, attached as an annex to the report, be noted.

Reason: To ensure the Council is updated on the financial performance of YPO.

8. City of York Trading Ltd Update (5:17pm)

Members considered a report that provided a City of York Trading Ltd. performance update, including the draft final outturn for 2021/22 and budget 2022/23.

The Managing Director provided an overview and noted that:

- The draft financial outturn for 2021/22 was positive with both turnover and profit above budget, however the Company's accounts were currently subject to audit and so statutory accounts had not yet been prepared.
- WorkwithSchools enquiries had increased.
- They had moved into new offices and the building had undergone a programme of repair and refurbishment and a Green Energy supplier would be sourced.
- Plans to recruit more staff were underway and the Company was investing in staff training and development.

The Managing Director was thanked for her update and was invited to:

- explore the United Nations Sustainability Development Goals, and

- enhance and disseminate the Company's procurement and sustainability policies across their clients.

Questions on the exempt Annexes were put and responded to in private session.

Resolved: That the performance update from City of York Trading Ltd, attached at Annex A to the report, be noted.

Reason: To ensure the Council was updated on the performance and financial circumstances of City of York Trading Ltd.

Resolved: That the recommendation from City of York Trading Ltd.'s Remuneration Committee, attached at Annex B of the report, be delegated to Officers to approve, in consultation with the Committee, subject to:

- (i) The Committee Members and Head of HR receiving further clarification surrounding the proposal from City of York Trading Ltd.'s Remuneration Committee; and
- (ii) Clarification from the Monitoring Officer and Legal Services regarding the correct approval procedure under Article 12 of the Constitution.

Reason: To ensure the Company appropriately and fairly remunerates its staff.

[5:53pm, Councillor D'Agorne left the meeting].

9. Work Plan (5:53pm)

Resolved: That the work plan be noted and that future reports highlight the Companies sustainability actions, noting how they will be disseminated through their workforce, customers and supply chain.

Reason: To ensure the Committee receives regular reports in accordance with the functions of an effective Shareholder committee.

Cllr Widdowson, Chair

[The meeting started at 4.30pm and finished at 5.53pm].

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Shareholder Committee**31 October 2022**

Report of the Chief Finance Officer

Yorwaste Ltd Finance Update**Purpose of Report**

1. To consider reports from Yorwaste providing the year end trading position and accounts for the 2021/22 financial year as well as an update on trading information for 2022/23.

Recommendations

2. Note the reports from Yorwaste Ltd attached at annex 1 to this report.

Reason: To ensure the Council is updated on the financial performance of Yorwaste Ltd.

Background and analysis

3. Yorwaste was established as a Local Authority Waste Disposal Company owned fully by North Yorkshire County Council in 1991 to manage the council's landfill sites. In 1996 as part of Local Government Review City of York Council became a 22.27% shareholder of the company. The company provides services to York relating to Transfer Stations, processing recyclates, garden waste and management and transport of waste at the two Household Waste Sites. They also provide similar services within North Yorkshire County Council.
4. The Yorwaste board is made up of council representatives of the two authorities and also independent board members. The representatives from City of York Council are currently Cllr A. Waller and the Corporate Director of Place, Neil Ferris. The company is a Teckal company whereby over 80% of its revenues come from its local authority owners.
5. The 2021/22 financial accounts are provided to the committee and the latest trading update for the company is shown at Annex 1.

Risk Management

6. There are no specific risk issues arising from this report.

Implications

7. There are no financial, legal, HR, equalities, crime and disorder, information technology, property or other implications arising from this report.

Author:	Chief Officer responsible for the report:			
Patrick Looker Head of Service Finance	Debbie Mitchell Chief Finance Officer			
Email patrick.looker@york.gov.uk	Report Approved	x	Date	30 Sept 2022
Wards Affected: All				
<i>For further information please contact the author of the report</i>				

Annex 1 – Annual Report and Financial Statements Year Ended 31 March 2022

YORWASTE

1. How Yorwaste delivers shareholder value.

As a Teckal company, Yorwaste delivers shareholder value in a number of ways:

Directly through either a reduction in the cost of service provision to the shareholding authority or in the generation of profits which accrue to the shareholding authority. This value is enhanced by the operation of commercial activities which can offset operating costs to the authority or enhance the generation of profits.

Indirectly through the shareholders' investment in Allerton Waste Recovery Park (AWRP) by maximising their potential financial return from volume related contractual terms.

Intangibly in that, because of its shareholding ownership, additional ad-hoc services and assistance to the shareholding authority are provided at either cost or zero charge.

The challenge for Yorwaste is to balance the above factors to deliver a cost effective, tax efficient, value for money solution for the local taxpayer.

2. Report & Accounts for Fiscal Year ending March 2022

A full copy of the annual report and accounts for the year-ending March 2022 has been included in the appendices to this report.

3. Update on current performance

Despite the strong economic head-winds and after five months of results in the current fiscal year the Company is both profitable and trending ahead of budget.

This has been achieved through continued tight cost management, strong performance on commercial contracts, and higher landfill gas prices which have helped offset energy price increases elsewhere.

Governance & Best Practice

The Company has achieved Cyber Essentials Plus accreditation of its IT security infrastructure. The Company takes the cyber threat very seriously has put in place measures to minimise that risk.

The Company has also recently been accredited under the Good Business Charter, as far as we are aware this makes it the first CYC investment company to do so.

Environment & Climate Change

The Company is progressing with plans to install solar onto Harewood to support the Company's on site requirements. This is the minimum level of solar planned for Harewood and is relatively straightforward.

Large scale solar continues to be an option, but whilst there is shareholder support, the state of electrical network infrastructure and available capacity is currently a barrier to being able to export any electricity generation to the grid. This is proving to be a challenge which may not have a quick solution.

The Company is looking to transition its energy mix and reduce its carbon footprint and has outline plans as to how to achieve this. The current barrier to achieve this is the expensive retrofitting of sites to get sufficient levels of electricity both onto the site, and thereafter to specific areas of the site and even at current energy prices the business case is marginal. Alternate technology solutions are being considered.

The Company is also exploring a number of projects with York University and FERA which would improve the company's sustainability profile, however these are at a very early stage.

4. Looking Forward

Whilst it is too early to give a full year forecast with any confidence, our outlook is more positive than anticipated at our previous shareholder presentation in in June 2022. However, this carries the caveat of exceptional uncertainty in the wider economic environment.

It is also unclear as to the outcome and timetable for the Government's Resource and Waste Strategy implementation. The time to implement new policies of this magnitude before the next election is rapidly reducing. Yorwaste has been working with the authority waste teams and outline plans covering a number of policy outcomes are in place.

YORWASTE LIMITED

YORWASTE LIMITED

Registered Number: 2666908

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

YORWASTE LIMITED**YEAR ENDED 31 MARCH 2022****CONTENTS OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS**

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YORWASTE LIMITED

Company Registration No. 2666908

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

COMPANY STRATEGY

The Company's objective is to maximise shareholder value whilst operating to high standards of health and safety, environmental compliance, and customer service.

The Company is wholly owned by two Local Authorities; North Yorkshire County Council (NYCC) (77.3%) and City of York Council (CYC) (22.7%) (jointly referred to as the Controlling Authority); and operates on a Teckal exemption basis. To operate under the Teckal exemption the Company complies with the following conditions:

1. The Controlling Authority exercises control over the operations of the Company.
2. Over 80% of the Company's activities are carried out on behalf of the Controlling Authority.
3. There is no private share ownership in the Company.

Delivering shareholder value under the Teckal arrangement can be achieved through reducing the cost-of-service provision to the Controlling Authority, by generating contribution from the non-authority commercial operations, and/or generating a profit for the shareholders. All cost reductions achieved and/or profits earned will ultimately reduce the cost of waste management to the local taxpayer.

To achieve this, the key elements of the Company's strategy are:

- To prioritise and promote Health & Safety across the Company to protect employees, contractors, and customers, recognising that the waste industry is one of the most hazardous in the country.
- To deliver waste management solutions that are economically and environmentally sustainable over the long term.
- To operate a cost-effective waste transfer station network.
- To operate Household Waste Recycling Centres in a customer focused and cost-effective manner whilst maximising recycling rates.
- To operate commercial waste collections with a view to offsetting operational costs to the Controlling Authority and/or generating a profit.
- To manage the Company's closed landfills in a cost effective and environmentally compliant manner and to identify long-term cash generating projects for closed landfill sites to offset future environmental liabilities.

YORWASTE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

BUSINESS ENVIRONMENT

Safety continues to be the Company's priority with its continued investment in training. During the year all senior operational management passed NEBOSH HSE Certificate in Health & Safety Leadership Excellence. The company retained its ISO 45001 certification and ROSPA Gold award.

As the economy emerged from the shadow of COVID, commercial waste volumes increased and are now slightly ahead of pre Covid levels. New business sign-ups were slightly lower than targeted; however, customer attrition rates were significantly lower resulting in a net growth in customer base. The Company also benefited from increased efficiency through increased route densities.

As with many other transport businesses the Company was impacted by the HGV driver shortage which put a significant strain on operational performance. The Company reviewed its driver remuneration package and brought it in line with market conditions and subsequently returned to the required establishment headcount. The Company was able to absorb the un-budgeted pay increase within its reported annual out-turn.

Towards the latter part of the year rising inflation in both fuel and wider cost categories started to impact the business. Whilst this was partly offset by the hedge provided by the sales of electricity generated from landfill gas (where the prices also increased), the net impact was a drag on the full year result.

All Company composting sites are producing PAS 100 Compost, and this plays a valuable part in the circular economy.

During the year the Company was accredited under ISO 50001 Energy Management as part of its ongoing efforts to manage its carbon footprint.

As in previous years, and as part of its wider contribution to shareholder value, the Company delivered the shareholders' maximum tonnage volume requirement to the Allerton Waste Recovery Park at the shareholders' full target gate price.

YORWASTE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

BUSINESS PERFORMANCE

<u>KPI</u>	<u>Definition and method of calculation</u>	<u>2022</u>	<u>2021</u>
Gross Profit Margin	Gross profit in the year expressed as a percentage of turnover from operations	9.3%	11.5%
Administrative Expenses Ratio	Administrative expenses (excluding bad debts) in the year expressed as a percentage of turnover.	5.0%	5.4%
Cash Generation	EBITDA	£4.0m	£4.5m
Return on Capital Employed	EBIT, before exceptional costs expressed as a percentage of net assets.	18.1%	24.7%
RIDDOR Reportable Health and Safety Incidents	Number of RIDDOR reportable incidents	3	3
Environmental Compliance	Number of enforcement notices received from the Regulator	-	-

LOOKING FORWARD

Uncertainty arising from COVID has been replaced with uncertainty arising from inflation. With inflation expected to hit double digits, and with the early signs of increasing interest rates, there is a real prospect of recession in the coming year.

The Company has some protection from energy increases with a significant portion of its electricity on long-term fixed rates, along with some hedge protection offered by landfill gas revenues, however these are not sufficient to offset the increase in diesel prices and the impact of the abolition of the lower red diesel duty rates.

The global supply chain has still not fully recovered from COVID and other impacts, nor are there any signs of things improving in the short term. This impacts the Company through the availability of spares for certain vehicles, plant, and machinery. The Company is exploring options with its suppliers to mitigate this problem.

As both Local Authority and Commercial customers are feeling the same inflationary pressures, there is a limit to the Company's ability to pass on price increases, therefore it is actively exploring additional internal efficiencies.

The Company has healthy cash balances and is identifying "invest-to-save" options and/or accelerating the pay down of shareholder loans to reduce future interest payments.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company has in place a Strategic Risk Register which is updated on a 6-monthly basis by the Management Team. The Board of Directors monitors progress on the agreed management actions to mitigate such risks.

Currently the following are the Company's most significant risks:

Inflation

With inflation at 40-year highs this now presents a challenge to the future profitability of the Company. The Company is pursuing cost saving efficiencies and "invest-to-save" initiatives to mitigate. It will also continue to review its pricing strategy to ensure Commercial business is both profitable for the company and value for money to the customer.

Health & Safety

The waste management industry is one of the most hazardous industries in the UK and the Company seeks to continually improve its Health & Safety performance. The Company continues to invest in its health and safety processes, systems, and training to further improve its performance in this area. Health and Safety performance is reviewed and challenged at weekly and monthly management meetings and at Board meetings.

YORWASTE LIMITED

Closed landfill liabilities

The Company has a policy of providing for future aftercare costs after the sites have closed. The Directors are satisfied that future cash flows from landfill gas power generation and other commercial activities are sufficient to provide for the costs of aftercare, based on current legislation and current leachate production forecasts. This position is regularly reviewed, and the aftercare liability is periodically assessed by independent external consultants.

Competition

The Company operates in a very competitive, price sensitive, fragmented market sector. The Company maintains a sales team that focuses on both retention and expansion of the customer base. The Company has implemented a management information system which supports optimisation of collection routes and better targeting of sales resources to improve route density and profitability.

Property and Business Interruption Insurance

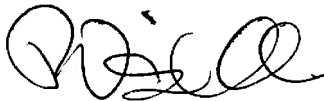
Due to the number of incidents within the waste industry, particularly of fire, insurers continue to require more stringent policy conditions. The Company has in place a comprehensive risk management process to reduce the likelihood of an incident and to ensure compliance with policy conditions.

YORWASTE LIMITED**STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)****STATEMENT BY THE DIRECTORS IN PERFORMANCE OF THEIR STATUTORY DUTIES IN ACCORDANCE WITH S172(1) COMPANIES ACT 2006**

The board of directors of the company consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 31 March 2022. Those matters include having regard for the following, which are cross-referenced to further details given elsewhere in either the Strategic Report or Directors' Report:

- a) the consequences of the decisions we take in the long term (page 1)
- b) the interests of the company's employees (page 7)
- c) the need to foster the company's business relationships with suppliers, customers and others (page 9)
- d) the impact of the company's operations on the community and the environment (pages 2 and 8)
- e) maintaining a reputation for high standards of business conduct (page 1); and
- f) the need to act fairly between members of the Company (pages 1 and 9)

On behalf of the Board on 21 June 2022



Cllr. J Weighell
Chairman

YORWASTE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors present their report and the audited financial statements for the year ended 31 March 2022.

PRINCIPAL ACTIVITIES

The Company provides waste management services including recycling, waste and recyclables collection, composting, and landfill aftercare activities. All operations take place within the UK.

STRATEGIC REPORT

The Strategic Report for the year ended 31st March 2022 can be found on pages 1 to 5. The Strategic Report contains details of the Company's strategy, business environment, business performance, future developments and principal risks and uncertainties.

POST BALANCE SHEET EVENTS

There are no material post balance sheet events to report.

DIRECTORS

The rules governing the appointment and replacement of Directors are set out in the Company's Articles of Association. The Directors of Yorwaste Limited during the year and up to the date of signing the Financial Statements were:

A Boyle	Managing Director
M H Buckley	Independent Non-Executive Director (Resigned 31 December 2021)
N Ferris	CYC appointed Non-Executive Director
Cllr. A Waller	CYC appointed Non-Executive Director
Cllr. J Weighell	NYCC appointed Chairman and Non-Executive Director
K Battersby	NYCC appointed Non-Executive Director
A Lee	NYCC appointed Non-Executive Director (appointed 23 May 2022)

Details of Directors' emoluments can be found at Note 7 to the Financial Statements.

DIRECTORS' INDEMNITIES

The Company has made qualifying third-party provisions (as defined in the Companies Act 2006) for its Directors. The Company also maintains Directors' and Officers' Liability Insurance cover for claims brought against its directors or officers for wrongful acts in connections with the performance of their duties but does not cover claims arising from fraud.

RESULTS AND DIVIDENDS

The results for the year ending 31 March 2022 are set out in the Profit & Loss Account on page 14. The Key Performance Indicators (KPIs) are reported on page 3 of the Strategic Report.

No dividend was declared for the year (2021 £nil).

GOING CONCERN

The Company meets its day-to-day working capital requirements through its bank facilities. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its Financial Statements.

YORWASTE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

ACCOUNTING POLICIES

Details of the Company's Accounting Policies are provided in Note 3 to the Financial Statements.

EMPLOYEE ENGAGEMENT STATEMENT

The Company engages with employees via various channels including but not limited to:

- The management team are specifically tasked with carrying out safety conversations with front line employees to proactively engage on health and safety issues. This also provides a touch-point to discuss more general issues with the employee.
- Monthly team meetings provide general updates on Company issues along with specific health & safety updates.
- A bi-monthly employee newsletter covering recent activities of the Company.
- Active involvement of front-line employees in the assessment and deployment of significant capital expenditures including infrastructure upgrades, heavy plant, and new vehicle purchases.
- The Company operates a "Bright Ideas" scheme to reward employees who submit good ideas that the Company can implement and "Extra Mile" awards to employees who go that extra mile in the performance of their duties.

The Directors engage with employees as follows:

- The Managing Director makes regular site visits to all Company locations. During these visits he talks to front line employees and seeks direct feedback on any problems that they might have. Any feedback received will be considered in the setting of Company objectives.
- The Managing Director meets regularly with managerial and supervisory teams where he will update them on Company progress and, where appropriate, will discuss any issues raised during his site visits.
- Board members are encouraged to undertake site visits and engage with Company employees. One non-executive director actively engages directly with the business to review Health & Safety performance, another director performs a similar role with respect to environmental performance. This ensures that the Board has access to front line staff outside of the executive management reporting line, and that front line employees have the opportunity to talk directly to Board Directors.

EQUAL OPPORTUNITIES EMPLOYER

The Company is an equal opportunities employer and seeks to ensure that there is no discrimination or harassment because of colour, race, nationality, religion or belief, ethnic or national origin, disability, age, sex, gender reassignment, marital or civil partnership status, pregnancy or maternity, or sexual orientation in the way that the Company treats its employees, job applicants, customers, suppliers and visitor.

EMPLOYMENT OF DISABLED PEOPLE

The Company will:

- provide reasonable adjustments to ensure disabled people have access to our services and employment opportunities;
- provide reasonable adjustments to ensure people who become disabled during their employment are able to continue to work for the business;
- challenge discriminatory assumptions about disabled people; and
- seek to continue to improve access to information by ensuring availability of loop systems, braille facilities, alternative formatting, and sign language interpretation.

MODERN SLAVERY

In compliance with the Modern Slavery Act 2016, the Company's statement on Modern Slavery can be found on the Company's website at www.Yorwaste.co.uk.

POLITICAL DONATIONS

The Company has a policy not to make political donations.

YORWASTE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

FINANCIAL RISK MANAGEMENT

All financial assets are held in sterling, therefore there is no foreign currency exchange rate exposure. Fixed asset investments are valued at cost and where appropriate an impairment charge has been made against non-value adding assets.

There is minimal exposure to interest rate risk with the Shareholder loans at a fixed margin above the Bank of England Base Rate. Current forecasts for movements in this base rate are for small increases which will not be financially material.

The Company manages its credit risk of customers by the implementation of credit checks on potential customers before sales commence and the application of a system of credit limits for on-going trading.

The Company provides regular fraud awareness training to all senior management and all employees of the finance team.

HEALTH & SAFETY MANAGEMENT

The health and safety of employees, contractors and members of the public remains a core value for the company and the key priority for the Board of Directors and the management team.

The waste industry continues to be one of the most hazardous industries in the UK and the Company has set the target to maintain its ISO 45001 accreditation.

ENVIRONMENTAL COMPLIANCE

The Company has received no enforcement notices from the Environment Agency in the year. Maintaining high standards of environmental compliance remains a core value of the organisation and is a key objective of the management team.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)

Energy Consumed	kWh		%	
	2022	2021	2022	2021
Scope 1				
Diesel - Transport	10,727,111	9,987,650	65%	64%
Diesel - Material Processing	3,965,249	3,753,049	24%	24%
Scope 2				
Electricity	1,862,070	1,800,459	11%	12%
Total	16,554,430	15,541,158	100%	100%

Emission Data	Units	Fuel Consumed		GHG Conversion Factor *GHG Conversion Factor *		Emission (Kg CO2 eq)		Emission (Tonne CO2 eq)	
		2022	2021	2022	2021	2022	2021	2022	2021
Scope 1									
Diesel - Transport	Litres	1,073,864	999,839	2.51233	2.51233	2,697,902	2,511,925	2,698	2,512
Diesel - Material Processing	Litres	392,666	371,652	2.75857	2.75857	1,083,195	1,025,228	1,083	1,025
Scope 2									
Electricity	kWh	1,862,070	1,800,459	0.21233	0.21233	395,373	382,291	395	382
Total emission								4,176	3,919

* UK Government GHG Conversion Factors for Company Reporting Version 1 2021

YORWASTE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)

STREAMLINED ENERGY AND CARBON REPORTING (SECR) (continued)

Energy Intensity Metric	2022	2021	
Total Carbon emission (CO ₂ eq)	4,176	3,919	Tonnes
Total mass of waste handled	480,628	473,379	Tonnes
Emission (CO ₂ eq) per tonne of waste handled	8.69	8.28	Kg/T

Measures taken to improve energy efficiency.

During the 2021/22 year, the solar PV system installed at the Northallerton Head Office Building generated 28,721 kWh of electricity that was exported to the national grid as detailed below. The energy generated through this initiative and the associated emissions avoided, offsets the energy use and carbon emissions elsewhere in the business.

	Electricity Generated (kWh)		GHG Conversion Factor *		Emission Avoided (Kg CO ₂ eq)		Emission Avoided (Tonne CO ₂ eq)	
	2022	2021	2022	2021	2022	2021	2022	2021
Renewable energy generated (Solar PV)	28,721	26,096	0.21233	0.21233	6,098	5,541	6	6

* UK Government GHG Conversion Factors for Company Reporting Version 1 2021

CORPORATE GOVERNANCE ARRANGEMENTS

The Company is subject to both external and internal governance processes. Internally Company performance is reviewed by the Board which consists of representatives of the shareholders. This is augmented with periodic internal audit reports by Veritau, the results of which are shared with the Board. Externally the Company is subject to performance reviews by the shareholder committees of both local authority shareholders.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

YORWASTE LIMITED**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022 (continued)****Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REAPPOINTMENT OF AUDITORS

It is the intention of the directors to reappoint PricewaterhouseCoopers LLP as auditors for the next financial year.

On behalf of the Board on 21 June 2022



Cllr. J Weighell
Chairman

YORWASTE LIMITED

Independent auditors' report to the members of Yorwaste Limited

Report on the audit of the financial statements

Opinion

In our opinion, Yorwaste Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2022; the Profit and Loss Account, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

YORWASTE LIMITED

Independent auditors' report to the members of Yorwaste Limited (continued)

Reporting on other information (continued)

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit**Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to environmental and health and safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK tax legislation as well as compliance with the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to increase profits through the creation of fictitious sales or manipulation of expenses, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including those charged with governance, inquiring specifically as to whether there was any known or suspected instances of non-compliance with laws and regulations and fraud;
- Review of board minutes;
- Review of legal expenditure in the year to identify potential non-compliance with laws and regulations;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations impacting revenue or expenses;

YORWASTE LIMITED

Independent auditors' report to the members of Yorwaste Limited (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

- Challenging assumptions and judgements made by management in their key accounting estimates, in particular those made in respect of the Restoration and aftercare provision and consideration of the impacts of COVID-19 and rising inflation on going concern; and
- Confirmation and review of the RIDDOR incidents reported in the year and testing of the restoration and aftercare provision.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Mark Dawson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
21 June 2022

YORWASTE LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
TURNOVER	5	37,781,856	33,621,803
Cost of Sales		(34,263,945)	(29,770,741)
		<hr/>	<hr/>
GROSS PROFIT		3,517,911	3,851,062
Administrative Expenses		(1,912,754)	(1,811,570)
		<hr/>	<hr/>
OPERATING PROFIT	6	1,605,157	2,039,492
Interest Receivable and Similar Income	8a	718	3,692
Interest Payable and Similar Expenses	8b	(597,501)	(841,596)
Net Interest Expense		(596,783)	(837,904)
		<hr/>	<hr/>
PROFIT BEFORE TAXATION		1,008,374	1,201,588
Tax on Profit	9	(398,697)	(161,190)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		609,677	1,040,398
		<hr/>	<hr/>

The Company has no recognised other comprehensive income and, therefore, no separate statement of other comprehensive income has been presented.

All of the activities of the company are classed as continuing.

YORWASTE LIMITED**BALANCE SHEET AT 31 MARCH 2022**

	Note	As at 31 March 2022	As at 31 March 2021
		£	£
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	13,921,129	14,595,520
Investments	12	15,000	15,000
		<u>13,936,129</u>	<u>14,610,520</u>
CURRENT ASSETS			
Debtors	13	7,171,631	6,241,826
Investments	14	168,119	168,119
Cash at bank and in hand	26	7,954,928	7,468,707
		<u>15,294,678</u>	<u>13,878,652</u>
CREDITORS : Amounts falling due within one year	16	(6,055,638)	(5,826,878)
		<u>9,239,040</u>	<u>8,051,774</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		23,175,169	22,662,294
CREDITORS : Amounts falling due after more than one year	17	(7,144,325)	(7,633,190)
PROVISIONS FOR OTHER LIABILITIES	18	(7,157,892)	(6,765,829)
		<u>8,872,952</u>	<u>8,263,275</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	20	4,526,000	4,526,000
Retained earnings		4,346,952	3,737,275
		<u>8,872,952</u>	<u>8,263,275</u>
Total Equity		<u>8,872,952</u>	<u>8,263,275</u>

The notes on pages 18 to 39 are an integral part of these Financial Statements.

The Financial Statements on pages 14 to 39 were approved by the Board of Directors at 21 June 2022 and were signed on its behalf by:



Cllr. J Weighell
Chairman and Non-Executive Director
Yorwaste Limited



A Boyle
Managing Director

Company Registration No. 2666908

YORWASTE LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up Share Capital £	Retained Earnings £	Total Equity £
Balance as at 1 April 2020	4,526,000	2,696,877	7,222,877
Profit for the financial year	-	1,040,398	1,040,398
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	1,040,398	1,040,398
	<hr/>	<hr/>	<hr/>
Balance as at 31 March 2021	4,526,000	3,737,275	8,263,275
	<hr/>	<hr/>	<hr/>
Balance as at 1 April 2021	4,526,000	3,737,275	8,263,275
Profit for the financial year	-	609,677	609,677
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	609,677	609,677
	<hr/>	<hr/>	<hr/>
Balance as at 31 March 2022	4,526,000	4,346,952	8,872,952
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

YORWASTE LIMITED**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Net cash from operating activities	21	2,996,826	922,256
Taxation (paid)/received		(210,911)	99,073
		<hr/>	<hr/>
Net cash generated from operating activities		2,785,915	1,021,329
		<hr/>	<hr/>
Cash flow from investing activities			
Purchase of tangible assets		(1,660,296)	(2,112,105)
Proceeds from disposals of tangible assets		172,929	562,946
Interest received		718	3,692
		<hr/>	<hr/>
Net cash used in investing activities		(1,486,649)	(1,545,467)
		<hr/>	<hr/>
Cash flow from financing activities:			
Repayment of obligations under bank loans		(488,865)	(535,070)
Interest paid		(324,180)	(340,386)
		<hr/>	<hr/>
Net cash used in financing activities		(813,045)	(875,456)
		<hr/>	<hr/>
Net increase / (decrease) in cash and cash equivalents		486,221	(1,399,594)
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		7,468,707	8,868,301
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		7,954,928	7,468,707
		<hr/>	<hr/>
Cash and cash equivalents consists of:			
Cash at bank and in hand		7,954,928	6,838,727
Short term deposits		-	629,980
		<hr/>	<hr/>
Cash and cash equivalents		7,954,928	7,468,707
		<hr/> <hr/>	<hr/> <hr/>

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 GENERAL INFORMATION

Yorwaste Limited ("the Company") operates waste management services primarily in the North Yorkshire area or adjacent geographical areas.

The company is a private company limited by shares and is incorporated in England, the UK. The address of its registered office is Mount View, Standard Way, Northallerton, North Yorkshire, England, DL6 2YD.

2 STATEMENT OF COMPLIANCE

The Financial Statements of Yorwaste Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

These Financial Statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of Financial Statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in note 4.

(b) Going Concern

The Company meets its day-to-day working capital requirements through its bank facilities. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities. This assessment has included the impact inflation and the global Covid pandemic on the business, including on its customers, supply chain and workforce and the cost mitigation measures available should there be an impact revenues. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its Financial Statements.

(c) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

- (i) From the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated Financial Statement disclosures of North Yorkshire County Council.
- (ii) From disclosing the Company
- (iii) Key management personnel compensation, as required by FRS 102 paragraph 33.7.
- (iv) From providing a reconciliation of shares outstanding at the beginning and the end of the period.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(d) Foreign currency***(i) Functional and presentation currency*

The Financial Statements are presented in pound sterling.
The Company's functional and presentation currency is the pound sterling.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. The Company has no foreign currency assets or liabilities.

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes.

Landfill Tax is shown in the Profit and Loss account as a separate income and is incorporated as a cost within Cost of Sales.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The Company recognises revenues when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Company retains no continuing involvements or control over the goods; (c) the amount of revenue can be measured reliably and (d) it is probable that future economic benefits will flow to the entity.

(f) Employee benefits

The Company provides a range of benefits to employees, including paid holiday arrangements, defined contribution pension plans and life insurance cover.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the financial year in which the service is received.

(ii) Defined contribution pension plans

The Company operates a number of defined contribution plans for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) *Current Tax*

Current tax is the amount of corporation tax payable or repayable in respect of the taxable profit or loss for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) *Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the Financial Statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in Financial Statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or to the future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

(h) Business combinations and goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Company's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ('CGU's') that are expected to benefit from the combination.

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Business combinations and goodwill (continued)

Goodwill is amortised over its expected useful life. Where the Company is unable to make a reliable estimate of useful life, goodwill is amortised over a period not exceeding 5 years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. Reversals of impairment are recognised when the reasons for the impairment no longer apply.

(j) Tangible assets

Tangible assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

(i) Land and buildings

Land and buildings include freehold and leasehold buildings and offices. Land and buildings are stated at cost less accumulated depreciation and accumulated impairment losses.

(ii) Plant and machinery and fixtures and fittings

Plant and machinery and fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment losses.

(iii) Depreciation and residual values

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line or volume depletion method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- | | |
|-----------------------------------|---|
| • Freehold buildings | - Over periods up to 50 years |
| • Long leasehold property | - Varies according to location and the useful economic life of the site where the land and buildings are located over a period of up to 25 years. |
| • Site life development | - Varies according to location and the useful economic life of the site where the development expenditure has been incurred over a period of up to 25 years. |
| • Plant and machinery | - Varies according to location and the useful economic life of each site |
| • Fixtures and fittings | - 3 - 5 years |
| • Restoration and Aftercare costs | - Varies according to location and the useful economic life of the site where the aftercare and restoration costs will be incurred over a period of up to 35 years. |
| • Motor vehicles | - 5 years |

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

(iv) Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(j) Tangible assets (continued)***(v) Assets in the course of construction*

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

(vi) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating gains'.

(k) Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

(l) Leased assets

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

(i) Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined the Company's incremental borrowing rate is used. Incremental direct costs, incurred in negotiating and arranging the lease, are included in the cost of the asset.

Assets are depreciated in accordance with the depreciation policy in (j) (iii) for the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

(ii) Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

(iii) Lease incentives

Incentives received to enter into a finance lease reduce the fair value of the asset and are included in the calculation of present value of minimum lease payments.

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(m) Impairment of non-financial assets**

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised in the profit and loss account.

(n) Investments in subsidiary

- (i) *Investment in subsidiary company*
Investment in a subsidiary company is held at cost less accumulated impairment losses.

(o) Current asset investments

- (i) *Current asset investments*
Current asset investments are held at cost less accumulated impairment losses.

(p) Inventories

The cost of all stocks and consumables is charged to the profit and loss account in the year of purchase.

(q) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

(r) Provisions and contingencies

- (i) *Provisions*
Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(r) Provisions and contingencies (continued)**

In particular:

- (i) Restructuring provisions are recognised when the Company has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring; and
- (ii) Provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

(ii) Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(s) Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each year financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(t) Financial instruments (continued)**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow Group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn-down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the Financial Statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(u) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Distributions to equity holders

Dividends and other distributions to the Company's shareholders are recognised as a liability in the Financial Statements in the year in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

(w) Related party transactions

The Company discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors, separate disclosure is necessary to understand the effect of the transactions on the Company Financial Statements.

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

4 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Company's accounting policies

- (i) Assessing the length and quantum of the restoration and aftercare liabilities in respect of the landfill sites either previously or currently operated by the Company.
- (ii) Assessing the future cash flows to establish that the business continues to be a going concern.

(b) Key accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

- (i) **Restoration and aftercare provision**
The estimation of these provisions requires judgement on the expected timing of the cash flows related to these liabilities, assessment of the level of costs to be borne over that period and the discount rate to be used, which is currently 2.6%. A change in the discount rate of 1% has an impact of approximately £0.6m
- (ii) **Provisions**
Provision is made for asset retirement obligations, dilapidations and contingencies. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****5 TURNOVER**

	2022 £	2021 £
Analysis of turnover by geography:		
United Kingdom	37,781,856	33,621,803
	<u> </u>	<u> </u>
	2022 £	2021 £
Analysis of turnover by category:		
Waste management services	36,658,178	32,538,745
Power generation	1,123,678	1,083,058
Turnover	37,781,856	33,621,803
	<u> </u>	<u> </u>

6 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2022 £	2021 £
Wages and salaries (including Directors)	7,033,443	6,827,013
Social security costs (including Directors)	634,559	621,638
Other pension costs (including Directors)	272,044	267,658
	<u> </u>	<u> </u>
Staff costs charged to profit and loss	7,940,046	7,716,309
	<u> </u>	<u> </u>
Profit on disposal of tangible assets	(123,702)	(108,096)
Reversal of Impairment of trade receivables	(21,804)	(302,456)
Operating lease charges	1,996,215	1,643,543
Fees payable to the Company's auditors' and their associates for the audit of the Company.	50,854	46,750
Fees payable to the Company's auditors' and their associates for other services:		
- Tax advisory services	10,075	9,780
	<u> </u>	<u> </u>
Total amount payment to the Company's auditors' and their associates	60,929	56,530
	<u> </u>	<u> </u>

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****7 EMPLOYEES AND DIRECTORS****Employees**

The average monthly number of persons (including executive Directors) employed by the Company during the year was:

	2022 Number	2021 Number
Operational	219	216
Administration and central functions	40	44
Non executive directors	<u>3</u>	<u>6</u>
 Total	 <u>262</u>	 <u>266</u>

Directors

The Directors' emoluments were as follows:

	2021 £	2020 £
Aggregate emoluments	<u>153,665</u>	<u>158,041</u>
 Highest paid director	 <u>113,375</u>	 <u>112,751</u>

One Director was a member of the Company's defined contribution scheme.

Included within the above numbers the Company paid pension contributions of £9,975 (2021: £9,251) on behalf of one Director (2021: one) during the year into a defined contribution pension fund.

Directors who are Local Authority Officers and are directly employed by the Shareholders receive no remuneration from the Company. Councillors who are appointed by the Shareholder do receive remuneration from the Company. The value of this remuneration is set by the shareholder and these payments are disclosed in the relevant register of Councillors' interests

8 NET INTEREST EXPENSE**(a) Interest receivable and similar income**

	2022 £	2021 £
Interest on short term deposits	718	2,586
Other interest	-	1,106
 Total interest receivable and similar income	 <u>718</u>	 <u>3,692</u>

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****8 NET INTEREST EXPENSE (continued)**

(b) Interest payable and similar expenses

	2022 £	2021 £
Interest expense on shareholder loans	324,180	339,282
Finance lease interest	-	1,104
Finance charge on provisions	273,321	501,210
	<u> </u>	<u> </u>
Total interest payable and similar expenses	597,501	841,596
	<u> </u>	<u> </u>

(c) Net interest expense

	2022 £	2021 £
Interest receivable and similar income	718	3,692
Interest payable and similar expense	(597,501)	(841,596)
	<u> </u>	<u> </u>
Net interest payable and similar expenses	(596,783)	(837,904)
	<u> </u>	<u> </u>

9 TAX ON PROFIT

(a) Tax (credit) / charge included in profit or loss

	2022 £	2021 £
Current tax:		
- Adjustment in respect of previous years	210,911	(4,304)
	<u> </u>	<u> </u>
Total current tax charge/(credit) for the year	210,911	(4,304)
	<u> </u>	<u> </u>
Deferred tax:		
- Origination and reversal of timing differences	366,364	348,498
- Adjustment in respect of previous years	(178,578)	(183,004)
	<u> </u>	<u> </u>
Total deferred tax	187,786	165,494
	<u> </u>	<u> </u>
Tax on profit	398,697	161,190
	<u> </u>	<u> </u>

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****9 TAX ON PROFIT (continued)****(b) Reconciliation of tax charge**

Tax assessed for the year is higher (2021: lower) than the standard rate of corporation tax in the UK for the year ended 31 March 2022 of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit before tax	1,008,374	1,201,588
Profit before tax multiplied by the standard rate of tax in the UK of 19% (2021: 19%)	191,591	228,302
Effects of:		
- Expenses not deductible for tax purposes	63,256	63,275
- Restoration provision movement	31,660	56,903
- Adjustment in respect of previous years	32,333	(187,290)
Change in Tax Rate	79,857	-
Tax charge for the year	398,697	161,190

(c) Tax rate changes

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements. This increased the tax charge by £79,857 as deferred taxation is recognised at this higher rate.¹

10 INTANGIBLE ASSETS

	Company £
Goodwill:	
Cost:	
At 1 April 2021	3,284,686
Additions	-
Disposals	(3,284,686)
At 31 March 2022	-
Accumulated Amortisation:	
At 1 April 2021	(3,284,686)
Amortisation	-
Disposal	3,284,686
At 31 March 2022	-
Net book value:	
At 31 March 2022	-
At 31 March 2021	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

11 TANGIBLE ASSETS

	Restoration and Aftercare Costs £	Land and Buildings £	Site Life Development £	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Total £
At 31 March 2021							
Cost	19,253,901	14,077,377	17,866,020	560,880	13,084,908	4,371,556	69,214,642
Accumulated depreciation and impairment	(17,304,153)	(8,755,925)	(16,341,522)	(505,785)	(9,396,999)	(2,314,738)	(54,619,122)
Net book amount	1,949,748	5,321,452	1,524,498	55,095	3,687,909	2,056,818	14,595,520
Year ended 31 March 2022							
Opening net book amount	1,949,748	5,321,452	1,524,498	55,095	3,687,909	2,056,818	14,595,520
Additions	108,419	-	-	60,000	1,293,506	306,790	1,768,715
Disposals	-	-	-	(23,014)	(16,240)	(9,973)	(49,227)
Depreciation	(539,888)	(292,925)	(258,246)	(14,627)	(940,018)	(348,175)	(2,393,879)
Closing net book amount	1,518,279	5,028,527	1,266,252	77,454	4,025,157	2,005,460	13,921,129
At 31 March 2022							
Cost	19,362,320	12,563,219	17,866,020	188,602	12,854,977	3,210,290	66,045,428
Accumulated depreciation and impairment	(17,844,041)	(7,534,692)	(16,599,768)	(111,148)	(8,829,820)	(1,204,830)	(52,124,299)
Net book amount	1,518,279	5,028,527	1,266,252	77,454	4,025,157	2,005,460	13,921,129

The net book value of land, included in land and buildings above, comprises:

	2022 £	2021 £
Freehold	335,568	335,568
Carrying amount	335,568	335,568

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****12 INVESTMENTS**

	Total £
Cost:	
At 1 April 2021	15,000
	<hr/>
At 31 March 2022	15,000
	<hr/>
Net Book Value at 31 March 2022	15,000
	<hr/> <hr/>
Net Book Value at 31 March 2021	15,000
	<hr/> <hr/>

The Directors believe that the carrying value of the investments is supported by the underlying net assets.

The £15,000 above relates to Todd Waste Management Group Limited.

The Company has the following investments in subsidiaries and associated undertakings:

Name:	% of Ownership of Ordinary Shares	Country of Incorporation	Principal Activity
Todd Waste Management Group Limited	100%	England	Dormant

The registered office address is the same as the parent Yorwaste Limited.

Yorwaste Limited have adopted the consolidation accounts exemption under s405 where no subsidiary undertaking is required to be included in the consolidation as its inclusion is not material for the purpose of giving a true and fair view.

13 DEBTORS

	2022 £	2021 £
Trade debtors	663,155	866,794
Amounts owed by group undertakings	3,265,492	2,210,358
Other receivables	1,752,548	2,000,010
Corporation tax	70,000	70,000
Other taxation and social security	-	8,051
Prepayments and accrued income	1,420,436	1,086,613
	<hr/>	<hr/>
	7,171,631	6,241,826
	<hr/> <hr/>	<hr/> <hr/>

Trade debtors are stated after provisions for impairment of £42,259 (2021: £68,098).

Amounts owed by group undertakings include amounts due to both NYCC and CYC – these amounts are included separately within Note 24. Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****14 INVESTMENTS**

	2022 £	2021 £
Restricted cash escrow accounts	168,119	168,119
	<u>168,119</u>	<u>168,119</u>

As a condition of granting waste management licences at the Company's West Tanfield and Scorton landfill sites, the Company has had to satisfy the Environment Agency's Financial Provision requirements. This has been done by the setting up of Escrow Accounts. Monies from these accounts cannot be drawn upon without the authority of the Environment Agency.

15 DEFERRED TAX LIABILITY

The provision for deferred tax consists of the following deferred tax liabilities:

	2022 £	2021 £
Restoration provision	(11,458)	4,603
Fixed asset timing differences	737,551	475,732
Tax Losses	(207,249)	(288,455)
Short term timing differences	(186,109)	(46,930)
	<u>332,735</u>	<u>144,950</u>
Deferred tax liability	<u>332,735</u>	<u>144,950</u>

The company has trading losses of £828,997 (2021: £1,518,187) which has been recognised as recoverable and available for offset against trading profits arising in future years. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such deductions are reversed when the probability of future taxable profits improves.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****16 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade creditors	1,019,409	1,060,367
Amounts owed to group undertakings	1,005,054	885,883
Other taxation and social security	363,628	183,727
Other creditors	135,924	133,949
Loans from CYC / NYCC	488,865	488,865
Accruals and deferred income	3,042,758	3,074,087
	<u>6,055,638</u>	<u>5,826,878</u>

Balances owed to Group undertakings are unsecured, interest free and are repayable on demand.

Amounts owed by group undertakings include amounts due to both NYCC and CYC – these amounts are included separately within Note 24.

17 CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Loan from NYCC	5,643,250	6,031,900
Loan from CYC	1,501,075	1,601,290
	<u>7,144,325</u>	<u>7,633,190</u>

Balances owed to Group undertakings are unsecured, interest free and are repayable on demand.

The loans from NYCC and CYC attract interest at a rate of 4% above the Bank of England Base rate. They are repayable within thirteen months' notice of the date of any demand. The Company has granted a second fixed and floating charge over the Company's assets as security for these loans. The Directors confirm that at the date of signing of these Financial Statements that notice has not been served by either NYCC or CYC for repayment of their loans.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****18 PROVISIONS FOR OTHER LIABILITIES**

	2022 £	2021 £
Restoration and Aftercare	5,653,023	5,880,622
Deferred Tax Liability (note 15)	332,735	144,950
Dilapidation costs	1,120,801	663,257
Onerous lease provision	51,333	77,000
	<u>7,157,892</u>	<u>6,765,829</u>
Total Provisions for Liabilities	<u>7,157,892</u>	<u>6,765,829</u>

Restoration and Aftercare Provisions

	Restoration £	Aftercare £	Total £
At 1 April 2021	494,938	5,385,684	5,880,622
Provision revaluation	(8,504)	116,923	108,419
	<u>486,434</u>	<u>5,502,607</u>	<u>5,989,041</u>
Discount Unwind (Note 8b)	12,983	260,338	273,321
Expenditure incurred	(112,460)	(496,879)	(609,339)
	<u>386,957</u>	<u>5,266,066</u>	<u>5,653,023</u>
At 31 March 2022	<u>386,957</u>	<u>5,266,066</u>	<u>5,653,023</u>

The Restoration and Aftercare provisions relate to amounts payable in respect of the restoration of maintenance of sites at the end of their useful lives.

The restoration provision is expected to be expended in the next 3 years whilst the aftercare will be expended over the next 35 years.

Restoration and Aftercare of Landfill Sites

The restoration and aftercare provisions relate to amounts payable in respect of the restoration and maintenance of sites, at the end of their useful lives to ensure the Company complies with Environmental Permits.

Dilapidations Provision

As part of the Company's property leasing arrangements there is an obligation to repair damages which incur during the life of the lease, such as wear and tear. The cost is charged to profit and loss as the obligation arises.

Onerous lease provision

Where leasehold properties become vacant, the group provides for all costs, net of anticipated income, to the end of the lease or the anticipated date of the disposal or sublease. This provision relates to Kiplin Hall which has been held as a strategic reserve and is now surplus to the group's requirements. The provision is expected to be utilised over the life of the related lease to 2023.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****19 FINANCIAL INSTRUMENTS**

The Company has the following financial instruments:

	Notes	2022 £	2021 £
Financial assets that are debt instruments measured at amortised cost			
- Trade debtors	13	663,155	866,794
- Amounts owed by group undertakings	13	3,265,492	2,210,358
- Other receivables	13	1,752,548	2,000,010
- Investments	14	168,119	168,119
		<u>5,849,314</u>	<u>5,245,281</u>
Financial liabilities measured at amortised cost			
- Senior loans	16/17	7,633,190	8,122,055
- Trade creditors	16	1,019,409	1,060,367
- Amounts owed to group undertakings	16	1,005,054	885,883
- Other creditors	16/17	499,552	317,676
		<u>10,157,205</u>	<u>10,385,981</u>

20 CALLED UP SHARE CAPITAL

	Number	£
Ordinary shares of £1 each Allotted and fully paid		
At 31 March 2021	4,526,000	4,526,000
At 31 March 2022	<u>4,526,000</u>	<u>4,526,000</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****21 NOTES TO THE CASH FLOW STATEMENT**

	2022 £	2021 £	
Profit for the financial year	609,677	1,040,398	
Adjustments for:			
Tax on profit	398,697	161,190	
Net interest expense	596,783	837,904	
	<hr/>	<hr/>	
Operating profit	1,605,157	2,039,492	
Depreciation of tangible assets	2,393,879	2,425,365	
Profit on disposal of tangible assets	(123,702)	(108,096)	
Movements in other provisions less payments	(388,374)	(830,675)	
Working capital movements:			
- (Increase)/Decrease in debtors	(929,805)	3,481,079	
- Increase/(Decrease) in payables	439,671	(6,084,909)	
	<hr/>	<hr/>	
Net cash from operating activities	2,996,826	922,256	
	<hr/>	<hr/>	
Analysis of changes in net debt			
	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Senior loans	(8,122,055)	488,865	(7,633,190)
Finance leases	-	-	-
Cash and cash equivalents			
Cash at bank and in hand	6,838,727	1,116,201	7,954,928
Short term deposits	629,980	(629,980)	-
	<hr/>	<hr/>	<hr/>
Total	(653,348)	975,086	321,738
	<hr/>	<hr/>	<hr/>

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****22 CONTINGENT LIABILITIES**

Yorwaste Limited has counter indemnified bonds required by the Environment Agency and customers to the sum of £4,692,111 (2021: £4,508,523) which has been provided on its behalf by Svenska Handelsbanken. To secure this Svenska Handelsbanken have been granted a debenture over the Company's assets.

23 CAPITAL AND OTHER COMMITMENTS

At 31 March, the Company had the following capital commitments:

	2022 £	2021 £
Contracts for future capital expenditure not provided in the Financial Statements – Property, plant and equipment.	636,886	590,699

The Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods.

	2022 £	2021 £
Payments due:		
Not later than one year	1,650,451	1,763,408
Later than one year and not later than five years	3,522,171	4,951,904
More than 5 years	3,046,190	3,190,223

The Company had no other off-balance sheet arrangements.

24 RELATED PARTY TRANSACTIONS

Yorwaste Limited has contracted with its principal shareholder, North Yorkshire County Council to provide waste management services. These services are negotiated on an arm's length basis.

The total value of services provided in the year was £27,540,787 (2021: £25,895,392) and, as at 31 March 2022, the trading debtor balance outstanding was £2,406,944 (2021: £1,722,145).

In addition, North Yorkshire County Council provided services to Yorwaste Limited totalling £6,159,105 (2021: £6,307,709) of which £633,078 (2021: £471,036) was outstanding to be paid as at 31 March 2022.

Yorwaste Limited has contracted with its minority shareholder, City of York Council, to provide waste management services to City of York Council. Contracted prices are negotiated on an arm's length commercial basis.

The total value of services provided in the year including landfill tax was £4,419,886 (2021: £4,461,850) and, as at 31 March 2022, the debtor balance outstanding was £858,548 (2021: £488,865).

In addition, City of York Council provided services to Yorwaste Limited totalling £1,437,632 (2021: £945,099) of which £216,147 (2021: £158,912) was outstanding to be paid as at 31 March 2022.

Interest was payable on the North Yorkshire County Council and City of York Council loans as disclosed in Note 8.

Veritau Limited a jointly owned subsidiary of North Yorkshire County Council and City of York Council provided internal audit services of £5,540 in the year (2021: £7,734) of which £6,648 (2021: £6,456) was outstanding to be paid as at 31 March 2022.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)****24 RELATED PARTY TRANSACTIONS (continued)**

First North Law a fully owned subsidiary of North Yorkshire County Council provided legal services of £23,700 in the year (2021: £3,985) of which £nil (2021: £nil) was outstanding to be paid as at 31 March 2022.

25 CONTROLLING PARTY

The ultimate parent undertaking and controlling party is North Yorkshire County Council, the Company's majority shareholder. North Yorkshire County Council heads the largest and smallest groups to consolidate these financial statements. Copies of the financial statements of North Yorkshire County Council are available from County Hall, Northallerton, North Yorkshire, England, DL7 8AH.

26 CASH AT BANK AND IN HAND

	2022	2021
	£	£
Cash and cash equivalents		
Cash at bank and in hand	7,954,928	6,838,727
Short term deposits	-	629,980
	<hr/>	<hr/>
Total	7,954,928	7,468,707



31 October 2022

Shareholder Committee

Veritau Limited Business Update

Introduction

1. As Members will be aware, Veritau Limited is a local authority shared service company jointly owned by the City of York Council and North Yorkshire County Council. The company, together with its two subsidiary companies (Veritau North Yorkshire Limited, and Veritau Tees Valley Limited, both part-owned by other Councils) collectively form the Veritau Group, delivering services and shareholder value to the member Councils.
2. The Veritau Group has 9 member Councils, but also provides services to many multi-academy trusts and schools, housing associations and other public sector organisations, offering a range of assurance services, including internal audit, counter fraud, risk management, and information governance.

Finance and Performance Update

3. Since the last meeting of the Shareholder Committee on 15 June 2022, the Group has continued to grow its business, including the addition of its first charity client. On the staffing side of the business, the Group has promoted three individuals to be new assistant directors, and two trainees have become full officers. The Group also continues to recruit new trainees, with a recruitment exercise currently 'live'.
4. The financial position of the Group has strengthened somewhat over last year's performance, although the impact of pay and other inflation means a likely 'break-even' position by year end is currently anticipated.
5. The Group has also retained its IIP accreditation, and has launched a new eLearning platform, with two courses already available, and more in development. The Group has also refreshed its business objectives for

2022/23 to include a commitment to ensuring the delivery of the business in an environmentally sustainable manner.

6. Full details of the Group's update can be found at Annex 1 to this report.

Recommendations

7. That the Shareholder Committee notes the Veritau Limited Business Update.

8. Implications

Financial

None directly arising from this report.

Human Resources (HR)

None directly arising from this report.

Equalities

None directly arising from this report.

Legal

None directly arising from this report.

Crime and Disorder, Information Technology and Property

None directly arising from this report.

Author responsible for the report:

Bryn Roberts, Director of Governance, City of York Council

Max Thomas
Veritau Chief Executive
max.thomas@veritau.co.uk

Report Approved **Date** 20 October 2022

Wards Affected: *List wards or tick box to indicate all* **All**

For further information please contact the author of the report

Appendix

Annex 1 - Veritau Limited Business Update 31 October 2022

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CITY OF YORK COUNCIL SHAREHOLDER COMMITTEE

31 October 2022

Veritau Limited Business Update

Introduction

- 1 Veritau Limited is a local authority shared service company jointly owned by the City of York Council (CYC) and North Yorkshire County Council (NYCC). The company was established in 2009. The company has two subsidiary companies, Veritau North Yorkshire Limited and Veritau Tees Valley Limited, which are part owned by other councils. Together the companies form the Veritau Group.
- 2 The wider Veritau Group has 9 member councils but also provides services to a large number of multi-academy trusts and schools, housing associations and other public sector organisations. The group employs approximately 80 professional staff and offers a range of assurance services, including internal audit, counter fraud, risk management, and information governance. The majority of these services are delivered to organisations in the Yorkshire and Teesside regions although the group has clients across the United Kingdom.
- 3 Veritau delivers shareholder value to its member councils through:
 - economies of scale resulting in lower unit costs
 - increased efficiencies and flexibility – standard working practices ensure there is less duplication of effort and best practice is more easily shared
 - improved access to specialist resources (for example data analytics, risk management and counter fraud specialists) that would otherwise not be available to a small in-house team
 - increased resilience and the ability to accommodate changes in workload because of the larger pool of staff available
 - improved service continuity and less reliance on key members of staff for service delivery
 - the ability to invest in new technologies and working practices

Finance and Performance Update

- 4 Since the last meeting of the Shareholder Committee on 15 June 2022, the Group has continued to gain contracts to provide internal audit and data protection services to schools and other public sector organisations. We have also gained our first charity client.
- 5 During the period, 3 'aspiring managers' have progressed to become assistant directors and 2 trainee information governance officers have completed their professional qualifications and progressed to be officers. Across all our services we have also recruited another 5 new trainees. A further recruitment exercise is currently underway.

2021/22 Financial Statements

- 6 The audit of the 2021/22 accounts has now been completed. The operating results for the Group (excluding accounting and pension adjustments and before tax) were:

	2021/22	2020/21
	£ (k)	£ (k)
Turnover	2,830	2,601
Cost of sales	(2,472)	(2,408)
Gross profit	<u>358</u>	<u>193</u>
Other income	5	2
Overheads	(241)	(212)
Net profit/(loss) before tax	<u>122</u>	<u>(17)</u>

- 7 A copy of the 2021/22 financial statements for Veritau Limited are attached as confidential **appendix 1** for information.

2022/23 Management Accounts

- 8 The Group management accounts for the 6 month period to 30 September are attached for information as confidential **appendix 2**. The management accounts include a forecast to the year end.

- 9 Whilst DPO and other external fee income is projected to be higher than expected the final 2022/23 pay award is more than we budgeted for (the average increase is 6.35% compared to 3%). The Group is therefore expected to only breakeven this year.

Other service developments

- 10 The Group has retained its Investors in People accreditation. We have also launched our new eLearning platform for school clients. The platform offers schools access to a suite of data protection eLearning courses. Further courses are currently being developed.

Procurement

- 11 As previously reported, the majority of the Group's expenditure is employee related, and support services (for example, IT, legal, HR and payroll) are mostly provided by our member councils. Procurement activity is therefore limited. Any goods and services which are bought-in are procured in accordance with the Group's contract procedure rules.

Sustainability

- 12 The Group's business objectives have been updated for 2022/23 to include a specific commitment to ensure the business is delivered in an environmentally sustainable manner. This commitment is underpinned by our environment and sustainability policy.
- 13 The Group has also moved to a hybrid working model as a way to reduce travel and hence our carbon footprint. We are currently working towards achieving Good Business Charter status. As part of this we have made changes to our pay scale to ensure all grades are above the Real Living Wage rate.

Recommendations

- 14 That the shareholder committee notes the Group's performance since the last business update report.

Appendices (Confidential)

Appendix 1 – 2021/22 Veritau Group financial statements

Appendix 2 – 2022/23 Veritau Group management accounts
(quarter 2)

Further Information

Contact: Max Thomas – Chief Executive

max.thomas@veritau.co.uk

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

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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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Shareholder Committee**30 October 2022**

Report of the Head of HR and OD

City of York Trading Ltd Update**Purpose of Report**

1. To note the Company's statutory accounts for 2021/22 provided as **Annex A**
2. To consider the City of York Trading Ltd Performance Update October 2022 provided as confidential **Annex B**. The performance update is private due to the commercial sensitivities.
3. To note the City of York Trading Ltd Procurement Policy Statement provided as **Annex C**, Carbon Reduction Plan, provided as **Annex D** and Sustainability Policy Statement provided as **Annex E**.

Recommendations

4. Note the statutory accounts for City of York Trading Ltd for the financial year 2021/22 attached at **Annex A** to this report.

Reason: To ensure the Council is updated on the financial status of City of York Trading Ltd.

5. Note the confidential Performance Update from City of York's Trading Ltd attached at **Annex B** to this report.

Reason: To ensure the Council is updated on the performance of City of York Trading Ltd.

6. Note the Procurement Policy Statement attached at **Annex C** to this report, Carbon Reduction Plan attached at **Annex D** to this report and Sustainability Policy Statement attached at **Annex E** to this report from City of York Trading Ltd.

Reason: To ensure the Council is updated on the policies and plans of City of York Trading Ltd.

Background and analysis

7. City of York Trading Ltd (trading as WorkwithYork, WorkwithSchools and WorkwithYorkshire “the Company”) was formed in 2011 with the intention of supplying temporary staff to the Council, to local schools and permanent and temporary staff to other outside organisations.
8. Through the Company, the Council makes a cost saving compared to the cost of agency staff on the open market, and is also able to secure staff to cover hard-to-fill roles where permanent recruitment is challenging.
9. In addition, the payment of an annual dividend from the Company’s overall profits is designed to assist the Council’s financial position.

Key Company Matters 2022/23:-

10. The Company’s Board of Directors is unchanged since 15 June 2022 report to Shareholders and continues to meet monthly to consider monthly financial and performance reports and discuss strategy going forward.
11. The Company’s statutory accounts for 2021/22 are attached – there is a minor adjustment for 2021/22 and a re-statement for 2020/21 both resulting from valuation changes in obligations under a defined benefit pension scheme (of which three of the Company’s twenty staff are members). These accounts have been approved by the Company’s Board and will shortly be filed. The Board will consider the Shareholder’s dividend at October’s meeting.
12. Key Performance Indicators are monitored on weekly and monthly basis.
13. Marketing activities continue, including utilisation of the Company’s websites and social media channels.
14. The Company appointed two new members of staff in October 2022, a trainee recruitment consultant to assist with WorkwithYork’s temporary recruitment for the Council, and an experienced recruiter to grow the Company’s commercial business, WorkwithYorkshire.

Procurement

15. The Company’s main procurement is staff for clients including CYC. Owing to the nature of the Company’s business, other procurement is relatively modest by comparison and the Company’s Procurement Policy Statement at **Annex C**

reflects this, setting out general principles to incorporate social, environmental and ethical considerations as well as value for money in procuring goods and services locally and sustainably wherever possible, utilising SME's and treating suppliers fairly and ethically. Having been recently approved by the CYT Board, this Policy Statement will shortly be published on the Company's websites, with links in email footers of those members of the Company's staff who deal with suppliers and procurement.

Sustainability

16. The Company, through its WorkwithSchools brand, is a Crown Commercial Service (CCS) Supplier, and as such has recently submitted to the CCS (and had approved) a Carbon Reduction Plan, attached at **Annex D** and published on the WorkwithSchools website. The 2022 Plan is based on emissions in 2021/22 and is subject to annual review, renewal and approval. With a recent move to a larger office, the Company has accepted that in the short term its emissions are likely to have increased, but is working to plan for future reductions and mitigations, and is committed to achieving carbon net zero by 2050 at the latest.
17. The Company has registered for assistance and advice from the partnership between the Sustainable Business: Leadership, Innovation and Management Programme at the University of York and the York and North Yorkshire Local Enterprise Partnership.
18. Alongside this Carbon Reduction Plan, the Company also has a Sustainability Policy Statement attached at **Annex E**, setting out a triple bottom line approach – environmental, social and financial. This Policy Statement has recently been approved by the Company's Board and will shortly be circulated to staff, posted on the Company's websites with links on email footers to candidates, clients and suppliers.
19. The Company is in discussion with Membership Support at the Good Business Charter to explore how it may be able to secure membership – discussions have taken place regarding the Living Wage and which staff form part of the application. The Company is waiting for formal advice on this before submitting an application.

Risk Management

20. There are no specific risk issues arising from this report.

Implications

21. There are no financial, legal, HR, equalities, crime and disorder, information technology, property or other implications arising from this report.

Author:	Chief Officer responsible for the report:			
Karen Bull, MD CYT Ltd	Debbie Mitchell Chief Finance Officer			
Helen Whiting Head of HR and OD helen.whiting@york.gov.uk	Report Approved	Y	Date	19/10/2022
Wards Affected:				All
For further information please contact the author of the report				

Annexes:

Annex A – CYT Statutory Accounts 2021/2022

Annex B– CYT Performance Update October 2022 **CONFIDENTIAL**

Annex C - City of York Trading Ltd Procurement Policy Statement

Annex D - City of York Trading Ltd Carbon Reduction Plan

Annex E – City of York Trading Ltd Sustainability Policy Statement

Company registration number 07852072 (England and Wales)

CITY OF YORK TRADING LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
PAGES FOR FILING WITH REGISTRAR

CITY OF YORK TRADING LIMITED**CONTENTS**

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Statement of changes in equity	2
Notes to the financial statements	3 - 13

CITY OF YORK TRADING LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022		2021 as restated	
		£	£	£	£
Fixed assets					
Intangible assets	3		-		4,500
Tangible assets	4		-		3,655
					8,155
Current assets					
Debtors	5	1,314,959		1,021,195	
Cash at bank and in hand		1,681,489		1,410,089	
		2,996,448		2,431,284	
Creditors: amounts falling due within one year	6	(1,348,445)		(1,141,332)	
Net current assets			1,648,003		1,289,952
Total assets less current liabilities			1,648,003		1,298,107
Provisions for liabilities	7		(108,000)		(138,000)
Net assets			1,540,003		1,160,107
Capital and reserves					
Called up share capital	8		1		1
Profit and loss reserves			1,540,002		1,160,106
Total equity			1,540,003		1,160,107

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 30/09/22 and are signed on its behalf by:



Ms K Bull
Director

Company Registration No. 07852072

CITY OF YORK TRADING LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 31 March 2021:				
Balance at 1 April 2020		1	1,193,214	1,193,215
Year ended 31 March 2021:				
Profit for the year		-	99,592	99,592
Other comprehensive income:				
Actuarial gains on defined benefit plans		-	(28,000)	(28,000)
Tax relating to other comprehensive income		-	5,300	5,300
Total comprehensive income for the year		-	76,892	76,892
Dividends		-	(110,000)	(110,000)
Balance at 31 March 2021		1	1,160,106	1,160,107
Year ended 31 March 2022:				
Profit for the year		-	392,896	392,896
Other comprehensive income:				
Actuarial gains on defined benefit plans		-	56,000	56,000
Tax relating to other comprehensive income		-	(14,000)	(14,000)
Total comprehensive income for the year		-	434,896	434,896
Dividends		-	(55,000)	(55,000)
Balance at 31 March 2022		1	1,540,002	1,540,003

CITY OF YORK TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2022**

1 Accounting policies**Company information**

City of York Trading Limited is a private company limited by shares incorporated in England and Wales. The registered office is West Offices, Station Rise, York, North Yorkshire, YO1 6GA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

The turnover shown in the profit and loss account represents amounts due for services performed during the period, exclusive of Value Added Tax.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Cut off for revenue is week ending 3 April 2022 in respect of recognising sales and associated staff costs.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of business combinations over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33% straight line
--------------------------------	-------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of employees (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Total	14	17

The above figures do not include workers on a temporary payroll.

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3	Intangible fixed assets	Goodwill £	
	Cost		
	At 1 April 2021 and 31 March 2022		32,405
	Amortisation and impairment		
	At 1 April 2021		27,905
	Amortisation charged for the year		4,500
	At 31 March 2022		32,405
	Carrying amount		
	At 31 March 2022		-
	At 31 March 2021		4,500
			4,500
4	Tangible fixed assets	Plant and machinery etc £	
	Cost		
	At 1 April 2021 and 31 March 2022		74,585
	Depreciation and impairment		
	At 1 April 2021		70,930
	Depreciation charged in the year		3,655
	At 31 March 2022		74,585
	Carrying amount		
	At 31 March 2022		-
	At 31 March 2021		3,655
			3,655
5	Debtors	2022	2021
	Amounts falling due within one year:	£	£
	Trade debtors	34,906	983,199
	Other debtors	1,250,881	11,349
		1,285,787	994,548
	Deferred tax asset	29,172	26,647
		1,314,959	1,021,195

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	300,232	275,062
Corporation tax	97,033	25,929
Other taxation and social security	510,867	608,765
Other creditors	440,313	231,576
	<u>1,348,445</u>	<u>1,141,332</u>

7 Retirement benefit schemes	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	95,438	78,135
	<u>95,438</u>	<u>78,135</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Defined benefit schemes

The company operates a defined benefit scheme for qualifying employees administered by North Yorkshire County Council. The local government pension scheme is a defined benefit scheme based on final pensionable salary.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out at 31 March 2019 by Aon. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

<i>Key assumptions</i>	2022	2021
	%	%
Discount rate	2.7	2.10
Expected rate of increase of pensions in payment	3	2.7
Expected rate of salary increases	4.25	3.95
	<u>4.25</u>	<u>3.95</u>
 <i>Mortality assumptions</i>	 2022	 2021
Assumed life expectations on retirement at age 65:	Years	Years
Retiring today		
- Males	21.8	21.9
- Females	23.9	24.0
	<u>23.9</u>	<u>24.0</u>
Retiring in 20 years		
- Males	23.5	23.6
- Females	25.7	25.8
	<u>25.7</u>	<u>25.8</u>

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Retirement benefit schemes	(Continued)	
	2022	2021
	£	£
<i>Amounts recognised in the profit and loss account</i>		
Current service cost	43,000	32,000
Net interest on net defined benefit liability/(asset)	2,000	2,000
	<u>45,000</u>	<u>34,000</u>
	<u>45,000</u>	<u>34,000</u>
<i>Amounts taken to other comprehensive income</i>		
	2022	2021
	£	£
Actual return on scheme assets	(12,000)	(124,000)
Less: calculated interest element	13,000	11,000
	<u>1,000</u>	<u>(113,000)</u>
Return on scheme assets excluding interest income	1,000	(113,000)
Actuarial changes related to obligations	(57,000)	141,000
	<u>(56,000)</u>	<u>28,000</u>
	<u>(56,000)</u>	<u>28,000</u>
The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:		
	2022	2021
	£	£
Present value of defined benefit obligations	736,000	740,000
Fair value of plan assets	(628,000)	(602,000)
	<u>108,000</u>	<u>138,000</u>
Deficit in scheme	<u>108,000</u>	<u>138,000</u>
	<u>108,000</u>	<u>138,000</u>
<i>Movements in the present value of defined benefit obligations</i>		
		2022
		£
Liabilities at 1 April 2021		740,000
Current service cost		43,000
Benefits paid		(11,000)
Contributions from scheme members		6,000
Actuarial gains and losses		(57,000)
Interest cost		15,000
		<u>736,000</u>
At 31 March 2022		<u>736,000</u>

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Retirement benefit schemes (Continued)

	2022 £
<i>The defined benefit obligations arise from plans funded as follows:</i>	
Wholly unfunded obligations	-
Wholly or partly funded obligations	736,000
	<u>736,000</u>

	2022 £
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 April 2021	602,000
Interest income	13,000
Return on plan assets (excluding amounts included in net interest)	(1,000)
Benefits paid	(11,000)
Contributions by the employer	19,000
Contributions by scheme members	6,000
At 31 March 2022	<u>628,000</u>

The actual return on plan assets was £12,000 (2021 - £124,000).

	2022 £	2021 £
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	350,000	348,000
Debt instruments	154,000	110,000
Property	46,000	37,000
Other	78,000	107,000
	<u>628,000</u>	<u>602,000</u>

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Called up share capital

	2022	2021	2022	2021
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary shares of £1 each	1	1	1	1

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.
The senior statutory auditor was Daniel Sowden.
The auditor was BHP LLP.

10 Related party transactions

Transactions with related parties

The company was controlled by The City of York Council ("CYC") who owned 100% of the share capital throughout the period.

During the year the company made sales to, and purchases from CYC, the sole shareholder of the company. The sales to CYC in the year totalled £9,989,941 (2021: £8,303,842) with purchases of £53,552 (2021: £56,459). At the 31 March 2022 there is a balance owed to CYC of £27,667 (2021: £22,175) and a balance due from CYC of £1,064,567 (2021: £900,272).

During the year dividends of £55,000 (2021: £110,000) were paid to CYC.

11 Prior period adjustment

Changes to the balance sheet

	As previously reported	Adjustment at 1 Apr 2020	Adjustment at 31 Mar 2021	As restated at 31 Mar 2021
	£	£	£	£
Current assets				
Debtors due within one year	994,975	18,100	8,120	1,021,195
Provisions for liabilities				
Pension obligations	-	(95,000)	(43,000)	(138,000)
Net assets	1,271,887	(76,900)	(34,880)	1,160,107
Capital and reserves				
Profit and loss reserves	1,271,886	(76,900)	(34,880)	1,160,106

CITY OF YORK TRADING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Prior period adjustment (Continued)

Changes to the profit and loss account

	As previously reported	Adjustment	As restated
Period ended 31 March 2021	£	£	£
Administrative expenses	(661,228)	(13,000)	(674,228)
Interest payable and similar expenses	-	(2,000)	(2,000)
Taxation	(29,199)	2,820	(26,379)
Profit for the financial period	111,772	(12,180)	99,592

Reconciliation of changes in equity

	1 April 2020	31 March 2021
	£	£
Adjustments to prior year		
Current service costs	-	(13,000)
Interest on defined benefit scheme	-	(2,000)
Deferred tax movement	-	2,820
Deficit on defined benefit scheme	(95,000)	(95,000)
Deferred tax on defined benefit scheme	18,100	18,100
Actuarial loss	-	(28,000)
Deferred tax on actuarial loss	-	5,300
Total adjustments	(76,900)	(111,780)
Equity as previously reported	1,270,115	1,271,887
Equity as adjusted	1,193,215	1,160,107
Analysis of the effect upon equity		
Profit and loss reserves	(76,900)	(34,880)

Reconciliation of changes in profit for the previous financial period

	2021 £
Adjustments to prior year	
Current service costs	(13,000)
Interest on defined benefit scheme	(2,000)
Deferred tax movement	2,820
Total adjustments	(12,180)
Profit as previously reported	111,772
Profit as adjusted	99,592

CITY OF YORK TRADING LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*****FOR THE YEAR ENDED 31 MARCH 2022***

11 Prior period adjustment**(Continued)****Notes to reconciliation****Defined benefit pension scheme**

During the course of the preparation of the financial statements, it was noted that certain employees are members of a defined benefit scheme administered by North Yorkshire Pension Fund. A prior year adjustment has been done to bring in the deficit position in relation to the company's position as a member of the scheme.

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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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City of York Trading Ltd

Procurement Policy Statement

Introduction

City of York Trading Ltd seeks excellence in every aspect of its business and is committed to minimise the social, environmental and ethical impacts of its supply chain whilst ensuring the delivery of quality and value for money. We will work with its suppliers, clients and staff to achieve this.

We spend approximately £1.5 million annually on the procurement of goods and services and our purchases range from second tier staff, office equipment and supplies, to energy.

Our policy is to seek the purchase of goods and services that minimise negative and enhance positive impacts on the environment and society whilst meeting our business requirements, and incorporating social, environmental and ethical considerations into purchasing decisions we hope to make a positive contribution to the environment and society.

Planning

When planning procurement we will:

1. Use processes that are proportionate to the size, complexity and risks involved;
2. Ensure we have up to date knowledge about the market;
3. Involve prospective suppliers early in the process to explain our need;
4. Ensure we have approval aligned with our financial delegation requirements (at least in principle) before sourcing.
5. Only buy what we really need and ensure that the level of quality we specify is good enough to do the job over time but not better than we need.
6. Eliminate unnecessary spend and remove waste.

Sourcing

When we buy goods/services/works, we will:

7. For spend under £1000 buy direct from a suitable (and ideally local) supplier
8. For spend over £1000 obtain quotes from three suppliers, to including our existing local suppliers if they can meet requirements and other suppliers (local if feasible) who do not have prior experience of working us but have the necessary expertise;
9. Choose suppliers that have demonstrated their ability to meet our requirements and offer the best value-for-money over the lifetime of the goods/services/works, taking into account:
 - The suppliers' ability to deliver what we need at a fair price and on time
 - The social, environmental and economic effects of the deal
10. Use standard REC templates as contract documents where appropriate
11. Have an approved agreement in place before the supplier starts delivering goods/services/works.



Supplier management

To get the best from our suppliers, we will:

12. Be clear about what we require and how we will judge success
13. Recognise suppliers for delivering great results
14. Work with suppliers to make on-going savings and improvements on both sides.
15. Treat them fairly and with respect
16. Be consistent, transparent, fair and accountable in the way we work
17. Give sufficient response time for our requests
18. Protect their commercially sensitive information and intellectual property
19. Pay invoices promptly.

Legality and Ethics

Throughout our procurement activities we will:

20. Carry out planning, processes and decisions in line with good practice
21. Document/manage conflicts of interest and risks
22. Act lawfully, ethically and responsibly.

Roles and responsibilities

The company's managers are responsible for:

23. Managing their department's purchasing requirements up to £1000
24. Ensuring their staff apply our procurement policy and procedures.

The company's Managing Director is responsible for all purchases over £1000 and can assist with lower value purchases on request.

The company's Managing Director is responsible for drafting and approving contracts.

All staff are responsible for applying our procurement policy and procedures.

Related documents

This policy statement should be read and interpreted in conjunction with the company's other policies and procedures, including but not limited to :-

- City of York Trading Ltd's delegated financial authority requirements.
- City of York Trading Ltd's Code of Ethics
- City of York Trading Ltd's Standards of Conduct Policy
- City of York Trading Ltd's Declaration of Interest Policy
- City of York Trading Ltd's Gifts and Hospitality Policy
- City of York Trading Ltd's Equal Opportunities and Diversity Policy



Carbon Reduction Plan

Supplier name: City of York Trading Ltd t/a WorkwithSchools

Publication date: 30th September 2022.

Commitment to achieving Net Zero

City of York Trading Ltd t/a WorkwithSchools is committed to achieving Net Zero emissions by 2050

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2021

Additional Details relating to the Baseline Emissions calculations.

This is the first year of emissions to be reported by the company and is also used as the current emissions year – it relates to the last complete financial year.

In 2021 the Company was based in a serviced office at Kings Court, York which was part of a larger business centre type building. Scope 1 emissions do not apply to this office as the landlord controlled all boilers and recharged costs as part of the rent/service charge.

However, staff also worked from home during the year, and a staff survey was conducted to establish both scope 1, 2 and 3 emissions.

Of 18 staff surveyed, 3 used gas central heating whilst working from home – scope 1 emissions have been calculated using an average of three days working from home each week and using gas heating for an average six hours per day for four months of the year (137).

The company owns no vehicles.

Electricity was separately metered, so Scope 2 emissions have been calculated for Kings Court (706) from bills received, and also for staff working from home, 2 of whom used electrical heaters an average of three days working from home each week, for an average six hours per day for 16 weeks of the year (183) and all of whom used IT equipment running/lighting costs for an average of three days working from home each week, and for an average seven and a half hours per day for 46 weeks of the year (396) .

Scope 3 emissions relate entirely to staff travel to work (as a recruiter, we do not produce or transport good, or generate waste other than standard rubbish)– in 2021 staff travelled to work an average of 2 days each week. From the staff survey, 6 staff either walked or cycled to work



(with zero emissions), two worked permanently a home (zero) and the other ten arrived by a mix of bus (0.66), train (0.71) and car (4.68)

As a small recruiter (with a staff team of just 18) we have used the Carbon Trust SME Carbon Footprint Calculator to work out emissions related to gas and electricity and calculator.carbonfootprint.com to calculate those relating to transport for commuting.

Baseline year emissions:

EMISSIONS	TOTAL (tCO₂e)
Scope 1	137
Scope 2	1285
Scope 3 (Included Sources)	Employee commuting 6.05
Total Emissions	1428.05

Current Emissions Reporting

Reporting Year: 2021	
EMISSIONS	TOTAL (tCO₂e)
Scope 1	137
Scope 2	1285
Scope 3 (Included Sources)	Employee commuting 6.05
Total Emissions	1428.05



Emissions reduction targets

In the short term our carbon emissions are likely to increase, as in the summer of 2022, the company relocated from our serviced office at Kings Court, to a whole refurbished building at 29 Castlegate, York. Staff are also now working in the office 3 days rather than just two on average each week (with working from home days 2 on average). Once we have been able to measure emissions from this new working arrangement, we will be able to adopt targets based on this new setting.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2021 baseline:

The Castlegate building to which we have recently relocated has:-

- LED lighting throughout
- a new gas boiler and thermostatic radiator valves
- new energy efficient fridges
- replacement windows have meant insulation of a higher standard than at Kings Court.

To date we have not received a bill for this property so are not able to quantify the effect of these measures

We have provided staff with fleeces/hoodies in corporate colours, so they can wear these at work instead of turning on the heating on autumn/spring days

In the future we hope to implement further measures such as:

- We are exploring a salary sacrifice cycle to work scheme
- We have ordered a mains fed chilled water dispenser to reduce single use plastic bottles
- We plan to explore tree planting schemes, working with partners, clients and the wider community



Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:

A handwritten signature in black ink, appearing to read 'KBull', with a horizontal line extending to the right.

Karen Bull, Managing Director, City of York Trading Ltd

Date: 30th September 2022



City of York Trading Ltd Sustainability Policy Statement

Introduction

City of York Trading Ltd recognise that sustainability is becoming a key issue for business and society at large, and that many current industrial, economic and social systems risk storing up future problems.

City of York Trading Ltd are therefore committed to looking forwards, to a new and better way of doing things, and will practice a triple bottom line approach to sustainability:-

- Environmental – helping to reduce environmental damage to levels which can be absorbed by nature
- Social – helping to develop a healthy and fair local and global society
- Financial – creating a sustainable business model as part of a stable prosperous economy.

Environmental

City of York Trading Ltd are committed to achieving carbon net zero by 2050 and have a CCS approved Carbon Reduction Plan reviewed annually.

We are working towards Good Business Charter member status.

1. We operate a city centre office, within easy reach of local and national transport services and with nearby cycle parking. We encourage our staff to use public transport, cycle or walk to work where feasible, and are investigating setting up salary sacrifice schemes for bicycles. We don't operate any company vehicles at present but our business plan does provide for future purchase/hire of an electric vehicle for necessary work related journeys.
2. All office lights are LED and energy efficient, though for much of the year the building is well-lit by natural light so it is not always necessary to turn these on. Our gas heaters and boilers are new and regularly serviced, radiators and other heaters are fitted with adjustable thermostatic controls, boilers, tanks and pipes are well insulated and we do not have air conditioning.
3. We aim to seek green energy suppliers for our utilities, once the current contracts arranged by our landlord come to an end in 2023.
4. We use office printers and computers and will work with our IT providers to reduce any wasted energy used by this equipment overnight. Our fridges are new, energy efficient and cleared weekly, and we do not run freezers.



5. We bulk purchase office consumables and cleaning products from local suppliers where possible to minimise packaging and transport costs. We will work with these suppliers to source the most environmentally friendly options once existing stocks have been used up.
6. We try to re-use existing materials when feasible, and freecycle unwanted but good condition items. We sort and recycle as much of our waste as possible and have recycling bins across all floors of our office.
7. We encourage our staff and visitors to use re-usable crockery, rather than disposable items, and have arranged to have a mains-fed water chiller installed in the office, to avoid the need for single use plastic water bottles.
8. Our recruitment services are deliverable with no physical goods, manufacture or transport. Most of our clients are based locally, so staff placed with them are also able to commute by public transport/bike or foot. Where feasible we work with more remote clients to arrange lift-sharing between staff to reduce the number of car journeys made to each workplace.

Social

9. We value our staff team and aim to provide them with the skills necessary for them to undertake their work efficiently and effectively, in a friendly and pleasant working environment, where staff are given the opportunities necessary to develop and perform to their full potential.
10. We support our staff to obtain industry standard sector specific qualifications (and give paid study time). We have regular formal and informal whole staff, team and 1:1 meetings and arrange staff social events both in and out of the office.
11. We pay good basic salaries (which are reviewed annually) and our staff are part of an incentive based system that gives them a "stake" in the success of the company, so are eligible for commission and profit related pay.
12. We operate hybrid working between the office and home, which enables staff to maintain a good work-life balance, and allows them to fit work around other important aspects of their lives.
13. We are a dog-friendly office and encourage staff to bring in their *well-behaved* dogs if they wish.
14. We value the temporary agency staff who we recruit to work for our clients. We treat them fairly and ethically, with transparent pay rates, holiday pay calculated on an average of their own pay, workplace pensions and weekly pay.
15. We organise regular training and social events for our temporary staff, and also larger events, such as our Shining Stars Awards – which celebrates the contribution that temporary staff make to our clients workplaces. We aim to keep staff who want to work on an agency basis for us moving from one client assignment to the next, giving them decent and sustainable temporary work opportunities.



16. We provide a consultative, professional and highly responsive recruitment service to a range of public, private and third sector organisations and aim to be the first choice for permanent and temporary recruitment, by being approachable, listening actively and being ethical. In line with this approach, we aim to develop further high quality customer focussed and responsive relationships with ethical organisations who treat their staff well.
17. We use other employment agencies to support us with staffing hard-to-fill roles, though the preference would be to stimulate the local economy, we accept that for some more specialist needs we currently have to look further afield.
18. We are a company that values social investment and considers the impact it can make on local communities by 'giving back', in the form of a social dividend, to organisations that help support and improve employment opportunities. We regularly support local charities and other organisations working with disadvantaged groups, including with donations, fundraising activities, events and by sharing our skills for the benefit of the people they support.
19. We comply with all equal opportunities laws and regulations and in the last two years have reported a negative mean gender pay gap (with women paid slightly more than men) and very small median gender pay gap (with men paid just 1% more).

Financial

20. We aim to provide our clients with a service which is affordable and represents value for money.
21. We will maintain and build strong brands to provide an appropriate and sustainable level of profitability and return to our shareholder
22. We will utilise appropriate business systems so that that our company runs effectively, is properly managed and subject to appropriate governance arrangements.
23. Where appropriate, we will control costs using hybrid working and virtual interviewing and other modern communication technologies.
24. We will avoid ethical liabilities by implementing our social and environmental sustainability policies.
25. We have no current debt, and will aim to minimise future debt and other financial liabilities.
26. We aim to invest in other sustainable businessness to help encourage the growth of a larger sustainable company with the potential to deliver efficiencies and economies of scale which can then be reinvested in improved service delivery, support to our shareholders and the local economy, providing a diverse and long-term future for the company.

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Shareholder Committee

31 October 2022

Report of the Strategic Services Manager (Customer and Communities)

Make It York Update

Purpose of Report

1. To consider reports from Make It York (MIY) on the company's financial performance since the last report in March 2022. Included within the report is a copy of the audited annual accounts for 2021/22 and an update of financial and non-financial performance for the trading period April to September 2022. It also includes an update on the governance and seeks to appoint three new non-executive directors.

Recommendations

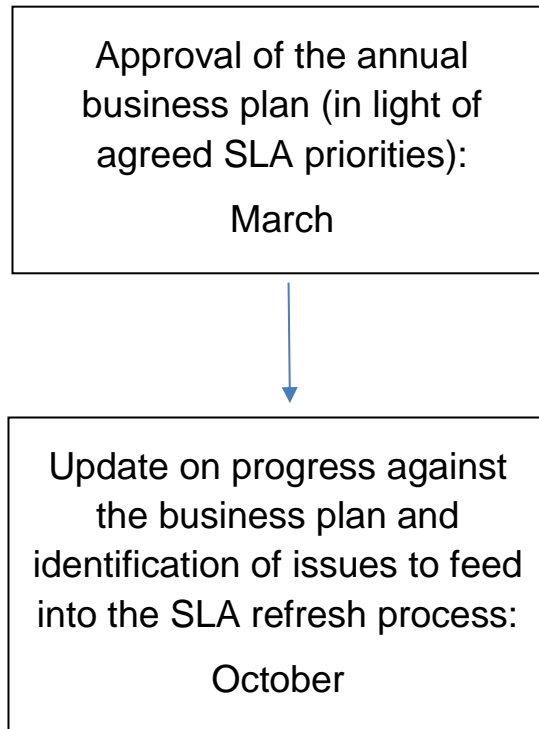
2. The committee is asked to note the Make It York Update report at Annex C (including appendices 1 to 6) of this report.
3. To approve the appointment of three new non-executive directors, whose personal profiles are attached at confidential Appendix 2 of the Make It York Update Report.

Reason: To ensure the Council is updated on the financial performance of Make It York and its governance.

Background

4. In May 2022, the Council's Executive agreed to enter into a new three-year contract with MIY. A new service specification (or SLA as it is often informally referred to) was negotiated between the Council and the MIY board (see Annex A) laid out under four main headings:
 - **The Economy:** promoting York as a business location through all of MIY's activity
 - **Visitor Economy:** covering destination management and tourism sector development
 - **City Centre:** covering markets, city centre vibrancy and commercial events
 - **Culture:** focusing on driving the Culture Strategy, major events and the UNESCO Creative City designation

5. The Service Specification sets out key deliverables, outcomes by which performance will be measured, and detailed delivery tasks.
6. Executive agreed that MIY should report to the Shareholder Committee twice a year as follows:



7. MIY's approved business plan, reflecting the priorities set out in the current SLA, is attached at Annex B and was seen at the March 2022 shareholder committee.
8. MIY also provide the Council each quarter a narrative report which is attached at Annex C, appendix 1 for information.

Financial update

9. The audited accounts for 2021/22 are shown in Annex C, appendix 3 and highlight MIY as a going concern, with a recorded loss of £44,648 in the year ending 30 March 2022.
10. For the year 2022-23 MIY previous forecasting in March 2022 was for a loss by the end of 2022/23 of £24k, however this position has worsened due a number of factors and risen to a forecast loss of £64k by 30 March 2023. MIY have taken some cost control measures to address some of the pressure but are having to report this increasing pressure.

11. MIY have worked closely with officers to monitor the company's ongoing financial position. Financial reports (confidential) provide a summary of the company's current financial position as part of the main report as well as a forecast position for 2023-24 which does report a profit of £97k.
12. The shareholder committee can be reassured that officers will continue to work closely with MIY to monitor the financial position.

Risk Management

13. There are no specific risk issues arising from this report beyond those highlighted in the text.

Implications

14. There are no additional legal, HR, equalities, crime and disorder, information technology, property or other implications arising from this report.

Author:	Chief Officer responsible for the report:			
Andrew Laslett Strategic Services Manager (Customer and Communities) andrew.laslett@york.gov.uk	Pauline Stuchfield Director of Customer and Communities			
	Report Approved	✓	Date	18.10.22.
Wards Affected: All				
For further information please contact the author of the report				

Annexes

- A. The Service Specification (SLA)
- B. Make It York Business Plan 2022-2025
- C. Make It York Update Report with appendices:
 - Appendix 1 – MIY Quarterly Narrative Report May - July 22
 - Appendix 2 – Confidential; Proposed non-executive directors
 - Appendix 3 - 2021/22 Audited Accounts
 - Appendix 4 – Confidential; Summary profit & loss sheet as at 30 Sept 22
 - Appendix 5 – Confidential; Balance Sheet as at 30 Sept 22
 - Appendix 6 – Confidential; Cashflow forecast 2022-23 as at 30 Sept 22
 - Appendix 7 – Confidential: Summary Profit & Loss

Abbreviations

MIY – Make It York

SLA – Service Level Agreement

Schedule 1

The Specification

Part 1- Objectives

The following are objectives to be achieved by Make It York as a *Teckal Company*, for the purposes of public and procurement law in the United Kingdom, through the provision of the Services:

- (a) contribute to the stronger co-ordination and promotion of the city of York's profile and cultural offer taking every opportunity to articulate York's brand position, regionally, nationally and internationally;
- (b) work towards increasing the value of the visitor economy through promoting innovation and higher quality in the existing offer, encouraging high value visitor economy investment and attracting higher spending visitors;
- (c) nurture new cultural ideas and initiatives;
- (d) create entrepreneurial partnerships to bring projects to life, reducing duplication and displacement of private sector activity in the fields that Make It York works in;
- (e) generate income from activities to support the delivery of the business plan and these Objectives; and
- (f) work with the Council and other partners to attract funding to support and enhance the delivery of the activities set out below.

Part 2- Service Specific Requirements

1 General

- 1.1 Develop and deliver agreed initiatives and programmes within the remit of the areas set out in this agreement that further the Council's strategic priorities. These initiatives and programmes will further articulate York's narrative, fill identified gaps in provision not addressed by other providers and must not duplicate or displace other existing or potential provision.
- 1.2 Develop a detailed annual business plan for Make It York, liaising with the Council to ensure that all activities are consistent with the Council's priorities (the "**Business Plan**").
- 1.3 Provide regular and timely advice for Council senior managers as required on remits relevant to these Service Specific Requirements and summarising what has been submitted in a quarterly narrative report.
- 1.4 Represent York on operational working groups relevant to these Service Specific Requirements as agreed with the Council.
- 1.5 Undertake research and business intelligence required in order to successfully fulfil the obligations set out in these Service Specific Requirements.
- 1.6 Ensure coherent local communications and press releases that further articulate the narrative, in alignment with the Council's Marketing & Communications Team.
- 1.7 Work co-operatively in areas where the Council or commissioned partners remain the lead organisation responsible, but the remit is overlapping with these Service Specific Requirements.
- 1.8 Make business cases to the Council, in writing, for activities, initiatives or investment proposals that are not currently part of the SLA where Make It York considers they would support the Objectives set out in Part 1 of this Schedule, and would add to or enhance these Service Specific Requirements set out here.
- 1.9 Collect relevant data, including user feedback, to evidence performance against the Objectives set out above, and the Outcomes set out below, as well as these Service Specific Requirements.

2 Economic Development

- 2.1 Though Make It York is not expected to provide specific resource for economic development activity, it will play an important role in promoting York as a business location through all its activity and in particular in its marketing activities.

2.2 Make it York will work with the Council to signpost businesses and inward investors to a 'single front door' approach within the Council for businesses and start-up, to make it easy for all businesses to access this front door and to *promote a positive business* environment in York through supporting and developing appropriate networks and other initiatives.

3 **Visitor Economy**

3.1 Key Deliverables:

- *Destination Management Organisation* – promotion of York as a leisure and business visitor destination; running the Visit York membership scheme; liaison with LEP, Visit Britain, Welcome to Yorkshire, etc. to make the most of all available support and contribute to national and regional marketing initiatives.
- *Tourism sector development* – working with tourism sector businesses to increase their productivity and help them become even better employers; provision of sector intelligence through a monthly report.
- *Tourism Advisory Board (“TAB”)* – Convene the TAB as a representative body for all those involved in the tourism sector, and contribute to the development of a new Tourism Strategy.

3.2 **Outcomes** (to be set or confirmed in Tourism Strategy)

- (a) *Destination Management Organisation* – increase in visitor numbers and hotel occupancy and room count to be specified in Tourism strategy and agreed by the TAB; aim for growth in Visit York membership of 2% year on year in post pandemic York;
- (b) *Tourism sector development* – Aim for 5% Gross Value Added (“**GVA**”) increase shown in the Office of National Statistics (“**ONS**”) Local Authority Level Statistics across 3 years of agreement if practical when taking into account and fully understanding the impact of the pandemic;
- (c) *TAB* – TAB to meet actively each month (12 meetings per annum); and
- (d) *Aim to increase average visitor spend by 5% above RPI* – Base figure to be set once the impact of the pandemic is fully understood.

*Detailed delivery: Destination Management Organisation (“**DMO**”)*

3.3 Leading on leisure marketing of York, working with Welcome to Yorkshire, national and regional bodies to make the most of York’s offer and attract visitors to the city.

- 3.4 Maintain and develop Visit York as a membership body supporting and developing the tourism sector.
- 3.5 Work with the visitor economy sector, Welcome to Yorkshire, the York Business Improvement District (“**BID**”) and other partners to ensure that a quality product is offered to both visitors AND residents, and that it is accessible and welcoming to all.
- 3.6 Encourage all York residents to enjoy the tourism and cultural offer of York including year round promotion and targeted residents’ events.

Detailed delivery: Tourism sector development

- 3.7 Work with tourism sector businesses to increase their productivity and help them become even better employers, paying decent wages and offering flexible employment, by promoting the adoption of the Good Business Charter. Facilitate cross-sector work to improve York centre as a destination for business, visitors and residents including:-
- (a) leading on approaches to maximise private-sector led investment into city centre improvement; and
 - (b) working with the Council and with businesses to stimulate a stronger evening economy.
- 3.8 Attract new business tourism to the city by providing a clear and effective process for responding to conference enquiries with high quality response and support, and working proactively to attract new enquiries appropriate to the city.

Detailed delivery: TAB

- 3.9 Convene and facilitate a TAB for York, which brings together a diverse range of stakeholders in the sector and has an independent chair.
- 3.10 Take a lead in the development and delivery of a tourism strategy as part of the city’s new Economic Strategy.

4 **City Centre, Events and Markets**

4.1 *Key Deliverables:*

- *Markets* – Day-to-day management of the Shambles Market; operation of the Market Charter on behalf of the city; in consultation with the Council, development of a new Markets Strategy; supporting new retailers to trade.
- *City Centre vibrancy* – Contributing expertise, ideas and experiences to the

MyCityCentre Project, which will set the city centre strategy; working with city centre landlords, including those distant from York if they can be found, to ensure they are invested in the city.

- *Commercial events* – Keeping the city centre relevant and enticing by curating a programme of public events in the footstreets; running commercial events such as the Christmas market in a safe and sustainable manner, to generate commercial opportunities for local businesses and generate surplus for investment in the economy.

4.2 **Outcomes (to be set or confirmed in City Centre Strategy)**

- (a) *Markets* – 5% year on year growth in surplus from Shambles Market with a commitment from the Council to support measures taken to achieve this; Year 1 creation and adoption by the Council's Executive of a Markets Strategy leading to delivery as specified in that strategy; Year 2 onwards independent evaluation of customer sentiment to be undertaken.
- (b) *City Centre Vibrancy* – to aim to help bring tenants to vacant city centre premises as a direct result of Make It York's engagement; serious involvement by Make It York's staff and/or board of directors in MyCityCentre engagement and workshop sessions
- (c) *Commercial events* – Minimum of £500,000 generated each year through commercial events for investment (distribution to be outlined by MIY in subsequent year's business plan); Year 2 onwards independent evaluation of customer sentiment to be undertaken.

Detailed delivery: Markets

- 4.3 Operate the Shambles Market and facilitate a Market Traders' Forum.
- 4.4 Develop a new Markets Strategy for York which includes considering how best to use the powers in the Market Charter to support inclusive growth across the city.
- 4.5 Work with traders and other stakeholders to develop the market business plan in order to maximise its financial performance and continue to develop the offer.
- 4.6 Operate York's market charter on behalf of the Council (in line with the Markets Policy at Appendix 1).
- 4.7 Maintain and update as necessary the Market Regulations (in consultation with the traders). The current Market Regulations are set out at Appendix 2.

Detailed delivery: City centre vibrancy

- 4.8 Make proposals to the Council for any new ideas for commercial exploitation of the Footstreets, Eye of York and Tower Gardens.
- 4.9 Contributing expertise, ideas and experiences to the MyCityCentre Project which will set the city centre strategy.
- 4.10 Contribute to the Council's Retail Strategy, and join with the BID, Retail Forum, Indie York and others to attempt to attract appropriate new retail operators to the city.
- 4.11 Create a high-profile calendar of city centre festivals, activities and events ensuring that partners such as the BID are enabled to contribute. Identify times when new events would add value to the York experience and work on filling these gaps.
- 4.12 Promote the events calendar through all appropriate means including through highly visible city centre information.

Detailed delivery: Commercial Events

- 4.13 Run safe and sustainable commercial events, including specialist markets, to generate surplus for investment.
- 4.14 Maintain an up-to-date, comprehensive and publicly accessible overall list of events happening across York.
- 4.15 Provide a toolkit to allow event organisers to self-serve including guidance on event management and highlighting where permissions would be required.
- 4.16 Manage all enquiries from any individual or organisation requiring support / guidance with regard to putting on an event in York in the first instance
- 4.17 If a proposed event falls within the Footstreets, Tower Gardens or the Eye of York:
 - (a) recommend whether to permit the event;
 - (b) take responsibility for ensuring that the event organiser complies with all safety and other legal requirements in the planning and delivery of the event, including referring the event to the Council's Safety Advisory Group.
 - (c) provide any appropriate management or other support to the event organiser
- 4.18 If the proposed event is on land other than the Footstreets, Tower Gardens or the Eye of York determine whether the event falls within Make It York's remit and objectives, and if so:

- (a) seek relevant Council approvals to proceed;
 - (b) provide appropriate management or other support to the event organiser; and
 - (c) if not, sign post the event organiser to web-based and other information resources as appropriate.
- 4.19 Work within relevant laws and regulations that exist and ensure compliance with all licenses and permissions associated with particular sites at all times.

5 Culture

5.1 Key Deliverables:

- *Culture Strategy* – An ambitious and cohesive programme of cultural development for the city covering the arts, heritage and creative industries.
- *Events Framework* – A city wide Events Framework consistent with the aims of the cultural strategy that enables the city proactively to identify the events that it wishes to host and attract and also enables the Council to respond in an informed way when opportunities are brought forward.
- *UNESCO designation* – Ensure the people of York understand and appreciate the importance of York’s UNESCO Creative City of Media Arts status and maximise its impact.

5.2 Outcomes:

- (a) *Culture Strategy* – By end of Year 1: Cultural Leaders Group (“**CLG**”) Executive structure in place (timing to be subject to the views of and input from the CLG Strategy Steering Group) . Action and funding plans for the strategy established and agreed.
- (b) *Events Framework* – By end of Year 1: Research undertaken on cost/benefit analysis as well as relevant infrastructure issues. By end of Year 2: Strategy in place following stakeholder consultation and adoption by the Council.
- (c) *UNESCO Designation* – By end of Year 1: Stakeholder arrangements in place for i) helping to steer the designation, and ii) to involve wider city stakeholders in maximising the benefit of the designation. Year 2: submission of 2022 report meeting UNESCO requirements and widely owned plan with ambitious objectives for the next 4 years.

Detailed delivery: Culture Strategy

- 5.3 Drive an ambitious and cohesive programme of cultural development for the city covering the arts, heritage and creative industries
- 5.4 Work with the CLG to lead on the development and evaluation of the Culture Strategy, ensuring full engagement with other city strategies and plans, including the Local Plan, Skills, Tourism, Events, and Economic Strategy.
- 5.5 Deliver/commission events both for the creative sector and for others, e.g. Culture Awards or equivalent that are profile raising, increase collaboration and demonstrate best practice.
- 5.6 Convene and support the CLG as the strategy “owners”, providing the secretariat and driving the agenda, resourcing the partnership and co-chairing alongside an elected cultural leader.
- 5.7 Develop a sustainable independent executive structure and constitution for the CLG.
- 5.8 Receive regular strategic advice from the both the cultural and creative sectors maintaining appropriate liaison arrangements to inform the Make It York board of directors and to steer the company’s plans.
- 5.9 Maintain positive and comprehensive relationships with national and regional strategic support bodies.
- 5.10 Put together the necessary partnerships to make funding bids to deliver the Culture Strategy.
- 5.11 Advise and support cultural providers with regard to new initiatives liaising with the council as appropriate.

Detailed delivery: Events Framework

- 5.12 Work with business, visitor economy and cultural sectors in developing the Framework to ensure its fit with wider city strategies / objectives.
- 5.13 Bring the Framework to the Council for approval, and put in place systems to evaluate the success of the Framework.
- 5.14 Take the initiative in building coalitions and partnerships for specific initiatives to fill identified gaps in product e.g. to deliver the York Mystery Plays.
- 5.15 Engage businesses and visitors in mass participation sporting events commissioned by the Council.

- 5.16 When the need arises, take a lead in supporting cultural events of strategic significance e.g. Rugby League World Cup 2021.

Detailed delivery: UNESCO designation

- 5.17 Support the Guild of Media Arts as the focal point for UNESCO City of Media Arts designation by facilitating and undertaking activities that maximise the potential benefits of York's UNESCO designation and ensure sustained development in line with the Four Year Monitoring Report and Plan of 2018.
- 5.18 Work with UNESCO Focal Point – the Guild of Media Arts – and the Council to deliver 2018-22 UNESCO Creative City objectives.
- 5.19 Support the focal point to convene wider stakeholder groups in the city to maximise the impact of the designation to the city.
- 5.20 Communicate regularly with the creative sector e.g. through mailings and social media.
- 5.21 Promote the creative sector through media channels highlighting York's profile as a creative city.
- 5.22 Monitor and evaluate progress leading to the 2022 Report to UNESCO.
- 5.23 Support the Focal Point to collaborate with UK Creative Cities and other designations, UK UNESCO Commission, Media Arts Network, and Creative Cities Network.
- 5.24 Promote the designation within the city, e.g. through the BID, Retail and Hospitality Forums.

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Make It York

Business Plan
2022 - 2025

Introduction

Photo by Ravage Productions



Greg Dyke
Chair

I first came to York in my twenties to study at The University of York. Forty years later, I became the Chancellor of the same University, a role I undertook for eleven very special years. I share this now as Make It York looks to enhance its collaboration with the city's higher education sector. Indeed, with approximately 40,000 students and more than 5,000 members of staff, the city's universities and colleges have a significant impact on York and its economy.

As a city, York has a long history to be proud of; our walls and cobbled streets are well

walked; we have brilliant museums and plans to develop others; we have world class culture and events and an appetite to do more, and we have a city centre with a difference with our markets and a large number of independent retailers. As a city we are also known for our ideas and creativity, along with being the UK's first and only UNESCO Creative City of Media Arts.

We want York to be a city of investment and opportunity, of commerce and tourism, not only for visitors, but for the benefit of the 200,000+ people who live, work and play in the city on a daily basis.

As an organisation Make it York is not complacent. We will learn from other cities in Europe and further afield; we will continue to work together with our partners and stakeholders; we do plan to further develop a 365-day place which is vibrant, respected and of which we can all be proud.



Sarah Loftus
Managing Director

When I joined Make It York as Managing Director in November 2021, I was overwhelmed by the volume of people who thanked me for the tireless work that Make It York undertook throughout the pandemic. York residents and business owners are proud of their City and I would therefore like to offer my heartfelt thanks to our 800+ members for not only making me feel so welcome, but for the way you all adapted to ensure that York remained open for business throughout the last two years and inspired such a strong recovery.

Now that we have the green light to open the city without restrictions (at the time of writing), we look forward to working in partnership with York BID, as well as the city's attractions, accommodation providers and hospitality venues to build back even better.

Despite ongoing challenges such as rising energy costs, difficulties in attracting staff and supply chain uncertainties, Make It York pledges to work tirelessly to make York stronger by promoting the city to local, national and international audiences, as well as providing an unforgettable Yorkshire welcome and experience for all residents and visitors to this great city.

Our first Make It York business plan demonstrates that we mean business and we are proudly focused on what we aim to deliver for this city. We have developed a clear and commercially viable plan, while at the same time accepting the commercial risk associated with focusing more closely on cultural and eco-tourism, as well as including more resident-focused activity in our marketing and event plans.

We know that we are predicting a short-term loss in 2022/23, but we have made the decision to retain a physical visitor information centre in the centre of York, unlike most other UK cities who have permanently closed the doors of their information centres in favour of an online presence. We are committed to keeping our doors open and striving to retain the 'York Welcome' – people will always come first in this city.

We will reach far and wide to support our members by continuing to invest in great experiences that we know residents and visitors enjoy, whilst also being 'thought leaders' as the visitor economy adapts to the post-Covid age. We will encourage visitors to stay longer, take the lead on the city's new tourism strategy and produce our first markets strategy to protect and sustain our unique offering. We will work in partnership wherever possible, encourage sustainable practices and view both York residents and students as valuable participants in our future activities.

Our Vision

We want our residents to be proud to live here

Make It York will contribute by:

- Creating incredible events that our communities love
- Developing our dynamic and engaging cultural and arts scene
- Ensuring our city centre is attractive and befitting of our city's heritage

We want more businesses to prosper here

Make It York will contribute by:

- Supporting local businesses with advice and information
- Building strategic partnerships locally, nationally and globally
- Attracting and retaining the right investment and talent for the city

We want more people to come here to visit

Make It York will contribute by:

- Making York famous as a first-class destination for leisure, business and study
- Creating unrivalled experiences for visitors across the city
- Supporting local businesses who help make this happen

We will use data, evidence and smart technology to help businesses make the right decisions, as well as to attract visitors and new investors.

We will draw on the expertise of a talented team of Make It York staff, with local, national and international experience, and an influential Board of Directors including local Councillors, business leaders and city stakeholders.

We will work strategically to identify and support areas that are important to the city's future; the needs of York are always changing and that's why we are always improving our services to meet the City's evolving demands.

OUR PRIORITIES 2022-2025

CREATING A STRONG AND EFFECTIVE ORGANISATION

Photo by Ravage Productions

MAKE IT YORK COMPANY VALUES

VALUES	BEHAVIOURS
ENTREPRENEURIAL	<p>We will champion new ways of working</p> <p>We will deliver great results</p> <p>We will always be improving</p>
COLLABORATIVE	<p>We will work in partnership</p> <p>We will share our resources</p> <p>We will support our teams</p>
RESPONSIBLE	<p>We will put customers first</p> <p>We will do what we say</p> <p>We will be true to our City</p>
AMBITIOUS	<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>

MAKE IT YORK BUSINESS PRIORITIES

We will:

- Ensure all our policies and procedures are up to date.
- Improve our financial and budget management procedures, so we spend our resources more effectively to do more with less.
- Tender our audit/external accounting services in 2022.
- Review our finance systems and identify a better platform in 2022.
- Implement a clear tendering and commissioning process that is open and transparent and gets value for the City.
- Hold one awards ceremony to celebrate the successes of our tourism, hospitality and culture sectors.
- Develop and implement a set of measures to evaluate our performance that will include an annual membership survey.
- Develop 3 new activities that will diversify our business model to ensure our financial stability, e.g. reviewing our digital offering, Tap and Give and expansion of the successful York Pass scheme.
- Achieve Good Business Charter status.
- Evaluate all our events through impact assessments.

MEASURING OUR SUCCESS

We will measure our success by:

- Carrying out an annual 'member' survey.
- Hosting monthly member events.
- Monitoring PR, media and social media coverage.
- Presenting performance reports to the MIY Board.
- Producing Quarterly Narrative reports for City of York Council.
- Increasing the number of members engaged in activities.
- Increasing the number and quality of events and activations.



St Nicholas Fair 2021
Photo credit Gareth Buddo

OUR PRIORITIES 2022-2025

PIONEERING YORK AS THE BEST TOURISM CITY IN THE UK

Photo by Charlotte Graham

"One of the reasons I love Visit York is the help and support which I receive from the whole team – you are always my 'Go-To' choice in the first instance and you have never let me down. I have been a member of Visit York for almost 17 years now and have always shouted from the roof tops about how good the organisation is, and how essential it is to York as a whole – businesses, tourists and residents alike. One of the reasons I renew my membership year after year is because I know Visit York will be there to hold my hand when I lose my way or things get tough – this last year has been a test of that, with you and your fellow colleagues coming through with help and advice every time! Please could I trouble you to pass on my thanks to all, and I wish everyone a very successful year ahead, together with many more to come."

Susan Kitchener
York Luxury Holidays



Visit York Tourism Award Winners 2022

DESTINATION MANAGEMENT PRIORITIES 2022-2025

We will:

- Promote York as a leisure, business and visitor destination, by partnering with VisitEngland and VisitBritain, overall ensuring York is included in leading international, regional and national marketing initiatives with the aim of increasing visitor spend in the City by 5% above the Retail Index-Base figure by 2025.
- Continue to develop and grow our Visit York membership scheme, increasing our membership by 2% year on year and maintaining our retention rate at 94%.
- Work with the Tourism Sector to increase 5% GVA growth in the sector by 2025 by maximising private sector led investment into the City Centre, building a strong evening economy (incorporating York's Purple Flag status) and attracting new tourism into the city.
- Develop and support the Tourism Advisory Board leading on, contributing to and implementing, the development of a new Tourism Strategy.
- Manage a Visitor Information Service which celebrates the "York Welcome".
- Attract new business tourism to the city by providing a clear and effective process for responding to conference enquiries with high quality support and work proactively to attract new enquiries appropriate to the city.
- Pioneering new ways of managing tourism, cultural tourism and eco-tourism, to ensure sustainable growth

DESTINATION MANAGEMENT ACTIVITY 2022-2023

We will:

- Grow our Membership back to 2018/2019 levels.
- Increase followers, impressions and engagement on our Visit York social media channels by 5% year-on-year throughout 2022/23. For context, at the time of writing Visit York has a total of 132,619 followers across Facebook, Twitter and Instagram and we achieve in excess of 1 million impressions and 50,000 engagements per calendar month (current record stands at 1.7 million impressions and 74k engagements in December 2021).
- Increase footfall, occupancy, average length of stay and the overall value of the visitor economy by developing seasonal domestic leisure marketing campaigns aimed at the local, regional and national UK markets with campaign partners from across the sector, as well as pushing 'York and beyond' with twin centre break packages.
- Build on the success of York's domestic marketing campaign activity over the last 12 months by targeting international markets. We are looking to mirror the chosen VisitBritain overseas markets, initially concentrating on North America and Europe and then starting to refocus on the longer haul Asian markets as they re-emerge. To return international visitation into York to pre-pandemic levels (3.87% of overall visitation) by the end of 2023 whilst maintaining domestic visitation. Measured by monthly visitor surveys and biennial economic impact modelling.
- Grow our press coverage value and reach by 5% year-on-year throughout 2022/23, as measured by our KANTAR media monitoring platform.
- Hold 12 member training and networking events across the year.
- Measure our effectiveness by monthly visitor surveys and biennial economic impact modelling.

OUR PRIORITIES 2022-2025



Pop-Up Patio, York Theatre Royal, Summer 2020
Photograph by Karen Boyes. © York Citizens' Theatre Trust

CREATING HISTORY EVERYDAY THROUGH OUR EVENTS, FESTIVALS AND MARKETS

'Despite having only been Visit York members for a short period, we have found that the opportunities available to us have already made it well worth it. We have experienced increased traffic into our shop and onto our website, and have loved getting to know other local businesses too. The marketing opportunities in particular have been extremely useful to us as a new business!'

Tom Calvert
Chief Executive Officer, Avorium

"Events experience is undoubtedly one of Make It York's strengths. Staff are a font of knowledge, they can advise on health and safety, support with licensing and planning proposals and help to transform our idea into a successful city centre event. Over time, THOR'S has grown into a national, much-loved brand – whose roots belong in York. And ultimately without Make It York's trust in our offer and ability to deliver, we wouldn't be here today."

Amanda Monaghan
Director, Thor's Events



York Ice Trail 2022
Photo by Charlotte Graham



EVENTS, FESTIVALS & MARKETS PRIORITIES 2022-2025

We will:

- Manage the Shambles Market by operating the City's Market Charter and supporting existing and new market retailers to bring even more vibrancy to the Market. We will trial speciality markets within the Shambles Market to help grow the diversity and use of the area for local people.
- Lead on developing York's first Market Strategy for the whole of York, ensuring York is leading the way on Market development and sustainability.
- Enhance the City Centre vibrancy by creating new experiences in the City Centre for residents and visitors alike, as well as helping to attract new tenants and businesses to fill vacant city centre premises. Maximising the use of the footstreets, Eye of York and Tower Gardens by creating and promoting a high-profile calendar of events and festivals which add value to the York Experience.
- Develop and enhance the commercial event offerings in the City Centre, including, St Nicholas Christmas Fair, Summer in the City, York Halloween etc. and as a result generate investment in and for the City. We will provide clear and transparent procedures for running City Events and providing appropriate management and support, to ensure all events are held within current laws, regulations and health and safety guidance.
- Support and encourage a variety of free events for residents and visitors to enjoy, including trails, Residents' Festivals and community and voluntary activations.
- Help enable third party events including The Festival of Ideas, The Viking Festival and York Mystery Plays to thrive.
- To help secure value for money and promote fair and transparent procurement, we will develop and utilise a tender process to award major contracts to suppliers.

EVENTS, FESTIVALS & MARKETS ACTIVITY 2022-2023

We will:

- Manage the Shambles Market more effectively in line with the City's Market Charter on behalf of the City of York Council.
- Develop the first Markets Strategy for the City by December 2022.
- Introduce a series of night and specialist markets in the Shambles Market area during the year.
- Deliver five commercial events including the Christmas Market, summer and autumn event including Halloween, Easter and an Arts Trail.
- Assist and support approximately 12 major third party events in a regular non-Covid year, by curating space for events and producing marketing campaigns.
- Curate a year-round programme of public events, catering to peak and off-peak times of the year to encourage seasonality, and create a high-quality, vibrant and attractive city offer that will provide a consistent and uplifting experience for residents and visitors.
- Add resident engagement opportunities to all our events.
- Make our events examples of best practice, to increase quality and where possible, create more sustainable events.
- Promote and implement our new event booking system.
- Develop and design a new programme of events to maximise the spaces we manage.
- Develop a plan for the footstreets we manage.
- Invest £45k into the Christmas Lights provision for the City whilst exploring enhanced sponsorship opportunities.
- Develop an Event Framework to inform York's major events and help shape the future direction of world class City bids, such as the Rugby League World Cup.
- Create an overarching Events Strategy, drawing on the Culture Strategy, City Narrative and Tourism Strategy, and other major local strategies.
- Invest in events monitoring and evaluation.
- Transfer back West Bank, Rowntree, Rawcliffe Country and Hull Road Parks to City of York Council.

OUR PRIORITIES 2022-2025

MAKING CULTURE ACCESSIBLE TO ALL

"The Arts Council believes that everyone, irrespective of age or background, should have access to arts and culture as both participants and audiences. By embedding arts and culture at the heart of key elements across the city such as regeneration development, children and young people, talent development and retention, residents' wellbeing and tourism, York's Culture Strategy aligns with the vision of Let's Create, our ten year strategy for 2020-2030. I look forward to seeing how York Culture develops and impacts on the lives of the local community and visitors to the city."

Darren Henley,
Chief Executive of Arts Council England



York Mystery Plays – The Creation and Fall of the Angels
Photo by Kippa Matthews. © York Mystery Plays



Kelly Richardson for York Mediale
Photo by Charlotte Graham © York Mediale

CULTURE AND WELLBEING PRIORITIES 2022-2025

We will:

- Develop, promote and manage the City's Culture Strategy, York's Creative Future, 2020 – 25. by working with partners to deliver an ambitious and cohesive range of programmes. Promoting the culture and creative sector through media channels, policy work, networking opportunities, working groups and forums.
- Develop an Events Framework for the Culture Strategy that enables the City to proactively identify events it wishes to host and attract.
- Promote and maximise York's UNESCO Creative City of Media Arts Status.
- Support cultural events and initiatives, such as the York Mystery Plays.



Creative Learning Programme Orchestra of the Age of Enlightenment © NCEM

CULTURE AND WELLBEING ACTIVITY 2022-2023

We will:

- Establish an open and equitable Culture Forum, led by a largely elected Culture Executive, to drive future Culture Strategy development.
- Set up working groups to facilitate delivery of the different Culture Strategy priorities.
- Support the development of the UNESCO Creative City status and lead on production of the UCCN Monitoring Report 2022.
- Establish York TrailBlazers, working alongside York Civic Trust and key partners on an exciting citywide programme of events and activities, including potentially a large scale sculpture trail.
- Secure a cultural listings guide, to enable cultural activities to become more visible and accessible within York.
- Continue to deliver the Cultural Wellbeing grants programme, alongside City of York Council and Ways to Wellbeing (funding dependent, through the Better Care Fund), to support charities, social enterprises and voluntary groups who work in the arts for health.
- Explore the potential for a York Creates Fund.
- Curate a year's programme of cultural initiatives and installations, providing opportunities to artists and cultural practitioners, prioritising initiatives that include engagement with marginalised communities across the city's wards (i.e. not limited to the city centre) and engage closely with students.
- Advocacy for culturally significant events, such as the York Mystery Plays.

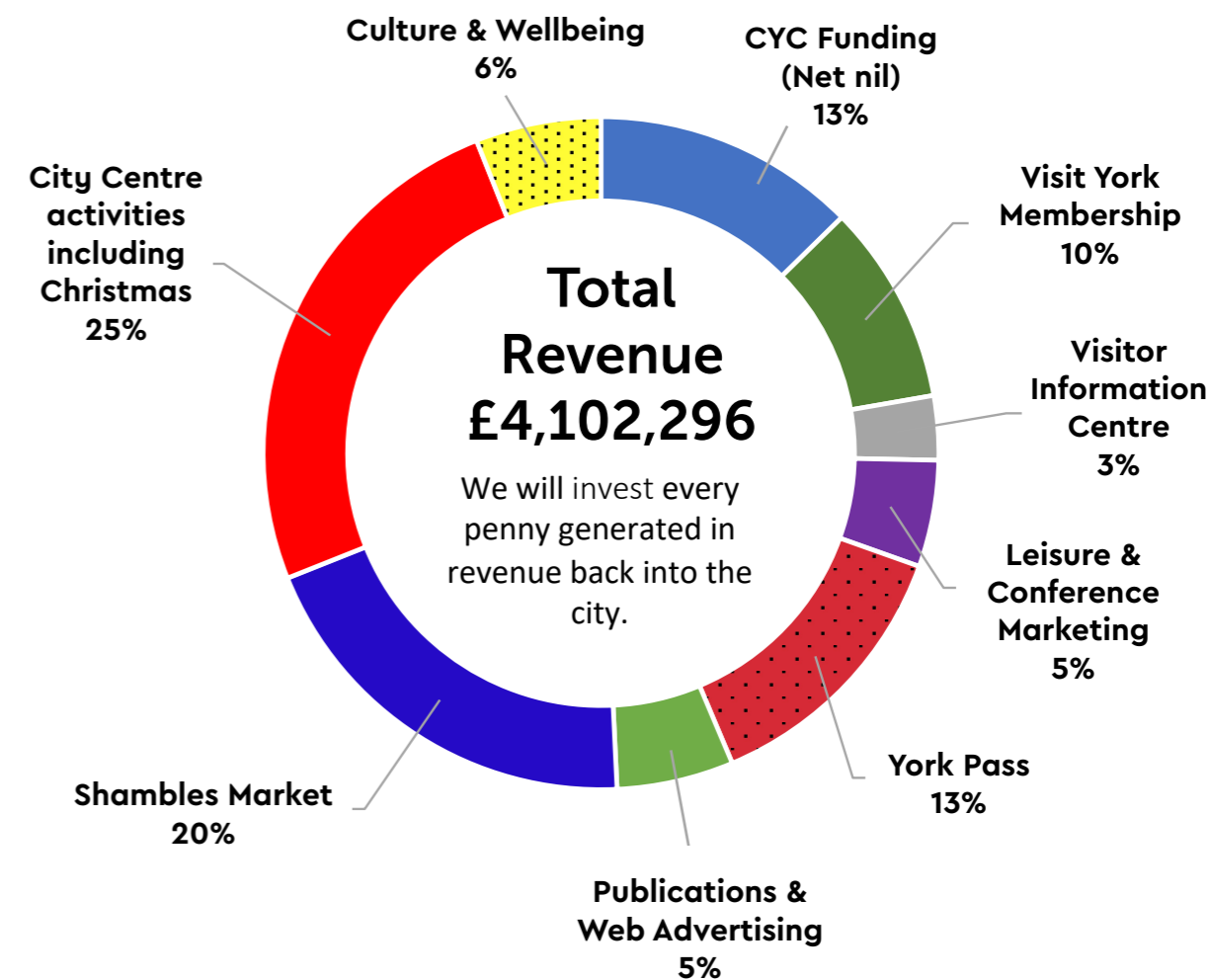
OUR FINANCES – OUR INVESTMENT INTO THE CITY

	2022/23	2023/24	2024/25
Culture	£635,542	£726,334	£787,761
Events & markets	£1,789,772	£1,916,193	£2,002,363
Marketing campaigns	£1,676,982	£1,799,948	£1,867,260
	£4,102,296	£4,442,475	£4,657,384



Jorvik Viking Festival © York Archaeological Trust

MAKE IT YORK BUDGET REVENUE BREAKDOWN



As Make It York, it is our privilege to be the city's destination management organisation, enhancing and promoting York as a world-class destination. We continue to play a pivotal and positive role in positioning the city of York to attract leisure and business tourism visitors, as well as engaging and inspiring residents and students to celebrate the joy of living and working in the city.

Our marketing campaigns drive traffic to our digital channels and footfall to our annual programme of cultural events and festivals.

Our commercial revenue enables us to continue supporting and enhancing the city's visitor economy, which (on average) receives 8.4 million visitors per annum, bringing an economic value of £909 million to the city. A fifth of York's visitors stay overnight and more than half of all spend is by overnight visitors. The city's visitor economy also supports more than 28,000 jobs.

We aim to be a commercially viable organisation over the next three years and intend to make no further borrowings from City of York council.

OUR MEMBER BENEFITS

All these benefits are included with Visit York membership:

Presence for your business on visityork.org – including ten images – with **450,000 visits per month**.

All members receive access to the content management system – allowing you to quickly add and update your business info and events.



Exposure to **400,000 people** who come to our award-winning Visitor Information Centre each year

Digital exposure to our social media audience of over 140K

- 69,000** Twitter @VisitYork and @VisitYorkBiz with #vymembers
- 52,000** Facebook @VisitYork
- 37,000** Instagram @VisitYork
- 3,200** LinkedIn @MakeltYork



Free training sessions – including social media, website and more...

Preferential rates on all enhanced marketing opportunities – including exposure within our 1,300,000 publications distributed globally, digital advertising, and more.



Regular **free member events and networking** opportunities with 850 York businesses

Monthly newsletter bringing you the latest tourism news, events and opportunities.

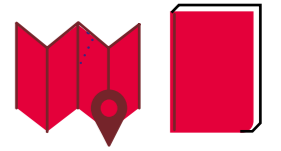


REASONS TO JOIN

York profiled to 1000s of journalists – with the **opportunity to be included in journalist and blogger press trip itineraries**



Exposure through our **1,300,000 publications** distributed globally



Two free York Passes – worth over £100



Free recruitment advertising at jobsinyork.com

Exclusive Insurance deals



Mystery Shopper Services



Save money on your business energy bills



Free legal helpline

Access to our network of over 200 local business supplier contacts at visityork.org/members



Exclusive member discounts through our perks cards



Our wider marketing and PR campaigns reach national and international audiences

Our award-winning marketing campaigns help bring 8.4 million visitors to York, spending £909 million per annum

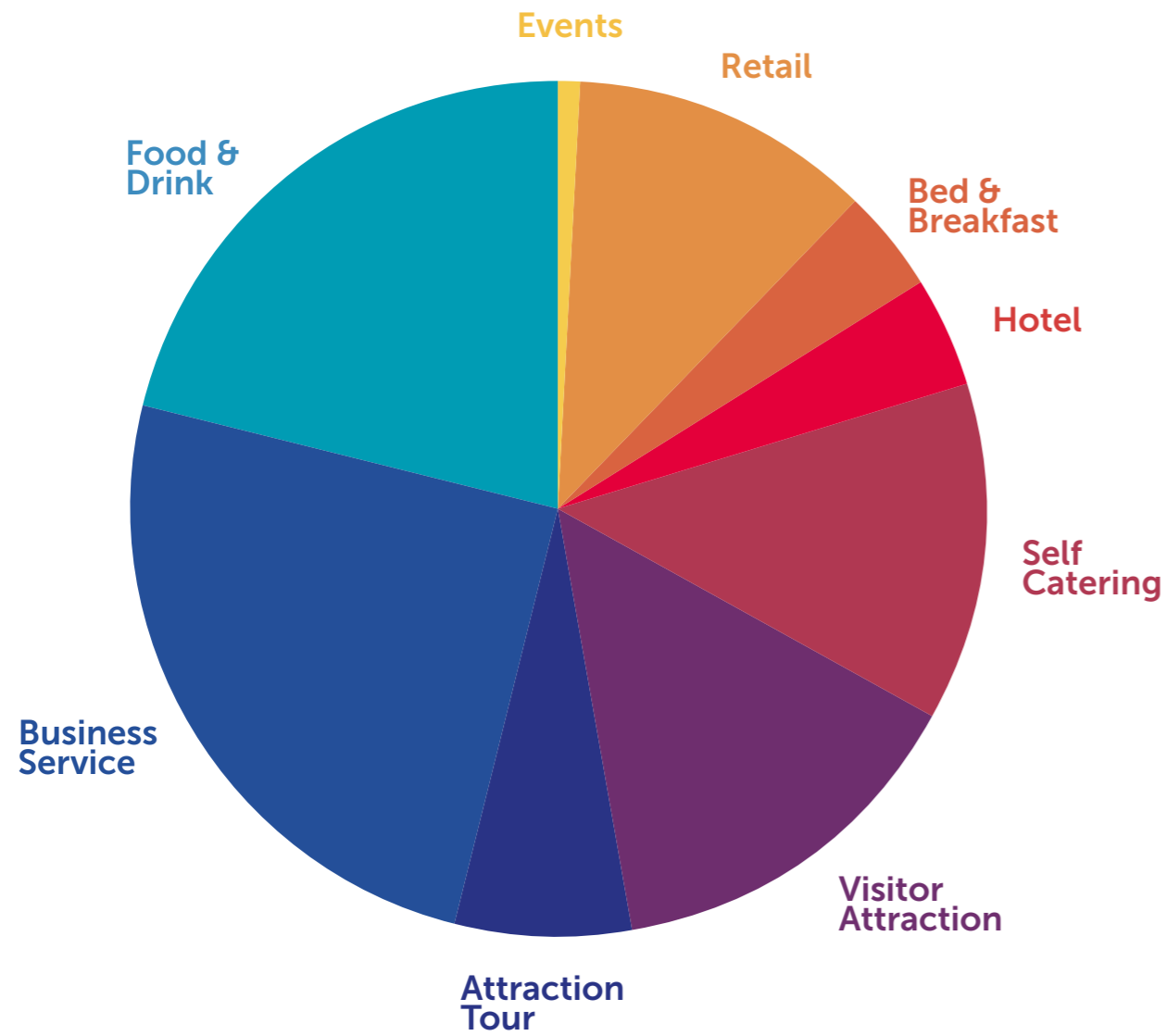
Over 900 pieces of press coverage generated in 2020

We market York as a world-class destination across the globe

13.9 million impressions on Visit York socials in 2020

A network of 850 businesses

VISIT YORK MEMBERSHIP BY SECTOR



MAKE IT YORK BOARD OF DIRECTORS



Greg Dyke
Chair



Sarah Loftus
Managing Director



Cllr Nigel Ayre
City of York Council



Professor Chris Bailey
Cultural Policy Consultant



Cllr Denise Craghill
City of York Council



Joan Concannon
Director of External Relations, University of York



David Horne
Managing Director LNER



Mark Fordyce
Managing Director York Data Services



James Farrar
York and North Yorkshire LEP Adviser to the Board



Lyndsey Turner Swift
VisitEngland Adviser to the Board

As the COVID-19 pandemic put global travel and tourism on hold and left residents of touristic cities around the planet 'home alone', more and more cities started asking themselves the same questions:

What kind of tourism do we want in the future and how can the visitor economy create value for the city beyond the visitor spending and jobs that follow?

The ever-evolving visitor market, changing resident and tourist demands, complex political and green agendas and increased global competition are having a significant impact on our sector, which is why this business plan allows us to adapt and flex across the next three years, adopting an agile and innovative approach.

As the visitor economy continues to evolve, Make It York will work as initiators and thought leaders, highlighting and empowering the creative and commercial energies in the city.

Our member engagement and commitment over the last two years has been very inspiring for our teams and shows great promise for the collaboration and partnerships that will carry the transformation of York's visitor economy to a new era.



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Make It York

City of York Shareholder Committee – Monday 31st October 2022

Make It York update report

Introduction

This paper sets out an update on Make It Yorks activities for the first 6 months of the year April – September 2022, presents the Audited Accounts for 2021/2022 and presents the forecast budgets against the Business Plan base Budget 2022/23 and 2023/2024.

The first six months of this year has been challenging for MIY with revenue streams impacted due to the slow recovery from Covid but also due to the increase in the cost of living and pending recession. There have been significant improvements made to the Governance, financial management and reporting procedures at MIY. More focus has been given to the services that we deliver and a number of reviews have taken place. We have had key successes in the activities we deliver and our media reach has grown.

Monthly Client Meetings between MIY and CYC have continued to take place and reporting. A Quarterly Narrative has also been produced in advance of each quarterly meeting. A copy of the most recent report against the Service Level Agreement (SLA) is included in the report pack (Appendix 1).

Governance

The Make It York Board are going through a recruitment process for new non-executive members for our Board. We have focused on attracting Members who bring specific expertise including financial, procurement, business development, tourism, partnerships, governance and place making. The MIY Board has approved the recruitment of three new non-Executive Directors and is seeking approval from the Shareholder Committee to ratify their appointments. See confidential Appendix 2 for details of the proposed members.

We are also establishing a Membership Advisory Board to provide better, clearer and appropriate services for our members, to focus on what they require from a Visit York service. This group will provide challenge, new ideas and increased ambassadorial voice for the city. This also will ensure we are more accountable to our membership.

There have been a number of staffing changes during the past six months with a number of leavers. This has given us opportunity to better match skills against our business needs and the projects and services we deliver, as well as being able to reduce overheads and expenditure more efficiently. A number of new posts have been created, to fulfil skills gaps we require, and these

will be advertised shortly. The overall head count has been reduced. Only where it is essential have we advertised new roles. Officers of the City Council and Partners will be included in the recruitment of posts, where appropriate.

We have strengthened our financial management and procurement. We have a clear scheme of delegation and an open and transparent tendering process. These new processes have helped reduce unnecessary costs, helped us control expenditure and manage income projections much better and in line with the business plan and teckal company arrangements.

We are committed to supporting York's ambition to be a net-zero carbon city by 2030 and will reduce our environmental impact. We have successfully achieved the Good Business Charter status, all our supplier contracts include an environmental clause to demonstrate how they will impact on reducing carbon, we have ensured that there will be no single use plastic by our suppliers for the Christmas Market, we have ensured green generators will be used and we have and will continue to review our supplier chains to purchase local where we can to reduce transport associated costs with supply chains.

We are exploring ways of becoming a greener business and have submitted grants to help us with this challenge, including options such as the provision of electric bikes for market traders, installation of water refill stations and LED/solar panels for the Market.

Business Performance

Appendix 1 provides detailed performance to date against our SLA. Below provides information on our business performance during April to September 2022 to demonstrate the impact and services MIY provides for the city, visitors, residents, stakeholders, members and customers.

Marketing & Communications

The city continues to see a rise in visitor numbers, largely due to domestic visitors, following the pandemic, however footfall is down by 17% in comparison to pre pandemic numbers. Average spend is higher per person than it was in 2019. We have also seen a rise in the number of international visitors, although nowhere near the level of 2019. York is no different than London in this respect and we are faring slightly better than some places with the number of international visitors coming to our city.

Working with city partners a total of 4 marketing campaigns have taken place including Chocolate Festival, Vintage York, Summer Days and Taste.

We have launched our national campaign headlined by LNER and our international campaign has just Launched with FAM trips, Japan along with ongoing work with the Chinese student ambassador programme.

We have produced 3 publications, totaling 760,000 copies, our mini, summer, and Christmas guides.

We have also won Group Leisure Awards Best UK Destination for Groups 2022. Which is a brilliant achievement for the second year running.

For the first half of this year we have had excellent social media, website engagement and PR coverage. Our key successes are

- From April to September our social media content has been viewed by **10.1 million** people.
- Our social media content is being received better than ever before, with year-on-year engagement increasing by **13.6%**. The most valuable engagement we can receive is a user visiting our website from a social media post and clicks from social media to the Visit York website have increased by an amazing **93.3%**, demonstrating people are responding very well to our posts.
- We also currently have the highest engagement rate of any other Destination Marketing Organisation (DMO).
- Between April and September, we gained 7,289 new followers, which is a percentage increase of **6.7%**. In the past calendar year follower figures have grown by **21.4%**.
- Year to date, the number of users visiting the Visit York website is up **6.14%** compared to 2019's pre-COVID levels and it's up **50%** compared to 2018 figures.
- The Visit York website is generating over 1.2 million visits to the website each year. The estimated annual cost to generate this traffic through pay per click advertising is **£2.7 million**.

Over the next 6 months we will be undertaking a further 5 marketing Campaigns which will focus on the 'go getter' audience. We also hope to increase our social media engagement by 5% and website engagement by 5%.

Membership

Our current membership retention is 88% a decrease of 6%. The main reason for the decrease is cost of living increases. However, since April, 97 new members have joined, which is a record number since MIY has been in establishment.

Since April, 24 membership events have taken place.

Visitor Information Centre (VIC)

Footfall has remained steady since April. Footfall in the VIC is down 50% on pre pandemic levels. USA international visitors are returning most, followed by those from the Netherlands, Canada, Germany and Australia.

Events

In May 2022 we produced our Event Planner for the year up to 2023, this was developed once we knew that Covid restrictions were being lifted. It has been a challenging environment for the events activity in the early part of the year, as organisers were still very cautious.

We have held to date as follows; 7 major events have been delivered since April including York Life, Chocolate Festival, Viking Festival, Food and Drink Festival and Summer Festival.

Plans are in place for events over the next 6 months; Halloween, St Nicolas Fair, Residents Festival, Visit York Awards, York Ice Trail 2023 and Viking Festival 2023.

Renting the public spaces is becoming more of a challenge and the reasons for this are costs, multiple uses of the spaces we manage, licensing restrictions and timescales/processes of some organisation we require permissions from.

Shambles Market

Since April we have implemented monthly meetings with shambles traders to build relationships and focus on improving the market. We have implemented standardisation in line with the traders request and continue to have negotiations on rents due to the current economic climate, to ensure the market is sustainable and has the right mix and quality going forward.

We have submitted 3 funding proposals, based on trader requirements and based on how we see the market developing in the future. A grant of £10k has been secured from the BID to purchase gazebos for joint use in the city.

We have made significant improvements to health and safety in the market, and this will continue to be a focus going forward.

During the next 6 months we will be undertaking a major health check of the Shambles Market which will review the overall performance of the market, its sustainability, income, expenditure, rent levels and investment levels required.

Culture and Wellbeing

Working closely with the cultural and creative sector, MIY launched the York Culture Forum in December 2021, to enable the sector to share knowledge, network and collaborate. Free to join, the Forum is open to anyone working in the arts and heritage, and currently has over 160 members. This September, the Culture Forum elected their new Culture Executive, to oversee the future direction and implementation of the Culture Strategy together - the first elected cultural executive group in the UK.

Make It York have run two grant programmes this spring and summer, awarding a total of £80K in funding to the events and culture sectors. The ARG £50k Events and Festivals Grants Scheme, a one-off grants programme, and the £30k Cultural Wellbeing grants programme, which MIY runs alongside City of York Council (with funding through the Better Care Fund). The two schemes supported the creative and arts sector, as well as supporting charities, social enterprises and voluntary groups in the city.

MIY continue supporting the development of the UNESCO Creative City of Media Arts status and are currently working on production of the UCCN Monitoring Report 2022 with the Guild of Media Arts.

MIY ensure ongoing partnership working with cultural and creative organisations across the city, advocacy on behalf of the sector, locally, regionally and nationally, and promoting the sector through media channels, policy work, networking opportunities, working groups and forums.

Looking forward, we are working alongside York Civic Trust and key partners to establish an exciting citywide programme of events and activities, that celebrates our history and heritage, and we have just been awarded a grant of £250k to support this activity, which we will announce soon.

We plan to establish a York Creates Fund, to enable us to create a seed fund pot, to develop and deliver further creative initiatives and events with the culture and creative sector. The start of this will be through the sales of our 30th celebration Christmas bauble.

[Audited Accounts 2021/2022](#)

Attached at Appendix 3 are our audited accounts for 2021/2022. Morrell Middleton conducted our 2021/22 audit in July 2022. The auditors have issued an unqualified report with few weaknesses in the internal control environment. We have a new Managing Director in post, along with a new Scheme of Delegation and processes are in place to mitigate this issue.

[Budget Position October 2022/2023 and profiled budget for 2023/2024](#)

2022/2023 budget was based on the 2019/2020 Budget for MIY and the anticipation was that we would be able to recover quickly from the pandemic and organisational issues. However, recovery has been slower than expected and the global cost of living crisis, impact of the war in Ukraine has thrown unexpected challenges for MIY, as it has other businesses in the city.

MIY at this point are expecting to return a higher deficit than in the business plan predicted from £23,295 to a deficit of £63,506 as can be seen in confidential appendix 4. The reason for this higher deficit forecast is numerous, energy costs have increased by 128% which was not budgeted for in January 2022, membership renewals are 6% down (the reason given for not renewing was primarily cost of living), cost of paper and print costs has increased by approximately 75%, a delay in moving premises (3 months later than expected), difficulties in renting out our public spaces due to licensing complications, decision making processes and cost, as well as businesses not having budgets for sponsoring some of our activities.

The budget for 2023/2024 shows £96,511 profit. This is due to savings made by restructuring, moving office, management of expenditure and direct costs, as well as predicting more effectively proposed income and tendering of services.

Additional financial information has been provided in confidential appendices:

Appendix 5 – Balance sheet as at 30 Sept 22

Appendix 6 – Cashflow forecast as at 30 Sept 22

Appendix 7 – Summary profit and loss as at 30 Sept 22

Conclusion

Whilst recognising that the post-COVID world would be different, the road to recovery has been much slower than expected, MIY is confident it will once again become a fully going concern, as the 2023/2024 budget shows. 2022/2023 was always going to be a difficult year as very little was in place and the problems previously very severe. The organisation can clearly articulate the challenges, explain budgetary differences and manage its income and expenditure more effectively in a very uncertain climate. The 2022/2023 budget challenges are all issues that were not foreseen in January 2022. With a new Managing Director in post, a new senior management team in place, more refined roles and priorities and stronger budget management and controls, MIY is in a stronger position to continue to promote the city and help the businesses of York recovery from covid as well as help through this new phase of a global recession.

Make It York

Quarterly Narrative

May – July 2022

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Visitor Economy

Destination Management Organisation (DMO)

DMO:

- Leading on leisure marketing of York to make the most of York's offer and attract visitors to the city.
- Maintain and develop Visit York as a membership body supporting and developing the tourism sector.
- Work with the visitor economy sector to ensure that a quality product is offered to both visitors AND residents, and that it is accessible and welcoming to all.
- Encourage all York residents to enjoy the tourism and cultural offer of York including year-round promotion and targeted residents' events.

Leisure Marketing

Summer guide: Produced 50,000 copies, now in distribution via InfoDisplay, NPD and Take One Media and the VIC.

2022 Events calendar (printed): Finished and distribution has taken place across the city.

New £1 shopping map: Created for sale in the VIC. 3,000 copies for now with a view to creating a new one when we move location.

Vintage York: Campaign launched in the lead up to the Jubilee with a new 1950s postcard style video, the campaign was sponsored by York Park & Ride and City Cruises York. Paid for social activity promotion, Twitter competition and YouTube advertising took place.

Kyiv City Ballet: An amazing opportunity to fundraise for UNICEF arose with a ballet performance at York Theatre Royal by the Kyiv City ballet who were stranded in Paris when the war broke out, a city-wide collaboration helped to raise over £30K for children in Ukraine. A VIP reception at York Mansion House also took place with the new Lord Mayor. Members and partners supported with free hotel rooms and train tickets and a whole range of food and drink whilst the company were in the city.

Summer in York Campaign: Launched on 17 June in partnership with York Park & Ride, Minster, JORVIK, City Cruises and Thor's Orangery. A full activity plan was created with a new summer postcard style film for Video on Demand on ITV hub from 25 July to 31 August and Capital FM Yorkshire from 18 July for one month with Adam and JoJo creating a new promotional video of their day out in York.

Haunted York / Guy Fawkes: Building the new campaign for an even spookier Halloween this year, working with York Park & Ride and York Dungeon and looking to incorporate the new 'Tragedy of Guy Fawkes' at York Theatre Royal.

York Christmas: Work has commenced on selling adverts into the new guide to be ready for the beginning of October. Adverts are placed already for coach and group tour magazines this summer to push coach bookings for Christmas.

Digital Channels

Visit York (Website)

During the period of 1 April to 20 June, the Visit York website was visited by 270,603 users, **an increase of 6.83%** compared to the previous highs of 2021.

There were 742,456 page views of the site during this period, the most viewed pages being 'Things to Do', 'What's On', and 'Attractions'. An accommodation booking tool is set to launch on the site in the coming weeks, along with a year-round 'Haunted York' hub page, expanded B2B 'Trusted Supplier' content and numerous small improvements to the website and CMS login system.

Visit York (Social Media)

Visit York social media channels received a record 5.4 million impressions during this period, 248,843 engagements and gained 4,436 new followers.

Visit York now has a total of 146,721 followers across Facebook, Twitter and Instagram. Video content is set to be utilised much more in the coming months, with our new in-house design and content executive producing engaging Summer in York videos.

Make It York (Website)

During the period of 1 April to 20 June, 4,623 users visited the Make It York website which resulted in 12,543 page views. The news article detailing the return of St Nicholas Fair was the most viewed page on the site during this period after the home page, closely followed by 'Shambles Market', and 'About Us'. New content was developed for the website during this period with a York Culture Forum Discussion going live, additions to the Culture Hub and a number of news posts and case studies.

Make It York (Social Media)

Meanwhile, social media coverage on MIY platforms resulted in 82,224 impressions, 3,420 engagements, and 1,410 link clicks to the Make It York website, while gaining 168 new followers across all social media channels contributing to a total follower count of 10,717 followers.

PR & Comms

Between 1st April and 20th June there were:

Total News Volume:	112
Total News Reach:	18.4 million
Total News Value:	£1.53 million

Campaigns/topics of focus during this period included Easter, Chocolate Festival, Her Majesty the Queen's Platinum Jubilee, VisitEngland Awards, Ukraine's Kyiv City Ballet charity gala performance and culture grants.

National coverage was secured in titles such as: BBC News Online, Yours Magazine, Mirror Online, The Sun, iNews and Food & Travel Magazine.

Regional coverage was secured in Yorkshire Post, York Press, YorkMix, Living North, Absolutely Yorkshire, Yorkshire Live and Northern Echo.

Broadcast coverage included ITV News Tyne Tees, Channel 5 News, ITV Calendar, BBC Look North, YorkMix Radio and BBC Radio York.

We have had seven press trips during this period, which we supported with itineraries including: The Telegraph, Luxury England, A Bear Called Paddington (social media influencer) and Alan X El Mundo (Mexican YouTuber with over 3m subscribers).

Visit York Membership

Membership retention currently stands at 71%, with 406 memberships having renewed and 136 yet to pay.

Since the beginning of April, **60** new members have been recruited. This is a record number consisting of a mix of hotels, restaurants, self-catering and business services. The membership team are currently working through 100 prospective members as well as processing high numbers of organic enquiries.

Engagement with some members is still proving to be a challenge, however, the implementation of a new Key Account Management model should improve how we work with them. We will be ensuring that all members receive direct one on one contact, enabling us to gain a greater understanding of member requirements which will also help us to showcase Visit York marketing plans.

Since April, the team have hosted 10 membership events with over 600 attendees.

Membership figures from previous years are shown in the table below:

Year	Total no of members	Total no of new members gained	Note
2019/2020	575	134	
2020/2021	423	141	103 lost due to Covid
2021/2022	597	144	Record year since membership began

Publications

The Spring/Summer guide sales process went well with a range of different sectors included.

Sales for the Autumn/Winter guides are steady. The deadline for booking a space is August 2022.

Visitor Information Centre (VIC)

Footfall remains steady with more international visitors starting to return, especially from the US, Northern Europe and Australia. Footfall figures from 2019-2022 are shown in the table below:

	2019	2020	2021	2022
January	18,551	17,306	0	7,925
February	27,890	21,526	0	10,969
March	23,982	7,476	0	15,791
April	33,138	0	774	15,955
May	30,031	0	4,293	17,398
June	28,998	1,756	12,052	17,109
July	34,303	8,291	17,703	18,682
August	38,216	13,609	22,084	
September	29,450	10,966	21,418	
October	31,588	7,143	20,414	
November	21,986	0	14,186	
December	20,619	2,292	7,867	

YTD	2019	2020	2021	2022
January	18,551	17,306	0	7,925
February	46,441	38,832	0	18,894
March	70,423	46,308	0	34,685
April	103,561	46,308	774	50,640
May	133,592	46,308	5,067	68,038
June	162,590	48,064	17,119	85,147
July	196,893	56,355	34,822	103,829
August	235,109	69,964	56,906	
September	264,559	80,930	78,324	
October	296,147	88,073	98,738	
November	318,133	88,073	112,924	
December	338,752	90,365	120,791	

The VIC team complimented the events taking place in the city by:

Platinum Jubilee: Decorating the VIC with Union Jack flags and life size cut-outs of Her Majesty the Queen, selling Jubilee merchandise and signposting visitors to Jubilee events.

Jorvik Viking Festival: Decorating the VIC with Jorvik Viking shields, wearing Viking Festival t-shirts (supplied by Jorvik), housing a giant axe in the leaflet room, selling Viking merchandise and signposting to the various events taking place across the city.

Pride: Decorating the VIC with rainbow flags, selling Pride merchandise (with part of the revenue being donated to charity) and supporting local events including the march on the Saturday.

In July, we started to sell York Gift Cards (one of only three locations in the city to do so) working in collaboration with York BID. This should help to increase footfall into the VIC.

Volunteers

Our Volunteers have been incredibly helpful over the past few months. Some of them continue to provide information to visitors in the leaflet room of the VIC, covering for staff lunches etc. Others have manned the 'visitor information pod' at York Station, distributing the Summer Guide and Mini Guides and providing information to visitors arriving by train.

Our volunteers and VIC team have done a magnificent job of distributing the MIY Business Plan and Events Calendar to over **600 businesses** in the city during the past 6-8 weeks. The feedback from businesses was excellent, with many appreciating the personal interaction and having access to an events calendar to share with customers/colleagues.

York Pass

York Pass sales are above average with the main sales channel being direct web bookings

Yorkshire Museum Trust are now included in the York Pass.

Discounts were available on both a 3- and 6-day Pass, to help to promote a longer stay and support those members who are included 'beyond York'. 1- and 2-day Passes remain the most popular for consumers. Sales have slowed a little, which we believe is attributed to international markets. Research into buying patterns within the city will provide us with an insight as to whether to discount 1- and 2-day products to increase sales.

We have seen an increase in the number of affiliate partnership requests. 31 affiliates are now set up, with plans in place to work with and manage increased performance.

We have a limited number of trade partners including Get Your Guide, Trip Advisor, Virgin Experience and Railbookers, who are now requesting high commissions.

Sales within the Visitor Information Centre are increasing again, and further promotion of the Pass within this area is being explored.

York Pass has featured as a Key Partner in our Summer campaign which will help to promote the pass to a wider audience.

Tourism Sector Development

Tourism Sector Development

- Attract new business tourism to the city by providing a clear and effective process for responding to conference enquiries with high quality response and support and working proactively to attract new enquiries appropriate to the city)
- Work with tourism sector businesses to increase their productivity and help them become even better employers, paying decent wages and offering flexible employment, by promoting the adoption of the Good Business Charter. Facilitate cross-sector work to improve York centre as a destination for business, visitors and residents including: -
 - (a) leading on approaches to maximise private-sector led investment into city centre improvement; and
 - (b) working with the Council and with businesses to stimulate a stronger evening economy.

Business Tourism

Business tourism activity this quarter has seen more of a return to ‘normal’, with trade show activity, ongoing larger enquiries but still seeing shorter lead times than pre-pandemic – a trend reported by many VY members.

An unexpected project during this quarter has been the collaboration with York Theatre Royal supporting the Kyiv City Ballet fundraising gala on 14 June. 100% of ticket sales were being donated to UNICEF’s Ukraine Appeal. We worked with the YTR team for 6 weeks in the run up to the event, reaching out to VY members to secure free accommodation, travel, food and drink for the company, and supported with the Mansion House civ reception and co-ordinated media activity. A true collaborative effort and city-wide welcome.

Active enquiries include:

- International bee health conference for 150, organised by FERA – multi-venue proposal including gala dinner in York, social activities at various city venues plus a day excursion to Castle Howard, October 2022.
- Crime Writers’ Association annual conference, spring 2023 for 70-100.
- Medical charity, research conference, spring 2024 for 500.

Liberal Democrat Spring Conference 2023:

This will be returning as an in-person event in March 2023 to York Barbican. We have secured delegate rates at a selection of hotels, which are now live to book via visityork.org.

Trade events and related activity:

- We returned to the Conference and Hospitality Show Leeds (24 May 2022), with two VY members joining as partners – Castle Howard and York Gin. Follow up with the new leads generated has been positive, and it was good to get back out at face-to-face events. Several people stopped to complement our stand design too.



- We joined other smaller destinations on the MeetEngland stand at The Meetings Show, London (ExCel), 29-30 June 2022. Reaching out to former clients to rekindle interest in returning to York, and targeting new connections and association contacts.
- We hosted the first in-person sales managers' meeting on 16 June, kindly hosted by the York Conferences team at the Guildhall; a chance for new members to connect and network, lots of positive conversations over future collaborations as a result.
- The agents' education visit with the Association of Independent Event Agencies took place on 14 July 2022 with 5 participants, hosted by The Grand, York.

Conference web content development:

- Ongoing work developing the venue search function within the conference section of visitYork.org to replace the existing third-party search, which will give greater control over appearance and functionality.
- New page to showcase exclusive hire opportunities, still reaching out to members to encourage them to participate in the delegate welcome offer and a new event planners' toolkit will go live shortly.

Research & Insight

Tourism Intelligence Update

The T-Stats platform continues to be updated monthly with the following information:

- Sessions on visitYork.org, new followers and impressions on VY social media channels, VIC footfall and visits to attractions using a York Pass using internal data
- City centre footfall – from Springboard / York Open Data
- Hotel occupancy, average daily rate, and RevPAR - from STR data provided by HAY
- Airbnb occupancy – from AirDNA data provided through T-stats
- Visits to attractions – provided by attractions
- Weather – from the Met Office provided through T-stats

Automated reports are now available to download covering any time period e.g., monthly, quarterly, or annually. Monthly reports are being circulated to the Marketing and Comms team.

Attraction data is not currently included in the monthly report due to the time lag between month end and the data being received from attractions. In addition, a number of attractions have not yet responded to requests for visitor numbers.

T-Stats can be updated with any tourism data, as long as it is collected at least monthly.

We are assured by York BID that we will receive access to their movement insight data from Visa and O2.

Visitor Survey

Visitor Survey results are sent by QA research quarterly. A quarterly report for January-March was produced but has not been circulated in case the figures are used as definitive, rather than as a seasonal snapshot, given that visitor profiles and behaviours change over time.

Each quarter, CYC are provided with the following KPIs from the Visitor Survey:

- ◆ Average party size
- ◆ Average spend per person per day excluding accommodation
- ◆ Activities taken part in during visit
- ◆ Overall experience rating
- ◆ Likelihood of returning in the next 2 years
- ◆ Likelihood of recommending a visit to York

A quarterly tracker report showing the results of these KPIs and other measures from Q1 2019 to Q1 2022 was presented to the TAB meeting on 13th May. At the meeting, some TAB members raised again the long running criticism that the Visitor Survey is not representative of all city centre users. The methodology is designed to only include day and overnight visitors to York and is currently the only way of tracking tourist attitudes and behaviour as a distinct group as opposed to those of residents, commuters, business travellers, or visitors on a

routine shopping trip. This distinction proved useful recently when, following the news of rail strikes, there was an enquiry about the use of public transport amongst tourists.

Economic Impact Model – Cambridge

Every year (except 2020 due to Covid), Tourism Southeast (TSE) run the Cambridge Model to estimate the volume and value of tourism to York. Tourism Southeast are currently working on an updated version of Cambridge 2 in conjunction with Bournemouth University and will be piloting it in September. The cost will be more than the current Cambridge Model as it will produce a lot more data, but TSE are still working on exact numbers. TSE will aim for this to be completed by the end of September, but it is dependent on VisitBritain supplying their data and us supplying our local data by the start of September.

Among other things, the report estimates the volume and value of:

Overall day visits

Overnight visits split by UK and domestic, and purpose of travel e.g., holiday or business
As day visitors are calculated using the VB day visits survey, the Cambridge Model is likely to underestimate the volume of overseas visitors on a day trip to York but staying in accommodation outside the city. TSE admit that inherently overseas visits are always underrepresented even in the national data but weighting in the Cambridge Model helps counterbalance this. Nevertheless, given the importance of overseas visitors to York, data from the annual Visitor Survey has been used annually to estimate overseas visitors falling into this category, and these have been added to the Cambridge Model data.

Similarly, business day visitors are not accounted for in the current Cambridge Model but will be considered in the updated version. Up until 2018, estimates of business day visits were added to the Cambridge Model data using results from the UK Conference and Meeting Survey (UKCAMS) survey, which is conducted annually by RJS Associates. In addition to the national research, local analysis can be run for any destination with a minimum of 10 responses. There has been no York specific business tourism data since 2018 as only 3 businesses responded in 2019 and 6 businesses in 2021.

In 2019, the Cambridge Model estimated there were 6.6-million-day trips and 1.6 million overnight visits to York, a total of 8.2 million trips. Using 2018 UKCAMS and 2019 Visitor Survey data, overseas and business day visitors increased the number of day visitors to York to an estimated 7.2 million, or an estimated 8.8 million trips overall.

For the 2021 modelling, our contact at TSE has not returned requests for clarification over the data to be submitted by early September, however, based on previous years, the data required is likely to include:

Serviced accommodation occupancy data – this year, STR data will replace the Visit York Occupancy Survey data

Self-catering occupancy data – using AirDNA data provided through T-Stats

Attractions visits – so far 14 of 23 attractions have submitted annual visits data for 2021.

Reminders will be sent out until all data is collected or the deadline for submission is reached

Visitor spend and length of stay – from Annual Visitor Survey

Bedstock data – this is a huge task using desk research to try and measure the total number of rooms available to book across hotels, B&Bs, guesthouses, serviced apartments, self-catering cottages, hostels, campsites, and any other accommodation in York. The last bedstock audit was in 2018

Given the lack of clarification from TSE, David Calway at Global Tourism Solutions (GTS) UK was approached about the possibility of moving to the STEAM model.

Events and festivals

York Life Festival: A short festival report was produced but this was limited due to a low response rate. Only 25 responses were received despite an incentive being offered.

Jorvik Viking Festival: We agreed to analyse data collected by the Jorvik Group during the Viking Festival as part of the money invested in the marketing partnership with Make It York. Once the survey data has been received, reporting will begin.

Good Business Charter

Make It York have recently become a member of the Good Business Charter and will include the logo on the website and in the VIC. We will continue to promote the value of joining via social media.

Tourism Advisory Board

1. Convene and facilitate a TAB for York, which brings together a diverse range of stakeholders in the sector and has an independent chair.
2. Take a lead in the development and delivery of a tourism strategy as part of the city's new Economic Strategy.

The tourism advisory board has continued to meet on a monthly basis throughout 2022 and the minutes from the Jan-June meetings are available on request. The focus of the tourism advisory board continues to be planning York's new tourism strategy.

Culture, Wellbeing and Events

York Culture Strategy, *York's Creative Future*

- Drive an ambitious and cohesive programme of cultural development for the city covering the arts, heritage and creative industries.
- Work with the CLG to lead on the development and evaluation of the Culture Strategy, ensuring full engagement with other city strategies and plans, including the Local Plan, Skills,
- Deliver/commission events both for the creative sector and for others, e.g. Culture Awards or equivalent that are profile raising, increase collaboration and demonstrate best practice.
- Convene and support the CLG as the strategy “owners”, providing the secretariat and driving the agenda, resourcing the partnership and co-chairing alongside an elected cultural leader.
- Develop a sustainable independent executive structure and constitution for the CLG.
- Receive regular strategic advice from the both the cultural and creative sectors maintaining appropriate liaison arrangements to inform the Make It York board of directors and to steer the company’s plans.
- Maintain positive and comprehensive relationships with national and regional strategic support bodies.
- Put together the necessary partnerships to make funding bids to deliver the Culture Strategy.
- Advise and support cultural providers with regard to new initiatives liaising with the council as appropriate.

Culture Strategy governance and new Culture Forum

A key priority within the Culture Strategy has been to create more democratic and open structures. Make It York have worked closely with the culture sector to create and launch a new Culture Forum, to enable a broader and more diverse group of representatives to contribute to future direction of the Strategy.

The York Culture Forum opened in December 2021, replacing the previous York Cultural Leaders Group meetings, with meetings taking place bi-monthly, and alternating between zoom and face-to-face meetings to accommodate the broadest range of members. The Culture Forum has 153 members signed up to date, representing a broad range of creative freelancers, as well as members from a wider range of cultural and creative organisations.

The next stage for the Culture Forum is to elect their Culture Executive, who will oversee the direction and implementation of the Culture Strategy, as their representatives. The Executive will be led by two co-chairs – Head of Culture and Wellbeing at Make It York and a chair appointed from and by the incoming Executive. There will be eleven Executive members in total, with a representative for each of the six Key Priorities in the Culture Strategy (Engagement, Participation and Relevance; Placemaking; Children and Young People; Talent

Development and Retention; Culture and Wellbeing; York's National and International Profile) as well as a representative from the Guild of Media Arts, several General Members, and the Executive Member for Culture.

We held an extraordinary meeting of the Culture Forum in early May, on the Executive Group nominations and election process. From May through June, interested candidates can contact MIY for initial conversations about the Executive Group. Then on 19 July, the Nomination Period opens, where candidates may nominate themselves (or another member may nominate them) to stand for election to the Exec. On 1 September, nominations close and voting opens online. Every member of the Forum has one vote per vacant electable position and must cast their vote by 14 September. An online Hustings meeting will be held at the start of this period for candidates to introduce themselves further. The election results will be announced at the Culture Forum AGM on 15 September, and the candidates can assume office.

We believe this model is the first of its kind in the UK.

Culture Sector Communications

MIY provides a fortnightly Culture e-news update, with latest culture news, funding updates, and MIY news, which we encourage the sector to contribute to, to act as a further information channel. The e-news currently has a readership of 157 people, and growing.

The Culture Hub on the MIY website hosts the Culture Strategy and acts as a hub for the city's creative and cultural activity. We continue to develop this area of the website, and have recently added an online Culture Forum discussion board, available to Forum members, which was requested to enable members to share information and skills. We have also added a 'Latest Culture News' section to the Culture hub page – where culture posts will appear, as well as in the main news page and home page.

Action Plan

The MIY Culture, Wellbeing and Events team produced an action plan for the Culture Strategy in early 2021, which takes the form of a RAG report with key actions to achieve the outcomes/recommendations within the strategy and a quarterly reporting framework.

From this, we also produce a quarterly written update report. We host this quarterly report on the Culture Hub for information on strategy progress. It can be accessed here: <https://www.makeityork.com/culture/yorks-creative-future-york-culture-strategy-2020-2025/>

Recent progress across each Key Priority for the strategy has included:

Engagement:

- Much engagement work is focused around attracting new participants to the Culture Forum, with 153 freelancers and organisations now members. MIY have now outlined the election process to the Culture Exec, which will open in the summer, with

appointees confirmed in September. We will hold the next Forum meeting in real life in July, to facilitate knowledge sharing and networking.

- Plans for York Trailblazers (formerly known as Makers and Shapers) have progressed with York Civic Trust and partners, with community engagement at the heart of the design process and a legacy project to ensure future engagement. A bid is being finalised, which will be submitted by July, to support the programme of events and activities planned for 2022 -25.
- Building on research and initial meetings, MIY have become established members of engagement focused groups, including 100% Digital York, CYC's Our Big Conversation consultancy group, and the York Multiple Complex Needs network.

Placemaking:

- Make It York are currently developing case study evidence on local authority funding for culture, in response to a call for evidence from the Commission on Culture and Local Government, to investigate the role that publicly funded culture can play in national recovery post-pandemic.
- York's investment plan for the Shared Prosperity Fund, once approved by Government, could see over £5m shared amongst projects in the city over the next three years. The Investment Plan will reflect the city's priorities and will be based on the My City Centre strategy, Culture strategy and York Skills Plan, together with the emerging York Economic Strategy, Health and Wellbeing strategy and Climate Change strategy.
- As part of our placemaking work, MIY has developed a guide for creatives looking to find space in and around York within vacant shop spaces, to make the process easier to navigate. This will launch on the Culture hub on the MIY website soon.
- Creative Workspace meetings continue between Guild of Media Arts, York Creatives, University of York, CYC, York Conservation Trust and MIY representatives, to consider availability and need of creative workspaces within the city, and to help simplify processes to access these for creatives.
- Conversations are ongoing with regional and national culture representatives. Links are also being developed across the north as part of MIY's role on the Northern Culture Consortium, which advocates together for the importance of northern culture.

Children and Young People:

- MIY are supporting REACH, the Cultural Education Partnership, and have created a web page hub for them to showcase cultural and creative activity for children and young people in York, on the Culture hub of the MIY website. REACH has secured funding through IVE and City of York Council, part of which will go towards the development of this webpage hub, and MIY are working closely with them to facilitate this.
- Make It York are working closely with REACH to develop their offering, with the MIY Creative and Cultural Development Manager sitting on the REACH Steering Group.

Part of the IVE funding will secure a Programme Manager position for REACH, and the C&CD Manager is involved in this process.

Talent Development:

- Ongoing conversations with organisations and higher education providers to help shape the direction of this priority, including meeting with University of York Careers department to discuss changes in talent development during the pandemic and issues facing students in the city.
- Developing relationship with CYC data department to facilitate up-to-date data on the cultural and creative sector, including number of people it now employs in the city.
- SLAP have developed an artist accelerator programme, to support new artists in the city, covering everything from project management to tax assessments, managing social media and marketing and more. This is supported by an Arts Council England grant, which MIY wrote in support of and we are providing support in kind.

Culture and Wellbeing:

- The application process for the Cultural Wellbeing grants, co-led by MIY and City of York Council, has now closed and grantees have been shortlisted. We are currently finalising details and grant agreements, before announcing successful grant recipients in mid-July. A total £30K is available to local charities, social enterprises, voluntary and community groups.
- Evaluation is now underway on the projects who received funding in 2021, and these have begun to feature as Culture and Wellbeing case studies on the MIY website, as we continue to build the qualitative evidence bank for culture and wellbeing.
- The Culture Commissioning Partnership (CCP), with Chair and Secretariat by MIY, leads on the Culture and Wellbeing Priority within the Culture Strategy. An action plan across communications and engagement, funding, people and strategy, has now been created, following workshops in late 2021, and has been presented to the CCP, to ensure a joined-up citywide approach to culture and wellbeing for partners.
- We are implementing key deliverables from this action plan, which include a range of activities from site visits (our most recent meeting took place at York Archaeology, visiting the award-winning Archaeology on Prescription programme), best practice review, to future joint funding bids and building engagement.

York's National and International Profile:

- Make It York ran an Events and Festivals Grants scheme this year, for York based organisations negatively impacted by Covid-19, to support upcoming events in 2022. The £50k grant funding came from the Government's ARG fund, and was kindly provided by City of York Council to Make It York, supporting York's economic recovery from Covid-19. 15 events were awarded the grant funding in May, including York

Pride, the York Mystery Plays and York Design Week. Full details here: [15 organisations awarded ARG Events & Festivals Grants \(makeityork.com\)](#)

- Work on York's bid for UNESCO World Heritage Status for the city is ongoing. In April, the Council Executive accepted the recommendation of the York UNESCO World Heritage Steering Group (WHSG) that York should bid for World Heritage status. WHSG are now finalising the application for this, which will see York applying to join the UK Tentative List of UNESCO World Heritage Sites. The deadline for submission is 15 July 2022. A list of the recommended sites for the Tentative List will then be submitted to ministers for approval before being registered at UNESCO later this year. Should York join the Tentative List, the Steering Group will then make a full application to UNESCO for World Heritage status. The Head of Culture and Wellbeing represents on the WHSG. More information here: [Agenda item - York as a World Heritage Site](#)
- The Culture team are working together with the Marketing team on the development of the Tourism Strategy, to ensure that it's focus on Culture aligns with the Culture Strategy and the work currently being developed in the city.
- Planning for York Trailblazers (formerly known as Makers and Shapers) is ongoing, led by York Civic Trust and Make It York, with support from other partners, and we submitted a bid to support project work in July. Ambition is for this to be a city-wide project from 2022-25, celebrating the anniversaries of past innovators and inspiring those of today and the future and re-introducing the role, reputation and history of York as a cutting-edge city.

UNESCO designation

- Support the Guild of Media Arts as the focal point for UNESCO City of Media Arts designation by facilitating and undertaking activities that maximise the potential benefits of York's UNESCO designation and ensure sustained development in line with the Four Year Monitoring Report and Plan of 2018.
- Work with UNESCO Focal Point – the Guild of Media Arts – and the Council to deliver 2018- 22 UNESCO Creative City objectives.
- Support the focal point to convene wider stakeholder groups in the city to maximise the impact of the designation to the city.
- Communicate regularly with the creative sector e.g. through mailings and social media.
- Promote the creative sector through media channels highlighting York's profile as a Creative city.
- Monitor and evaluate progress leading to the 2022 Report to UNESCO.
- Support the Focal Point to collaborate with UK Creative Cities and other designations, UK UNESCO Commission, Media Arts Network, and Creative Cities Network.
- Promote the designation within the city, e.g. through the BID, Retail and Hospitality Forums.

Mediale's Immersive Assembly artist residency with fellow UNESCO Creative City of Media Arts, Viborg in Denmark, has now launched and runs till September 2022, for emerging to mid-career artists and studios working in animation, performance, and play.

In May, Mediale ran a two-day programme in York for artists from both countries, working alongside local organisations including XR Stories and York Museums Trust. Arts Council England, the Danish Embassy, Make It York, the Guild of Media Arts and Mediale held a partner meeting as part of this activity, with all reporting the initiative was well received. Henrik Holmskov, Viborg's International Project Manager and UNESCO Focal Point also visited several the city's cultural organisations during this visit to share knowledge and discuss partnership working, facilitated by Chris Bailey, Clerk of the Guild of Media Arts.

The Immersive Assembly has been made possible through funding by Arts Council England and the Danish Embassy, and has been supported by Make It York, on behalf of the city, and by the Guild of Media Arts. Make It York were also able to fund some of Mediale's activity for this through the ARG Events and Festivals Grant Scheme. Arts Council England, the Guild of Media Arts, City of York Council, and Make It York, have now met to discuss potential next steps for the UNESCO Creative Cities collaboration.

The UNESCO Creative City of Media Arts working group of the Guild of Media Arts, York Mediale, City of York Council and Make It York, continues to meet on a regular basis, to collaboratively work together to profile raise for the city's media arts designation. The group are now looking to develop an overarching engagement plan for the designation, and identifying further events and opportunities to take part in, to further raise the profile of the designation together.

The MIY Head of Culture and Wellbeing attends Guild of Media Arts Court Meetings as an Observer.

Events

- Work with business, visitor economy and cultural sectors in developing the Framework to ensure its fit with wider city strategies / objectives.
- Bring the Framework to the Council for approval, and put in place systems to evaluate the success of the Framework.
- Take the initiative in building coalitions and partnerships for specific initiatives to fill identified gaps in product e.g. to deliver the York Mystery Plays.
- Engage businesses and visitors in mass participation sporting events commissioned by the Council.
- When the need arises, take a lead in supporting cultural events of strategic significance e.g. Rugby League World Cup 2021.

With the new Events team in place, holding weekly meetings to update on planning and city centre commercial bookings, planning for the Events Strategy and Event Framework will commence over the coming months. The Events Strategy will focus on alignment with both the Culture and Tourism Strategies.

The team continues to build and maintain partnerships for specific initiatives, through both our events and cultural work, to ensure engagement with events delivery partners and to advocate for forthcoming cultural events.

Update on Make It York events

Residents Festival

City of York Council supported the development of a city centre offer, the York Life Festival, to enhance the impact of the current Residents Festival. This took place on 2 - 3 April (rather than alongside the traditional offer, due to covid considerations). It featured a programmed stage of local mixed acts, curated by the York Venue Network, and an entertainment hub area on Parliament St., featuring stand -up comedy, spoken word poetry and theatre, as well as a number of family-friendly initiatives including face painting, drumming, ukulele, arts, crafts, magic, and beatboxing. Evaluation is currently underway to deliver key metrics, but the event was very well attended, with a high turnout of locals and families and feedback from partners and cultural stakeholders has been very positive.

York Ice Trail

We have launched the 2023 York Ice Trail (4th and 5th February 2023) with the theme, 'A Journey Through Time'. The theme is seeking to include ice sculptures from prehistoric through to futuristic with two key zones that are animated and themed to immerse visitors a little more. We have contracted Ice Box to complete the ice production and installation. At this stage we are recruiting sponsors and going through design stages. We intend to have all sculptures secured by October 2022 to generate any logistical plans required for the delivery of the event. The press launch will be held in January once again and a pre-event launch during the evening of the 3rd February.

Visit York Tourism Awards (VYTA)

The VYTA launched on Monday 4th July. All applications are online with the OpenWater system set up and approved by VisitEngland. To mark the launch, we hosted an event on the 4th July at York Marriott Hotel. This event featured VisitEngland themselves, past winners, the chair of our judges and Susan Briggs who is leading on the entry workshops. The entry workshops were scheduled for the 5th July (3 sessions, 1 hybrid).

Applications ran until Friday 26th August and then judging will commence with finalists being released on the 26th September. We can then pull out any seasonal attractions and ensure they are mystery shopped by the end of their season. All mystery shopping is to be completed by the end of November and winners selected in December. The awards themselves will be held at York Racecourse on Thursday 23rd March 2023.

Rugby League World Cup 2022

We are progressing with RLWC in terms of volunteers, wayfinding, city dressing, match day entertainment etc. We held a Host Impact Day on Wednesday 29th June alongside the Day of Inspiration, facilitated by the University of York. At present we are producing various promotional materials that will be circulated to boost ticket sales across the city. We are also exploring the production of a city-wide video called 'Pass the ball' which will see a custom purple ball being passed to key people, businesses, attractions, and landmarks before making its way to the LNER Stadium. This video will be released for the 50 days to go marker (October) and be screened on match days.

York will hold the trophies for two days on 10th and 11th October to mark the 50 days to go marker also. We are currently looking at opportunities to make the most of hosting the trophies during this period.

MIY are hosting two civic welcomes, one for the New Zealand Men's team on the 11th October and one for the Women's Teams on the 31st October. Both events will be held at the Mansion House. In addition, York is housing the official RLWC Women's welcome event (organised directly by RLWC) at the Hospitium on 28th October.

City Centre, Events and Markets

City Centre:

- Make proposals to the Council for any new ideas for commercial exploitation of the Footstreets, Eye York and Tower Gardens and Knavesmire.
- Contributing expertise, ideas and experiences to the MyCityCentre Project which will set the city centre strategy.
- Contribute to the Council's Retail Strategy, and join with the BID, Retail Forum, Indie York and others to attempt to attract appropriate new retail operators to the city.
- Create a high-profile calendar of city centre festivals, activities and events ensuring that partners such as the BID are enabled to contribute. Identify times when new events would add value to the York experience and work on filling these gaps.
- Promote the events calendar through all appropriate means including through highly visible city centre information.

City Centre Vibrancy

City Funding Support for Culture and Events

Make It York ran an Events and Festivals Grants scheme this year, for York based organisations negatively impacted by Covid-19, to support upcoming events in 2022.

The £50k grant funding came from the Government's ARG fund and was kindly provided by City of York Council to Make It York to support York's economic recovery from Covid-19. The purpose of the grant funding was to support the delivery of events and festivals which would have happened in 2020 and/or 2021, as well as holding new events and festivals led by York-based organisations who have been negatively impacted by the pandemic and therefore unable to fund the overall costs of such activities themselves. Grant funding was delivered in consultation with the Executive Members for Culture & Communities and Economy & Strategic Planning.

15 events were awarded grant funding in May, including York Pride, the York Mystery Plays and York Design Week. Full details here: [15 organisations awarded ARG Events & Festivals Grants \(makeityork.com\)](#)

City of York Council has confirmed a further £45K of ARG will be provided to Make It York which will support the delivery of local projects designed to improve city centre footfall, support a vibrant city centre and boost trade and economic recovery. MIY are also delighted to receive additional ARG funding which will help to support an Art Trail in York. We will be working with partners to develop the trail and will unveil the plans over the coming months.

City Centre and Open Spaces

Knavesmire

The Events team have worked closely with Balloon Fiesta organisers and CYC departments to address previous concerns raised by CYC councillors and Environmental protection. The event is due to take place during the weekend of 23-25th September.

Blue Sky Acoustics were commissioned to produce a noise management plan for the Knavesmire, in line with the premises licence. The report will ensure that all future events will adhere to agreed noise levels. Site planning, to future proof the site for events and mitigate against previous noise issues, will be improved.

MIY are in discussions with the organisers of 'Pub in the Park' about the possibility of hosting an event in 2023, similar to events that are taking place across the country this year. Further details can be found here: [Pub in the Park with Tom Kerridge | Pub in the Park with Tom Kerridge | Pub in the Park Festivals \(pubintheparkuk.com\)](#)

St Sampson's Square

MIY commissioned a structural survey of St Sampson's Square to investigate the feasibility of the square hosting a 35m Big Wheel for the whole of October and during future dates. If feasible, this will become a strong attraction in the City Centre and would be in situ during quieter periods of the year to help to increase footfall.

Tendering

In line with our Scheme of Delegation and to secure value for money and promote fair and transparent processes, Make It York has a tender process to award major contracts to suppliers. Details of current tenders, including instructions on how to submit a tender, are published on the MIY website.

We undertook a tender process for Christmas food & drink offers and summer activity:

Summer – the contract was awarded to Fabler (formerly Thor's) to produce an 'Orangery' on Parliament St during the Summer (24th June – 4th September). Further details are below.

Christmas – the contract was awarded to Coopers Marquees (working with Jamboree Entertainment). Further details below.

May-July events

Between May and July, the Events team supported several city wide events, namely the Jorvik Viking Festival (city centre), York Waggon Plays (city centre), York Pride (Knavesmire) and York Cycle Rally (Knavesmire).

The Events team worked with partners at CYC Active Leisure, York Minster and North Yorkshire Police to host the Queens Baton Relay on Wednesday 13th July as it passed through York as part of the international tour of the Commonwealth. The Relay and nominated Baton bearers had a photo opportunity on the Bar walls and in front of York Minster before heading to York St John's University Sports Campus. On arrival, they were joined by over 600 school children engaging with over 20 local sports groups to promote taking part in sport across the city.

Our very own MD, Sarah took part in the Queens Baton Relay in Hull after being nominated by her son.

Summer 2022

Fabler (formerly Thor's) built an 'Orangery' on Parliament St, which is in situ from 24th June – 4th September. The brand-new rustic structure for 2022 includes its very own courtyard and reclaimed wood stage with a programme of music and live events throughout the summer. All details can be found on the Visit York website.

Christmas 2022

Christmas 2022 marks the 30th Anniversary of the St Nicholas Christmas Fair. As mentioned above, a Winter Hutte' will be built on Parliament St, replacing last year's Thor's Tipi. This will be a new, two-storey feature and will include a menu produced and in partnership with Andrew Perne, who is a Yorkshire based, Michelin starred chef.

All trading spaces on Parliament St and St Sampson's Square have now been fully allocated with over two thirds of traders coming from York/Yorkshire. We also have a substantial waiting list, should anybody drop out beforehand.

We are also investigating the feasibility of a number of additional activities/destination opportunities in the Eye of York and Castle Mills car park area, which would help to spread the Christmas offer across the City.

Working in partnership with York BID, we have awarded a four year contract for the Winter Lights to be supplied by LITE. We will be ensuring that the city wide scheme provides points of interest across the city.

MyCityCentre and other groups

The Culture and Wellbeing team are members of the My City Centre stakeholders' group, providing input into the current Vision document and consultation on events across the city and their positive impact on creating a vibrant city centre.

The team also sits on the following partnership groups: City Centre Anti-Social Behaviour, Counter Terrorism task group and Publicly Accessible locations working group.

Commercial Events

Commercial Events

- Run safe and sustainable commercial events, including specialist markets, to generate surplus for investment.
- Maintain an up-to-date, comprehensive and publicly accessible overall list of events happening across York.
- Provide a toolkit to allow event organisers to self-serve including guidance on event management and highlighting where permissions would be required.
- Manage all enquiries from any individual or organisation requiring support / guidance with regard to putting on an event in York in the first instance
- If a proposed event falls within the Footstreets, Tower Gardens or the Eye of York:
 - decide whether to permit the event;
 - take responsibility for ensuring that the event organiser complies with all safety and other legal requirements in the planning and delivery of the event, including referring the event to the Council's Safety Advisory Group.
 - provide any appropriate management or other support to the event organiser
- If the proposed event is on land other than the Footstreets, Tower Gardens or the Eye of York determine whether the event falls within Make It York's remit and objectives, and if so:
 - seek relevant Council approvals to proceed;
 - provide appropriate management or other support to the event organiser; and
 - if not, sign post the event organiser to web-based and other information resources as appropriate.
- Work within relevant laws and Regulations that exist and ensure compliance with all licenses and permissions associated with particular sites at all times.

See sections above.

Shambles Market

Shambles Market

Economic Health of Shambles Market

Consultation has recently concluded on standardisation of rents for retail traders and an increase on rent for food traders and took effect in July. It is proposed that Inflation will automatically be applied each year in line with inflation commencing 2023. Moving forward periodic rent reviews will be undertaken to ensure that the market operates on a sustainable basis.

Shambles Market needs to be more commercially minded to deliver best value and facilitate a service that is sustainable where businesses can go and thrive as market trends continue to evolve.

To support delivering a sustainable market planned work in the near future includes:

- Options for revitalising the short- and medium-term performance of the market including a
 - a review of all service policies, procedures and protocols to ensure they are up-to-date, relevant and fully documented
 - enhanced staff training
 - a proactive approach to marketing and promotion maximising stall occupancy, trader mix and footfall
- Long term strategic outlook for the market
 - market Health Check
 - delivery of an investment plan
 - delivery of a succession plan to attract, encourage and recruit future market traders particularly young traders
 - development of a programme of added value markets ie Night Markets, and speciality markets
 - effective procurement and contract management is in place and delivers value for money
 - health and safety arrangements, including training, are in place, effective and compliant
 - Review of licencing system for traders to ensure the market can change and adapt
 - development of an Enterprise Programme to bring young people as traders to the market

Occupancy continues to be a challenge, particularly during the week. Saturday and Sunday are achieving 100% occupancy. Work is underway to actively seek out new traders for the market and this will further be enhanced by a marketing campaign

Improving relationships with traders

Regular meetings are scheduled with YMTF where key issues are addressed and discussed. Further trader liaisons with Food traders are being developed to drive improvement and inform business direction.

Marketing

A marketing subgroup has been established and is progressing some key initiatives in partnership with traders.

The MIY website has been improved to include trader spotlights, how to become a trader, application forms, FAQ's and history of the Shambles Market.

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

Document is Restricted

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**Report of the Directors and
Audited Financial Statements for the Year Ended 31 March 2022
for
MAKE IT YORK LIMITED**

MAKE IT YORK LIMITED**Contents of the Financial Statements
for the year ended 31 March 2022**

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MAKE IT YORK LIMITED**Company Information
for the year ended 31 March 2022****DIRECTORS:**

M J Fordyce
Professor C Bailey
Ms J Concannon
D Horne
G Dyke
D Craghill
N J Ayre
Ms S J Loftus

REGISTERED OFFICE:

1 Museum Street
York
North Yorkshire
YO1 7DT

REGISTERED NUMBER:

09308493 (England and Wales)

AUDITORS:

Morrell Middleton Auditors Ltd
Wellington House
Aviator Court
Clifton Moor
York
North Yorkshire
YO30 4UZ

MAKE IT YORK LIMITED**Report of the Directors
for the year ended 31 March 2022**

The directors present their report with the financial statements of the company for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of destination management for the city of York.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2022.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

M J Fordyce
Professor C Bailey
Ms J Concannon
D Horne
G Dyke
D Craghill

Other changes in directors holding office are as follows:

D J Smalley - resigned 28 May 2021
N J Ayre - appointed 28 May 2021
Ms S J Loftus - appointed 29 November 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

G Dyke - Director

12 July 2022

**Report of the Independent Auditors to the Members of
Make It York Limited**

Opinion

We have audited the financial statements of Make It York Limited (the 'company') for the year ended 31 March 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

As described in note 2 the directors have considered the impact of COVID-19 and the impact on future plans and have identified that there exists a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Based on the work we have performed we have not identified any further material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Make It York Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of board minutes and legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
Make It York Limited**

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Morrell FCCA (Senior Statutory Auditor)
for and on behalf of Morrell Middleton Auditors Ltd
Wellington House
Aviator Court
Clifton Moor
York
North Yorkshire
YO30 4UZ

12 July 2022

MAKE IT YORK LIMITED**Income Statement
for the year ended 31 March 2022**

	Notes	2022 £	2021 £
TURNOVER		3,756,319	1,939,015
Cost of sales		<u>2,276,423</u>	<u>725,035</u>
GROSS PROFIT		1,479,896	1,213,980
Administrative expenses		<u>1,506,404</u>	<u>1,921,766</u>
		(26,508)	(707,786)
Other operating income		<u>28,080</u>	<u>153,427</u>
OPERATING PROFIT/(LOSS)	4	1,572	(554,359)
Interest receivable and similar income		<u>140</u>	<u>1,520</u>
PROFIT/(LOSS) BEFORE TAXATION		1,712	(552,839)
Tax on profit/(loss)		<u>46,360</u>	<u>(20,330)</u>
LOSS FOR THE FINANCIAL YEAR		<u><u>(44,648)</u></u>	<u><u>(532,509)</u></u>

The notes form part of these financial statements

MAKE IT YORK LIMITED

Other Comprehensive Income
for the year ended 31 March 2022

Notes	2022 £	2021 £
LOSS FOR THE YEAR	(44,648)	(532,509)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Actuarial gains(losses)	266,000	(84,000)
Income tax relating to other comprehensive income/(loss)	<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF INCOME TAX	<u>266,000</u>	<u>(84,000)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u>221,352</u>	<u>(616,509)</u>

The notes form part of these financial statements

MAKE IT YORK LIMITED (REGISTERED NUMBER: 09308493)

Balance Sheet
31 March 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Intangible assets	5		-		-
Tangible assets	6		<u>83,706</u>		<u>83,069</u>
			83,706		83,069
CURRENT ASSETS					
Stocks		10,255		19,661	
Debtors	7	168,101		149,646	
Investments	8	1		1	
Cash at bank and in hand		<u>390,024</u>		<u>99,958</u>	
		568,381		269,266	
CREDITORS					
Amounts falling due within one year	9	<u>876,366</u>		<u>600,327</u>	
NET CURRENT LIABILITIES			<u>(307,985)</u>		<u>(331,061)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(224,279)		(247,992)
ACCRUALS AND DEFERRED INCOME			(54,421)		(54,420)
PENSION LIABILITY			<u>(2,430)</u>		<u>(200,070)</u>
NET LIABILITIES			<u>(281,130)</u>		<u>(502,482)</u>
CAPITAL AND RESERVES					
Called up share capital			1		1
Retained earnings			<u>(281,131)</u>		<u>(502,483)</u>
SHAREHOLDERS' FUNDS			<u>(281,130)</u>		<u>(502,482)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 12 July 2022 and were signed on its behalf by:



G Dyke - Director

MAKE IT YORK LIMITED

Statement of Changes in Equity
for the year ended 31 March 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2020	1	114,026	114,027
Changes in equity			
Total comprehensive loss	-	(616,509)	(616,509)
Balance at 31 March 2021	1	(502,483)	(502,482)
Changes in equity			
Total comprehensive income	-	221,352	221,352
Balance at 31 March 2022	1	(281,131)	(281,130)

The notes form part of these financial statements

MAKE IT YORK LIMITED**Notes to the Financial Statements
for the year ended 31 March 2022****1. STATUTORY INFORMATION**

Make It York Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

Make it York Limited depends on its existing bank facilities and cash resources to meet its day to day working capital requirements. Current forecasts indicate that the company expects to be able to operate within these facilities for the whole of the foreseeable future. Accordingly, the Directors believe it is appropriate to prepare the financial statements on the going concern basis.

The Directors have also considered the impact of COVID-19 on the company's income and operating cost base. Whilst it is not considered practical to accurately assess the duration and extent of the disruption, the Directors are confident that they have in place plans to deal with any financial losses that may arise.

The Directors included the impact of the pandemic within their forecasts of income and expenditure for the period to 31 March 2025 and subjected those forecasts to sensitivity analysis. They will continue to monitor the impact on income and expenditure and take appropriate action as necessary.

The Directors however recognize that significant uncertainty exists surrounding the duration and impact of COVID-19 and hence there is an inherent risk regarding the success and sustainability of these plans. The risk represents a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern, however the Directors have concluded that the company remains a going concern whilst such viable options are available to it. The Directors therefore continue to adopt the going concern basis of preparation for these financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Branding costs are being amortised evenly over their estimated useful life of four years.

Website development is being amortised evenly over its estimated useful life of three years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost, 25% on reducing balance and 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

MAKE IT YORK LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2022

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

Payments in respect of other post-retirement benefits are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 42 (2021 - 47).

4. OPERATING PROFIT/(LOSS)

The operating profit (2021 - operating loss) is stated after charging:

	2022	2021
	£	£
Hire of plant and machinery	6,152	7,244
Depreciation - owned assets	17,848	19,553
Website development amortisation	-	19,746
Auditors' remuneration	7,200	5,960
Pension costs	<u>97,145</u>	<u>117,148</u>

5. INTANGIBLE FIXED ASSETS

COST

At 1 April 2021
and 31 March 2022

Other
intangible
assets
£

178,771

AMORTISATION

At 1 April 2021
and 31 March 2022

178,771

NET BOOK VALUE

At 31 March 2022

-

At 31 March 2021

-

MAKE IT YORK LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2022

6. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 April 2021	390,997
Additions	<u>18,485</u>
At 31 March 2022	<u>409,482</u>
DEPRECIATION	
At 1 April 2021	307,928
Charge for year	<u>17,848</u>
At 31 March 2022	<u>325,776</u>
NET BOOK VALUE	
At 31 March 2022	<u>83,706</u>
At 31 March 2021	<u>83,069</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	132,819	107,621
Other debtors	<u>35,282</u>	<u>42,025</u>
	<u>168,101</u>	<u>149,646</u>

8. CURRENT ASSET INVESTMENTS

	2022 £	2021 £
SCY Enterprise Limited	<u>1</u>	<u>1</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	439,293	198,762
Taxation and social security	65,301	201,726
Other creditors	<u>371,772</u>	<u>199,839</u>
	<u>876,366</u>	<u>600,327</u>

MAKE IT YORK LIMITED**Notes to the Financial Statements - continued
for the year ended 31 March 2022****10. EMPLOYEE BENEFIT OBLIGATIONS****Introduction**

The disclosures relate to the funded liabilities within the North Yorkshire Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (the "LGPS").

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations 2013' (as amended) and 'The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014' (as amended).

Funding / Governance Arrangements of the LGPS

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Fund's Funding Strategy Statement. The last actuarial valuation was at 31 March 2019 and the contributions to be paid until 31 March 2023 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate.

The Fund Administering Authority, North Yorkshire County Council, is responsible for the governance of the Fund.

Assets

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return over the accounting period. The Fund holds a significant proportion of its assets in liquid investments. As a consequence there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Administering Authority) is shown in the disclosures.

The Administering Authority may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

Risks associated with the Fund in relation to accounting**Asset volatility**

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields at the accounting date. If assets underperform this yield this will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which while expected to outperform corporate bonds in the long term creates volatility and risk in the short term in relation to the accounting figures.

Changes in Bond Yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the Fund invests in corporate bonds).

Inflation Risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value.

The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

Life expectancy

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

MAKE IT YORK LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2022**Exiting employers**

Employers who leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund.

Further the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Present value of funded obligations	(747,000)	(1,176,000)
Fair value of plan assets	<u>744,000</u>	<u>929,000</u>
	(3,000)	(247,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	(3,000)	(247,000)
Deferred tax asset	<u>570</u>	<u>46,930</u>
Net liability	<u>(2,430)</u>	<u>(200,070)</u>

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Current service cost	30,000	40,000
Net interest from net defined benefit asset/liability	20,000	19,000
Past service cost	<u>-</u>	<u>-</u>
	<u>50,000</u>	<u>59,000</u>
Actual return on plan assets	<u>15,000</u>	<u>215,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Opening defined benefit obligation	1,176,000	810,000
Current service cost	30,000	40,000
Contributions by scheme participants	5,000	9,000
Interest cost	20,000	19,000
Actuarial losses/(gains)	(96,000)	299,000
Benefits paid	(15,000)	(1,000)
Liabilities re transfers out	<u>(373,000)</u>	<u>-</u>
	<u>747,000</u>	<u>1,176,000</u>

MAKE IT YORK LIMITED

Notes to the Financial Statements - continued
for the year ended 31 March 2022

10. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Opening fair value of scheme assets	929,000	670,000
Assets interest income	17,000	16,000
Contributions by employer	11,000	20,000
Contributions by scheme participants	5,000	9,000
Actuarial gains/(losses)	15,000	215,000
Benefits paid	(15,000)	(1,000)
Assets re transfers out	(218,000)	-
	<u>744,000</u>	<u>929,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2022	2021
	£	£
Actuarial gains/(losses)	<u>266,000</u>	<u>(84,000)</u>
	<u>266,000</u>	<u>(84,000)</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2022	2021
Equities	55.70%	57.80%
Bonds	16.80%	16.20%
Property	7.40%	6.10%
Other	<u>20.10%</u>	<u>19.90%</u>
	<u>100.00%</u>	<u>100.00%</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2022	2021
Discount rate	2.70%	2.10%
Future salary increases	4.05%	3.85%
Future pension increases	2.80%	2.60%

11. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

MAKE IT YORK LIMITED**Notes to the Financial Statements - continued
for the year ended 31 March 2022****11. RELATED PARTY DISCLOSURES - continued****City of York Council**

Shareholder of Make It York Limited

The company sold goods and services to City of York Council during the year to the value of £169,317 (2021: £23,856). At the year end the balance outstanding in respect of these transactions was £Nil (2021: £Nil).

The company also received £674,333 (2021: £798,000) in service level agreement funding from City of York Council. It also received ad hoc grants totalling £279,382 from City of York Council.

The company purchased goods and services from City of York Council during the year to the value of £876,227 (2021: £486,980). At the year end the balance outstanding in respect of these transactions was £302,862 (2021: £140,232).

All transactions were conducted under normal commercial terms.

The controlling party is City of York Council.

MAKE IT YORK LIMITED

Trading and Profit and Loss Account
for the year ended 31 March 2022

	2022		2021	
	£	£	£	£
Turnover				
VIC income	164,886		44,999	
City centre and markets income	785,536		360,272	
Membership	199,706		185,732	
Marketing income	844,380		355,178	
Christmas income	675,580		-	
Publications	132,516		102,218	
Net contribution from partners	674,333		798,000	
Additional external funding	<u>279,382</u>		<u>92,616</u>	
		3,756,319		1,939,015
Cost of sales				
Marketing costs	883,348		316,569	
Publications	110,314		88,657	
VIC purchases	136,813		35,324	
City centre and markets	586,196		246,030	
Christmas costs	<u>559,752</u>		<u>38,455</u>	
		<u>2,276,423</u>		<u>725,035</u>
GROSS PROFIT		1,479,896		1,213,980
Other income				
Government grants	28,080		153,427	
Deposit account interest	<u>140</u>		<u>1,520</u>	
		<u>28,220</u>		<u>154,947</u>
		1,508,116		1,368,927
Expenditure				
Rent	79,717		96,393	
Directors' salary	28,409		107,941	
Director social security	3,475		13,683	
Directors' pension contributions	750		6,476	
Wages	1,126,906		1,365,586	
Training	159		16	
Pensions	96,395		110,672	
Hire of plant and machinery	6,152		7,244	
Printing & stationery	2,149		609	
Telephone	4,665		3,788	
Postage	2,238		1,357	
Promotions	575		607	
Travelling	3,633		1,039	
Staff uniforms	534		193	
Insurance	15,086		16,992	
Computer & software costs	21,964		28,549	
Repairs and renewals	3,386		2,567	
Subscriptions	199		827	
Sundry expenses	17,009		15,002	
Staff recruitment costs	10,875		-	
Redundancy costs	5,000		45,217	
Non-recoverable VAT	14,992		8,694	
Professional fees	19,170		36,264	
Auditors' remuneration	7,200		5,960	
Bad debts	<u>7,851</u>		<u>2,109</u>	
		<u>1,478,489</u>		<u>1,877,785</u>
Carried forward		29,627		(508,858)

This page does not form part of the statutory financial statements

MAKE IT YORK LIMITED

Trading and Profit and Loss Account
for the year ended 31 March 2022

	2022		2021	
	£	£	£	£
Brought forward		29,627		(508,858)
Finance costs				
Bank charges		<u>10,067</u>		<u>4,682</u>
		19,560		(513,540)
Depreciation				
Computer software	-		19,746	
Plant and machinery	2,574		7,207	
Fixtures and fittings	<u>15,274</u>		<u>12,346</u>	
		<u>17,848</u>		<u>39,299</u>
NET PROFIT/(LOSS)		<u><u>1,712</u></u>		<u><u>(552,839)</u></u>

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

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Shareholder Committee Draft Work Plan 2022/23

Training/briefing events will be held at appropriate points in the year to support members in their role on the Committee.

Item	Lead officers	Contributing Organisations	Scope
15 June 2022			
Veritau business update	Janie Berry	Veritau	To receive an update on performance of the company
Yorwaste finance update	Patrick Looker	Yorwaste	To receive an update on performance of the company
City of York Trading Ltd update	Helen Whiting	CYT Ltd	To receive an update on performance of the company
YPO finance update	Debbie Mitchell	YPO	To receive an update on performance of the company
31 October 2022			
Yorwaste Update	Patrick Looker	Yorwaste	To receive an update on performance of the company
Make it York Finance Update	Andrew Laslett	Make it York	Update on progress against the business plan
City of York Trading Update	Helen Whiting	CYT Ltd	To receive an update on performance of the company
Veritau Ltd Business Update	Bryn Roberts	Veritau	To receive an update on performance of the company
13 March 2023			
Veritau business plan	Bryn Roberts	Veritau	To receive an update on performance of the company

Make it York business plan	Andrew Laslett	Make it York	Approval of the annual business plan (in light of agreed SLA priorities)
Yorwaste Update	Patrick Looker	Yorwaste	To receive an update on performance of the company
City of York Trading Ltd business plan	Helen Whiting	CYT Ltd	To receive an update on performance of the company
YPO business plan	Debbie Mitchell	YPO	To receive an update on performance of the company