

Meeting	Shareholder Committee
Date	31 October 2022
Present	Councillors Widdowson (Chair) and D'Agorne
In Attendance	Cllr Douglas, Leader of the Labour Group Patrick Looker, Head of Service, Finance (City of York Council (CYC)) Dan Moynihan, Senior Solicitor, Contract and Commercial (CYC) Helen Whiting, Head of Human Resources & Organisational Development (CYC) Sandy Boyle, Managing Director (Yorwaste) Max Thomas, Chief Executive (Veritau) Karen Bull, Managing Director (City of York Trading) Sarah Loftus, Managing Director (Make It York)

10. 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.

11. Minutes (4:31pm)

Resolved: That the minutes of the last meeting held on 15 June 2022 be approved and then signed by the Chair as a correct record.

12. Exclusion of Press and Public (4:31pm)

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

- (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

13. Public Participation (4:32pm)

It was reported that one member of the public had registered to speak under the Council's Public Participation Scheme, but they did not attend the meeting.

14. Yorwaste Ltd Finance Update (4:32pm)

Members considered a report from Yorwaste that provided their year-end trading position and accounts for the 2021/22 financial year as well as an update on trading information for 2022/23.

The Managing Director of Yorwaste provided a general overview noting that the accounts for the year-ending March 2022, attached as Annex 1 to the report, had been submitted to Companies House and that the Company:

- had achieved Cyber Essentials Plus accreditation of its IT security infrastructure and measures continued to be installed to minimise cyber threats.
- had recently been accredited under the Good Business Charter.
- would ensure all relevant staff were transitioned to the new hourly rates set by the Living Wage Foundation.
- was progressing with plans to install solar onto Harewood Whin Waste Transfer Station but the state of the electrical network

infrastructure and available capacity was currently a barrier to being able to export any electricity generation to the power grid.

- was looking to transition its energy mix, and alternate technology solutions were being considered due to the expensive costs of retrofitting sites.
- were exploring several projects with the University of York and the Food Environment Research Agency, which would improve the Company's sustainability profile.

In answer to questions raised, it was noted that the outcome and timetable for the Government's Resources and Waste Strategy implementation was still unclear and that the Company did not expect any significant impacts from the York and North Yorkshire devolution deal.

During discussion, the Managing Director agreed to provide Members with a summary of their current position in terms of accessing the northern power grid and specifics relating to onshore wind. The Managing Director was then commended on achieving the Good Business Charter and for the solar photovoltaic (PV) systems already installed.

Resolved:

- (i) That the report and annex from Yorwaste Ltd be noted.

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

- (ii) That Members received a summary of the Company's current position in terms of accessing the northern power grid and specifics relating to onshore wind.

Reason: To enable Members to support the Company in accessing the power grid and to consider if onshore wind should be included in future scoping exercises.

15. Veritau Limited Business Update (4:55pm)

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:

- The Group had continued to expand their client base and had several new contracts.

- An employment exercise that supported professional development with a clear career path into more senior leadership positions was underway.
- The 2021/22 accounts had been audited and approved and would be submitted to Companies House.
- The 2022/23 management accounts were forecasted to breakeven, due to the award of a higher-than-budgeted pay increase.
- The Group had retained its Investor in People accreditation and was working towards achieving Good Business Charter status.

During discussion and in answer to questions raised, the Chief Executive agreed to provide a copy of their sustainability policy to Members, and it was noted that none of the Group's workforce were paid under the real living wage rate.

The Chief Executive was thanked for his update.

Resolved:

- (i) That the Group's performance, since the last update, be noted.
- (ii) That the Group's sustainability policy be provided to Committee Members.

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

16. City of York Trading Ltd Update (5:03pm)

Members considered a report that provided a City of York Trading Ltd (CYT) performance update.

The Managing Director provided an overview and noted that the Company:

- accounts for 2021/22 would be filed with Companies House and the shareholder's dividend to the council was £135,000.
- through workwithschools, had recently approved a Carbon Reduction Plan.
- had registered on the Sustainable Business: Leadership, Innovation and Management Programme, which was led by the University of York and the York and North Yorkshire Local Enterprise Partnership.
- were in discussions with membership support at the Good Business Charter to explore how it may be able to secure membership and was waiting on formal advice before submitting an application.
- had provided advice to City of York Council regarding the new processes, particularly the modifications to the application forms.

The Managing Director was thanked for her report and during discussion she agreed to:

- promote sustainable travel amongst her staff and customers.
- liaise with their pension providers to investigate if the funds could be invested in a more sustainable manner.
- consider streamlining the forms used by City of York Council and to provide a brief update to the Chair.

In answer to questions raised, the Managing Director stated that the Company was an equal opportunities employer that strived to employ a diverse workforce and that all CYT's employees received pay above the real living wage rate. The Managing Director agreed that discussions with the CYT Board were required to consider if the real living wage rate should be mandated throughout all their clients.

The Managing Director was thanked for her report and congratulated on the successful refurbishment of their new offices.

Resolved:

- (i) That the statutory accounts for City of York Trading Ltd for the financial year 2021/22, attached at Annex A to the report, be noted.

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

- (ii) That the confidential Performance Update from City of York's Trading Ltd, attached at Annex B to the report, be noted.

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

- (iii) That the Procurement Policy Statement, attached at Annex C to the report, the Carbon Reduction Plan, attached at Annex D to the report, and the Sustainability Policy Statement, attached at Annex E to the report, from City of York Trading Ltd, be noted.

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

17. Make It York Update (5:21pm)

Members considered a report that provided an update on Make It York's (MIY) finance performance since the last report in March 2022.

The Managing Director of MIY provided an overview, highlighting the activities, campaigns and events undertaken in the last six months, and their budgetary position.

It was noted that:

- MIY's Board would like to recruit three new non-executive directors and a Member Advisory Board would soon be established.
- There had been a small restructure within the Company and several vacancies would be advertised.
- There would be a continued focus on international campaigns, the Shambles Market and engagement with York residents.
- Every stall at this year's Christmas Market would offer a discount of up to 30% to local residents who could prove they lived in York.
- Standardisation in the markets had been carried out and an interim rent reduction had been introduced, pending a full rent review.
- MIY had established the first Cultural Executive in the UK, which included 160 members.
- Audited accounts for 2021/22 were recorded with a loss due to a deferred tax on pensions from the previous year.
- Cost control measures were being implemented to address some of the deficit expected at the end of 2022/23 and City of York Council Officers continued to monitor the organisation's ongoing financial position.

The Managing Director was commended for negotiating discounts for York residents and for banning single-use plastics at the Christmas Market, and in answer to questions raised, it was noted that:

- The Good Business Charter had been achieved in June 2022.
- The Visitor Centre would be selling reusable cups and the ambition was to make the Shambles Market even more sustainable.
- All Board Members were requested to follow standard protocols, including declaring any declarations of interests.
- MIY staff were paid above the real living wage rate.
- MIY had a policy to source and buy, where practicable, goods and services locally, and would consider endorsing this through their tenders.
- The Shambles Market had been included in the Christmas publications this year and the commodities sold at future Christmas Markets would be examined more closely.

The Managing Director was congratulated on her detailed report.

Resolved:

- (i) That the Make It York update report, at Annex C (including appendices 1 to 6) to the report, be noted.
- (ii) That the appointment of three new non-executive directors, whose personal profiles were attached at Appendix 2 of the Make It York update report, be approved.

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

18. Work Plan (5:43pm)

Members considered the Committee's work plan.

Resolved: That the work plan be noted.

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

Cllr Widdowson, Chair

[The meeting started at 4.30pm and finished at 5.43pm].

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