

Notice of a public meeting of

Shareholder Committee

To: Councillors Lomas (Chair) and Douglas
Date: Monday, 23 October 2023
Time: 6.00 pm
Venue: The Thornton Room - Ground Floor, West Offices (G039)

AGENDA

1. **Declarations of Interest**

At this point in the meeting, Members and co-opted members are asked to declare any disclosable pecuniary interest, or other registerable interest, they might have in respect of business on this agenda, if they have not already done so in advance on the Register of Interests. The disclosure must include the nature of the interest.

An interest must also be disclosed in the meeting when it becomes apparent to the member during the meeting.

(1) *Members must consider their interests, and act according to the following:*

Type of Interest

You must:

*Disclosable
Pecuniary Interests*

Disclose the interest; not participate the discussion or vote; and leave the meeting unless you have a dispensa

*Other Registrable
Interests (Directly*

*Disclose the interest; speak on the i
only if the public are also allowed to*

*Related)
OR
Non-Registrable
Interests (Directly
Related)*

Speak but otherwise not participate in the discussion or vote; and leave the meeting unless you have a dispensation.

*Other Registrable
Interests (Affects)
OR
Non-Registrable
Interests (Affects)*

Disclose the interest; remain in the meeting, participate, and vote unless the matter affects the financial interest or well-being:

*(a) to a greater extent than it affects the financial interests of a majority of inhabitants of the affected ward; and
(b) a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest,
in which case speak on the item only if the public are also allowed to speak, but otherwise not do not participate in the discussion or vote, and leave the meeting, unless you have a dispensation.*

- (2) *Disclosable pecuniary interests relate to the Member concerned or their spouse/partner.*
- (3) *Members in arrears of Council Tax by more than two months must not vote in decisions on, or which might affect, budget calculations, and must disclose at the meeting that this restriction applies to them. A failure to comply with these requirements is a criminal offence under section 106 of the Local Government Finance Act 1992.*

2. Minutes (Pages 1 - 6)

To approve and sign the minutes of the last meeting of the Committee held on 19 June 2023.

3. Exclusion of Press and Public

To consider excluding the public and press from the meeting during consideration Appendices 2,3,4, and 5 of agenda item 6 and Appendix 1 of agenda item 8 on the grounds that they

contain information relating to the financial or business affairs of any particular person (including the authority holding that information). This information is classed as exempt under Paragraphs 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 19 October 2023.

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 Update (Pages 7 - 56)

To consider reports from Yorwaste providing the year end accounts for the 2022/23 financial year as well as an update of trading for the financial year 2023/24.

- 6. Make it York Finance Update** (Pages 57 - 120)
To consider reports from Make It York (MIY) on the company's financial performance since the last report in March 2023. Included within the MIY report is a copy of the audited annual accounts for 2022/23 and an update of financial and non-financial performance for the trading period April to September 2023. Finally, a financial forecast for 2024/25 and 2025/26.
- 7. City of York Trading Ltd Update**
The report to this item is marked as to follow.
- 8. Veritau Limited Business Update** (Pages 121 - 150)
To consider a report from Veritau Limited Business on the company's financial performance.
- 9. Shareholder Committee Work Plan 2023/24** (Pages 151 - 152)
To consider the Shareholder Committee Work Plan for 2023/24.
- 10. Urgent Business**
Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

Name: Robert Flintoft

Contact details:

- Telephone – (01904) 555704
- Email – Robert.flintoft@york.gov.uk

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

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

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

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

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

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

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

 (01904) 551550

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City of York Council

Committee Minutes

Meeting	Shareholder Committee
Date	19 June 2023
Present	Councillors Lomas (Chair) and Douglas
In Attendance	Cllr Ayre, Leader of the Lib Dem Group Patrick Looker, Head of Service, Finance (City of York Council (CYC)) Dan Moynihan, Senior Solicitor, Contract and Commercial (CYC) Sarah Loftus, Managing Director (Make It York) Andy Laslett, Strategic Services Manager (CYC) Sandy Boyle, Managing Director (Yorwaste) Richard Smith, Deputy Chief Executive (Veritau Limited) Karen Bull, Managing Director (City of York Trading Ltd) Helen Whiting, Head of Human Resources & Organisational Development (CYC) Cllr Cuthbertson (Non-executive director, City of York Trading Ltd)

1. Declarations of Interest (4:31 pm)

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.

No interests were declared but it was noted that Cllr Ayre's resignation as a Make It York Board Director was in the process of being acknowledged by Companies House.

2. Minutes (4:32 pm)

Resolved: That the minutes of the last meeting held on 13 March 2023 be approved and then signed by the Chair as a correct record.

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

Resolved: That the press and public be excluded from the meeting during any discussion arising on the following documents, 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 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 5, Make It York - Pay Remuneration
 - Annex 1 – Pay Award Proposal 2022/23 and 2023/24
- (ii) Agenda Item 8, City of York Trading Ltd Update
 - Annex A – CYT Performance Update June 2023

4. Public Participation (4:33 pm)

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

5. Make It York - Pay Remuneration (4:33 pm)

Members considered a report that sought approval in relation to the Managing Director and senior staff pay remuneration proposal.

The Managing Director provided an overview and explained:

- The pay award proposal was to make a 5% back dated pay award for 2022/2023 and a 5% pay award for 2023/2024 for all employees including the Managing Director and senior staff who were paid at a rate more than £50,000 per annum.
- Inflation (up to March 2023) had been 10.7% and no pay award had been made since 2019,

except a one off £1,000 cost of living payment during 2022/23; and

- The difficulties in recruiting to roles.

Members noted that the Make It York (MIY) board had approved the pay award proposal for 2022/23 and 2023/24, at Annex 1 to the report, on 25 April 2023, however, under the Articles of Association, the Shareholder Committee were required to give approval for senior staff paid in excess of £50,000 per annum or increasing the remuneration of any such person in excess of £2,000 per annum.

In terms of affordability, and in answer to questions raised, it was noted that the:

- Council's contract manager and finance manager received regular financial updates and understand from MIY financial performance reports in 2022/23, the pay award was affordable at the proposed level.
- MIY budget forecast for 2023/24 had been set by the MIY board and the proposed pay award was affordable and allocated in the budget.

Following discussion it was

Resolved: That the MIY Board document titled Pay Award Proposal for 2022/23 and 2023/24, at Annex 1 (confidential) to the report, be approved.

Reason: To ensure the council was fulfilling its contractual role in relation to Schedule 2 of the Articles of Association.

6. Yorwaste Ltd Finance Update (4:42 pm)

Members considered a report from Yorwaste that provided a trading update for the 2022/23 financial year as well preliminary indications of trading for the financial year 2023/24.

The Managing Director of Yorwaste presented his report, noting that:

- Auditors were considering the aftercare liabilities relating to the closed landfill sites.
- The Company expected to report performance above its target profit for the year, although this was below the

previous year due to the absorption of past years inflationary pressures, which were mostly fuel related.

- The Harewood Materials Recycling Facility fire was largely restricted to the picking line, and damage to the wider building was limited. A temporary facility was in operation within two weeks and in under ten weeks the main Harewood facility was up and running with improved quality rates. Throughout the whole process there was no significant interruption to service provision for City of York Council.
- The Company generated a robust cash flow in the year and had paid-down the business development shareholder loan that had a repayment schedule. The Company still had one outstanding loan with City of York Council, with no repayment schedule, but the expectation was to reduce that debt, whilst taking into account future cash flow requirements.
- The required target tonnage had been delivered despite the authorities own tonnages being down 5% year on year.
- The planning process for the large scale solar farm at Harewood closed landfill site was progressing but connecting to the National Grid was still an ongoing challenge. The Company were exploring small and mid-scale solar with an aim to meet its own annual electrical consumption from renewables by 2030.

The Managing Director was thanked for his update and, following further discussions regarding the existing business development loan and connecting to the National Grid, it was

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

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

7. Veritau Limited Business Update (5:05 pm)

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

The Deputy Chief Executive of Veritau provided an overview, noting that:

- The transfer of a number of staff into Veritau, and the transfer of shares from Veritau North Yorkshire into Veritau Limited, due to the local government reorganisation in North Yorkshire, had been completed.
- The Group had gained a number of new contracts and clients.
- The 2022/23 accounts were currently being audited and a provisional expected profit of £25,000 was expected, which was slightly lower than the projected budget.
- The response rates for the client satisfaction survey was low but overall the client retention rate remained strong.

The Deputy Chief Executive was thanked for his update and in answer to questions raised he explained that the rising costs and inflationary pressures in 2022/23 were due to higher than expected pay increases to staff. He confirmed that this challenge would be managed in 2023/24 due to the pay awards already being accepted and made.

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

Reason: To ensure that the council was updated on the performance of Veritau Limited.

8. City of York Trading Ltd Update (5:11 pm)

Members considered a report and update from the Managing Director that provided a more detailed analysis of City of York Trading Ltd.'s financial review for 2022/23, budget for 2023/24, the risks, and an operational update regarding WorkwithYork, WorkwithSchools and WorkwithYorkshire.

The report also asked, under the terms of the City of York Trading Shareholder Agreement, to recommend to the Board of Directors of City of York Trading Ltd which Council Non-Executive Director should be appointed as Chair of the Board of Directors of the Company.

The Managing Director answered questions raised, and was thanked for her update.

Resolved:

- (i) That the confidential performance update, from City of York's Trading Ltd, attached at Annex A to the report, be noted.
- (ii) That the nominated Council Non-Executive Director, to be appointed as Chair of the Board of Directors of the Company, be considered by Committee Members and be confirmed to the Managing Director of City of York Trading Ltd.

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

9. Work Plan (5:10 pm)

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 Lomas, Chair

[The meeting started at 4.30 pm and finished at 5.45 pm].



Shareholder Committee

23rd October 2023

Report of the Chief Finance Officer

Yorwaste Ltd Finance Update

Purpose of Report

1. To consider reports from Yorwaste providing the year end accounts for the 2022/23 financial year as well as an update of trading for the financial year 2023/24.

Recommendations

2. Note the reports from Yorwaste Ltd attached at annex 1 to this report and the audited financial accounts for 2022/23 attached at annex 2.

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 and from 2023/24 the North Yorkshire 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 R. Melly 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 latest trading update for the company is shown at Annex 1.

6. Annex 2 are the published accounts for 2022/23.

Risk Management

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

Implications

8. 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 Email patrick.looker@york.gov.uk	Debbie Mitchell Chief Finance Officer			
	Report Approved	x	Date	11 th October 2023
Wards Affected: All				
<i>For further information please contact the author of the report</i>				

Annex 1 – Yorwaste Headline Performance Review.

Annex 2 – Yorwaste 2022/23 Accounts

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 2023

At the time of our last meeting there was one item in the accounts which was under going a technical review with the auditors, namely that relating to the aftercare provision, which when finalised resulted in a full year profit before tax of £1.3m for 2022/23, an increase on the prior year. We discussed the factors behind this positive result at that meeting and a full copy of the annual report and accounts for the year-ending March 2023 has been included in the appendices to this report.

3. Update on current performance

At the mid-year point, in terms of profit, we are currently trending ahead of where we were last year, helped predominately by the continued strength in landfill gas revenues. Absent any significant external shocks the Company is cautiously optimistic it can deliver a result in line, if not slightly ahead of last year.

Governmental Waste Strategy

The Company continues to work with the Authority waste teams to provide options in response to the current and future waste challenges arising from both DEFRA and EA policies.

In recent months responses to deal with Persistent Organic Pollutants (POPs) and the central government mandated abolition of charging for DIY waste at HWRCs have presented both operational challenges and additional financial cost for the authorities.

There now appears to be a policy hiatus in relation to standardised waste collections which makes planning and investing in the correct collection and processing methods difficult, however if the “simplified method” does indeed turn out to be a two stream approach then this can be implemented relatively easily and would be a cost effective option for the local tax payer. However even here the looming prospect of a national Deposit Return Scheme could have a materially adverse impact on any kerbside collection solution depending on if, when, and how any such scheme is brought into operation.

However it is increasingly unlikely that any significant waste strategy announcements will be made this side of the next General Election

Environment & Climate Change

The Company has now submitted a planning application for large scale solar at Harewood, however even if granted there is still the challenge of connection to the National Grid which could be up to a decade away.

On a more modest scale the Company is exploring small scale solar for its own consumption and has plans for phased investment across its sites over the coming years.

A recent review of the Company’s mobile plant fleet found over 50% are either Stage 4B or Stage 5 compliant, with a further 28% being Stage 4A compliant. Whilst the Company still has around a fifth of its mobile plant in Stage 3, these are very low usage assets at lower volume sites. The Company operates a phase-out asset strategy where the newest assets are used in the largest volume sites, and then progressively are “put out to pasture” at quieter sites before their disposal. Under this policy 90% of mobile plant will be Stage 5 (or above) by 2030, with the remainder at Stage 4B. This will see a reduction in carbon emissions as

Stage 5 vehicles are both more fuel efficient and produce less emissions.

In terms of its fleet all of the Company's road vehicles are Euro6 compliant.

The Company will continue to consider greener options and would be happy to adopt them should technology progress sufficiently to provide a commercially and operationally viable alternative such as hydrogen or electric.

4. Looking Forward

As stated previously the Company is cautiously optimistic on this year's financial profit out-turn to be in-line, if not slightly ahead of last year's result.

However next year we are anticipating a significant drop in gas revenues as the wholesale energy market "normalises" at lower rates (at least by recent standards).

As local authority budgets continue to be under pressure the initial "straw-man" estimates for next year's budget are pointing towards a just above break-even profit position.

The wider impacts of future government waste strategies is still unclear and management's view is that this is likely to remain the case for at the next 18 months.

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YORWASTE LIMITED

YORWASTE LIMITED

Registered Number: 2666908

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

YORWASTE LIMITED

YEAR ENDED 31 MARCH 2023

CONTENTS OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

	Page (s)
Strategic Report for the year ended 31 March 2023	1 to 5
Directors' Report for the year ended 31 March 2023	6 to 10
Independent Auditors' Report to the members of Yorwaste Limited	11 to 13
Profit and Loss Account for the year ended 31 March 2023	14
Balance Sheet at 31 March 2023	15
Statement of Changes in Equity for the year ended 31 March 2023	16
Statement of Cash Flows for the year ended 31 March 2023	17
Notes to the Financial Statements for the year ended 31 March 2023	18 - 39

YORWASTE LIMITED

Company Registration No. 2666908

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

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 2023 (continued)

BUSINESS ENVIRONMENT

Progressing towards best practice

The Company was awarded the British Safety Council Five Star Audit which was a great achievement and demonstrates the Company's continuing commitment to providing a safe working environment for its employees and other stake holders. Unfortunately, and despite the Company's considerable investment in safety processes and systems, the Company saw 4 RIDDOR events in the year, the highest for 5 years. Whilst these events were predominantly caused by individuals not following Company procedures, they do highlight the continuing need to keep safety as the number one priority.

In addition to retaining its ISO certifications (9001,14001,45001,50001) the Company received zero Compliance Assessment Report scores (CARs) arising from Environment Agency audits and maintained its "Green" operator (low risk classification) under the DVSA's Operator Compliance Risk Score assessments.

In response to the increasing risk from cyber activities the Company also invested in, and for the first time secured, Cyber Essentials Plus accreditation for its IT infrastructure.

The Company was also awarded the Investors in People accreditation, reflecting the Company's focus on developing its employees.

The above certifications and awards, many of which were for the first time, reflect the company's progress in delivering best practice across the business. As part of these efforts the Company was also accredited under the Good Business Charter.

Financial Out-turn

The Company benefited from higher landfill gas revenues through higher unit prices and above trend gas volumes following a series of initiatives to increase gas volumes. The Company also benefited from an increase in third party recycle processing. Whilst there was a marginal increase in the number of customers and customer lifts, the volume of commercial general waste actually fell, possibly related to a reduction in consumption as a result of inflationary pressures.

The profit out-turn was heavily impacted by the inflationary pressures from the wider economy. Whilst the Company had a degree of protection from electricity prices, it did see significant increases in diesel pump prices which was further exacerbated by the removal of red diesel duty on fuel for heavy plant. Inflationary pressures also hit staff costs and wider supply chain costs. The Company was not able to fully pass on all of its inflationary increases to its customers and, as a result, profits fell compared to the prior year.

The Company has made additional provision under its FRS12 liabilities to reflect increases in future aftercare costs.

The Company's cash position was strong and, as a result, was in a position to accelerate the paydown of its shareholder loans which in turn will reduce interest costs at a time when interest rates are on the increase.

Whilst the overall recruitment and retention of staff has improved, there are certain roles which the Company continues to find difficult to fill. This continues to be symptomatic of the wider business environment rather than specific to the Company itself.

YORWASTE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

BUSINESS PERFORMANCE

<u>KPI</u>	<u>Definition and method of calculation</u>	<u>2023</u>	<u>2022</u>
Gross Profit Margin	Gross profit in the year expressed as a percentage of turnover from operations	9.8%	9.3%
Administrative Expenses Ratio	Administrative expenses (excluding bad debts) in the year expressed as a percentage of turnover.	5.2%	5.0%
Cash Generation	EBITDA	£4.6	£4.0m
Return on Capital Employed	EBIT, before exceptional costs expressed as a percentage of net assets.	23.8%	18.1%
RIDDOR Reportable Health and Safety Incidents	Number of RIDDOR reportable incidents	4	3
Environmental Compliance	Number of enforcement notices received from the Regulator	-	-

LOOKING FORWARD

Whilst economic uncertainty continues to bring higher than trend inflation, rising interest rates, and the continuing prospect of recession, the Company has a strong operational base and a resourceful commercial management team and is in a strong position to meet its future challenges.

The Company's largest customer is its Local Authority clients which provides a level of stability under the Teckal agreement. However, the Company needs to continue to provide value for money and drive further efficiencies in the services it provides to the Local Authority. This is against the backdrop of the Government's Resource and Waste Strategy which has still to deliver a policy on household waste standardisation and the Deposit Return Scheme. The intersection of these two policy objectives has significant implications for both the Local Authorities and Yorwaste. The Company continues to work with its Local Authority clients to identify options and alternatives to meet the requirements of the Government policies when they are announced.

On the Commercial front the Company is pursuing a two-stream strategy for commercial sales opportunities. The first is focused on increasing the number of larger contracts which complement the Company's existing operations including recycle processing. The second is an expansion of the commercial sales force alongside additional spend in B2B internet sales sourcing to drive growth in commercial collections.

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

The Company will continue to benefit from protection from electricity prices for the coming year however this will not be the case in the next fiscal year. Therefore, the Company is reviewing options for small and mid-scale solar projects with a view to generating sufficient electricity to offset its consumption on an annual basis by the year 2030. Whilst this will not eliminate electricity price risk it will help mitigate it and will have the added benefit of reducing the Company's carbon footprint.

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

The Company experienced significant cost inflation throughout the year and whilst there are some indications that it has passed its peak, it continues to present a challenge to future profitability. The Company is pursuing cost saving efficiencies and "invest-to-save" initiatives in order to mitigate the impact. 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.

YORWASTE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

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.

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.

The liability has been reviewed in the current year by management and a formal external review will be undertaken in the next financial year.

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

Climate Change and Net Zero

Climate change and wider environmental issues have the potential to impact the Company both directly and indirectly. The pursuit of net zero has direct implications in the operation of the Company's fleet of vehicles (including mobile plant) and in its electricity usage and their future cost structure. The Company is making plans to transition its fleet of smaller vehicles over to green energy by 2030 and it will continue to review the potential to transition HGV and heavy plant to viable green alternatives when the technology and/or infrastructure enables this change.

Government's Resource & Waste Strategy

The Government's Resource and Waste Strategy has the potential to impact the composition and collection of both domestic and commercial waste. At this point there have been no firm policy decisions on how Deposit Return Scheme will operate, nor have there been any firm decisions about food waste collections. The impact on the Company will very much depend on the nature of the implementation of these proposals and could provide either an upside or a downside. The Company has reviewed a range of scenarios and believes it can mitigate any downside whilst also capitalising on any upside.

YORWASTE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023 (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 2023. 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 30 June 2023



Cllr. J Weighell
Chairman

YORWASTE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Directors present their report and the audited financial statements for the year ended 31 March 2023.

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 31 March 2023 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
N Ferris	CYC appointed Non-Executive Director
Cllr. A Waller	CYC appointed Non-Executive Director (resigned 25 May 2023)
Cllr. J Weighell	NYCC appointed Chairman and Non-Executive Director
K Battersby	NYCC appointed Non-Executive Director
A Lee	NYCC appointed Non-Executive Director
Cllr. R Melly	CYC appointed Non-Executive Director (appointed 25 May 2023)

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.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

RESULTS AND DIVIDENDS

The results for the year ending 31 March 2023 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 (2022 £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 2023 (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, and wellbeing 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.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

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 2023 (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 and has recently been awarded a Five Star Health & Safety Audit grading by the British Safety Council.

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		%	
	2023	2022	2023	2022
Scope 1				
Diesel - Transport	9,878,798	10,727,111	65%	65%
Diesel - Material Processing	3,831,184	3,965,249	25%	24%
Scope 2				
Electricity	1,559,009	1,862,070	10%	11%
Total	15,268,991	16,554,430	100%	100%

Emission Data	Units	Fuel Consumed		GHG Conversion Factor *GHG Conversion Factor *		Emission (Kg CO2 eq)		Emission (Tonne CO2 eq)	
		2023	2022	2023	2022	2023	2022	2023	2022
Scope 1									
Diesel - Transport	Litres	986,211	1,073,864	2.56000	2.51233	2524470	2,697,902	2,524	2,698
Diesel - Material Processing	Litres	382,758	392,666	2.56000	2.75857	979,860	1,083,195	980	1,083
Scope 2									
Electricity	kWh	1,559,009	1,862,070	0.19338	0.21233	301,431	395,373	301	395
Total emission								3,806	4,176

* UK Government GHG Conversion Factors for Company Reporting Version 2 2022

Energy Intensity Metric	2023	2022	
Total Carbon emission (CO ₂ eq)	3,806	4,176	Tonnes
Total mass of waste handled	442,559	480,628	Tonnes
Emission (CO ₂ eq) per tonne of waste handled	8.60	8.69	Kg/T

YORWASTE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Measures taken to improve energy efficiency.

During the 2022/23 period, the solar PV system installed at the Northallerton Head Office Building generated 25,806 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 CO2 eq)		Emission Avoided (Tonne CO2 eq)	
	2023	2022	2023	2022	2023	2022	2023	2022
Renewable energy generated (Solar PV)	25,806	28,721	0.19338	0.21233	4,990	6,098	5	6

* UK Government GHG Conversion Factors for Company Reporting Version 2 2022

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 2023 (continued)

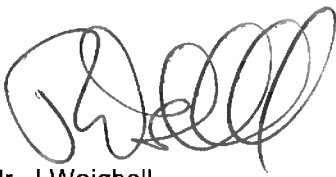
Directors' confirmations

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 30 June 2023.



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 2023 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, including 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 2023; the Profit and Loss account, the Statement of Changes in Equity and the Statement of Cash Flows 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 2023 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 regulations, 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 or 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;

YORWASTE LIMITED

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

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

- Identifying and testing journal entries, in particular and journal entries posted with unusual account combinations impacting revenue or expenses.
- 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
30 June 2023

YORWASTE LIMITED**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
TURNOVER	5	41,772,711	37,781,856
Cost of Sales		(37,667,191)	(34,263,945)
		<hr/>	<hr/>
GROSS PROFIT		4,105,520	3,517,911
Administrative Expenses		(2,222,093)	(1,912,754)
		<hr/>	<hr/>
OPERATING PROFIT	6	1,883,427	1,605,157
Interest Receivable and Similar Income	8a	26,307	718
Interest Payable and Similar Expenses	8b	(602,032)	(597,501)
		<hr/>	<hr/>
Net Interest Expense		(575,725)	(596,783)
		<hr/>	<hr/>
PROFIT BEFORE TAXATION		1,307,702	1,008,374
Tax on Profit	9	(134,638)	(398,697)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR		1,173,064	609,677
		<hr/>	<hr/>

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

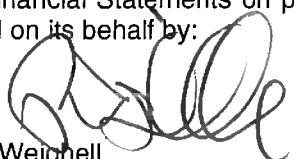
All of the activities of the company are classed as continuing.

YORWASTE LIMITED**BALANCE SHEET AT 31 MARCH 2023**

	Note	As at 31 March 2023 £	As at 31 March 2022 (Restated) £
FIXED ASSETS			
Tangible assets	10	15,830,491	14,509,345
Investments	11	-	15,000
		<u>15,830,491</u>	<u>14,524,345</u>
CURRENT ASSETS			
Debtors	12	6,530,335	7,171,631
Investments	13	3,160,955	168,119
Cash at bank and in hand	25	4,181,043	7,954,928
		<u>13,872,333</u>	<u>15,294,678</u>
CREDITORS : Amounts falling due within one year	15	(5,373,492)	(6,055,638)
		<u>8,498,841</u>	<u>9,239,040</u>
NET CURRENT ASSETS			
		<u>24,329,332</u>	<u>23,763,385</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS : Amounts falling due after more than one year	16	(4,700,000)	(7,144,325)
PROVISIONS FOR OTHER LIABILITIES	17	(11,263,234)	(9,426,026)
		<u>8,366,098</u>	<u>7,193,034</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	19	4,526,000	4,526,000
Retained earnings		3,840,098	2,667,034
		<u>8,366,098</u>	<u>7,193,034</u>
Total Equity		<u>8,366,098</u>	<u>7,193,034</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 30 June 2023 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 2023**

	Called up Share Capital £	Retained Earnings £ (Restated)	Total Equity £ (Restated)
Balance as at 1 April 2021	4,526,000	3,737,275	8,263,275
Restated	-	(1,679,918)	(1,679,918)
	<u>4,526,000</u>	<u>2,057,357</u>	<u>6,583,357</u>
Profit for the financial year	-	609,677	609,677
	<u>-</u>	<u>609,677</u>	<u>609,677</u>
Total comprehensive income for the year	-	609,677	609,677
	<u>-</u>	<u>609,677</u>	<u>609,677</u>
Balance as at 31 March 2022	4,526,000	2,667,034	7,193,034
	<u>4,526,000</u>	<u>2,667,034</u>	<u>7,193,034</u>
Balance as at 1 April 2022	4,526,000	4,346,952	8,872,952
Profit for the financial year	-	1,173,064	1,173,064
	<u>-</u>	<u>1,173,064</u>	<u>1,173,064</u>
Total comprehensive income for the year	-	1,173,064	1,173,064
	<u>-</u>	<u>1,173,064</u>	<u>1,173,064</u>
Balance as at 31 March 2023	<u>4,526,000</u>	<u>3,840,098</u>	<u>8,366,098</u>

The restatement above related to the provision for Aftercare costs and is explained in note 10

YORWASTE LIMITED**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Net cash from operating activities	20	3,991,264	2,996,826
Taxation (paid)		(145,838)	(210,911)
		<hr/>	<hr/>
Net cash generated from operating activities		3,845,426	2,785,915
		<hr/>	<hr/>
Cash flow from investing activities			
Purchase of tangible assets		(1,677,384)	(1,660,296)
Proceeds from disposals of tangible assets		420,056	172,929
Interest received		26,307	718
		<hr/>	<hr/>
Net cash used in investing activities		(1,231,021)	(1,486,649)
		<hr/>	<hr/>
Cash flow from financing activities:			
Repayment of obligations under bank loans		(2,933,190)	(488,865)
Investments		(3,000,000)	-
Interest paid		(455,100)	(324,180)
		<hr/>	<hr/>
Net cash used in financing activities		(6,388,290)	(813,045)
		<hr/>	<hr/>
Net (decrease) / increase in cash and cash equivalents		(3,773,885)	486,221
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		7,954,928	7,468,707
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		4,181,043	7,954,928
		<hr/>	<hr/>
Cash and cash equivalents consists of:			
Cash at bank and in hand		4,181,043	7,954,928
		<hr/>	<hr/>
Cash and cash equivalents		4,181,043	7,954,928
		<hr/> <hr/>	<hr/> <hr/>

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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 2023 (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 2023 (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 2023 (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 | - Asset is depreciated over a maximum of 8 years being the revenue generating life |
| • 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 2023 (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 2023 (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 2023 (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 2023 (continued)****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(s) 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.

(t) 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.

(u) 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.

(v) 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, 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 2023 (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 3.84%. (2.60%) A change in the discount rate of 1% has an impact of approximately £1.1m
- (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 2023 (continued)

5 TURNOVER

	2023 £	2022 £
Analysis of turnover by geography:		
United Kingdom	41,772,711	37,781,856
	<u> </u>	<u> </u>
	2023 £	2022 £
Analysis of turnover by category:		
Waste management services	39,942,765	36,658,178
Power generation	1,829,946	1,123,678
	<u> </u>	<u> </u>
Turnover	41,772,711	37,781,856
	<u> </u>	<u> </u>

6 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2023 £	2022 £
Wages and salaries (including Directors)	8,221,241	7,033,443
Social security costs (including Directors)	794,836	634,559
Other pension costs (including Directors)	304,270	272,044
	<u> </u>	<u> </u>
Staff costs charged to profit and loss	9,320,347	7,940,046
	<u> </u>	<u> </u>
Profit on disposal of tangible assets	(379,007)	(123,702)
Reversal of Impairment of trade receivables	33,974	(21,804)
Operating lease charges	2,055,443	1,996,215
Fees payable to the Company's auditors' and their associates for the audit of the Company.	58,040	50,854
Fees payable to the Company's auditors' and their associates for other services:		
- Tax advisory services	11,082	10,075
	<u> </u>	<u> </u>
Total amount payment to the Company's auditors' and their associates	69,122	60,929
	<u> </u>	<u> </u>

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)****7 EMPLOYEES AND DIRECTORS****Employees**

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

	2023	2022
	Number	Number
Operational	245	219
Administration and central functions	39	40
Non-executive directors	3	3
	<u> </u>	<u> </u>
Total	287	262
	<u> </u>	<u> </u>

Directors

The Directors' emoluments were as follows:

	2023	2022
	£	£
Aggregate emoluments	146,667	153,665
	<u> </u>	<u> </u>
Highest paid director	113,400	113,375
	<u> </u>	<u> </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 (2022: £9,975) on behalf of one Director (2022: 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

The Councillor Directors' remuneration, per person per role is as follows:

	2023	2022
	£	£
Non-Executive Director (NYCC)	7,598	-
Non-Executive Director (CYC)	8,855	8,750
Chairman and Non-Executive Director	16,824	16,539
	<u> </u>	<u> </u>

Managing Directors pay ratio.

25th percentile	4.81:1	5.49:1
50th percentile	4.44:1	5.01:1
75th percentile	3.84:1	4.25:1
Average	3.77:1	<u>4.20:1</u>

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

8 NET INTEREST EXPENSE

(a) Interest receivable and similar income

	2023 £	2022 £
Interest on short term deposits	26,307	718
Other interest	-	-
	<u>26,307</u>	<u>718</u>
Total interest receivable and similar income	<u>26,307</u>	<u>718</u>

(b) Interest payable and similar expenses

	2023 £	2022 £
Interest expense on shareholder loans	455,101	324,180
Finance lease interest	-	-
Finance charge on provisions	146,931	273,321
	<u>602,032</u>	<u>597,501</u>
Total interest payable and similar expenses	<u>602,032</u>	<u>597,501</u>

(c) Net interest expense

	2023 £	2022 £
Interest receivable and similar income	26,307	718
Interest payable and similar expense	(602,032)	(597,501)
	<u>(575,725)</u>	<u>(596,783)</u>
Net interest payable and similar expenses	<u>(575,725)</u>	<u>(596,783)</u>

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

9 TAX ON PROFIT

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

	2023 £	2022 £
Current tax:		
- Adjustment in respect of previous years	-	210,911
	<u> </u>	<u> </u>
Total current tax charge for the year	-	210,911
	<u> </u>	<u> </u>
Deferred tax:		
- Origination and reversal of timing differences	269,843	366,364
- Adjustment in respect of previous years	(135,205)	(178,578)
	<u> </u>	<u> </u>
Total deferred tax	134,638	187,786
	<u> </u>	<u> </u>
Tax on profit	134,638	398,697
	<u> </u>	<u> </u>

(b) Reconciliation of tax (credit)/charge

Tax assessed for the year is lower (2022: higher) than the standard rate of corporation tax in the UK for the year ended 31 March 2023 of 19% (2022: 19%). The differences are explained below:

	2023 £	2022 £
Profit before tax	1,307,702	1,008,374
	<u> </u>	<u> </u>
Profit before tax multiplied by the standard rate of tax in the UK of 19% (2022: 19%)	248,463	191,591
	<u> </u>	<u> </u>
Effects of:		
- Expenses not deductible for tax purposes	63,507	63,256
- Capital Allowances super deduction	(91,027)	-
- Restoration provision movement (change of basis)	(20,872)	31,660
- Adjustment in respect of previous years	(135,205)	32,333
Change in Tax Rate	69,772	79,857
	<u> </u>	<u> </u>
Tax (credit)/charge for the year	134,638	398,697
	<u> </u>	<u> </u>

(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 £69,772 as deferred taxation is recognised at this higher rate.'

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

10 TANGIBLE ASSETS

	Restoration and Aftercare Costs £ (Restated)	Land and Buildings £	Site Life Development £	Motor Vehicles £	Plant and Machinery £	Fixtures and Fittings £	Total £ (Restated)
At 1 April 2022							
Cost	19,362,320	12,563,219	17,866,020	188,602	12,854,977	3,210,290	66,045,428
Restated	2,268,134	-	-	-	-	-	2,268,134
Cost	21,630,454	12,563,219	17,866,020	188,602	12,854,977	3,210,290	68,313,562
At 1 April 2022							
Cost	(17,844,041)	(7,534,692)	(16,599,768)	(111,148)	(8,829,820)	(1,204,830)	(52,124,299)
Restated	(1,679,918)	-	-	-	-	-	(1,679,918)
Accumulated depreciation & impairment	(19,523,959)	(7,534,692)	(16,599,768)	(111,148)	(8,829,820)	(1,204,830)	(53,804,217)
Net book amount	2,106,495	5,028,527	1,266,252	77,454	4,025,157	2,005,460	14,509,345
Year ended 31 March 2023							
Opening net book amount	2,106,495	5,028,527	1,266,252	77,454	4,025,157	2,005,460	14,509,345
Additions	2,267,814	24,950	-	63,900	1,325,979	409,486	4,092,129
Disposals	-	-	-	-	(37,020)	(4,029)	(41,049)
Depreciation	(723,308)	(294,248)	(258,293)	(17,700)	(1,037,645)	(398,670)	(2,729,934)
Closing net book amount	3,651,001	4,759,229	1,007,959	123,584	4,276,471	2,012,247	15,830,491
At 31 March 2023							
Cost	23,898,268	12,588,169	17,866,020	226,875	12,255,415	3,585,879	70,420,626
Accumulated depreciation and impairment	(20,247,267))	(7,828,940)	(16,858,061)	(103,291)	(7,978,944)	(1,573,632)	(54,590,135)
Net book amount	3,651,001	4,759,229	1,007,959	123,584	4,276,471	2,012,247	15,830,491

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

10 TANGIBLE ASSETS (continued)

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

	2023 £	2022 £
Freehold	335,568	335,568
Carrying amount	335,568	335,568

The restatement of Restoration and Aftercare costs is explained in note 17

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

11 INVESTMENTS

	Total £
Cost:	
At 1 April 2022	15,000
Written off	(15,000)
	<hr/>
At 31 March 2023	-
	<hr/>
Net Book Value at 31 March 2023	-
	<hr/>
Net Book Value at 31 March 2022	15,000
	<hr/> <hr/>

12 DEBTORS

	2023 £	2022 £
Trade debtors	938,793	663,155
Amounts owed by group undertakings	2,512,895	3,265,492
Other receivables	1,501,645	1,752,548
Corporation tax	215,838	70,000
Other taxation and social security	-	-
Prepayments and accrued income	1,361,164	1,420,436
	<hr/>	<hr/>
	6,530,335	7,171,631
	<hr/> <hr/>	<hr/> <hr/>

Trade debtors are stated after provisions for impairment of £62,730 (2022: £42,259).

Other receivables include a value of £1,490,842 for prepaid rent at Harewood Whin.

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.

13 INVESTMENTS

	2023 £	2022 £
Restricted cash escrow accounts	160,955	168,119
Term Deposits	3,000,000	-
	<hr/>	<hr/>
	3,160,955	168,119
	<hr/> <hr/>	<hr/> <hr/>

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.

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)****14 DEFERRED TAX (ASSET)/LIABILITY**

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

	2023 £	2022 £
Restoration provision	(66,112)	(11,458)
Fixed asset timing differences	1,174,117	737,551
Tax Losses	(408,161)	(207,249)
Short term timing differences	(232,470)	(186,109)
	<u>467,374</u>	<u>332,735</u>
Deferred tax liability	<u>467,374</u>	<u>332,735</u>

The company has trading losses of £1,632,642 (2022: £828,997) 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 2023 (continued)****15 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade creditors	849,420	1,019,409
Amounts owed to group undertakings	1,382,429	1,005,054
Other taxation and social security	415,030	363,628
Other creditors	89,643	135,924
Loans from CYC / NYCC	-	488,865
Accruals and deferred income	2,636,970	3,042,758
	<u>5,373,492</u>	<u>6,055,638</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.

16 CREDITORS: AMOUNT FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Loan from NYCC	3,700,000	5,643,250
Loan from CYC	1,000,000	1,501,075
	<u>4,700,000</u>	<u>7,144,325</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 2023 (continued)

17 PROVISIONS FOR OTHER LIABILITIES

	2023 £	2022 £
Restoration and Aftercare	9,900,245	7,921,157
Deferred Tax Liability (note 15)	467,374	332,735
Dilapidation costs	865,615	1,120,801
Onerous lease provision	30,000	51,333
	<u> </u>	<u> </u>
Total Provisions for Liabilities	<u>11,263,234</u>	<u>9,426,026</u>

Restoration and Aftercare Provisions

	Restoration £	Aftercare £ (Restated)	Total £ (Restated)
At 1 April 2022	386,957	5,266,066	5,653,023
Restated	-	2,268,134	2,268,134
	<u>386,957</u>	<u>7,534,200</u>	<u>7,921,157</u>
Provision revaluation	(13,296)	2,281,110	2,267,814
	<u>373,661</u>	<u>9,815,310</u>	<u>10,188,971</u>
Discount Unwind (Note 8b)	10,043	136,888	146,931
Expenditure incurred	1,303	(436,960)	(435,657)
	<u> </u>	<u> </u>	<u> </u>
At 31 March 2023	<u>385,007</u>	<u>9,515,238</u>	<u>9,900,245</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.

The provision has been reviewed by management in 2022/23 which has led to an increase in the amounts provided. There were some operating costs that had not been previously included in the provision and have been adjusted retrospectively, being £2,268,134.

The total increase in the estimate of the provision during the year is £4,549,244. As above, £2,268,134 of this amount has been treated as a prior year restatement. This increase to the provision and the associated impact on Tangible assets should have been built up over the period where the relevant site was being utilised and released over the remaining revenue generating life of the site. As these sites were at full capacity some time ago a £1,679,918 of depreciation would already have been incurred by the

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

17 PROVISIONS FOR OTHER LIABILITIES (continued)

opening balance sheet date. The provision would be released over the remaining aftercare period as the costs are incurred

This has led to the following adjustments across the relevant financial statement line items

Opening Fixed assets – Restoration and Aftercare costs have increased by £2,268,134

Opening Fixed assets – Restoration and Aftercare accumulated amortisation have increased by £1,679,918

Opening Fixed assets – Restoration and Aftercare net book value has increased by £588,216

Opening Aftercare Provision has increased by £2,268,134

Opening Retained Earnings has decreased by £1,679,918

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Dilapidation and Onerous Lease Provisions

	Dilapidations £	Onerous Lease £	Total £
At 1 April 2022	1,120,801	51,333	1,172,134
Provided	402,624	-	402,623
	<u>1,523,425</u>	<u>51,333</u>	<u>1,574,757</u>
Expenditure incurred	(657,809)	(21,333)	(679,142)
	<u>865,616</u>	<u>30,000</u>	<u>895,615</u>
At 31 March 2023	865,616	30,000	895,615

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.

18 FINANCIAL INSTRUMENTS

The Company has the following financial instruments:

	Notes	2023 £	2022 £
Financial assets that are debt instruments measured at amortised cost			
- Trade debtors	12	938,793	663,155
- Amounts owed by group undertakings	12	2,512,895	3,265,492
- Other receivables	12	1,501,645	1,752,548
- Investments	13	3,160,955	168,119
		<u>8,114,288</u>	<u>5,849,314</u>
Financial liabilities measured at amortised cost			
- Senior loans	15/16	4,700,000	7,633,190
- Trade creditors	15	849,420	1,019,409
- Amounts owed to group undertakings	15	1,382,429	1,005,054
- Other creditors	15	504,673	499,552
		<u>7,436,522</u>	<u>10,157,205</u>

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

19 CALLED UP SHARE CAPITAL

	Number	£
Ordinary shares of £1 each Allotted and fully paid		
At 31 March 2022	4,526,000	4,526,000
At 31 March 2023	4,526,000	4,526,000

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

20 NOTES TO THE CASH FLOW STATEMENT

	2023 £	2022 £
Profit for the financial year	1,173,064	609,677
Adjustments for:		
Tax on profit	134,638	398,697
Net interest expense	575,725	596,783
Operating profit	1,883,427	1,605,157
Depreciation of tangible assets	2,729,934	2,393,879
Profit on disposal of tangible assets	(379,007)	(123,702)
Movements in other provisions less payments	(1,004,945)	(388,374)
Working capital movements:		
- Decrease/(Increase) in debtors	787,134	(929,805)
- (Decrease)/Increase in payables	(32,443)	439,671
Change in Escrow investments	7,164	-
Net cash generated from operating activities	3,991,264	2,996,826

Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Senior loans	(7,633,190)	2,933,190	(4,700,000)
Cash and cash equivalents			
Cash at bank and in hand	7,954,928	(3,773,885)	4,181,043
Total	321,738	(840,695)	(518,957)

YORWASTE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

21 CONTINGENT LIABILITIES

Yorwaste Limited has counter indemnified bonds required by the Environment Agency and customers to the sum of £4,877,842 (2022: £4,692,111) 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.

22 CAPITAL AND OTHER COMMITMENTS

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

	2023 £	2022 £
Contracts for future capital expenditure not provided in the Financial Statements – Property, plant and equipment.	1,303,789	636,886

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

	2023 £	2022 £
Payments due:		
Not later than one year	1,673,996	1,650,451
Later than one year and not later than five years	2,158,650	3,522,171
More than 5 years	2,837,125	3,046,190

The Company had no other off-balance sheet arrangements.

23 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 £29,732,313 (2022: £27,540,787) and, as at 31 March 2023, the trading debtor balance outstanding was £2,376,910 (2022: £2,406,944).

In addition, North Yorkshire County Council provided services to Yorwaste Limited totalling £7,853,656 (2022: £6,159,105) of which £1,139,284 (2022: £633,078) was outstanding to be paid as at 31 March 2023.

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 £4,565,826 (2022: £4,419,886) and, as at 31 March 2023, the debtor balance outstanding was £135,985 (2022: £858,548).

In addition, City of York Council provided services to Yorwaste Limited totalling £1,682,532 (2022: £1,437,632) of which £131,551 (2022: £216,147) was outstanding to be paid as at 31 March 2023.

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

YORWASTE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)**

Veritau Limited a jointly owned subsidiary of North Yorkshire County Council and City of York Council provided internal audit services of £10,655 in the year (2022: £5,540) of which £4,176 (2022: £6,648) was outstanding to be paid as at 31 March 2023.

First North Law a fully owned subsidiary of North Yorkshire County Council provided legal services of £24,000 in the year (2022: £23,700) of which £2,400 (2022: £nil) was outstanding to be paid as at 31 March 2023.

24 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.

25 CASH AT BANK AND IN HAND

	2023 £	2022 £
Cash and cash equivalents		
Cash at bank and in hand	4,181,043	7,954,928
	<hr/>	<hr/>
Total	4,181,043	7,954,928
	<hr/> <hr/>	<hr/> <hr/>

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Shareholder Committee

23 October 2023

Report of the Assistant Director (Customer, Communities, and Inclusion)

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 2023. Included within the MIY report is a copy of the audited annual accounts for 2022/23 and an update of financial and non-financial performance for the trading period April to September 2023. Finally, a financial forecast for 2024/25 and 2025/26.

Recommendations

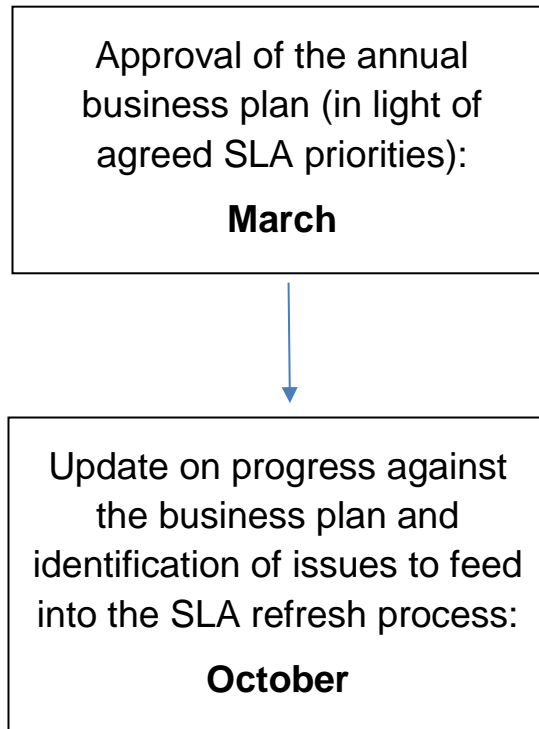
2. The committee is asked to note the Make It York Shareholder Report at Annex A and the supporting documents from Appendix 1 to Appendix 7 supplied by MIY.
3. To approve the updated Service Specification (SLA) noted at paragraph 14 to 15 and as shown in Annex B

Reason: to ensure the Council is updated on the financial performance of Make It York and approve the revised Service Specification.

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 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:** focussing 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:



Business plan update

7. MIY have produced the update report shown at Annex A and appendix 6 that provides a line-by-line update against the approved business plan by Shareholder committee in March 23.
8. MIY also provide the Council each quarter with a dashboard report which is attached at appendix 7 of MIY update report, which provides evidence and statistics of the company's performance for the period Q1 April to June 2023 and Q2 July to September 2023.

Financial update

9. The audited accounts for 2022/23 highlight MIY as a going concern. These can be seen at appendix 1. MIY made a profit of £187,050 in the year ending 31 March 2023.
10. In the current operational year 2023/24 MIY are reporting a forecasted end of year net profit of £261,977, against the set target budget of £24,190 net profit. The main reason for this increased forecast profit is in relation to a business interruption insurance claim

payment as a result of Covid-19. The full details can be seen in confidential appendix 2.

11. In terms of looking forward, MIY have produced a forecast for 2024/25 and 2025/26 which shows a forecast net profit in both years. £38,218 in 2024/25 and £45,324 in 2025/26. This is shown in confidential Appendix 3.
12. MIY have worked closely with officers to monitor the company's ongoing financial position. A cashflow forecast (confidential appendix 5) and balance sheet (confidential appendix 6) have also been provided.
13. The shareholder committee can be reassured that officers will continue to work closely with MIY to monitor the financial position.

SLA refresh

14. Under the contract with MIY, it allows for an SLA refresh each year, to ensure the service specification remains up to date and can accommodate changes if required.
15. A number of workshops have been held to review the SLA between MIY and CYC officers, with the updated SLA shown at Annex B to ensure the new Council plan is reflected and some of the out-of-date deliverables removed.

Risk Management

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

Implications

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

Annexes

Annex A – Make It York Shareholder Report

Appendix 1 – MIY Audited Accounts 2022-23

Appendix 2 – MIY Summary Profit & Loss (**Confidential**)

Appendix 3 - MIY Budget Forecast 2023-2026 (**Confidential**)

Appendix 4 – MIY Balance Sheet (**Confidential**)

Appendix 5 – MIY Cashflow Summary (**Confidential**)

Appendix 6 – MIY Service Delivery Plan Update

Appendix 7 – MIY Company Dashboard Jul - Sept 23

Annex B – Updated SLA

Author:	Chief Officer responsible for the report:			
Andrew Laslett Strategic Services Manager (Customer and Communities)	Laura Williams Assistant Director of Customer, Communities and Inclusion			
	Report Approved	✓	Date	11.10.23.
Wards Affected: All				
For further information please contact the author of the report				

MakeItYork

Shareholder Committee – 23 October 2023

Make It York update.

Introduction

This paper sets out an update on Make It Yorks activities for the period April – October 2023. It presents the Audited Accounts for 2022/2023 (Appendix 1) the mid-year budget forecast 2023/2024 against the Business Plan base Budget, the estimated forecast for 24/25 and 25/26, and the balance sheet, cash flow and summary of profit and loss (Appendix 2, 3, 4 and 5) The updated Business Plan and Service Delivery Plan for 2023/2024 is also included (Appendix 6). The dashboard performance data is included in (Appendix 7).

This year is proving challenging for MIY (Make It York) with revenue streams impacted due to the increase in the cost-of-living, poor weather and continuing train strikes. The year so far has been focused on raising sponsorship for free events and trails for residents and visitors to enjoy. During these first 6 months we have also focused on membership retention and our summer campaigns, as well as planning for Christmas and events in 2024. We have had key successes in the activities we deliver, and our media reach has grown.

Regular Client Meetings and reporting between MIY and CYC (City of York Council) have continued to take place. A Quarterly Narrative has also been produced in advance of each quarterly meeting. We have also started discussion regarding our new SLA (Service Level Agreement) with Council representatives. This will be brought to the shareholder committee in March 2023 for approval.

Financial Position April 2022 – March 2023

The financial position at the end of March 2023 shows a profit for the financial year of £177,050 - 2022: loss (£44,648). There is an actuarial gain of £10,000 leaving the total profit for the year at £187,050. The balance sheet position at March 2023 is (£94,079) - 2022: (£281,129). The strong financial results and performance show the company is moving towards solvency.

ANNEX A

Budget forecast for 2023/2024

We set the budget to record a profit of £24,190. The mid-year budget forecast show we are on track to return a profit for 2023/2024. We continue a cautious approach with the budget this year as we anticipated it will be a slow recovery from the global cost of living crisis.

We have been successful in our covid disruption insurance claim and received £239,710. This is larger than the amount budgeted, £37,000. This increased amount will enable the company to return to solvency this year and build back the reserves for the company and to look to return paying dividends.

Governance

The Make It York Board gained 2 new members from the Local Authority, due to the change in administration, the representatives being Cllr P Kilbane and Cllr D Smalley.

Our Membership Advisory Board has met on 3 occasions. This group provides challenge, new ideas and an increased ambassadorial voice for the city. The group currently supports new ideas for Christmas 2023 and the Membership Conference for 2024. This group also ensures that we are more accountable to our Membership and provide what Members want.

There has been a focus on staff training and development. All staff have undertaken Health and Safety training, Equalities and Diversity training, as well as Counter Terrorism training. Individual training plans have also been developed. We also have a new Head of Finance for the organisation.

We have developed an approach with North Yorkshire Council and the Combined Authority to gain LVEP (Local Visitor Economy Partnerships) status, to ensure we work closely with Visit England and Visit Britain. We have developed a more transparent way of measuring our impact. A copy of the two most recent Quarterly Performance Dashboard Report is included in the report pack (Appendix 7). This report has become stronger in terms of data reporting to show exactly how we are having an impact and the return on investment, which is wider than a financial return on investment. Sitting alongside these documents is the updated company risk register.

ANNEX A

Sustainability

We are committed to supporting York's ambition to be a net-zero carbon city by 2030 and will reduce our environmental impact.

We recognise that what we do and provide has an environmental impact and are committed to making continuous improvements to the environmental performance of our activities.

We have been successful in achieving our accreditation for the Good Business Charter status in recognition of delivering responsible business practices.

Moving forward we have committed to several actions and commitments that help us to work to net zero.

- We will 100% commit to recycling paper, cardboard, food, cans, and glass, reducing waste to landfill.
- We will not deal in plastic and will ban single use plastics at all our large events and ensure that Make It York and our partners understand and comply with updated bans from the 1 October 2023.
- We have introduced reusable bags for sale in the Visitor Information Centre.
- We will not deal with disposal cups and will instead use reusable coffee and water cups, and these are for sale in the Visitor Information Centre.
- We will reduce the use of fossil fuels by utilising green generators and exploring funding for installation of solar power options to run Shambles Market.
- We will source fair trade and ethically traded products from suppliers.
- We will review our supply chains to purchase locally where we can reduce transport associated with supply chains.
- We avoid the use of diesel generators on site – the one supplier requirement in the city centre has invested in a Green D+ Bio Diesel generator which have a significantly lower Carbon out-put by running on HVO, this is plant based synthetic fuel which is used as a replacement for diesel reducing Carbon emissions by 90%.
- Each of our suppliers at the Christmas Market is committed to reducing waste and minimising or offsetting our carbon footprint and making our offering as environmentally friendly as possible.
- We utilise local suppliers, reducing the carbon footprint of transport.

ANNEX A

- 77% of traders attending the Christmas Market are Yorkshire based and 35% are actual York Based.
- We request that traders utilise recycled materials (e.g., 100% plant-based cups which biodegrade within 2-3 months)
- We utilise LED lighting to reduce energy consumption.
- Working with local, regional, and national partners we encourage the public to get to the event by using public transport.

All our supplier contracts have included environment clauses, in acknowledgement of our net zero commitment and will demonstrate less impact on the local environment from our suppliers through these. Annually we will review our performance in implementing our environmental commitment and will continuously explore ways of becoming a greener business.

Business Performance

Below provides information on our business performance during April 2023 – March 2024 to demonstrate the impact and services MIY provides for the city, visitors, residents, stakeholders, members, and customers.

Marketing & Communications

Volume and value of tourism:

Data from the recent STEAM report, which measures the annual volume and value of tourism activity in the UK, has recorded that the tourism industry has had a total economic impact of £1.7 billion within York in 2022, with visitors spending £1.2 billion in the city. Full details here: [Tourism worth £1.7 Billion to York in 2022, according to new tourism report \(makeityork.com\)](https://www.makeityork.com/tourism-worth-1.7-billion-to-york-in-2022-according-to-new-tourism-report/)

Tourism performance in the city between April 23 and August 23: Footfall:

- Total footfall recorded on Parliament Street and Micklegate between April and August 2023 was 4.17 million, up 2% vs. the 4.07 million visitors seen over the same period in 2022.
- Key events during this period driving higher footfall levels in the city included the York Chocolate Festival, York Open Studios, York Fashion Week, York Pride, York Roman Festival, and racing at York Racecourse.

ANNEX A

Accommodation:

- Average Airbnb occupancy during April-August 2023 has improved from 68% in 2022 to 73% in 2023. Though the average daily rate was slightly down at £140 compared to £142 in 2022, increased occupancy resulted in monthly RevPAR (Revenue Per Available Room) reaching its highest level at £3,752, despite the average number of active listings increasing by 93 to an average of 2,138.
- Hotel occupancy data for July and August 2023 is still outstanding. Average hotel occupancy for April to June was 84%, compared to an average of 79% for the Yorkshire and Humberside region.

Attractions:

- Over 1.39 million visits were made to York's 12 big attractions during April to August 2023, the same figure as in 2022. Though outdoor attractions are likely to have been impacted by the above average rainfall in July, the new Wonderlab exhibition at NRM has drawn in thousands of additional attraction visitors this summer
- A total of 104,926 visits were made to the 11 attractions in the York Small Attraction Monitor between April and August 2023, a 16% increase on this time last year.
- Overall, almost 1.5 million visits were made to these 23 attractions between April and August 2023, a 1% increase vs. 2022 and 90% of the 2019 figure. July saw the biggest increase in visitor numbers vs. 2022, despite the rain, while June saw the biggest decrease, when above average sunshine hours may have encouraged visitors to stay outdoors and go elsewhere.

Visit York:

- Between April and August 2023 there were 25,863 visits to attractions using a York Pass, a 19% decrease vs. 2022, though some attractions have yet to submit data.
- Issues with the footfall counter in the VIC (Visitor Information Centre) have made it difficult to track VIC footfall this year. 67,429 visitors were counted between April and August 2023, compared to 90,489 during the same period in 2022, a decrease of 25%

Marketing Campaigns

In June we launched the summer campaign working with First Buses and 6 other partner members. The campaign included activities across the

ANNEX A

web, social media, email marketing, influencer campaigns, online advertising, PR, outdoor advertising, competitions, radio, and TV. We also produced a 56-page summer guide, printed 30,000 copies, and distributed this throughout key locations in York.

In September we launched the 'Haunted York' campaign. This began with a teaser post on social media, which was picked up extensively by online press, including national publications the Mirror, Daily Star and Daily Mail.

Key web and social media statistics - 1st April to 31st September 2023

- Visit York social media content gained 8.01 million organic impressions. +12% vs 2022. (Overall impressions are 9.8 million impressions, down 3.3% caused by less ad-spend in 2023.)
- 219 posts referencing summer (including ads) resulting in 2.7 million Impressions, 510K Engagements, Summer Reels were viewed 1.7 million times.
- Engagement in social posts 291,867 organic engagements -30% vs 2022 (This is an industry wide pattern). 1.3 million organic video views. +91.2% vs 2022, 1,558 Published Posts +18.5% vs 2022.
- 6,924 Net Audience Growth +11.1% audience size vs 2022 (172,459 total followers).
- Web visitor numbers – 691,098 users. +4.7% vs 2022.
- Summer hub visits - 1st June to 15th September = 14,731 page views +0.2 increase vs 2022.
- Haunted hub visits – 1st August to 1st October = 4,736 page views +7.5% increase vs 2022.

Key PR Statistics - 1st April to 31st September 2023

- 368 articles achieved.
- 2 radio interviews.
- 87,988,535 Opportunities to see (OTS)

Membership

Our current membership retention is 84%. Since April, 16 new members have joined, with the strongest growth seen across the food/drink and retail sectors.

We have hosted and collaborated on 10 membership events between April-September 2023, including a repeat of the 'Meet the Team' event

ANNEX A

and a Christmas launch, alongside networking opportunities, webinars and online training and showcase events hosted by Visit York members. We have also hosted 5 forums for different sectors of membership, including attractions' meeting and a self-catering/short-let accommodation session attended by Rachael Maskell MP to discuss challenges facing the sector.

At the end of October, we will launch the Autumn Winter guide and are also supporting the Events team with Christmas-related marketing activity.

Visitor Information Centre

The Visitor Information Centre (VIC) has been active on Parliament Street for ten months. We have decorated the VIC and continue to make improvements to optimize the space. We have focused on adding to our commission-based ticketing offering (transport, attractions, tours) with the inclusion of one-off events such as York Pride and York Proms. Our merchandise offering has become more streamlined as we analyzed trends and historical data to identify demand whilst focusing on increasing profit margins and local supplier exposure. Our excellent team of ambassadors and volunteers continue to provide up-to-date knowledge to visitors, members, and residents alike – helped even more by regular members' briefings. We will continue to investigate additional revenue streams to boost the VIC's financial performance whilst showcasing our members and all York has to offer.

We are working on developing an international marketing strategy alongside interested attractions and accommodation providers, in preparation for January 2024.

Markets and Events

In April 2023 we produced our Event Planner for the year up to March 24. This was circulated to all city centre businesses and partners and published on the Visit York website.

Since April 2023 we have delivered or supported several events. These include Chocolate Festival, Viking Festival, Made in Yorkshire, Food and Drink Festival, York Pride, Summer Festival and Visit York Awards.

A new third-party application process has been introduced which ensures compliance with all conditions including health and safety, licensing conditions and appropriate use of space. It also requires organisers to provide information on reducing carbon footprint

ANNEX A

associated with events, waste management arrangements and initiatives, energy-efficient practices, sustainable sourcing especially local sourced commodities and traders and eco-friendly site transportation. All three party event organisers are signposted to the ACT (Action Counters Terrorism) training prior to any event.

Logistics planning is completed for the York Christmas Market 2023. The market will not have a large undercover facility this year, this area will see additional street food with more space being left to enable better movement of people, making the area more accessible. The Market opens on the 16 November.

Regular dialogue is in place with the York Disability Forum in relation to events and positive feedback was received in relation to the use of space at the Christmas Market 2023. The forum will be consulted moving forward on all events using public spaces including 3rd party events.

We are working with partners and city centre venues to create hidden gem spaces at the Christmas Market. As the markets get extremely busy, especially at weekends, these spaces will provide less busy venues and facilities for anyone preferring a quite less busy space for a period. These will be promoted on maps and via QR codes.

Renting public spaces continues to be a challenge this year and income levels have been affected. The reasons for this are costs to hire the space, cost of utilities, and an increase in supplier costs. In addition to this some spaces are not suitable due to having no utilities or problematic due to permits required and delays in securing these.

Shambles

Shambles Market has recently been awarded the 'Travellers' Choice award 2023' (top 10% of listings on TripAdvisor). The award celebrates businesses that have consistently received great Traveller reviews on TripAdvisor over the last 12 months, placing the market among 10% of all listings on TripAdvisor globally.

Regular meetings with Shambles Traders Forum continue monthly and these prove beneficial and ensure that issues are addressed quickly, fairly, and transparently. A lot of work continues to be undertaken to deliver a market that is balanced and supportive for all traders that wish to trade at Shambles.

ANNEX A

Make it York recognises the important contribution markets make to the local economy and the character of the area. It not only serves the local community and visitors but creates local employment opportunities and contributes to the local economy. To ensure that the market is a viable and sustainable part of the local economy, it is necessary that there is a policy in relation to the balance of trade (i.e., goods and services) and the trader mix. This policy must also consider any legal requirements and must encourage constructive competition which will benefit all parties concerned.

Work has been undertaken to achieve a good mix of goods at the market, which is balanced, ensuring that we do not oversaturate, this in turn offers a wide selection of goods for residents and visitors that shop at the market. A balance of trade policy is now in effect, and this is used to achieve an appropriate mix of traders within the market on each trading day. The policy will be reviewed on an annual basis to ensure that it is fair and reasonable and appropriate to the trader/produce/product mix, which is not too prescriptive and best reflects the ever-changing retail environment.

It does not offer trader exclusivity on any goods and ensures that the market operations and allocation decisions are compliant with legislation.

We utilised the services and expertise of a shopper led expert who provided some analyse on shopper behaviour journey, motivations, patterns, and trends and they identified some key actions to improve shopping experience and benefit the trading community. This will be explored further to enhance the visitor experience.

Funding bids were submitted for investment at the market to facilitate improvements. Make it York were recently advised that it was unsuccessful in the sustainability strand however it is still awaiting the outcome of the Shared Prosperity Fund E16 bid.

Culture and Wellbeing

We are looking into grant funding to enable future cultural project delivery.

The York Culture Forum now has over 180 members, who engage in the network through bi-monthly forum meetings and e-news information on culture news, funding, and events. Most recent meeting held at the

ANNEX A

Guildhall, with sessions from Cllr Jo Coles on her vision for culture, and Aesthetica, on forthcoming Reignite event on economic impact of media arts and the creative industries.

The Executive Group of the Culture Forum leads on culture advocacy and steers the Culture Strategy's future direction. The Exec recently produced an open letter asking CYC to include a vital Supplementary Planning Document for Cultural Provision in the Local Plan, which has over 70 signatures from Forum members.

Make It York and York Civic Trust continue development and delivery of York Trailblazers, funded by the National Lottery Heritage Fund. Trailblazers is a city-wide programme of events and activities across 2023 – 25, celebrating York's heritage. Branding and marketing launched this quarter, as well as a June launch event revealing the tansy beetle programme theme, where a local artist created a giant tansy beetle painting in Museum Gardens. Trailblazers' community grants launched in July, with a £30,000 funding pot, for projects that celebrate York's history and heritage, enable community activity, and work with marginalised groups. Grants have now been shortlisted and funding is being awarded before public announcement made. In 2024, the tansy beetle sculpture trail will appear across the city, with local artists commissioned by community and heritage groups to customise 20 giant tansy beetles to tell the stories of York's hidden trailblazers. Workshops to choose the trailblazers are ongoing, led by York Civic Trust. Project next step is to launch digital commissions.

Seven York-based charities, social enterprises, community groups and individuals have been awarded £26,775 grant funding by Make It York and City of York Council this summer, made available via the Better Care Fund. The Cultural Wellbeing Grants supports the cultural and creative sector to run a range of initiatives for York residents that support mental wellbeing and reduce loneliness and isolation.

REACH, York's Cultural Education Partnership, began delivery of the pilot project expanding culture and creativity in ten of York's most deprived schools. Make It York is supporting the project through developing and hosting the digital hub for Reconnecting Education, the Arts, Creativity and Heritage (REACH) funded through IVE and City of York Council and steering group representation.

The Culture and Research team worked with the sector to publish a culture infographic of the volume and value of culture in York, which

ANNEX A

showed the cultural and creative industries have a GVA (Gross Value Added) of almost £60 million to the city. See the full results: [infographicv \(makeityork.com\)](https://www.makeityork.com/infographicv)

MIY continues supporting the development of the UNESCO Creative City of Media Arts status, working closely with the Guild of Media Arts and City of York Council to promote the designation. The Guild of Media Arts hosted a study group visit by senior cultural managers from 19 municipalities in Denmark in April, supported by Make It York.

The Tourism Strategy is currently being finalised, having gone through rounds of consultation with key tourism, culture, and business stakeholders. Strategy development has been led by the Tourism Advisory Board, working closely with Make It York, York St John, and City of York Council. It is now undergoing final design edits – these will be completed by Make It York and York St John University in October 2023 – ahead of sign off by City of York Council.

Make It York were recently advised that we were unsuccessful in funding applications to the Shared Prosperity Fund that would support the Culture Forum and York Life Festival.

At present, we continue to support the delivery of the York Culture Strategy, the Culture Forum and Culture Executive, partnership working and project development, profile raising for culture in York nationally and internationally, and supporting the UNESCO Creative City designation.

Make It York and North Yorkshire Council's joint application for Local Visitor Economy Status has now been submitted to Visit England, with support from City of York Council.

Conclusion

This year is proving challenging for MIY with revenue streams impacted due to the increase in the cost-of-living, poor weather and continuing train strikes. However, we continue to offer all our services and deliver strong results.

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MAKE IT YORK LTD
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
PAGES FOR FILING WITH REGISTRAR

Company registration number 09308493 (England and Wales)
CONTENTS

	Page
Statement of financial position	1
Statement of changes in equity	2
Notes to the financial statement	3 - 13

MAKE IT YORK LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Non-current assets					
Property, plant and equipment	4		121,846		83,706
Current assets					
Inventories		12,729		10,255	
Trade and other receivables	5	171,966		168,671	
Cash and cash equivalents		604,120		390,026	
		_____		_____	
		788,815		568,952	
Creditors: amounts falling due within one year	6	(929,976)		(876,366)	
		_____		_____	
Net current liabilities			(141,161)		(307,414)
			_____		_____
Total assets less current liabilities			(19,315)		(223,708)
Non-current liabilities	7		(54,420)		(54,421)
Provisions for liabilities			<u>(20,344)</u>		<u>(3,000)</u>
Net liabilities			<u>(94,079)</u>		<u>(281,129)</u>
Capital and reserves					
Called up share capital			1		1
Retained earnings			<u>(94,080)</u>		<u>(281,130)</u>
Total equity			<u>(94,079)</u>		<u>(281,129)</u>

MAKE IT YORK LTD

The directors of the company have elected not to include a copy of the income statement 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 **18th July 2023** and are signed on its behalf by



Mr G Dyke **Director**

Company Registration No. 09308493

MAKE IT YORK LTD

1 Accounting policies

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Share capital £	Retained earnings £	Total £
Balance at 1 April 2021	1	(502,482)	(502,481)
Year ended 31 March 2022:			
Loss for the year	-	(44,648)	(44,648)
Other comprehensive income:			
Actuarial gains on defined benefit plans	-	266,000	266,000
Total comprehensive income for the year	-	221,352	221,352
Balance at 31 March 2022	1	(281,130)	(281,129)
Year ended 31 March 2023:			
Profit for the year	-	177,050	177,050
Other comprehensive income:			
Actuarial gains on defined benefit plans	-	10,000	10,000
Total comprehensive income for the year	-	187,050	187,050
Balance at 31 March 2023	1	(94,080)	(94,079)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Company information

Make It York Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 21 Parliament Street, York, YO1 8SG.

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.

MAKE IT YORK LTD

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

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.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation 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:

Other Intangible assets	3 to 4 years straight line
-------------------------	----------------------------

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

MAKE IT YORK LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023****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 and fittings	33.33% and 10% straight line and 25% reducing balance
Computers	33.33% 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 non-current 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 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell, after making allowance for obsolete and slow moving items.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 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.

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

MAKE IT YORK LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023****1 Accounting policies****(Continued)**

Financial assets and liabilities are offset, with 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.

Basic financial assets

Basic financial assets, which include trade and other receivables 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.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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.

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

Trade payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.10 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.

1.11 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 income statement 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 tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

MAKE IT YORK LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2023**1 Accounting policies****(Continued)**

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 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 non-current 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.

1.13 Retirement benefits

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.

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.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 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.

MAKE IT YORK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies**(Continued)**

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.

2 Employees

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

	2023	2022
	Number	Number
Total	46	42
	<u> </u>	<u> </u>

3 Intangible fixed assets

	Other £
Cost	
At 1 April 2022 and 31 March 2023	178,771
Amortisation and impairment	
At 1 April 2022 and 31 March 2023	178,771
Carrying amount	
At 31 March 2023	-
	<u> </u>
At 31 March 2022	-
	<u> </u>

MAKE IT YORK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

4 Property, plant and equipment

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2022	319,896	89,586	409,482
Additions	72,498	9,931	82,429
Disposals	(224,213)	(67,492)	(291,705)
At 31 March 2023	<u>168,181</u>	<u>32,025</u>	<u>200,206</u>
Depreciation and impairment			
At 1 April 2022	241,668	84,108	325,776
Depreciation charged in the year	21,285	4,180	25,465
Eliminated in respect of disposals	(205,755)	(67,126)	(272,881)
At 31 March 2023	<u>57,198</u>	<u>21,162</u>	<u>78,360</u>
Carrying amount			
At 31 March 2023	<u>110,983</u>	<u>10,863</u>	<u>121,846</u>
At 31 March 2022	<u>78,228</u>	<u>5,478</u>	<u>83,706</u>

5 Trade and other receivables

	2023	2022
	£	£
Amounts falling due within one year:		
Trade receivables	147,456	132,818
Other receivables	24,510	35,283
	<u>171,966</u>	<u>168,101</u>
Deferred tax asset	<u>-</u>	<u>570</u>
	<u>171,966</u>	<u>168,671</u>

6 Creditors: amounts falling due within one year

2023	2022
£	£

MAKE IT YORK LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

8 Retirement benefit schemes	(Continued)	
Trade payables	416,006	439,293
Taxation and social security	51,162	65,301
Other payables	462,808	371,772
	<u>929,976</u>	<u>876,366</u>
7 Non-current liabilities	2023	2022
	£	£
Trade payables	54,420	54,421
	<u>54,420</u>	<u>54,421</u>

8 Retirement benefit schemes**Defined benefit schemes****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 31st March 2014 being linked to final salary. Benefits after 31st 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 the 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 31st March 2022 and the contributions to be paid until 31st March 2024 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 calculation 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

MAKE IT YORK LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2023

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.

The FRS102 balance sheet is showing a net pensions asset before consideration of a surplus under paragraph 28 of FRS102. This states that an entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions or through refunds from the plan. As the employer does not have the information available to determine this, the asset has not been recognised on the balance sheet. The amount not recognised is £152,000.

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.

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.

MAKE IT YORK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 2023

8 Retirement benefit schemes	(Continued)	
	2023	2022
<i>Key assumptions</i>	%	%
Discount rate	4.6	2.7
Expected rate of increase of pensions in payment	2.6	2.8
Expected rate of salary increases	3.85	4.05
	====	====

MAKE IT YORK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

8 Retirement benefit schemes	(Continued)	
<i>Mortality assumptions</i>	2023	2022
Assumed life expectations on retirement at age 65:	Years	Years
Retiring today		
- Males	22.6	21.8
- Females	25	23.8
	<u> </u>	<u> </u>
Retiring in 20 years		
- Males	23.5	23.5
- Females	26	25.7
	<u> </u>	<u> </u>
	2023	2022
	£	£
<i>Amounts recognised in the income statement</i>		
Current service cost	12,000	30,000
Net interest on net defined benefit liability/(asset)	-	20,000
Total costs	<u>12,000</u>	<u>50,000</u>
	2023	2022
	£	£
<i>Amounts taken to other comprehensive income</i>		
Actuarial changes related to obligations	(67,000)	(96,000)
Other gains and losses	(95,000)	(170,000)
Effect of changes in the amount of surplus that is not recognised	152,000	-
Total costs/(income)	<u>(10,000)</u>	<u>(266,000)</u>
The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:		
	2023	2022
	£	£
Present value of defined benefit obligations	712,000	747,000
Fair value of plan assets	(864,000)	(744,000)
	<u> </u>	<u> </u>
(Surplus)/deficit in scheme	(152,000)	3,000
Restriction on scheme assets	152,000	-

MAKE IT YORK LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

8 Retirement benefit schemes	(Continued)				
Total liability recognised	- 3,000 <u>2023</u>				
<i>Movements in the present value of defined benefit obligations</i>					
	£				
Liabilities at 1 April 2022	747,000				
Current service cost	12,000				
Benefits paid	(2,000)				
Contributions from scheme members	2,000				
Actuarial gains and losses	(67,000)				
Interest cost	20,000				
At 31 March 2023	<u>712,000</u>				
	<u>2023</u>				
<i>The defined benefit obligations arise from plans funded as follows:</i>					
	£				
Wholly unfunded obligations	-				
Wholly or partly funded obligations	712,000				
	<u>712,000</u>				
	<u>2023</u>				
<i>Movements in the fair value of plan assets</i>					
	£				
Fair value of assets at 1 April 2022	744,000				
Benefits paid	(2,000)				
Contributions by the employer	5,000				
Contributions by scheme members	2,000				
Other	115,000				
At 31 March 2023	<u>864,000</u>				
The actual return on plan assets was £115,000 (2022 - £15,000).					
<i>Fair value of plan assets at the reporting period end</i>	<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">2023</td> <td style="text-align: center;">2022</td> </tr> <tr> <td style="text-align: center;">£</td> <td style="text-align: center;">£</td> </tr> </table>	2023	2022	£	£
2023	2022				
£	£				

MAKE IT YORK LTD**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2023

Equity instruments	451,000	414,000
Debt instruments	157,000	125,000
Property	55,000	55,000
Other	<u>201,000</u>	<u>150,000</u>
	<u>864,000</u>	<u>744,000</u>

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.

Statutory Auditor:

Hunter Gee Holroyd

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Contains information provided by a political advisor or assistant.

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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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Make It York - Business Delivery Plan 2022/25

Corporate Services Delivery Plan 2022-25

Who we are and what we do

We directly deliver a range of services for the benefit of the MIY business, residents, and visitors. These include:

- Provision of Financial Services and Corporate Services for departments within MIY.
- Provision of Visitor Information Service.
- Provision of Governance Services.
- Office Management.

Our service challenges

- Meeting the pressures of operating a 7 day a week Visitor Information Centre (VIC) with limited budgets against rising partner and customer expectations.
- Continuing to develop our financial services to reduce costs and improve inefficiencies.
- Addressing outstanding bad debts and processes to allow more flexibility, especially for the Visit York membership scheme and York Pass.
- Working with our new Auditor for 2023/24.
- Managing the new office and Visitor Information Centre with limited space and budget.

Our service opportunities

- Having a physical VIC means that we can engage with a large number of visitors who come to York, thereby improving services that the tourism sector provides.
- 40% of VIC interactions are with residents which enables us to improve the information available to them and what they can experience in York.
- The development of the new VIC at Parliament Street and Visitor Pod at York Station.
- Improve our financial and budget information for our Board and Shareholder, which will enable us to predict income and expenditure more effectively. Key opportunity to manage cash flow more effectively through our improved financial rules and regulations.

Delivering MIY Business Plan Outcomes

The Make It York Board has agreed the following values:

- **Entrepreneurial** - We will champion new ways of working. We will deliver great results. We will always be constantly improving.
- **Collaborative** - We will work in partnerships. We will share our resources. We will support our teams.
- **Responsible** – We will put customers first. We will do what we say. We will be true to our City.
- **Ambitious** - We will make York the best place it can be. We will make MIY the best company it can be. We will become the best team we can be.
- We are committed to working in partnership with other City of York Council services and partner organisations to deliver these priorities.

Delivering against our CYC SLA and Corporate Priorities

- Generate income from activities to support the delivery of the Business Plan and these Objectives; and
- Work with the Council and other partners to attract funding to support and enhance the delivery of the activities set out below.

Business Plan Objective	Priority	What good will look like by March 2024 (unless stated)	The things we need to do to achieve this	Update from April – September 2023
<p>We want more effective financial processes</p> <ul style="list-style-type: none"> To support the Board in making decisions. To support our operational teams to be able to manage their budgets more effectively. To enable our contractor and local businesses to be able to pay us on time and vice versa. 	<ul style="list-style-type: none"> Ensuring sustainable funding for MIY and to be commercially viable over next 3 years. Financial management processes and procedures that meet the needs of the company. Encourage local business to be on preferred supplier list or tendering process. 	<ul style="list-style-type: none"> Robust financial monitoring in place with accurate forecasting on a monthly basis. We will move to outcomes-based budgeting ensuring that MIY resources are directly linked to the MIY Business Plan and priorities. It will provide evidence to clearly demonstrate the outcomes being achieved for the resources we use and the impact those outcomes have. This ensures that MIY delivers value for money and prioritises its limited resources effectively. Ensure robust tendering and contract management is in place. Purchase locally where feasible and have clear robust processes based on quality and price. An operationally robust HR and team management system implemented to better manage sickness, appraisals, training, performance, and objectives. 	<ul style="list-style-type: none"> Delivery Plans developed within the context of approved budgets. Review of financial management system to ensure fit for purpose. Review of financial ordering systems and processes to ensure that effective budget management and appropriate authorisation is adhered to. Financial awareness training for staff. Introduction of Direct Debit for Market Traders reducing staffing resources and reducing bad debt. Commitment to pay all invoices within 30 days. Review of procurement and contracting policies and procedures annually. HR agile management introduced company wide, and training provided for all staff. 	<ul style="list-style-type: none"> Options explored to move away from current financial operating system undertaken. Awaiting the new Head of Finance to commence to progress further. Ongoing. Direct Debit system for Shambles in Place for significant number of traders following the introduction of a new management system. Will be assessed as part of the new financial software however 80 of supplier 85% are paid within 30 days. HR system fully embedded which enables management of absence, assets, and performance more effectively. Ongoing. Assessed each ¼. Will be carried out annually.
<p>We want more people to use the Visitor Information Centre (VIC)</p> <ul style="list-style-type: none"> Making York famous with a first-class visitor welcome. Creating an excellent information service for visitors coming to the city both digitally and in person. Creating unrivalled 	<ul style="list-style-type: none"> Delivering a first-class customer experience. Contributing to increasing participation and visits to the City Centre and creating a visitor focussed City. 	<ul style="list-style-type: none"> New Visitor Information Centre will provide key services in the heart of the City Centre to enhance the visitor experience and access to information will enable them to make informed decisions. VIC will improve the wider city offers and enhance the visitor welcome through physical improvement and investing in staff. Improve roaming visitor information services at key gateways including York Station. Provide high quality services and create positive visitor experiences. Maximise economic benefits by promoting relevant retail products. 	<ul style="list-style-type: none"> Research into users and non-users to better align services to user needs. Assess usage of Visitor Information Centre. Assess the economic impact of the Visitor Information Centre i.e., net spend per customer. Assess statistics of origin of visitors to Visitor Information Centre to better cater services. 	<ul style="list-style-type: none"> Began collecting nationality data to identify visitor trends Regular meetings are in place with partners to ensure up to date knowledge for front line staff. Some layout changes will be explored following feedback from staff and customers and to enable better retail offer. Ongoing Introduction of local supplier produce in VIC.

<p>experiences for visitors across the city.</p>			<ul style="list-style-type: none"> ▪ Work collaboratively with partner organisations to ensure that staff are up to date with visitor experiences. ▪ Continue to look at new services provided for visitors to improve quality of our services. ▪ Re-model and refurbish the shop to ensure that visitors receive excellent customer service and are offered a friendly, helpful experience. ▪ Advocate the benefits of tourism to residents and businesses. ▪ Continue to explore innovative ways to increase income, sell local merchandise and engage and promote local small businesses. ▪ Identify a range of new sales lines and local products. 	<ul style="list-style-type: none"> ▪ Key lines are being reviewed and refreshed– sourced more reliable suppliers. In place for Xmas. ▪ Developing additional in-house training to support team. ▪ Recruiting volunteers – focusing on varied demographics. ▪ Team visiting local attractions during quiet periods to gain knowledge and increase member relationship.
<p>We want residents to be proud to use our Visitor Information Service</p> <ul style="list-style-type: none"> • Creating a front of house that is welcoming and informative. • Developing our resources and availability, providing a service to our members to enable them to be visitor ambassadors 	<ul style="list-style-type: none"> • Ensuring our City Centre is attractive and befitting of our city’s heritage. • Strong Communities. 	<ul style="list-style-type: none"> • Increase volunteers working with MIY, upskilling and training new recruits. • Offer a unique customer experience to visitors, residents, and businesses. • Develop the Information Service into a social and community space which exhibits ‘York’ and can adapt to changing customer attitudes and behaviours and the increasing popularity of online bookings and tourism guides. 	<ul style="list-style-type: none"> ▪ Deliver a Tourism Ambassador Programme for the VIC. ▪ Host events and create opportunities for local people to volunteer throughout the summer. ▪ Deliver regular in-house training and familiarisation visits to local attractions. ▪ Create staff development opportunities and develop rapports with local attractions. 	

Who we are and what we do

We directly deliver a range of services for the benefit of business, residents, and visitors.

These include:

- Events and Festivals
- Shambles Market

To support businesses, provide affordable services to residents and provide destinations for visitors to York.

These provide:

- Our major events programme supports the City Centre. These events not only provide the opportunity to engage with local people to provide cultural activities but also attracts a considerable number of tourists into the City.
- The Shambles Market operates 7 days a week and hosts the largest number of independent traders in York providing a mixture of commodities from everyday essentials to the unusual and surprising.

Our service challenges

- Meeting the pressures of operating a 7 day a week market with limited budgets against rising partner and customer expectations.
- Continuing to develop our markets in the context of changing shopping habits.
- Addressing long-standing repairs and maintenance issues at the market, many of which are aging.
- Engaging more effectively with a wider proportion of the City’s residents
- Delivering and operating service within agreed budgets.

Our service opportunities

- Holding major events means that we can engage with many residents who may not otherwise access and participate.
- The development of the Shambles Market as a key community hub provides us with significant opportunities for partnership working with other services and organisations.

Delivering Business Plan Outcomes

- The Make It York Board has agreed the following Values:
- **Entrepreneurial** - We will champion new ways of working. We will deliver great results. We will continually improve.
- **Collaborative** - We will work in Partnerships. We will share our resources. We will support our teams.
- **Responsible** – We will put customers first. We will do what we say. We will be true to our city.
- **Ambitious** - We will make York the best place it can be. We will make MIY the best company it can be. We will become the best team we can be.
- We are committed to working in partnership with other City of York Council services and partner organisations to deliver these priorities.

Delivering against our CYC SLA and Corporate Priorities

- Work towards increasing the value of the visitor economy through promoting innovation and higher quality in the existing offer.
- Encourage a high value visitor economy investment and attract higher spending visitors.
- Day-to-day management of the Shambles Market; operation of the Market Charter on behalf of the city.
- In consultation with the CYC, develop a new Markets Strategy.
- Support new retailers to trade.
- Work towards a 5% year on year growth in surplus.
- City Centre vibrancy – contribute expertise, ideas and experiences to the MyCityCentre Project which will set the City Centre strategy.
- Work with City Centre landlords, including those distant from York, if they can be found, to ensure they are invested in the City.
- Commercial events – Keep the City Centre relevant and enticing by curating a programme of public events in the foot streets.
- Run 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.
- Evening economy – My City Vision.

Business Plan Objective	Priority	What good will look like by March 2024 (unless stated)	The things we need to do to achieve this	Update from April – September 23
<p>We want more businesses to prosper here</p> <p>Supporting local businesses with advice and information.</p> <p>Building strategic partnerships locally, nationally, and globally.</p> <p>Attracting and retaining the right investment and talent for the city.</p>	<p>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.</p> <p>Ambitious Entrepreneurial Collaborative.</p>	<ul style="list-style-type: none"> Contributed to strong and sustainable neighbourhoods working with residents and businesses to sustain resilient communities by providing places for the community to come together access affordable, high-quality goods. Customer focus: The market will expand its customer base, attracting and selling to a broader spectrum of shoppers. Working with traders, Make It York will review the market's trading hours, improve its marketing and promotions, and explore new sales routes, e.g., on-line sales and click and collect. Mix of Commodities: Over time, the commodity mix will evolve within the market, with a focus on using up spare pitch capacity to achieve a balance of traditional and new products and services, recognising changing demand. All vacant pitches across the Shambles Market will be occupied with a waiting list of traders. Ambitious standards: The market traders and management will have improved performance by regularising trader presence, improving customer service, adhering to license conditions and traffic management orders, and ensuring visible product pricing. A good conduct agreement will be worked up to enshrine these standards. The market will have benefited from local development and investment enjoying new seating, greening up areas and new solar stall roofs. This will support inclusivity, accessibility, dwell time and spend. 	<p>Exploit the opportunities that the Shambles Market offers for the city economy, its residents, and visitors by:</p> <ul style="list-style-type: none"> Developing and delivering a distinctive and high impact marketing and communications plan for the market and its businesses. Engaging young people and encouraging them to become stall holders. Promoting the market as a place for shopping with and for young people. Creating a community space. Developing a programme of additional markets on different days or 'special' types of markets e.g., farmers' markets, totally locally, recycle, reuse and Vegan etc. Creating pathways and incentives for new businesses to choose the Shambles Market as its choice to do business, with support in starting up and becoming sustainable, and offering provision for existing traders to develop and grow. Developing a Markets Strategy to ensure that it is at the heart of local neighbourhoods and a visitor attraction. Develop a Health Check of the Shambles Market to ensure sustainability in the long term. Deliver sustainability initiatives that reduce the impact of the market operations. Continue to strengthen partnerships with traders. Install new Wi-Fi to support traders to run their businesses. Install CCTV to address design out crime. 	<ul style="list-style-type: none"> The introduction of new bans and restrictions on polluting single-use plastics was Introduced on the 1 October. These effects Make it York's Events and Markets. Single use plastic was banned at the Christmas Market in 2022 and will apply in 2023 this will now include the update bans. Work has been undertaken with Market traders to ensure that they are prepared and compliant with the ban. Most Food Traders had prepared for the ban and are already using alternatives. Balance of Trade Policy introduced to ensure compliance with legislation. Discussion have commenced with CYC regarding a draft lease for Shambles Market. Make IT York have sought expert advice in progressing this. 2 bids were submitted for Shared prosperity funding. One was not approved, and the outcome is still awaited on the other bid. CCTV is installed and operational 24hours and is linked directly to CYC surveillance infrastructure. Wi-Fi is now complete and enables card payments for traders and stock ordering etc.
<p>We want more people to visit York</p> <p>Make York famous as a first-class destination for leisure, business, and study.</p> <p>Create unrivalled experiences for visitors across the city</p> <p>Support local businesses who help make this happen</p>	<p>Entrepreneurial Collaborative Ambitious Responsible</p>	<ul style="list-style-type: none"> We will have delivered five commercial events including the Christmas Market, Ice Trail, Spring and Summer events and a Sculpture Trail. Curated 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. Our provisions are utilised by other partners to engage with residents and visitors. More tourists visit the district and stay for longer, spending more to support our economy. Markets and Events act as key drivers in attracting shoppers into our town and City Centre Make our events examples of best practice, to increase quality and where possible, create more sustainable events 	<ul style="list-style-type: none"> Review of current events and festivals programme to identify gaps and opportunities to develop an Events Strategy, drawing on the existing Cultural Strategy, refreshed Our City Vision, and emerging Tourism Strategy, and other major local strategies. Develop an annual calendar of events and festivals which add value to the York experience and encourage visitors and resident participation. Continue to develop major events and festivals such as St Nicholas Christmas Fair and Ice Trail. Develop itineraries for events and festivals suggesting visits to attractions, food and drink and accommodation to drive longer stays. Strive to deliver events that are more environmentally sustainable and build on the single use plastic ban and also explore innovative ways of being more sustainable. Forge partnerships to enable third party delivered events that are utilising City Centre public spaces Ensure all events are held within current laws, regulations, Health and Safety guidance and delivering on sustainability Benchmark and evaluate satisfaction of events and festivals with local City Centre businesses, Shambles Market traders, visitors and residents 	<ul style="list-style-type: none"> Work ongoing as part of SLA discussions. Provided annually and circulated widely along with 7 days in York. Summer offer event linked in with Public Health to promote key messages. Work ongoing with CYC to promote fostering at events. Make it York will through its application process ensure that 3 party event's organizers are aware of their obligation to comply with the new ban. Make it York so not allow diesel generators to be used at events. All relevant staff have undertaken and passed the ACT training.

			<ul style="list-style-type: none"> Develop a programme of support and training for new volunteers to assist at events and festivals 	<ul style="list-style-type: none"> Extensive dialogue has taken place with York Access Forum to ensure that events and Markets take full account of accessibility for residents and visitors.
<p>We want our residents to be proud to live here</p> <p>Create incredible events that our communities love</p> <p>Develop our dynamic and engaging cultural and arts scene</p>	<p>Responsible Ambitious Collaborative Entrepreneurial</p>	<ul style="list-style-type: none"> Develop proposals that demonstrate a balance for everyone sharing public spaces Deliver an annual events programme that meets the needs of residents that they can participate, experience, and learn 	<ul style="list-style-type: none"> By the end of 2023 we will have a draft booking system/ licence procedure for buskers and street entertainers for consideration with partners to make sure that residents, businesses, and visitors get the best experience and that street performers get the chance to shine and showcase their talents 	<ul style="list-style-type: none"> A draft Spaces and Places policy will be developed for partner consultation to maximise the use of city centre spaces as a commercial asset whilst supporting creative individuals and local businesses.

Who we are and what we do

We directly deliver a range of services for the benefit of the MIY business, local residents and visitors. These include:

- Delivery of the Culture Strategy
- Cultural services, as outcomes of the Culture Strategy, including the Culture Forum and Culture Exec, and development of citywide partnerships and funding opportunities
- Cultural activations
- Tourism research and insight and MIY business insight

Our service challenges

- Lack of core Culture Strategy funding to enable key initiatives and activations to take place
- Broad network of relationships to maintain
- Dependent on partner data to ensure tourism data is fully reflective of citywide trends (can be difficult to obtain)

Our service opportunities

- Opportunities for partnership development, resulting in exciting citywide projects and bids, that enable us to deliver major elements of the Culture Strategy
- Ability to help shape cultural landscape, to ensure culture provision becomes inclusive, relevant and accessible to residents and visitors, including young people, in line with the ambitions of the Culture Strategy
- Ability to monitor and identify tourism and broader data trends, to help shape future business needs.

Delivering MIY Business Plan Outcomes

Make It York Board has agreed the following values:

- **Entrepreneurial** - We will champion new ways of working. We will deliver great results. We will always be improving
- **Collaborative** - We will work in Partnerships. We will share our resources. We will support our teams.
- **Responsible** – We will put customers first., We will do what we say. We will be true to our city.
- **Ambitious** - We will make York the best place it can be. We will make MIY the best Company it can be. We will become the best team we can be.

Culture and Wellbeing Priorities:

- 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

We are committed to working in partnership with other City of York Council services and partner organisations to deliver these priorities.

Delivering against our CYC SLA and Corporate Priorities

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.

Business Plan Objective	Priority	What good will look like by March 2024 (unless stated)	The things we need to do to achieve this	Completion date	Update from April – September 2023
<p>Ensure the ongoing development, delivery, and promotion of the city's Culture Strategy.</p>	<p>Culture Forum and Culture Executive now established, to drive future Culture Strategy development: majority of strategy Working Groups in place. Continue to act as co-chair and secretariat for the Exec and Forum, shaping the development of the strategy, and empowering Culture Executive members to lead and develop their strategy priority areas further.</p> <p>Continue to deliver the Cultural Wellbeing Grants programme, alongside City of York Council (funding dependent, through the Better Care Fund), to support charities, social enterprises and voluntary groups who work in the arts for health.</p>	<ul style="list-style-type: none"> ▪ Engaged Culture Forum covering broad ranging topics of importance to the culture and creative sector, networking opportunities and knowledge sharing. ▪ Empowered Culture Exec, who together steer the Culture Strategy's future direction, with Heads of Priority Areas leading on and developing their strategic areas. ▪ Working Groups who together support the Exec and Forum to drive forward the strategy's key Priorities. ▪ Applied for one major funding bid in 2023-24 that supports and helps drive forward the ambitions of the Culture Strategy. ▪ Explore the potential for a York Creates Fund. ▪ Continued delivery of the Cultural Wellbeing Grants programme 	<ul style="list-style-type: none"> ▪ Ongoing co-chairing and secretariat role to Culture Forum and Exec ▪ Co-working with Exec and wider sector to shape Culture Strategy's future direction ▪ Deliver key programmes in line with Culture Strategy objectives (Trailblazers etc. - see below for more info) ▪ Continue to promote the culture and creative sector through media channels, policy work, networking opportunities, working groups and forums ▪ Developing work with Culture Exec for Arts Council bid in 2023-24 ▪ York Creates Fund development started through small creative commissions, with proceeds going towards fund pot and future projects ▪ Cultural Wellbeing – grants programme ongoing and developing evaluation 	<p>Ongoing</p> <p>Summer 2023 (exact date tbc as funding confirmation dependant)</p>	<ul style="list-style-type: none"> • Culture Forum and Exec continue to meet bi-monthly. Most recent Culture Forum held at Guildhall, with sessions from Cllr Coles and Aesthetica. • Exec working on next steps for strategy direction: key areas – advocacy, sector support, residents focus. • Trailblazers – see below • Profile-raising – ongoing • Arts Council bid not taken forwards, due to high 50% match advised required to be competitive – Exec now looking at Paul Hamlyn Fdn • York Creates Fund not yet established • Cultural Wellbeing grants delivered in June with CYC with 7 organisations receiving funding
<p>Ensuring the successful delivery of the York Trailblazers programme.</p>	<p>Working alongside York Civic Trust and key partners on an exciting citywide programme of events and activities, including grant funding, marketing and promotion, and a large-scale sculpture trail</p>	<ul style="list-style-type: none"> ▪ Trailblazers hubs live on MIY and VY sites, high-profile campaign to ensure resident engagement, co-production workshops have taken place with heritage experts, artists, schools and community groups to shape the 2024 sculpture trail, grant programme has been delivered to enable community groups to get involved and their own trailblazing history and heritage stories. 	<ul style="list-style-type: none"> ▪ Governance structures in place – internal project team in place with CDM as project lead ▪ Deliver ongoing marketing campaign ▪ Deliver grant-giving programme ▪ Planning and logistics in place for sculpture trail – to launch in April 2024, running through to c. September 2024. 	<p>Ongoing – grants programme delivery May 2023, trail live April 2024, trail completion Sept 2024</p>	<ul style="list-style-type: none"> • Trailblazers programme ongoing – governance structures in place • Ongoing marketing campaign-launched creating with tansy beetle artwork in Museum Gardens • Grants now delivered to 12 community organisations • Trail development ongoing
<p>Promote and maximise York's UNESCO Creative City of Media Arts status .</p>	<p>Support the future sustainability of the status and focal point of the UNESCO Creative City of Media Arts designation</p> <p>Support York's bid for UNESCO World Heritage Status</p>	<ul style="list-style-type: none"> ▪ UCCN Monitoring Report 2022 completed (timelines tbc at present as UNESCO reconfiguring reporting process) ▪ Profile-raising for the designation, in line with the vision of the Culture Strategy, working closely with the Guild of Media Arts and city partners ▪ NB – we won't know the outcome of the first bid round until Feb 2023 – if we reach the next stage of bidding, it will mean continued co-working with partners and the York UNESCO World Heritage Status Steering Group to develop our proposals. 	<ul style="list-style-type: none"> ▪ Ongoing collaborative working ▪ UNESCO designation key part of Culture Strategy and Tourism Strategy and marcomms and policy work reflects this: ensure ongoing profile raising 	<p>Ongoing</p> <p>Tbc – awaiting bid outcome</p>	<ul style="list-style-type: none"> • Ongoing collaborative working and profile raising • MIY supported Viborg delegation visit in April • Monitoring report may be due November 23 (tbc) - discussing with Guild to ensure ready for deadline • York successfully joined Tentative List for UNESCO World Heritage Status – Steering Group leading on next steps, MIY represents

<p>Develop an Events Framework for the Culture Strategy that enables the City to proactively identify events it wishes to host and attract.</p> <p>Framework forms part of broader Events Strategy, which aligns with Culture Strategy and Tourism Strategy</p> <p>Support cultural events and initiatives, such as the York Mystery Plays.</p>	<p>Ensuring development of an Events Strategy, which dovetails with other city strategies, including the Culture, Tourism and Economic Strategies</p> <p>Advocacy for cultural events and initiatives within city with key stakeholders and profile raising</p>	<ul style="list-style-type: none"> ▪ Development of a new Events Strategy that reflects MIY and the city’s ambition for events and festivals ▪ Cultural events and installations with opportunities for cultural practitioners within the Events Strategy, to ensure cultural engagement, working with the culture sector ▪ Aligns with the Culture Strategy and Tourism Strategy <ul style="list-style-type: none"> ▪ Ongoing awareness raising of cultural events and initiatives 	<ul style="list-style-type: none"> ▪ Internal discussion of needs regarding an Event Strategy and Framework ▪ Consultation with key city groups – Culture Forum, Tourism Advisory Board, and others regarding requirements for Event Strategy ▪ Drafting strategy ▪ Publication date tbc <ul style="list-style-type: none"> ▪ Continue to advocate for cultural events and initiatives ▪ Signpost organisers towards relevant funding opportunities ▪ Profile-raise through marcomms and policy work 	<p>Tbc</p> <p>Ongoing</p>	<ul style="list-style-type: none"> • Needs further discussion with the council to understand their current key requirements for the Events Framework. <ul style="list-style-type: none"> • This activity is ongoing – through advocacy, culture e-news, press and PR, news stories and socials on MIY website.
<p>Research and Insight informs and underpins our work</p>	<p>Delivering annual Visit York Visitor Survey</p> <p>Evaluating MIY events and festivals</p> <p>Tourism dashboard</p> <p>MIY dashboard</p>	<ul style="list-style-type: none"> ▪ Delivery of annual Visit York Visitor Survey, with key info and trends informing Tourism Strategy development and marketing campaigns ▪ Evaluation of key MIY events ▪ Ongoing measuring of success/ dashboards in place, to simplify and make more impactful way of communicating key measures and for tracking progress, identifying where need to improve 	<ul style="list-style-type: none"> ▪ Developing and ongoing measuring of success/ dashboards ▪ Quarterly business-wide research and insight meetings ▪ Working closely across teams to gain awareness of current key campaigns, data needed, and to share understanding of research trends ▪ Sharing key data, which feeds into key company priorities and their development 	<p>Ongoing</p>	<ul style="list-style-type: none"> • Annual Visit York visitor survey ongoing. New STEAM data shows York with 1.7bn economic impact of tourism • New MIY and tourism quarterly dashboards in place • New event evaluation surveys and process in development • Working across teams to share research and embed across organisation

Business Plan Objective	Priority	What good will look like by March 2024 (unless stated)	The things we need to do to achieve this		Completion date	Update from April – September 2023
Promote York as a leisure, business and visitor destination.	Partner with organisations such as VisitBritain and VisitEngland, ensuring York is included in leading International, National and Regional marketing initiatives	<ul style="list-style-type: none"> ▪ Increasing visitor spend in the City along with footfall into the City Centre by 5% ▪ Increasing the membership model by 2% year on year ▪ Maintaining a retention rate of above 94% ▪ Working with the tourism sector to increase GVA growth ▪ Working with the tourism sector to increase private sector led investment into the City Centre including the evening economy ▪ Pioneering new ways of managing cultural tourism and eco-tourism ▪ Establishing a greater understanding of business visitors in order to create a business marketing campaign resulting in more visits and a conferencing strategy 	<ul style="list-style-type: none"> ▪ An increase of 5% of followers, impressions, and engagement with our social media channels ▪ Increased engagement with both Visit York and Make It York websites ▪ Increased footfall, occupancy, average length of stay and overall value of the visitor economy by developing marketing campaigns aimed at local, national and global audiences ▪ Recruiting and maintaining campaign partners across the sector to promote York to all audiences ▪ Targeting international visitors to re-engage and welcome them back to the City (currently make up 3.8% of overall visits to the city) ▪ Maintaining visitation numbers from the domestic market ▪ Growing our press coverage by 5% 			<p>Update from April-September 2023:</p> <p>-During this period have held 8 members events, including a repeat of the ‘Meet the Team’ event and a Christmas launch, ensuring networking and peer-to-peer sharing opportunities.</p> <p>-Membership retention and recruitment were challenging at the start of the financial year during the continuing economic uncertainty, but new member enquiries and conversions have increased over August-September.</p> <p>-For Oct-Dec we will continue to focus on increasing individual contacts with members, engaging with members ahead of the renewal period beginning again in the new year.</p>
Develop and grow our Visit York membership scheme	<ul style="list-style-type: none"> ▪ Ensure members are engaged with marketing campaigns and feel valued in the city and represented ▪ Engage with new businesses in the hospitality sector offering support and opportunity via our channels ▪ Understand business need and provide marketing solutions to support initiatives 		<ul style="list-style-type: none"> ▪ Use research analysis to create key objectives per campaign and specify target audiences ▪ Hold a minimum of 12 member events per year, focussing on key speaker slots about the industry, ensuring true insight into the business needs of members ▪ Increase our membership by 2% (revenue) ▪ Increase individual contacts with members ensuring all information is communicated efficiently along with understanding how businesses promote the city and thereby using that to influence campaign activity 			

<p>Convene and support the implementation of the Tourism Strategy</p>			<ul style="list-style-type: none"> ▪ Start the implementation of a green tourism project to support sustainability across the business ▪ Support partners with the implementation of the Tourism Strategy 			
<p>Encourage all York residents to enjoy the tourism and cultural offer of York including year round promotions and targeted residents' events</p>			<ul style="list-style-type: none"> ▪ Support all areas of MIY with marketing and engagement in order for them to fulfil objectives set ▪ Work with the events team to ensure maximum coverage of events and promotions ▪ Grow resident engagement by 5% giving a larger platform of promotion to resident audience 			

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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 proactively to the city vision of being more affordable, more accessible, more sustainable, and fairer for future generations to enjoy and residents to benefit from today.
- (b) Co-ordination and promotion of the city of York's brand and cultural offer taking every opportunity to articulate York's narrative, regionally, nationally, and internationally.
- (c) Work towards increasing the value of the visitor economy (including residents as visitors) through promoting innovation for social good and higher quality in the existing offer, encouraging high value visitor economy investment and attracting higher spending visitors.
- (d) Nurture new cultural ideas and initiatives to support good health and wellbeing.
- (e) 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.
- (f) Generate income from activities to support the delivery of the Business Plan and these Objectives.
- (g) Work with the Council and other partners to attract funding to support and enhance the delivery of the activities set out below.

ANNEX B

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 an 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 progress report.
- 1.4 Represent York on operational working groups relevant to these Service Specific Requirements as agreed with the Council.
- 1.5 Ensure coherent local communications and press releases that further articulate York's brand position, regionally, nationally, and internationally in alignment with the Council's Marketing & Communications Team.
- 1.6 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.
- 1.7 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.
- 1.8 Collect relevant data, including user feedback, to evidence performance against the Objectives set out above and the Outcomes in set out below, as well as these Service Specific Requirements.

2 Visitor Economy

2.1 Key Deliverables:

- *Destination Management Organisation* – promotion of York as a leisure and business visitor destination; running the Visit York membership scheme; representing York on the emerging York & North Local Visitor

ANNEX B

Economy Partnership (LVEP), liaison with Combined Authority, Visit Britain, Visit England, etc. to make the most of all available support and contribute to national and regional marketing initiatives.

- *Visitor sector development* – Working with visitor 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 and influence the TAB as a representative body for all those involved in the tourism sector and contribute to the delivery and monitoring of the new Tourism Strategy.

2.2 Outcomes

- (a) *Destination Management Organisation* – LVEP and Visit York to reflect the full diversity of York’s Visitor Economy.
- (b) *Visitor economy sector development* – Increase accredited membership of the Good Business Charter by businesses in York’s visitor economy and increased value of York visitor economy.
- (c) *TAB* – TAB to meet actively throughout the year, as a minimum quarterly.

Detailed delivery: Destination Management Organisation (“DMO”)

- 2.3 Leading on visitor economy marketing of York, working with Visit England, national and regional bodies to make the most of York’s offer and attract visitors to the city.
- 2.4 Maintain and develop Visit York as a membership body supporting and developing the visitor economy sector.
- 2.5 Work with the visitor economy sector, Visit England, the York & North Yorkshire LVEP, 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.
- 2.6 Encourage all York residents to enjoy the tourism and cultural offer of York including year-round promotion and targeted residents’ events.

Detailed delivery: Visitor sector development

- 2.7 Work with visitor 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

ANNEX B

cross-sector work to improve York centre as a destination for business, visitors and residents including: -

- (a) supporting on approaches to maximise private-sector, visitor led investment into city centre improvement; and
- (b) working with the council and with businesses to stimulate a stronger evening economy.

Attract new business tourism to the city by providing a clear and effective process for responding to business tourism enquiries with high quality response and support and working proactively to attract new enquiries appropriate to the city.

Detailed delivery: TAB

2.8 Convene and facilitate a TAB for York, which brings together a diverse range of stakeholders in the sector and has an independent chair.

2.9 Take a lead in the development, delivery, and monitoring of the new tourism strategy.

3 City Centre, Events and Markets

3.1 *Key Deliverables:*

- *Markets* – Day-to-day management of the Shambles Market; operation speciality and added value markets. Management of the Market Charter on behalf of the whole 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 Our City Centre 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 foot streets; 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.
- *Spaces and Places Policy* – Development of a Spaces and Places Policy that improves how buskers, street traders, street cafes and pedlars are managed in the City Centre. Working with the Council, The BID and other

ANNEX B

city centre organisation's that will need to be partners to deliver the new policy.

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

- (a) *Markets* – Development of a new Markets Strategy for the next 5 years so that the market is commercially sustainable and an attractive place to do business and to ensure it can adapt, where needed, and remain strong into the future. Implement measures for improving the performance and competitiveness of Shambles Market ensuring that it contributes positively to the city and builds strong relationships with residents, visitors, businesses, and other stakeholders.
- (b) Developing new speciality markets and temporary markets supporting new retailers to trade.
- (c) Undertake independent evaluation of customer and non-customer sentiment to be undertaken and influence direction and raise awareness of and access to Markets as a community provision, a place to meet, shop and socialise.
- (d) *City Centre Vibrancy* – strong leadership by Make It York's staff and/or board of directors in Our City Centre engagement and workshop sessions.
- (e) *Commercial events* – The provision of a varied and innovative programme of events and festivals, which attract both existing and new audiences with a particular emphasis on young people and families ensuring that they demonstrate economic benefits to York, deliver cultural benefits, media benefits raising the profile regionally, nationally and internationally and community benefits, in terms of bring communities together, offering skills development, of professional staff, young people and volunteers.
- (f) *Additional Events* – Where new or large one-off events provide opportunities for the city, Make It York and the Council will agree a separate Service Level Agreement to ensure delivery expectations are clear with an identified budget if applicable.

Detailed delivery: Markets

- 3.3 Operation of the Shambles Market and facilitate meaningful engagement with all traders. 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.

ANNEX B

- 3.4 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.
- 3.5 Operate York's market charter on behalf of the Council.
- 3.6 Maintain and update as necessary the Market Regulations ensuring compliance with all legislation and Statutory Requirements and throughout the rest of the Contract Term, Make It York will continue to update the Market Regulations for approval by the Council, as necessary, on an on-going basis, in consultation with the traders, ensuring that the up-to-date Market Regulations are promulgated and implemented in a fair, transparent and consistent basis.

Detailed delivery: City centre vibrancy

- 3.7 Oversee opportunities for Eye of York, Tower Gardens, Exhibition Square, Kings Square and St Helen's Square, within the constraints and challenges these areas have. Develop workable solutions to put to the council to be able to commercialise these areas, if possible.
- 3.8 Contributing expertise, ideas, and experiences to the Our City Centre Project which will set the city centre strategy.
- 3.9 Create a high-profile calendar of city centre festivals, activities and events ensuring that partners including the Council, and the BID are enabled to contribute. Identify times when new events would add value to the York experience and work on filling these gaps.
- 3.10 Promote the events calendar through all appropriate means including through highly visible city centre information to continue York's reputation of being a welcoming city for all as a city of sanctuary and human rights city.

Detailed delivery: Commercial Events

- 3.11 Run safe and sustainable commercial events, including specialist market to support economic growth and promote York, to generate surplus for investment.
- 3.12 Maintain an up-to-date, comprehensive, and publicly accessible overall list of events happening across York.
- 3.13 Support Local and Community Events to be delivered safely by creating and event toolkit to allow event organisers to self-serve including guidance on event management and highlighting where permissions would be required.
- 3.14 Manage all enquiries from any individual or organisation requiring support / guidance with regard to putting on an event in York in the first instance.

ANNEX B

- 3.15 If a proposed event falls within the Foot streets, Tower Gardens, or the Eye of York:
- (a) decide 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.
- 3.16 If the proposed event is on land other than the Foot streets, 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 advice or other support to the event organiser at an agreed cost; and
 - (c) if not, sign post the event organiser to web-based and other information resources as appropriate.
- 3.17 Work within relevant laws and regulations that exist and ensure compliance with all licenses and permissions associated with particular sites at all times.

4 **Culture**

4.1 *Key Deliverables:*

- *Culture Strategy* – Help to deliver the culture strategy along with other partners to enable an ambitious and cohesive programme of cultural development for the city covering the arts, heritage and creative industries from the spaces managed by MIY.
- *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 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. Through promotion on the Visit York and Make It York Website.

ANNEX B

4.2 **Outcomes:**

- (a) *Culture Strategy* – Deliver MIY events in the City Centre and help facilitate third party events.
- (b) *Events Framework*– Co-produce an events framework with the Council that has a clear vision for city wide events, as well as a detailed toolkit to support individuals and organisations in planning an event in York.
- (c) *UNESCO Designation* – Promotion of designation through the website.

Detailed delivery: Culture Strategy

- 4.3 Promote an ambitious and cohesive programme of cultural development for the city covering the arts, heritage and creative industries from the spaces managed by MIY.
- 4.4 Work with partners to facilitate or deliver joint events - for the creative sector.
- 4.5 Receive regular strategic advice from 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.
- 4.6 Maintain positive and comprehensive relationships with national and regional strategic support bodies.
- 4.7 Put together the necessary partnerships to make funding bids to deliver the Culture Strategy.

Detailed delivery: Events Framework

- 4.8 Work with business, visitor economy and cultural sectors in developing the Framework to ensure its fit with wider city strategies / objectives.
- 4.9 Events framework to be co-produced with the Council for approval, in line with Our City Centre vision and put in place systems to evaluate the success and impact of the Framework as delivered by MIY.
- 4.10 Take the initiative in building coalitions and partnerships for specific initiatives to fill identified gaps in product as identified by the framework.
- 4.11 Engage businesses and visitors in mass participation sporting events commissioned by the Council.

Detailed delivery: UNESCO designation

ANNEX B

- 4.12 Support the Guild of Media Arts as the focal point for UNESCO City of Media Arts designation by Promoting York's status. Work with UNESCO Focal Point – the Guild of Media Arts – and the Council and wider partners to deliver the current UNESCO Creative City objectives.
- 4.13 Promote the creative sector through media channels highlighting York's profile as a creative city, as part of the membership scheme
- 4.14 Promote the designation within the city, e.g., through the BID, Retail and Hospitality Forums.

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CITY OF YORK COUNCIL SHAREHOLDER COMMITTEE**23 October 2023****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 Council (NYC). The company was established in 2009. The company has two subsidiary companies, Veritau North Yorkshire Limited and Veritau Tees Valley Limited. Together the companies form the Veritau Group.
- 2 The wider Veritau Group currently has 4 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 over 90 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 19 June 2023, the Group has continued to promote its internal audit and data protection services to schools and other public sector organisations. New clients gained in the period include the Melrose

Learning Trust, Brishaw Learning Partnership, Chester Diocesan Academies Trust and the North East Learning Trust. Ad-hoc work has also been requested by Birmingham Childrens Trust and Hertfordshire County Council.

- 5 During the period one trainee has completed their professional qualifications and progressed to become an Information Governance Officer. Two people have also been promoted to the post of Audit Manager as part of the aspiring manager programme. In addition, a campaign to recruit further trainee internal auditors and information governance officers has been completed.
- 6 To comply with the Public Sector Internal Audit Standards (PSIAS), an external quality assessment (EQA) of our internal audit working practices is required at least every 5 years. The last assessment was completed by the South West Audit Partnership (SWAP) in 2018. The Chartered Institute of Internal Auditors was therefore commissioned to undertake a further review this summer. The outcome of the review was very positive, and the overall opinion was that our internal audit function 'generally conforms' to the PSIAS and IIA standards. A copy of the report will be presented to the next meeting of the Audit and Governance Committee.
- 7 We are now a living wage accredited employer, and our Good Business Charter accreditation has been renewed for a further year.

2022/23 Financial Statements

- 8 The audit of the 2022/23 accounts has now been completed. The operating results for the Group (excluding accounting and pension adjustments and before tax) were:

	2022/23	2021/22
	£ (k)	£ (k)
Turnover	3,148	2,830
Cost of sales	(2,840)	(2,472)
Gross profit	308	358
Other income	9	5
Overheads	(288)	(241)
Net profit/(loss) before tax	29	122

A copy of the 2022/23 draft financial statements for Veritau Limited are attached as confidential **appendix 1** for information.

2023/24 Management Accounts

- 9 The management accounts for the 5 months trading to 31 August 2023 show that the Group is on target to achieve its budgeted profit, as follows:

	2022/23 YTD budget £ (k)	2022/23 YTD actual £ (k)
Turnover	1,541	1,594
Cost of sales	(1,410)	(1,397)
Gross profit	<u>131</u>	<u>197</u>
Other income	4	7
Overheads	(122)	(125)
Net profit/(loss) before tax	<u>13</u>	<u>79</u>

Shareholder Agreement

- 10 The shareholder agreement, dated 26 March 2009, governs the operation of the company with certain key decisions reserved to the shareholders. These decisions include admitting new shareholders, issuing new shares or restructuring the business. They require the unanimous consent of both existing shareholders, CYC and NYC. The shareholder agreement has not been reviewed or updated since Veritau Limited was established in 2009.
- 11 One of the decisions requiring shareholder consent is:
- Approving, amending or terminating any agreement in respect of a transaction or commitment with a value of more than £100,000 relating to the performance or functions of the Company.*
- 12 This requirement reflected the nature of the business when Veritau was first created as a shared service providing services mostly to the two councils. However, as written, it restricts the ability of the Group to operate on a commercial basis, for example, when submitting tenders for multi-year contracts. Subject to shareholder approval, it is therefore proposed to increase the limit for key financial decisions to £1m. As set out in the Group scheme of delegation, Board approval would still be required for the submission of tenders for contracts with a life-time value of £400k or above. The NYC shareholder committee would also need to agree to this change before it took effect.

Recommendations

- 13 That the shareholder committee:
- a) notes the Group's performance since the last business update report in June 2023
 - b) approves the proposed change to the shareholder agreement as set out in paragraph 12.

Appendices (Confidential)

Appendix 1 – 2022/23 Veritau Limited financial statements

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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Shareholder Committee Work Plan 2023/24

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
13 March 2024			
Yorwaste Ltd Finance Update	Patrick Looker	Yorwaste	To receive an update on performance of the company
Veritau Limited Finance and Business Plan	Bryn Roberts	Veritau	To receive annual reports and annual accounts from companies.
City of York Trading Ltd Business Plan	Helen Whiting	CYT Ltd	To receive annual reports and annual accounts
Make it York Business Plan	Andrew Laslett	Make it York	Approval of the annual business plan (in light of agreed SLA priorities)

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