

Make It York Update

Purpose of Report

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

Recommendations

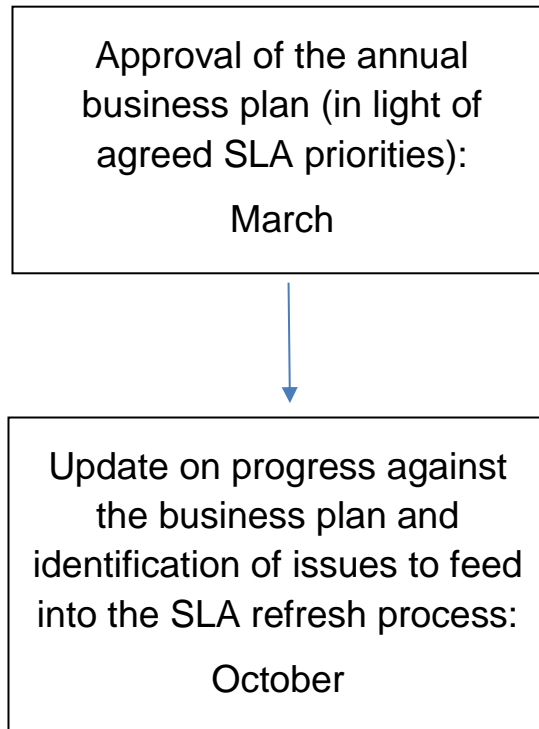
2. The committee is asked to note the Make It York Update report at Annex C (including appendices 1 to 6) of this report.
3. To approve the appointment of three new non-executive directors, whose personal profiles are attached at confidential Appendix 2 of the Make It York Update Report.

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

Background

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

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



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

Financial update

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

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

Risk Management

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

Implications

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

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

Annexes

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

Abbreviations

MIY – Make It York

SLA – Service Level Agreement