

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 and non-financial performance since the last report in October 2023. The MIY narrative report at **Annex A** also includes summary of profit and loss, draft budget forecast 2024-27, balance sheet, cashflow summary, the MIY Service Delivery Plan update and company dashboard. In addition, a request to appoint a new board non-executive director.

Recommendations

2. The Committee is asked to note the MIY Shareholder Report at **Annex A** and the supporting documents from **Appendix 1** to **Appendix 7** supplied by MIY.
3. To approve the Annual Business Plan (Service Delivery Plan) at **Appendix 5**.
4. To approve the appointment of the new Board Non-Executive Director.

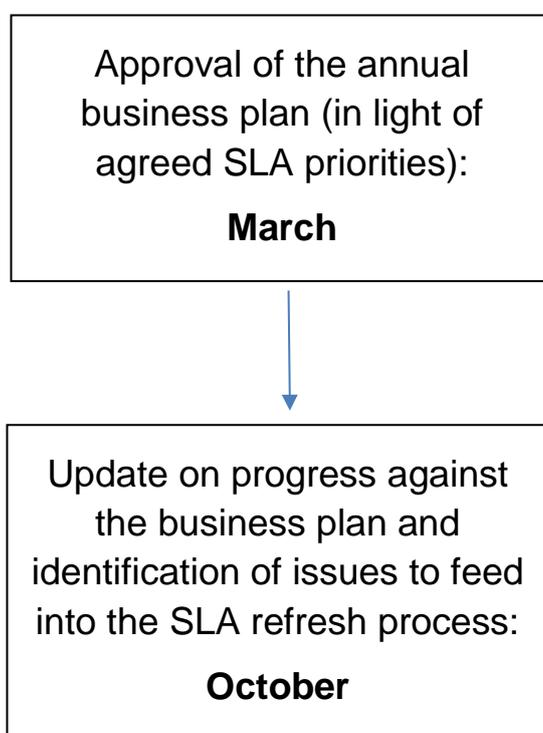
Reason: to ensure the Council is updated on the financial performance of MIY and approve the business plan and new Board Non-Executive Director.

Background and analysis

5. MIY have been operating since 2015 as a wholly owned, local authority 'Teckal' company to deliver marketing, events, markets, culture, tourism, and business development in the city. The service contract dated 23rd September 2021 between the Council and MIY includes a service specification (or 'SLA' as it is often informally referred to) negotiated between the Council and the MIY board.
6. The current SLA has been carefully aligned to the 'Our City Centre Vision' and the three 10-Year Strategies (Climate Change Strategy, Health and Wellbeing Strategy and Economic Strategy). These

overarching strategies and the recently adopted Council Plan 2023-2027, **One City, For All**, have all been reflected in the MIY SLA and aligns to our four commitments:

- a. **E**qualities and Human Rights – Equality of opportunity.
 - b. **A**ffordability – Tackling the cost-of-living crisis.
 - c. **C**limate – Environment and the climate emergency.
 - d. **H**ealth – Improve health and wellbeing and reduce health inequalities.
7. The SLA sets out key deliverables, outcomes by which performance will be measured, and detailed delivery tasks.
 8. Executive agreed that MIY should report to the Shareholder Committee twice a year as follows:



Key company matters 2023-24:

9. MIY have produced the narrative report at **Annex A**, to provide an update of their activities from October 23 to March 24, since the last Shareholder Committee meeting.
10. MIY also provide the Council each quarter with a dashboard report which is attached at **Appendix 6** of MIY Update Report.
11. Finally at confidential **Appendix 7**, MIY are seeking approval for the recruitment of a new Board Non-Executive Director.

Risk Management

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

Implications

Financial

13. The audited accounts for 2022/23 highlight MIY as a going concern, with MIY making a profit of £187,050.
14. In the current year 2023/24, MIY are forecasting an end of year profit of c.£125,000, compared to the budgeted profit of c. £24,000. The main reason for this increased forecast profit is strong financial management and controlling of costs, as income streams struggle to return to pre pandemic levels. This is shown in confidential **Appendix 1**.
15. In addition, a successful payout from a business interruption insurance claim by MIY increases the forecast profit for the financial year 23-24 to c.£321,000.
16. In terms of looking forward, MIY have produced a forecast for 2024/25 which shows a forecast profit of c. £52,000. This is shown in confidential **Appendix 2**.
17. MIY have worked closely with Council officers to monitor the company's ongoing financial position. MIY balance sheet (**Confidential Appendix 3**) and cashflow forecast (**Confidential Appendix 4**) have also been provided.

Legal & Governance

18. Under Article 12.4.1 of the Council's Constitution, the Shareholder Committee has been delegated authority to approve MIY's annual business plan and the appointment or dismissal of any company Directors (including the Chair), which requires Shareholder consent under the Articles of Association of MIY.
19. Schedule 2 of MIY's Articles of Association published at Companies House set out the following reserved matters which require prior

written consent of the Council in its capacity as sole shareholder of MIY:

- a. Para. 1.5 – appointment of Directors; and
- b. Para. 1.25 – the adoption of a strategic business plan in respect of each financial year.

Further, Article 25.3 gives the Council the right to appoint up to ten Non-Executive, Non-Council Directors.

20. There are no additional 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 Summary Profit & Loss (**Confidential**)
- Appendix 2 – MIY Draft Budget Forecast 2024-2027 (**Confidential**)
- Appendix 3 - MIY Balance Sheet (**Confidential**)
- Appendix 4 – MIY Cashflow Summary (**Confidential**)
- Appendix 5 – MIY Service Delivery Plan Update
- Appendix 6 – MIY Company Dashboard Jul - Sept 23
- Appendix 7 – Report to the Shareholder for the new Board non-executive Director (**Confidential**)

Author:	Chief Officer responsible for the report:			
Andrew Laslett Strategic Services Manager and (Customer Communities)	Laura Williams Assistant Director of Customer, Communities and Inclusion			
	Report Approved	✓	Date	8.3.24
Wards Affected: All				All

For further information please contact the author of the report