
Meeting	Shareholder Committee
Date	5 November 2020
Present	Councillors D'Agorne and Widdowson
Apologies	Cllr Ayre, having declared a prejudicial interest in Agenda item 5, Veritau Limited.

1. Declarations of Interest

Members were asked to declare, at this point in the meeting, any personal interests not included on the Register of Interests or any prejudicial or discloseable pecuniary interest that they might have in respect of the business on the agenda. None were declared.

2. Minutes

Resolved: That the minutes of the last meeting held on 17 December 2019 be approved and then signed by the Chair at a later date.

3. Exclusion of Press and Public

Members considered the exclusion of the press and public from the meeting for discussion and decision for the exempt annexes to agenda Items: 5,6,7 and 8 on the grounds that each contained information relating to the financial or business affairs of any particular person (including the authority holding that information).

Resolved: That as much of each item set out below would be discussed in public session and that the press and public be excluded from the meeting during consideration of:

- (i) Agenda item 5, Veritau Limited Business Update:
 - Annex A - 2019-20 Veritau Group Annual Report
 - Annex B - Veritau Business Plan 2020-23

- (ii) Agenda item 6, City of York Trading Ltd Update
 - Annex A: City Of York Trading Ltd Business Plan 2020/21
 - Annex B: City Of York Trading Ltd - Remuneration Committee Report

- (iii) Agenda Item 7, Yorwaste Trading Update and Reporting that SJB Recycling has Ceased Trading

- (iv) Agenda Item 8, Make It York Managing Director's Report
 - Annex A: Analysis of Make It York's current financial position
 - A range of forecasts for the coming five years.

On the grounds that these reports and annexes 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 Paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to information) (Variation) Order 2006.

4. Public Participation

It was reported that there had been no registrations to speak under the Council's Public Participation Scheme and one written submission had been received.

The written submission had been received from Ms G Swinburn and had outlined her concerns that there had been a lack of oversight by the committee in that it had not received two reports a year from each of our remaining businesses as prescribed on the agreed Public Interest Report (PIR) action plan; and that it continued to arrange meetings without publishing an agreed work plan.

The Chair confirmed that an agreed plan of work would be included in the Agenda publication for the next meeting of this committee.

5. Veritau Limited Business Update

Shareholder Committee Members considered a business update from Veritau Limited. This had included a finance and performance update for 2019/20 and an update on various service developments and achievements during the year. It was reported that the 2019/20 accounts for both Veritau Limited and Veritau North Yorkshire limited had been approved and audited by their external auditors.

Members had also received the business plan which had set out the strategic aims of the Veritau group for the next three years to 2023, and the service priorities for 2020/21. The business plan had also included details of the group budget for 2020/21 and had set out the key priorities for 2020/21 which were to consolidate the customer base and to focus on developing the quality and scope of the current service offering.

During discussion of the business plan, the Chief Executive of Veritau Ltd. outlined the ways in which the business had adapted in response to covid. This had included reviewing their office premises; and broadening their customer base to mitigate constraints to budgets of partnering authorities. They had also acknowledged that devolution was a concern which would be reflected in their business plan, going forward.

Resolved: That the Shareholder Committee noted the company's performance in 2019/20 and the 2020/23 business plan.

Reason: To confirm that the Committee were content with Veritau Limited's performance in 2019/20 and its business plan for 2020/23, in the committee's capacity to monitor performance and financial delivery on behalf of the Executive.

6. City of York Trading Ltd Update

The Shareholder Committee considered a report which outlined the City of York Trading Ltd's annual audited accounts for 2019/20, together with a report containing the Company's business plan for 2020/21, the Company's Annual Budget for 2020/21 and performance information for 2020/21 to date, on which Karen Bull, Operations Director and Interim Managing Director addressed the Committee.

In addition, the Committee received a further report from the Company's Remuneration Committee. The report made recommendations in relation to the appointment of Executive Director. Cllr Ian Cuthbertson, Chairman of the Company's Board and Remuneration Committee, was in attendance to present this report and to respond to committee member's questions.

Members were asked to note that the updated Shareholder Agreement would be presented to a future meeting of the Executive for consideration and would be brought thereafter to the next Shareholder Committee for information.

Resolved: That the Shareholder Committee approved:

- (i) the Annual Business Plan 2020-21; and
- (ii) the Company's Remuneration Committee report and its recommendations for Executive Director appointment.

Reason: To confirm that the Committee were content with the Annual Business Plan 2020-21 for the City of York Trading Limited and to facilitate the successful recruitment to the post of Executive Director complicit with the Council's constitution and the City of York Trading's Articles of Association.

- (iii) Confirm the recommendation of appointment of Karen Bull as Managing Director of the Company; associated salary and participation in the Company's Profit Related Pay Scheme (based on the rate by which the Company exceeds the budget net profit for the financial year across all sectors of the business turnover).

Reason: To ensure business continuity and confirm the Remuneration Committees proposed successor to the temporary arrangements which had been in place.

7. Yorwaste Trading Update and Reporting that SJB Recycling has Ceased Trading

Yorwaste's Managing Director was in attendance to present a trading update report for Yorwaste. The report included a performance review for the financial year ending 31 March 2020, as well as a current year update.

The Managing Director outlined the challenges the business had overcome in response to covid, explaining that they had been able to furlough staff; and to delay the order of specialist bin chuck equipment which had allowed them to significantly reduce their overheads and remain within budget for the first half of the financial year. It was anticipated that this may prove increasingly challenging going forward.

It was also reported that SJB Recycling had ceased trading this had been due to higher operating costs which had pushed SJB from a profitable operation to a loss making one.

Resolved: That the Shareholder Committee noted:
(i) Yorwaste's performance review for 2019/20 to date; and
(ii) that SJB Recycling had ceased trading.

Reason: To confirm that the Committee were content with Yorwaste's performance for 2019/20 to date and to ensure that the committee were notified of the reasons why it had been decided that SJB Recycling should cease trading.

8. Make It York Managing Director's Report

The Committee received a report which outlined the performance of Make It York for the first half of this current financial year.

Resolved: That the Shareholder Committee noted the financial position of Make It York as set out in the officer report and requested a detailed rationale report which would set out both positive and worst case scenarios and provide options and solutions based on benchmarking and expertise.

Reason: To ensure Make It York's commercial viability.

Cllr A D'Agorne, in the Chair for this meeting
[The meeting started at 4.30 pm and finished at 6.55 pm].