



Report to: Cabinet Meeting - 1 November 2022
Portfolio Holder: Councillor David Lloyd, Strategy, Performance & Finance
Director Lead: Sue Bearman, Assistant Director – Legal & Democratic Services
Lead Officer: Nigel Hill, Business Manager – Elections & Democratic Services, Ext. 5243

Report Summary	
Type of Report	Open, Non-Key Decision
Report Title	Executive Shareholder Committee
Purpose of Report	To establish an executive Shareholder Committee which will have oversight of the two Council owned companies, Active4Today and Arkwood Developments.
Recommendations	That Cabinet establish an executive ‘Shareholder Committee’ in accordance with the proposals contained in Section 2 of the report.
Alternative Options Considered	The Cabinet could have taken decisions in relation to the two companies within their usual meetings, but it was considered having a separate committee for this would enable full and proper consideration of company matters separate from other Council business.
Reason for Recommendations	To ensure appropriate decision making in respect of the two Council wholly owned companies.

1.0 Background

- 1.1 The Council’s Constitution provides that the Cabinet can establish executive committees, chaired by the relevant PH. There is a requirement for a protocol for such committees, but in this instance the proposed committee can operate in accordance with the Cabinet Procedure Rules as set out in the Constitution.
- 1.2 During the governance review it was determined that the operations of the Council’s two wholly owned companies, Active4Today and Arkwood Developments were executive functions.

- 1.3 The original view was that items of business relating to the two companies would be considered by the Cabinet at their regular meetings, however, given the volume of business at these meetings it is felt that it would be appropriate to consider Active4Today and Arkwood matters at a separate committee. This would enable adequate time for full consideration and review of the companies activities.

2.0 Proposals

- 2.1 It is proposed to establish an Executive Shareholder Committee as follows:

6 Members as per the Cabinet;

Chaired by the Leader of the Council;

No substitute Members;

Meet approximately once a quarter or as required;

No non-voting advisory Members to be appointed, but representatives of Arkwood / Active 4 Today to be invited to present reports as appropriate;

To operate in accordance with the Cabinet Procedure Rules as set out in Part D of the Constitution (these will enable the Committee to invite representatives of the two companies to address the committee and/or contribute to its discussion.

Remit and Terms of Reference:

Strategic oversight of the Council's Development Companies (Active4Today and Arkwood Developments Ltd) including: their performance; management of the relationship between the Council and the two companies; compliance with the Governance Agreements; and "health check" of the two companies by the Council as sole shareholder; and specifically to:-

1. Recommend to Council the respective Articles of Association for consideration and approval.
2. Recommend to Council the respective Governance Agreements between the Council and the two companies for consideration and approval.
3. Agree the constitution for the two Boards of Directors and to approve the appointment of directors to the Boards, and to have the power to remove directors of the Board and approve best practice policies in relation to such appointments.
4. Receive, review and approve the companies' annual reports and business plans.
5. Review the performance of the two companies.
6. Determine, on behalf of the Council, in relation to Arkwood Developments, how it should exercise the functions flowing from its ownership of shares, including decisions on payment of dividends from the company's profit after taxation.

3.0 Implications

In writing this report and in putting forward recommendations officers have considered the following implications; Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding, Sustainability, and Crime and Disorder and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Background Papers and Published Documents

None.