

Public Document Pack

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Executive Shareholder Committee** held in the Civic Suite, Castle House, Great North Road, Newark, NG24 1BY on Tuesday, 5 March 2024 at 6.00 pm.

PRESENT: Councillor P Peacock (Chairman)

Councillor R Cozens, Councillor L Brazier, Councillor S Crosby,
Councillor K Melton, Councillor E Oldham, Councillor M Spoons,
Councillor P Taylor and Councillor R Holloway

ALSO IN ATTENDANCE: Councillor N Allen, Councillor I Brown, Councillor C Penny and
Councillor P Rainbow

17 NOTIFICATION TO THOSE PRESENT THAT THE MEETING WILL BE RECORDED AND STREAMED ONLINE

The Leader and Chairman advised that the proceedings were being audio recorded and live streamed by the Council.

18 DECLARATIONS OF INTEREST FROM MEMBERS AND OFFICERS

There were no declarations of interest.

19 MINUTES FROM THE PREVIOUS MEETING HELD ON 5 DECEMBER 2023

The minutes from the meeting held on 5 December 2023 were agreed as a correct record and signed by the Chair.

20 ACTIVE4TODAY PERFORMANCE REPORT

The Health Improvement and Community Relations Manager was in attendance to present the performance report for Active4Today for the period to 31 December 2023, and the draft Business Plan for 2024/25. The report also summarised income and expenditure, usage performance and compliance.

Members discussed children's swimming lessons and laned swimming sessions. The Community Development Manager- Active4Today was in attendance and explained that the children's swimming lessons were planned to provide a structured programme of teaching throughout the week, to mitigate the effect of changes in swimming teacher. The pool sessions were programmed to provide a balance for all users but could be reviewed at any point. Members also noted the membership structure available for lower income families and the programme of activities provided during the school holidays.

AGREED (unanimously) that the Executive Shareholder Committee note the performance of Active4Today to Period 9, and, approve the draft Business Plan 2024-2025 at appendix D to the report.

Reasons for Decision

To ensure that the shareholder has assurance and oversight of the company's performance ensuring that the Company continues to deliver the outcomes required by the Council as aligned to the Councils Community Plan.

Options Considered

None

21 ARKWOOD DEVELOPMENT PERFORMANCE REPORT QUARTER 3

The Managing Director – Arkwood Developments, was in attendance to present the performance report for Arkwood Developments for quarter 3 2023/24 and briefing paper. Members noted that there would be a presentation from Arkwood Developments during the exempt session of the meeting.

AGREED (unanimously) that Members note:

- a) the Arkwood Performance Report (attached as the **Appendix A**) and consider company's performance against its targets and objectives highlighting any areas of high performance and identifying areas for improvement; and
- b) the Arkwood Briefing paper from the Managing Director – Arkwood (attached as **Appendix B**).

Reasons for Decision

To ensure appropriate review of the Performance of the Councils wholly owned Housing Development Company (Arkwood).

Options Considered

None

22 ARKWOOD STATEMENT OF ACCOUNTS 2022/23

The Business Manager – Financial Services was in attendance to present the Statement of Accounts for Arkwood Developments for 2022/23. Arkwood's Audited Statutory Accounts for the financial year 2022/23 were approved by their Board of Directors on the 27 November 2023 and would be finalised via the Annual General Meeting on 5 March 2024. The Statutory Accounts showed a profit after taxation of £407,437 for the financial year 2022/23. The profit generated in the financial year has taken the Companies cumulative Profit and Loss Reserve to a balance of £404,048.

If the current forecast loss for the financial year 2023/24 of £313,105 was realised then that would take the cumulative Profit and Loss Reserve down to a balance of £90,943. The Board of Directors did not consider this to be a sufficient balance to recommend the payment of a dividend to its shareholder, the Council, as, based on the forecast, the Company would fail to satisfy the solvency and liquidity test as required by the Companies Act.

Members considered the report and whilst disappointed that a dividend could not be paid were confident in the resilience of the Company and an anticipated return of a dividend in 2025/26.

AGREED (unanimously) that Members note:

- a) Arkwood's Audited Statement of Accounts for 2022/23 at Appendix B; and
- b) As per section 4, that there will be no dividend declaration based on the performance up to financial year end 2022/23 and the forecast outturn for 2023/24.

Reasons for Decision

To ensure appropriate review of the Statutory Accounts of the Council's wholly owned Housing Development Company (Arkwood).

Options Considered

None

23 SHAREHOLDER REPRESENTATIVE

The Executive Shareholder Committee considered the report of the Assistant Director, Legal and Democratic Services, which sought the appointment of the Council's Chief Executive as Shareholder Representative for the Council in relation to Arkwood Developments Limited. The Chief Executive would then be able to attend General Meetings of the Company and vote on behalf of the Council in its capacity as Shareholder, subject to the specific direction of Executive Shareholder Committee where appropriate as set out in the recommendations to this report.

AGREED (unanimously) that:

- a) the Council's Chief Executive John Robinson, be appointed as Shareholder Representative for the Council in relation to Arkwood Developments Limited to attend General Meetings of the Company and vote on behalf of the Council in its capacity as Shareholder, in accordance with recommendations 2 and 3 below;
- b) the Shareholder Representative to have delegated authority to note and receive reports at General Meetings of the Company, and to vote in relation to administrative matters such as confirming the appointment of auditors at the Annual General Meeting; and
- c) the Shareholder Representative to have delegated authority to vote on substantive matters at General Meetings of the Company on the specific direction of Executive Shareholder Committee.

Reasons for Decision

The Chief Executive is lead officer for the Council in relation to liaison with Arkwood Developments Limited and attends Board Meetings in this capacity and is therefore best placed to represent the Council at General Meetings. This delegation will also enable the efficient dispatch of business at General Meetings.

Options Considered

The Executive Shareholder Committee could elect to nominate a Cabinet Member to undertake this function.

24 EXCLUSION OF THE PRESS AND PUBLIC

AGREED (unanimously) that, under Section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in Paragraphs 3 of Part 1 of Schedule 12A of the Act.

25 ARKWOOD DEVELOPMENTS PRESENTATION

The Managing Director, Arkwood Developments, Non- Executive Chair and Councillor Claire Penny, Board Member for Arkwood Developments were in attendance to give a presentation to the Executive Shareholder Committee.

(Summary provided in accordance with Section 100C(2) of the Local Government Act 1972).

Meeting closed at 9.02 pm.

Chairman