

<b>Report to:</b>	<b>EXECUTIVE</b>
<b>Relevant Officer:</b>	Mark Towers, Director of Governance and Partnerships
<b>Relevant Cabinet Members:</b>	Councillor Lynn Williams, Leader of the Council Councillor Ivan Taylor, Deputy Leader of the Council
<b>Date of Decision:</b>	14 June 2021

## **ESTABLISHMENT OF A SHAREHOLDER COMMITTEE**

**1.0 Purpose of the report:**

1.1 To consider the establishment of a Shareholder Committee as a committee of the Executive.

**2.0 Recommendation(s):**

2.1 To agree to constitute a committee of the Executive to be known as ‘The Shareholder Committee’.

2.2 To agree that the Shareholder Committee will comprise of 3 members (the Deputy Leader of the Council (to be appointed as Chair), the Leader of the Council and to also appoint Councillor Don Clapham, Deputy Leader of the Principal Opposition Group as a Co-opted member).

2.3 To agree that the powers and duties attached at Appendix 2a, to the Executive Report, be those delegated to the committee and that the committee at its first meeting be asked to review these and if changes required to recommend back to the Executive, as appropriate.

2.4 To note that the Shareholder Committee will function in the same manner as the Executive, including following the Executive Procedure Rules.

2.5 To agree the Executive Decision Making Criteria be amended to outline that any decisions at the level of Executive in relation to shareholder matters will now be made by the Shareholder Committee.

### **3.0 Reasons for recommendation(s):**

3.1 Following the disestablishment of the Shareholder Advisory Board, it was recommended by Council at its Annual Meeting on 24 May 2021, that the Executive set up a Shareholder Committee.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

### **4.0 Other alternative options to be considered:**

4.1 To retain the Shareholder Advisory Board in its previous guise or have another form of shareholder governance. However, the proposed governance structure is in accordance with good practice and does play to the strengths and roles of Executive, scrutiny and audit governance.

### **5.0 Council priority:**

5.1 This proposal covers all council priorities.

### **6.0 Background information**

6.1 It was considered at the Annual Council meeting that following feedback from the North West Employers Scrutiny review and the recent Housing Quality Network independent review of Blackpool Coastal Housing Limited, that there was sometimes confusion about the role of the Shareholders Advisory Board, whether it is an Executive function or a scrutiny function by stakeholders reporting to it. It was therefore suggested that a committee of the Executive be appointed to act as the Shareholder Executive function and this committee comprise of the Deputy Leader of the Council, Councillor Taylor, the Leader of the Council, Councillor L Williams and the Deputy Leader of the Principal Opposition Group, Councillor Clapham be a co-opted member of this committee. This reports seeks to establish the Shareholder Committee.

6.2 This would also mean that any decisions of the Shareholder Committee would be Executive decisions and there be no need for a meeting of the Executive for any further approvals. In line with the recommendations of the North West Employers review it was also agreed that the Scrutiny Leadership Board would take responsibility for any scrutiny work to be undertaken in relation to the Council's Wholly Owned Companies, liaising with this Committee.

6.3 The Director of Governance and Partnerships has developed a set of powers of duties attached at Appendix 2a, these build on the previous powers of the Shareholders Advisory Board and reflect the new body's role as a committee of the Executive. The committee would be governed by the Executive Procedure Rules outlined in part 4d of the Council's Constitution and the

Executive Decision Making criteria. This would mean that decisions of the Shareholder Committee would be included on the Forward Plan if key decisions, Decision Notices would be published and decisions would be subject to the call in process.

6.4 The operation of the Shareholder Committee would be reviewed to ensure that it meets its objectives and good governance. This review would form part of the Council's Annual Governance Statement. If necessary the Director of Governance and Partnerships will request any required amendments to the Shareholder Committee's operation or terms of reference by way of a report to the Executive.

6.5 Does the information submitted include any exempt information? No

## **7.0 List of Appendices:**

7.1 Appendix 2a: Draft Powers and duties of the Shareholder Committee

## **8.0 Financial considerations:**

8.1 There are no financial considerations with regard to forming this committee, although one role of the committee will be to monitor the financial performance of the council's wholly owned companies.

## **9.0 Legal considerations:**

9.1 There is no legal requirement to have a Shareholder Committee, although it is regarded as good practice and recommended good governance and builds on the work of the previous Shareholder Advisory Board.

## **10.0 Risk management considerations:**

10.1 There are no risk considerations with regard to setting up this committee.

## **11.0 Equalities considerations:**

11.1 None.

## **12.0 Sustainability, climate change and environmental considerations:**

12.1 There are no considerations in this area in constituting this committee, although, one of the roles of the committee will be to monitor all the wholly owned companies commitment to the climate change declaration and meeting the set targets and dates.

**13.0 Internal/external consultation undertaken:**

13.1 Consultation with the Leader and Deputy Leader of the Council.

**14.0 Background papers:**

14.1 None.

**15.0 Key decision information:**

15.1 Is this a key decision? No

15.2 If so, Forward Plan reference number:

15.3 If a key decision, is the decision required in less than five days? No

15.4 If **yes**, please describe the reason for urgency:

**16.0 Call-in information:**

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

16.2 If **yes**, please give reason:

**TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE**

**17.0 Scrutiny Committee Chairman (where appropriate):**

Date informed: N/A

Date approved:

**18.0 Declarations of interest (if applicable):**

18.1

**19.0 Executive decision:**

19.1

**20.0 Date of Decision:**

20.1

**21.0 Reason(s) for decision:**

21.1

**22.0 Date Decision published:**

22.1

**23.0 Executive Members in attendance:**

23.1

**24.0 Call-in:**

24.1

**25.0 Notes:**

25.1