

Appendix 2(a): Shareholder Committee

1.1.1 Purpose

To act as on behalf of the Executive as the shareholder in order to ensure that the duties and responsibilities of the Council as the sole shareholder of its wholly owned companies are exercised through each company and to manage overall relationships with the wholly owned companies.

1.1.2 Membership

Membership comprises of three elected members, two Executive Members and a co-opted member.

A senior/ Chief Officer/s of the Council would also be in attendance as the representative/s of the Chief Executive. If there are budget/ finance items on for discussion then the Council's Chief Finance Officer (or representative) may also be in attendance.

The Chairman of the Company and the Managing Director would attend the meetings along with the Company Secretary and where appropriate one or more other Non-Executive Directors may attend. Where a company has a Finance Director, this person may also be called upon to attend the meetings.

The quorum for this meeting is as per the Executive Procedure Rules, set out in the Council's constitution with two Executive members needing to be present.

1.1.3 Responsibilities

- To act as the Executive decision making body in line with the Executive Decision Making Criteria in relation to all shareholder matters relating to companies which are not otherwise delegated to the appropriate Cabinet Member (the Deputy Leader of the Council), Chief Officers or it be a matter for Council (where the matter is a Council decision then a recommendation should come from this committee)
- To provide an articulation of what success looks like in terms of achieving social outcomes and/or a return on investment in each of the companies
- To approve, following consideration by company Boards, the strategic business plan
- To evaluate the effectiveness of the company boards and the delivery of the company performance against strategic objectives and the business plan
- To provide financial oversight of companies
- To approve any borrowing or loans undertaken by companies in line with the Executive decision making criteria
- To provide the necessary oversight from a shareholder's perspective that the governance arrangements, policies and boundaries that the council has established are being adhered to
- To provide a holistic review of risk to the council offered by Council companies

- To approve the establishment or disestablishment of any companies or their subsidiaries
- To periodically review whether each entity provides the most effective vehicle to deliver the outcomes it requires and whether there are viable alternative models which might offer a more effective means of delivering its priorities
- To review and monitor (as appropriate) Shareholder/ Management Agreements and Articles of Associations, in particular where there are areas of concern.

1.1.4 **Frequency of meetings**

A minimum of two meetings per year with each company, with any others dependent on urgency of business.