



Report to Cabinet

Date: 9 May 2023

Title: Buckinghamshire Shareholder Committee Annual Report 2022-23

Relevant councillor(s): John Chilver, Chairman of the Buckinghamshire Shareholder Committee

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Ward(s) affected: Not ward specific

Recommendations: Cabinet are asked to note the 2022-23 Annual Report of the Buckinghamshire Shareholder Committee and the work it has undertaken to date.

Reason for decision: As a sub-committee of Cabinet, it is good practice for the Shareholder Committee to report annually to Cabinet on the work it has undertaken over the previous financial year.

Executive summary

- 1.1 The role of the Committee is to ensure that the Council's companies and limited liability partnerships act in the interests of the Council as shareholder and that best practice is being adhered to in delivering statutory arrangements. In doing so, the Committee contributes to the proper governance of the Council's subsidiaries. This added level of governance is more important than ever, following a number of other local authorities experiencing difficulties. Understanding the risks associated with wholly or jointly owned companies is a key task of the Committee.
- 1.2 This is the first year of the Shareholder Committee and producing an annual report to reflect the work and outcomes achieved by the Committee over the past year is considered good practice.
- 1.3 Members of the Shareholder Committee are not directors, and do not have any direct involvement, in any of the subsidiary bodies.

Background

- 1.4 The creation of the Shareholder Committee was agreed by Cabinet in March 2022 to carry out the delegated shareholder responsibilities of the Council. The Shareholder Committee forms part of the overall governance arrangements for Buckinghamshire Council in relation to companies and other legal entities which are wholly or partly owned or controlled by the Council (including where such control comes about indirectly, such as via a loan agreement). Buckinghamshire Council has a number of mainly property based subsidiary companies and limited liability partnerships in place.
- 1.5 The Committee has met four times during the 2022-23 period as well as attending a training session, along with Company Directors, setting out the roles and responsibilities that their roles entail and the key risk areas that they are required to be aware of. The Committee has focused on and undertaken a number of key pieces of work. This includes reviewing business plans and the financial positions of each company/joint venture as well as producing Conflicts of Interest guidance for Members and Officers and undertaking a review of Directors to ensure consistency and resilience across companies/joint ventures.
- 1.6 In addition to maintaining an oversight of key risks and governance issues, the Committee's priorities for 2023-24 include creating a pool of trained potential future directors, strengthening risk management arrangements of the companies and reviewing best practice / learning from other local authority companies.
- 1.7 The 2022-23 Annual report is attached at Appendix 1.

Other options considered

- 1.8 Not applicable

Legal and financial implications

- 1.9 None specific, although understanding the financial position of each company has been a key part of the Committee's focus.

Corporate implications

- 1.10 None. The formation of the Shareholder Committee was consistent with guidance issued by recognised bodies such as CIPFA and the best practice advice in the Local Authorities Companies Review Guidance led by Max Caller, Strategic Adviser and Lead Inspector for HM Government.

Consultation and communication

1.11 The annual report was presented to the Shareholder Committee in its draft form on 28 March 2023. Comments and feedback from the Shareholder Committee have been incorporated in to the final version of the annual report which is attached at Appendix 1.

Next steps and review

1.12 The Forward Plan of work for 2023-24 is currently being formalised, this work will include, amongst other things, a review of company risk registers, receiving 2022-23 financial statements, and reviewing 2024-25 Business Plans. The Committee has a minimum of four meetings planned for the ensuing Municipal Year and will produce a further Annual Report for Cabinet in May 2024, escalating anything as appropriate in the meantime.

Background papers

[Buckinghamshire Shareholder Committee Papers](#)

