



Buckinghamshire Shareholder Committee minutes

Minutes of the meeting of the Buckinghamshire Shareholder Committee held on Wednesday 12 June 2024 in The Paralympic Room, Buckinghamshire Council, Gatehouse Road, Aylesbury HP19 8FF, commencing at 2.00 pm and concluding at 3.45 pm.

Members present

J Chilver (Chairman) and P Strachan

Agenda Item

1 **Confirmation of Chairman**

Resolved: To note that in line with the terms of reference, Councillor John Chilver would remain as Chairman of the Buckinghamshire Shareholder Committee for the ensuing year.

2 **Apologies for Absence**

Apologies had been received from Councillors S Broadbent and A Cranmer.

3 **Declarations of Interest**

There were no declarations of interest. Councillor J Chilver advised that whilst the outside body appointments approved by Full Council listed him as the Council's appointment to Buckinghamshire Advantage, he had not taken the role up and an alternative Member appointment was being sought.

4 **Minutes of the previous meeting**

Resolved: That the minutes of the meeting held on 13 March 2024 be approved as an accurate record and that outstanding actions be noted as having been completed.

5 **Annual Review of the Conflicts of Interest Guidance**

The Committee received a report which detailed the first annual review undertaken of the Conflicts of Interest Guidance which the Committee approved in January 2023. Mr Glenn Watson, Principal Governance Officer presented the report.

The review was carried out considering a new edition of best practice guidance on company governance and the internal audit of company governance which had been completed during 2023/24.

The revised guidance was appended to the report and could be seen on pages 11 to

20 of the reports pack. Three developments had occurred since the creation of the guidance, firstly, the Committee undertook a self-assessment against the checklist of best practice within the first edition of the Local Authority Company Review Guidance; secondly, a second edition of the national guidance was produced which expanded upon the original; and thirdly, an internal audit of the Council's company governance was undertaken. This highlighted the importance of the entities strengthening their arrangements for registering and declaring interests. In all other respects, the guidance remained the same.

Resolved:

- 1. That the updated Conflicts of Interest Guidance be noted.**
- 2. That the guidance be approved for circulation to current and prospective directors of the Council's commercial entities.**

6 Best Practice Review (Governance) Update

The Committee received a report, presented by Mr Glenn Watson, Principal Governance Officer on the Amber and Red rated actions identified in the Best Practice Self-Assessment as detailed in the report on pages 21 to 26 of the agenda pack. It was previously agreed to adopt Amber and Red rated actions arising from the self-assessment as part of the Committee's action plan and to receive updates at each meeting. The updated action plan reflected the internal audit which had been completed earlier this year.

It was noted that actions E19 and E20 had yet to be implemented and a proposal for Shareholder Committee Member attendance at entity board meetings would be given further thought. The Committee was advised that the Chairman and the Service Director for Property and Assets were already regular attendees at Board meetings of Buckinghamshire Advantage. Further, Members heard that the Head of Finance for Planning, Growth and Sustainability regularly attended Consilio Board meetings and that it would be beneficial for a Committee Member to attend these meetings as well, in addition to a Committee Member also attending a board meeting of AVE.

The Committee was advised that an update would be provided on work undertaken in respect of each entity's articles of association at the next meeting in October 2024.

RESOLVED:

That the report be noted.

7 Consilio KPI update

The Committee received an update on the Key Performance Indicators (KPIs) for Consilio Property Limited. In attendance for this item were Mr David Pearce and Mr Nigel Dicker, Directors of Consilio and Ms Joanne Kingsnorth, Managing Director, Seymour Taylor. A detailed report was appended to the agenda pack at pages 27 to 30 of the agenda pack.

During discussion, points raised included:

- The Committee welcomed the report and the consensus amongst Members was that the KPIs noted in the report were appropriate and should form the basis for future KPI reporting. Directors were thanked for their efforts in producing the report.
- It was suggested that the financial position could be covered in further detail through the inclusion of a KPI to cover the amount of outstanding loans against asset value so that the value of negative equity could be tracked over time. It was noted that the loan to value as of today was negative. Company Directors agreed that this could also be used to show how the asset value increases over time. The Committee suggested backdating this information so that it could be viewed over the lifespan of the company, potentially on a chart which could also include assumptions on future valuations. The Committee could then consider these assumptions against other available data to gain a sense of how individual areas were performing.
- Further, it was suggested that the maintenance condition of assets be covered in greater detail through a KPI to provide assurance to the Committee that the assets were in a reasonable condition and that there were mitigations in place for required repairs. It was agreed that a KPI could be included which would grade each assets condition from poor to good taking into account the amount of money spent on maintenance and whether this was increasing or decreasing year on year. There was £150k set aside for maintenance with £1.2m held in an interest-bearing account which could be drawn on if required.
- Moving forward the Service Director for Major projects was liaising with Mr Mark Preston, AVE Board Member on designing a template for each entity to follow for KPI reporting. This would be shared with Consilio and Buckinghamshire Advantage to ensure the Committee received consistent, meaningful information.

Resolved:

That the update be noted.

8 Buckinghamshire Advantage KPI update

The Committee received an update on the Key Performance Indicators for Buckinghamshire Advantage (BA), these were considered at each of BA's Board meetings. In attendance for this item was Mr Richard Harrington, Company Director.

During discussion, points raised included:

- The Committee recognised that BA operated a different business model to the other entities and as such the KPIs were more high level, however the Committee agreed that there required some additional work around producing specific KPIs as those noted in the report were more objective like in their nature. It was noted that the current KPIs did not provide a narrative

or detail whether they were on track to be delivered, and it was requested that this be provided moving forward. As the template for KPIs was designed this would be shared with BA, as noted under the previous agenda item.

- A detailed business plan remained outstanding for BA, the Committee requested that this be completed as soon as feasible along with a supporting financial model so that forecasts and assumptions could be better understood.

ACTION: Mr Harrington / BA to produce a detailed business plan as soon as feasible, ideally in time for the next Committee meeting in October 2024.

- The KPIs noted in the report were said to be on track for delivery and Directors were confident that the business had sufficient funds, although the Woodlands project was dependent on the outcome of negotiations for the sale of land. Terms had been suspended for a promotion agreement in favour of the Council coming forward to run the marketing exercise, supported by BA.
- The company expected that the reserved matters planning application for phase 1A of the project would be approved in the coming weeks. The marketing disposal being run by the Council was a live process and there had been several respondents come forward. These would be shortlisted from 27th June 2024, following which Heads of Terms would be drawn up with the chosen developer. This would then go to Cabinet for a decision to be made.
- The Council had entered a Memorandum of Understanding with BA and the landowners in respect of the marketing agreement, details of this were discussed by the Committee.

Resolved:

That the update be noted.

9 Forward Plan

Resolved: that the forward plan be noted subject to ensuring that it reflected that the AVE Risk Register and Key Performance Indicators would be covered at the October 2024 meeting.

10 Date of the next meeting

16th October 2024 at 2 p.m.

11 Exclusion of the public

Resolved: that under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting on the grounds that it involves the likely disclosure of exempt information as defined in the paragraph indicated in Part 1 of Schedule 12A of the Act.

12 Confidential minutes of the previous meeting

Resolved: That the confidential minutes of the meeting held on 13 March 2024 be approved as an accurate record.

13 Consilio Draft Business Plan 2024 - 2029

The Committee considered Consilio's draft business plan covering the period 2024 to 2029. The business plan detailed amongst other areas, the company's background; governance arrangements; financial highlights and forecasts; proposed approach to making the company sustainable; strengths, opportunities and threats to the business; and future business activity and opportunities.

The business plan was presented by Mr David Pearce and Mr Nigel Dicker, Company Directors and Ms Joanne Kingsnorth, Managing Director, Seymour Taylor.

Following a detailed discussion it was

Resolved:

That the draft business plan 2024 to 2029 be noted.

14 Consilio Property Ltd Risk Register

The Committee received the latest iteration of Consilio's risk register which detailed a range of risks, and the plans for risk mitigation. Mr David Pearce and Mr Nigel Dicker, Company Directors and Ms Joanne Kingsnorth, Managing Director, Seymour Taylor remained in attendance for this item.

Following a detailed discussion, it was

Resolved:

That the risk register be noted.

15 Buckinghamshire Advantage Risk Register

The Committee received the latest iteration of Buckinghamshire Advantage's risk register which detailed a range of risks, the potential impacts and the plans for risk mitigation. Mr Richard Harrington, Company Director was in attendance for this item.

Following a detailed discussion and a number of actions arising, it was

Resolved:

That the risk register be noted.

16 Review of Director Appointments to Subsidiary Bodies

The Committee received a report which detailed a review of Director appointments to subsidiary bodies. The review was important to ensure companies had professional directors who possessed the right skills and experience to proactively take forward the aims of the company/joint venture and also considered other issues such as training and the principles for appointments. Mr Richard Ambrose, Service Director for Major Projects introduced the report.

Following a detailed discussion, it was

Resolved:

- 1. That the principles to be used for appointing Directors to subsidiary bodies be confirmed.**
- 2. That the requirement for all Directors to undergo refresher training setting out roles and responsibilities and best practice on how to run a successful business be endorsed.**
- 3. That an annual review of Director appointments continues to be undertaken.**
- 4. That company specific recommendations as set out in the confidential report and following discussed amendments be agreed.**