

# Shareholders Committee

Conduct of Shareholders Meetings Procedure in relation to Morehomes for the Bay (Investments) Ltd and Morehomes for the Bay (Developments) Ltd  
**25<sup>th</sup> October 2022**

## Report of Mark Davies

PURPOSE OF REPORT				
The report seeks to confirm and approve the Shareholder Rules of Meeting.				
Key Decision	<input type="checkbox"/>	Non-Key Decision	<input checked="" type="checkbox"/>	Referral from Cabinet Member
Date of notice of forthcoming key decision	N/A			
This report is public				

### RECOMMENDATIONS:

- (1) That the Morehomes for the Bay Shareholders Rules of Meeting document be approved.

#### Introduction

- 1.1. The Company's Terms of Reference do not address the rules by which the Shareholders meetings are to be conducted. The draft Shareholder meeting Rules (as outlined at Appendix 1) seeks to address this lacuna and to provide clarity to the Shareholder Committee, Directors and officers on how meetings are to be conducted.
- 1.2. Managing the Council's interest in the Company is a Cabinet function. The Shareholder's Agreement delegates certain functions and responsibility to the Shareholder Committee. This being the case, the Shareholder's Committee can be seen as discharging Cabinet's functions. Accordingly, it is appropriate for the Shareholder Committee's meetings to be subject to the Cabinet procedure rules with slight modification.
- 1.3. The Shareholders Meeting Rules makes it clear that Committee meetings will be operated in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information (England) Regulations. These regulations set out the requirements

for publication of agendas and notification of meetings. They also make it clear that members of the public will be able to attend the public part of the meeting.

- 1.4. The current draft provides that Company Directors and Council Representatives (or their nominated deputy) will attend the Committee meetings.
- 1.5. The Rules also make it clear that O&S retain its scrutiny function in relation to the Shareholder Committee. This includes the O&S Committee's ability to hold the Shareholder Committee to account. However, as Company Directors act in a way that is legally independent of the Council, their actions are not open to scrutiny by O&S.
- 1.6. The draft Rules have been shared with the Head of Democratic Service for comment.

**(2) Options and Options Analysis (including risk assessment)**

	<b>Option 1:</b> Approved the Shareholder Committee Meeting rules	<b>Option 2:</b> Do not approve the Shareholder Committee Meeting rules
Advantages	Clear understanding of how meetings should be conducted	None known.
Disadvantages	None known.	Meetings not subject to rules which allows for potential challenge.
Risks	None known.	Limited – although as with above disadvantages – meetings not subject to rules which could present potential challenge.

**(3) Officer Preferred Option (and comments)**

3.1 The officer preferred option is Option 1. By approving the Shareholder Committee Rules clarity around meeting conduct / processes is clear.

**(4) Conclusion.**

- 1.1 The report outlines the requirement to set out and establish specific rules in relation to Shareholder meetings – in approving the rules, this supports the meetings to take place effectively.

#### **RELATIONSHIP TO POLICY FRAMEWORK**

Whilst the decision contained within this report has limited scope / links to Policy Framework there are clear links with the Local Authorities (Executive Arrangements) (Meetings and Access to Information (England) Regulations).

#### **CONCLUSION OF IMPACT ASSESSMENT**

**(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)**

There are no implications relating to the above stemming from this report.

#### **LEGAL IMPLICATIONS**

Meetings of the authority discharging Cabinet functions have to comply with the Local Authorities (Executive Arrangements) (Meetings and Access to Information (England) Regulations 2012. This includes following the rules in relation to advertisement of meetings, access to agendas and reports for meetings.

As the Shareholders Committee is discharging Cabinet functions its arrangements for meetings have to comply with the 2012 Regulations.

#### **FINANCIAL IMPLICATIONS**

There are no direct financial implications arising from this report.

#### **OTHER RESOURCE IMPLICATIONS**

##### **Human Resources:**

There are no Human Resource implications arising from this report.

##### **Information Services:**

There are no Information Services implications arising from this report.

##### **Property:**

There are no Property implications arising from this report.

##### **Open Spaces:**

There are no Open Spaces implications arising from this report.

**SECTION 151 OFFICER'S COMMENTS**

The Council's s151 Officer has been consulted and has no comments to make on this report

**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

**BACKGROUND PAPERS**

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**Ref: N/A**