

Cabinet - Shareholder Group

MINUTES OF THE CABINET - SHAREHOLDER GROUP MEETING HELD ON 25 JANUARY 2022 AT COUNCIL CHAMBER - COUNTY HALL, BYTHESEA ROAD, TROWBRIDGE, BA14 8JN.

Present:

Cllr Richard Clewer, Cllr Nick Botterill and Cllr Phil Alford

Also Present:

Councillors

Cllr Tony Jackson

Board of Stone Circle Companies:

Alistair Cunningham – Independent Director and Chair of Board

Simon Hendey – Director of Assets & Commercial Development

Marcus Wilson – Company secretary

Shareholder Group Advisors:

Terence Herbert – Chief Executive

Andy Brown - Corporate Director – Resources & Deputy Chief Executive

Perry Holmes - Director Legal & Governance

1 **Apologies**

There were no apologies for absence.

2 **Declarations of Interest**

There were no declarations of interest.

3 **Leaders announcements**

There were no announcements from the Leader of the Council.

4 **Public participation and Questions from Councillors**

There was no public participation or questions from Councillors.

5 **Terms of Reference**

The Shareholder Group considered the report of the Chief Executive and presented by the Director of Legal & Governance which detailed the Groups Terms of Reference.

Following questions about the expectations placed on the Group, the Director of Legal & Governance confirmed that the Terms of Reference drew on best practice and the Group has power to approve and monitor Business Plans, periodically monitor financial performance of Council owned companies, determine distribution of surpluses and dividends and report to the Council on trading activity.

Resolved:

To adopt the Terms of reference as set out in the annex of the report and available on the Council's website at this [link](#).

Reason for decision:

To determine the role of the Shareholder Group and clarify the delegated authority of Cabinet to ensure the performance of any Wiltshire Council owned companies is satisfactory.

6 Appointment of Director

The Shareholder Group considered the report of the Chief Executive and presented by the Director of Legal & Governance which proposed the appointment of the Director of Assets and Commercial Development as a Director of the Stone Circle Companies.

The Director of Legal & Governance commented on the recent completion of the governance review into the Stone Circle companies and one of the recommendations flowing from the review to assess the appointments of the Board of Directors of the Stone Circle Companies, amend the current appointments over a 12 month transitional period and appoint the Director of Assets and Commercial Development as a director of the Stone Circle Companies.

The report indicated that anecdotal information suggested that local authorities take a mix of approaches to Board membership and often appoint officer directors to the Boards of companies they own. This is intended to provide a link between the leadership of the Council and the activity and direction of the Companies.

Resolved:

- 1. Shareholder Group agrees to direct Stone Circle Housing Company to appoint to its Board of Directors the Director of Assets & Commercial Development.**
- 2. Shareholder Group agrees to direct Stone Circle Development Company to appoint to its Board of Directors the Director of Assets & Commercial Development.**

3. Shareholder Group agrees to direct Stone Circle Holding Company to appoint to its Board of Directors the Director of Assets & Commercial Development

Reason for decision:

To appoint an officer director to provide a link between the leadership of the Council and the activity and direction of the Companies.

7 Business Plan

The Shareholder Group considered the report of the Chief Executive detailing the 2022/23 business plans proposed by the Stone Circle companies required under the shareholder agreement.

Detailed discussions took place with the press and public excluded from the meeting for the reasons detailed at minute 9 below.

8 Urgent Items

There were no urgent items.

9 Exclusion of the Press and Public

To agree that in accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the business specified in Item Number 10 because it is likely that if members of the public were present there would be disclosure to them of exempt information as defined in paragraph 3 of Part I of Schedule 12A to the Act and the public interest in withholding the information outweighs the public interest in disclosing the information to the public.

10 Business Plan

The Shareholder Group considered the report of the Chief Executive detailing the 2022/23 business plans proposed by the Stone Circle companies required under the shareholder agreement.

The Independent Board Director and Chair of the Stone Circle Companies, Alistair Cunningham provided detailed information about both the Housing Company and the Development Company business plans and responded to questions from the Shareholder Group.

Resolved:

- 1. The Stone Circle housing company business plan 2022/23 be agreed subject to the confirmation of a loan at 1% above the Public Works Loan Board prevailing interest rate**

2. The Stone Circle development company business plan 2022/23 be agreed subject to the confirmation of a loan at 1% above the Public Works Loan Board prevailing interest rate.
3. The Shareholder Group consider the formalisation of an exit strategy at a future meeting.
4. To note the Stone Circle companies will be providing more complete Business Plans as identified in the style suggested in the Governance Review over the next 12 months.
5. To note that authority remains delegated to agree the project plan for each development proposed by Stone Circle Development Company Limited to the Corporate Director Resources (S.151 Officer) in consultation with the Leader.
6. To note that authority remains delegated to the Corporate Director of Resources (S.151 Officer) to conclude detailed contract arrangements and serving of required notices under the shareholder agreement with and on the Stone Circle Companies including changes to the resourcing contract.
7. That the table at paragraph 44 of the report be updated and circulated to the Shareholder Group and Advisors.

Reason for decision:

The shareholder agreement between the Council and the companies requires the companies to present their proposed business plans to the Council at least three months before the start of the financial year in question.

This report is the outcome of that proposal and the consideration by the Shareholder Group of amended business plans for the forthcoming financial year, which follows a review of the governance of the Stone Circle Companies to ensure that they support the growth of the companies and protect the interests of the Council as shareholder.

(Duration of meeting: 2.30 - 4.35 pm)

The Officer who has produced these minutes is Stuart Figini of Democratic Services, direct line 01225 718221 , e-mail stuart.Figini@wiltshire.gov.uk

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