

# AGENDA

Meeting: **Cabinet - Shareholder Group**  
Place: **Council Chamber - County Hall, Bythesea Road, Trowbridge, BA14 8JN**  
Date: **Tuesday 25 January 2022**  
Time: **2.30 pm**

---

Please direct any enquiries on this Agenda to Stuart Figini, of Democratic Services, County Hall, Trowbridge, direct line 01225 718221 or email [stuart.figini@wiltshire.gov.uk](mailto:stuart.figini@wiltshire.gov.uk)

Press enquiries to Communications on direct lines (01225) 713114/713115.

All public reports referred to on this agenda are available on the Council's website at [www.wiltshire.gov.uk](http://www.wiltshire.gov.uk)

---

## Membership:

Cllr Richard Clewer	Leader of the Council and Cabinet Member for MCI, Economic Development, Heritage, Arts, Tourism and Health & Wellbeing; and Interim Cabinet Member responsible for Finance & Procurement, Commissioning and Commercialisation
Cllr Nick Botterill	Cabinet Member for Development Management, Strategic Planning and Climate Change
Cllr Phil Alford	Cabinet Member for Housing, Strategic Assets and Asset Transfer

---

## **Recording and Broadcasting Information**

Wiltshire Council may record this meeting for live and/or subsequent broadcast. At the start of the meeting, the Chairman will confirm if all or part of the meeting is being recorded. The images and sound recordings may also be used for training purposes within the Council.

By submitting a statement or question for an online meeting you are consenting that you will be recorded presenting this, or this may be presented by an officer during the meeting, and will be available on the public record. The meeting may also be recorded by the press or members of the public.

Any person or organisation choosing to film, record or broadcast any meeting of the Council, its Cabinet or committees is responsible for any claims or other liability resulting from them so doing and by choosing to film, record or broadcast proceedings they accept that they are required to indemnify the Council, its members and officers in relation to any such claims or liabilities.

Details of the Council's Guidance on the Recording and Webcasting of Meetings is available on request. Our privacy policy can be found [here](#).

## **Parking**

To find car parks by area follow [this link](#). The three Wiltshire Council Hubs where most meetings will be held are as follows:

**County Hall, Trowbridge**  
**Bourne Hill, Salisbury**  
**Monkton Park, Chippenham**

County Hall and Monkton Park have some limited visitor parking. Please note for meetings at County Hall you will need to log your car's registration details upon your arrival in reception using the tablet provided. If you may be attending a meeting for more than 2 hours, please provide your registration details to the Democratic Services Officer, who will arrange for your stay to be extended.

## **Public Participation**

Please see the agenda list on following pages for details of deadlines for submission of questions and statements for this meeting.

For extended details on meeting procedure, submission and scope of questions and other matters, please consult [Part 4 of the council's constitution](#).

The full constitution can be found at [this link](#).

For assistance on these and other matters please contact the officer named above for details

## Covid-19 safety precautions for public attendees

To ensure COVID-19 public health guidance is adhered to, a capacity limit for public attendance at this meeting will be in place.

**You must contact the officer named on this agenda no later than 5pm on Monday 24 January 2022 if you wish to attend this meeting.**

Places will be allocated on a first come first served basis.

To ensure safety at the meeting, all members of the public are expected to adhere to the following public health arrangements to ensure the safety of themselves and others:

- Do not attend if presenting symptoms of, or have recently tested positive for, COVID-19
- Follow one-way systems, signage and instruction
- Maintain social distancing
- Wear a face-mask (unless exempt)

Where it is not possible for you to attend due to reaching the safe capacity limit at the venue, alternative arrangements will be made, which may include your question/statement being submitting in writing.

This meeting will also be live streamed for all members of the public to watch online.

1 **Apologies**

2 **Declarations of Interest**

To receive any declarations of disclosable interests or dispensations granted by the Standards Committee.

3 **Leaders announcements**

4 **Public participation and Questions from Councillors**

The Council welcomes contributions from members of the public. This meeting is open to the public, who may ask a question or make a statement. Questions may also be asked by members of the Council. Written notice of questions or statements should be given to Stuart Figini of Democratic Services [stuart.figini@wiltshire.gov.uk](mailto:stuart.figini@wiltshire.gov.uk)/ 01225 718221 by 12.00 noon on Wednesday 19 January 2022. Anyone wishing to ask a question or make a statement should contact the officer named above.

5 **Terms of Reference** (*Pages 7 - 14*)

To consider and adopt the Shareholder Group Terms of Reference.

6 **Appointment of Director** (*Pages 15 - 20*)

To consider the appointment of a Director to the Stone Circle Companies.

7 **Business Plan**

To consider and approve the Stone Circle Business Plan.

Report to be circulated.

8 **Urgent Items**

Any other items of business, which the Leader agrees to consider as a matter of urgency.

**Part II**

**Item(s) during consideration of which it is recommended that the public should be excluded because of the likelihood that exempt information would be disclosed**

9 **Exclusion of the Press and Public**

This is to give further notice in accordance with paragraph 5 (4) and 5 (5) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 of the intention to take the following item in private.

To consider passing the following resolution:

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.

Reason for taking item in private:

Paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).

#### **10 Business Plan**

To consider and approve the Stone Circle Business Plans.

To be circulated.

Reason for taking item in private:

Paragraph 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).

This page is intentionally left blank

**Wiltshire Council**

**Shareholder Group**

**25 January 2022**

---

**Subject: Adoption of the Terms of Reference of the Shareholder Group**

**Cabinet Member: Councillor Richard Clewer, Leader of the Council**

**Key Decision: Non Key**

---

## **Executive Summary**

The Shareholder Group is asked to adopt the Terms of Reference as set out in the Annex to this Report. A full set of responsibilities is set out in the proposed Terms of Reference and includes the 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.

## **Proposal(s)**

1. The Shareholder Group agrees to adopt the Terms of Reference as set out in the Annex of this Report.

## **Reason for Proposal(s)**

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.

**Terence Herbert**  
**Chief Executive**

## **Wiltshire Council**

### **Shareholder Group**

**25 January 2022**

---

**Subject: Adoption of the Terms of Reference of the Shareholder Group**

**Cabinet Member: Councillor Richard Clewer, Leader to the Council**

**Key Decision: Non Key**

---

### **Purpose of Report**

1. The Leader under delegated executive authority approved the establishment of a sub-committee of Cabinet to be known as the Shareholder Group having asked for Cabinet's view at a meeting on 27 September 2021.

### **Relevance to the Council's Business Plan**

2. The proposals in this Report support the Business Plan 2017-2027 priority of Growing the Economy and the goal of more affordable homes to rent and buy. The report also reflects our commercialism as an innovative and effective Council.

### **Background**

3. Cabinet commissioned a governance review into the Stone Circle companies which are 100% owned by Wiltshire Council.
4. One of the recommendations of that governance review was to establish a Shareholder Group; a sub-committee of Cabinet which is responsible for exercising Wiltshire Council's role as shareholder in any company which it is owns in whole or in part and is limited by shares.
5. Authority was delegated to the Director of Legal & Governance, in consultation with the Leader, to make the necessary arrangements to establish the Shareholder Group with the Leader of the Council as Chair and two other Cabinet Members as members with the option to co-opt external expertise to enable the Shareholder Group (after consideration of performance reporting by CLT and Scrutiny) to conduct its role on behalf of the shareholder.
6. At its first meeting, the Shareholder Group is asked to consider and approve the proposed Terms of Reference annexed to this Report. The Terms of Reference sets out the roles and responsibilities of the Shareholder Group.

### **Main Considerations for the Council**

7. The Shareholder Group will act with delegated authority of Cabinet to ensure the performance of any Wiltshire Council owned companies is satisfactory.



8. The Directors of the Companies will remain responsible for the day-to-day operation of each Council owned Company. The Shareholder Group will not have operational control over Council owned Companies.
9. A full set of responsibilities is set out in the proposed Terms of Reference and includes the 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.
10. The Terms of Reference draws in examples of best practice and the experience in other Councils with trading companies. It also takes into consideration the existing arrangements in place with the Stone Circle companies and the responsibilities of the Council as shareholder as set out in governance documents.

### **Overview and Scrutiny Engagement**

11. Select Committees will retain their scrutiny function in relation to the Shareholder Group. The Overview & Scrutiny Management Committee will be able to call the Shareholder Group to account for progress in relation to any Company for which the Council is a shareholder and any returns it is making.

### **Safeguarding Implications**

12. There are no direct safeguarding implications.

### **Public Health Implications**

13. There are no direct public health implications.

### **Procurement Implications**

14. There are no direct procurement implications.

### **Equalities Impact of the Proposal**

15. A low equalities risk score was calculated for the proposals in this report.

### **Environmental and Climate Change Considerations**

16. There are no direct environmental and climate change considerations associated with the proposals in this Report.

### **Risks that may arise if the proposed decision and related work is not taken**

17. The establishment of the Shareholder Group is required to ensure robust governance and appropriate oversight and monitoring of Council owned companies.

### **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

18. It may be necessary for the Shareholder Group to co-opt external expertise to enable the Shareholder Group to conduct its role on behalf of the Council as shareholder.

### **Financial Implications**

19. There are no direct financial implications to the proposal. The Shareholder Group, as part of their responsibilities, will be required to review and consider proposals which have financial implications for the Council.

### **Legal Implications**

20. There are no legal implications to the proposal.

### **Workforce Implications**

21. There are no workforce implications to the proposal.

### **Options Considered**

22. The Shareholder Group has the option to disregard the proposal and determine an alternative set of Terms of Reference.

### **Conclusions**

23. The Shareholder Group is advised to adopt the Terms of Reference.

### **Perry Holmes, Director of Legal & Governance**

---

Report Author: Perry Holmes, Director of Legal & Governance  
[perry.holmes@Wiltshire.gov.uk](mailto:perry.holmes@Wiltshire.gov.uk)

14 January 2022

### **Appendices**

Terms of Reference

### **Background Papers**

None

## **SHAREHOLDER GROUP**

### **TERMS OF REFERENCE**

#### **Overview**

The Shareholder Group will exercise the Council's role as shareholder in any company, limited by shares wholly or partly owned by the Council for the purposes of service provision and/or trading activities including any joint venture

The Shareholder Group acts with the delegated authority of Cabinet to ensure the performance of any such company is satisfactory. Some actions in relation to the Council's companies are reserved to the Cabinet. These are set out below.

Any reference in these terms of reference to a "company" or "companies" is defined as a company in which the Council holds shares.

The Shareholder Group may also decide, from time to time, whether to accept proposals to submit a bid to provide goods and / or services which, if successful would commit the council to the establishment of a new company (which may include a joint venture company). In these instances, the decision of the Shareholder Group would be referred to the Cabinet for final approval.

#### **Matters reserved to Cabinet**

None

#### **Membership**

- ☐ Leader of the Council (Chairman), Richard Clewer
- ☐ Cabinet Member for Cabinet Member for Development Management, Strategic Planning and Climate Change, Nick Botterill
- ☐ Cabinet Member for Housing, Strategic Assets, Asset Transfer, Phil Alford

The Chief Executive, Corporate Director for Resources and Deputy Chief Executive and the Director of Legal & Governance may attend the Shareholder Group to provide advice. Additional advisors may be invited to attend the Group as required.

Changes to the Membership of the Shareholder Group will be agreed by the Leader of the Council and given effect by the Director of Legal & Governance.

### **Purpose**

The Shareholder Group will:

1. Have the power to appoint and remove Company Directors
2. Approve and monitor Company Business Plans
3. Approve the allotment of further shares in a Company (whether to third party shareholders or the Council)
4. Exercise any reserved powers in the Articles of a Company and any Shareholder Agreement with a Company
5. Endorse any amendments to Company Business Plans
6. Periodically evaluate financial performance of a Company
7. Agree significant capital or revenue investments proposed by a Company
8. Determine the distribution of any surplus or the issue of any dividends from a Company
9. Consider any recommendation from Company Directors to cease trading
10. Report to the Council annually on trading activity
11. Review the risks associated with trading activities.

The Shareholder Group will not have operational control over Companies. All decisions regarding the day-to-day operation of each Company, its business developments and commercial opportunities, staff terms and conditions and the development and implementation of its internal procedures, rest with the Directors of each Company.

### **Relationship to scrutiny**

Select Committees will retain their scrutiny function in relation to the Shareholder Board. The Overview & Scrutiny Management Committee will be able to call the Shareholder Group to account for progress in relation to any Company for which the Council is a shareholder and any returns it is making.

## **Scope**

In respect of Teckal-compliant companies

The Shareholder Group will:

1. Monitor Teckal compliance at least annually.
2. Ensure the Business Plan of a Teckal compliant Company is aligned to the corporate objectives of the Council.

In respect of non Teckal-compliant wholly Council-owned companies

The Shareholder Group will:

1. Seek to achieve appropriate returns on investment from trading activities.
2. Ensure trading activities are conducted in accordance with the values of the Council.

In respect of any shareholding and/or joint ventures

The Shareholder Group will:

1. Evaluate the return and benefits of the shareholding against the values of the Council.
2. Where appropriate, exercise influence over the company and /or joint ventures in accordance with the values of the Council.

In respect of the submission of a bid which will commit the council to the establishment of a company (or Joint Venture)

The Shareholder Group will:

1. Evaluate the return and benefits of the proposal, including an evaluation of the proposed profit share in a Joint Venture.
2. Seek to achieve appropriate returns on investment from trading activities.
3. Ensure trading activities are conducted in accordance with the values of the Council.

## **Operation of the Shareholder Group**

1. [Subject to the matters reserved to Cabinet stated above,]The Cabinet has delegated to the Shareholder Group the authority to take decisions in respect of 100% of the Council's shareholding in any Company.

2. The Shareholder Group will meet quarterly, or as required.
3. The quorum for a meeting of the Shareholder Group is a minimum of two members, one of whom must be the Leader, who will chair the meeting.
4. The Shareholder Group may take decisions outside of a Company's general meeting as follows:
  - a. At meetings of its members by consensus of those present, unless any member of the Group requires a vote, in which event a majority decision will be taken with each member of the Shareholder Group present having a single vote. The Chairman of the meeting has a casting vote in the event that there is no clear majority; or
  - b. In cases of urgency, by a decision made by the Leader in consultation with the Chief Executive.
5. Any decisions made by the Shareholder Group in accordance with 4a or b above, must be notified to the relevant Company's directors and the other Members of the Shareholder Group as soon as reasonably practicable following such decision being taken.
6. If a general meeting of a Company is called, the Shareholder Group will be required to nominate a corporate representative to attend the general meeting of a Company and vote on any resolutions proposed. In advance of any general meeting, the Shareholder Group may convene a meeting to discuss and determine any resolutions to be proposed at a general meeting. In such circumstances, decision making may be taken in accordance with the principles set out in 4a above. In cases of urgency, decision making may be taken in accordance with the principles set out in 4b above including, for the avoidance of doubt, the appointment of a corporate representative.
7. The Chairman approves the agenda for each meeting. The agenda and papers for consideration are circulated at least five working days before the meeting. After each meeting, the Chairman approves the meeting notes and actions and signs any resolutions agreed by the Shareholder Group.
8. The Shareholder Group will review the Terms of Reference annually.

**Wiltshire Council**

**Shareholder Group**

**25 January 2022**

---

**Subject: Appointment of Director to the Boards of the Stone Circle Companies**

**Cabinet Member: Councillor Richard Clewer, Leader to the Council**

**Key Decision: Non Key**

---

## **Executive Summary**

Following the completion of the governance review into the Stone Circle companies which are 100% owned by Wiltshire Council, one of the recommendations of that governance review was to review 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 Housing & Commercial (now Director of Assets and Commercial Development) as a director of the Stone Circle Companies.

## **Proposal(s)**

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 Proposal(s)**

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

**Terence Herbert**  
**Chief Executive**

**25 January 2022**

---

**Subject: Appointment of Director to the Boards of the Stone Circle Companies**

**Cabinet Member: Councillor Richard Clewer, Leader to the Council**

**Key Decision: Non Key**

---

### **Purpose of Report**

1. The Leader, under delegated executive authority, approved the recommendation to review the appointments on the Board of Directors of the Stone Circle Companies and to appoint the Director of Housing & Commercial to the Boards of Directors of the Stone Circle Companies.

### **Relevance to the Council's Business Plan**

2. The proposals in the report support the Business Plan 2017-2027 priority of Growing the Economy and the goal of more affordable homes to rent and buy. The report also reflects our commercialism as an innovative and effective Council.

### **Background**

3. Cabinet commissioned a governance review into the Stone Circle companies which are 100% owned by Wiltshire Council.
4. One of the recommendations of that governance review was to:
  - a. review the appointments of the Board of Directors of the Stone Circle Companies;
  - b. amend the current appointments over a 12 month transitional period; and
  - c. appoint the Director of Housing & Commercial (now Director of Assets and Commercial Development) as a director of the Stone Circle Companies.
5. As part of this recommendation, it was agreed that this should include replacing the elected Members on the company Boards, expanding the membership of the non-executive appointments with specific housing sector commercial experience and increasing the general non-executive membership to the Housing and Development Companies by two.
6. The 12 month transitional period commenced on 1<sup>st</sup> November 2021 with the reappointment of the Chair of the Stone Circle Companies.



7. Authority was delegated to the Corporate Director of Resources in consultation with the Leader to appoint the officer director to the Boards of Stone Circle. The decision to approve/appoint Directors to the Boards of Stone Circle is a reserved matter under the Shareholder Agreement between the Council and Stone Circle Holding Company. Reserved matters must be approved by the shareholder.
8. Pursuant to the decision of the Leader of the Council and the Terms of Reference, as a first step in reviewing and amending the appointments on the Boards, the Shareholder Group is asked to consider the proposal to appoint the Director of Assets and Commercial Development to the Boards of Stone Circle Housing Company, Stone Circle Development Company and Stone Circle Holding Company.

### **Main Considerations for the Council**

9. The Stone Circle Companies are required to operate with a minimum of three directors.
10. Following the announcement of Councillor Richard Clewer as Leader of the Council, Councillor Clewer resigned from his position as a Wiltshire Council elected Member director of the Boards of Stone Circle Companies. Since July 2021, the Stone Circle Boards have been carrying a vacancy.
11. The current membership of the Board of Stone Circle Holding Company is as follows:  
  
Mr Alistair Cunningham (independent director and Chair)  
Cllr Bridget Wayman (Wiltshire Council elected Member director)  
Cllr Ian Thorn (Wiltshire Council elected Member director)  
Mr John Terry (independent director with specialist expertise in development)  
Mr Nicholas Samuels (independent director with specialist expertise in housing)
12. The current membership of the Board of Stone Circle Housing Company is as follows:  
  
Mr Alistair Cunningham (independent director and Chair)  
Cllr Bridget Wayman (Wiltshire Council elected Member director)  
Cllr Ian Thorn (Wiltshire Council elected Member director)  
Mr Nicholas Samuels (independent director with expertise in housing)
13. The current membership of the Board of Stone Circle Development Company is as follows:  
  
Mr Alistair Cunningham (independent director and Chair)  
Cllr Bridget Wayman (Wiltshire Council elected Member director)  
Cllr Ian Thorn (Wiltshire Council elected Member director)  
Mr John Terry (independent director with expertise in development)
14. There is no definitive critique of the make-up of the Boards of Council owned companies. Anecdotal information suggest 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.

## **Overview and Scrutiny Engagement**

15. Select Committees will retain their scrutiny function in relation to the Shareholder Group. The Overview & Scrutiny Management Committee will be able to call the Shareholder Group to account for progress in relation to any Company for which the Council is a shareholder and any returns it is making.

## **Safeguarding Implications**

16. There are no direct safeguarding implications.

## **Public Health Implications**

17. There are no direct public health implications.

## **Procurement Implications**

18. There are no direct procurement implications.

## **Equalities Impact of the Proposal**

19. A low equalities risk score was calculated for the proposals in this report.

## **Environmental and Climate Change Considerations**

20. There are no direct environmental and climate change considerations associated with the proposals in this Report.

## **Risks that may arise if the proposed decision and related work is not taken**

21. The appointment of an officer directors to the Boards of the Stone Circle Companies is required to ensure robust governance and appropriate oversight and monitoring of Council owned companies.

## **Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks**

22. It may be necessary for the Companies, the Shareholder Group and the Director of Assets and Commercial Development to monitor and manage conflicts of interest.

## **Financial Implications**

23. There are no direct financial implications to the proposal. The Director of Assets and Commercial Development will not receive additional remuneration for the role.

## **Legal Implications**

24. There are no legal implications to the proposals.

## **Workforce Implications**

25. There are no workforce implications to the proposals.

## **Options Considered**

26. The Shareholder Group has the option to disregard the proposals and determine alternative arrangements.

## **Conclusions**

27. The Shareholder Group is advised to adopt the proposals.

**Andy Brown, Corporate Director Resources and Deputy Chief Executive**

---

Report Author: Perry Holmes, Director of Legal & Governance

[perry.holmes@Wiltshire.gov.uk](mailto:perry.holmes@Wiltshire.gov.uk)

14 January 2022

## **Appendices**

None

## **Background Papers**

None

This page is intentionally left blank