

**PART 2N: COVENTRY SHAREHOLDER COMMITTEE**

**1. Overview**

- 1.1 A Coventry Shareholder Committee (“the Shareholder Committee”) has been established, the purpose of which is to take decisions on behalf of the Council, to represent the interests of the Council as shareholder and to ensure the satisfactory performance of any Company (as defined in 1.3 below) to protect the Council’s interests as shareholders.
- 1.2 The Shareholder Committee will exercise the Council’s role as shareholder in any company, limited by shares or guarantee, wholly or partly owned by the Council for the purposes of service provision and/or trading activities. The decisions taken by the Shareholder Committee will be within the functions of Cabinet and will ensure that the performance of any such company is satisfactory, thus protecting the Council’s interest as shareholders in the Company.
- 1.3 Any reference in these terms of reference to “Company” is defined as a company in which the Council holds shares.
- 1.4 The Coventry Shareholder Committee is a sub-committee of Cabinet and will exercise the functions delegated to it by Cabinet as set out in section 3 below and will operate in accordance with Cabinet Procedure rules set out in Part 3 D of the Council’s Constitution.
- 1.5 All members of the Shareholder Committee shall have received appropriate training before carrying out any functions set out in section 3.1 below.

**2. Composition**

- 2.1 The Shareholder Committee shall comprise of elected members drawn from the Cabinet to be appointed by the Leader of the Council. The Leader of the Council will appoint the Chair and Deputy Chair of the Shareholder Committee. This will have a maximum of 5 elected members and a minimum of 3 elected members.
- 2.2 The Chief Executive, Section 151 Officer, City Solicitor (or their nominees) will be advisors to the Shareholder Committee to provide open and robust technical advice. Additional advisors may be invited to attend the Shareholder Committee as required.

### 3. Functions delegated to the Shareholder Committee

3.1 The Shareholder Committee will have responsibility for the following delegated functions **except** where specific functions have been delegated to an employee:

- Any decisions that relate to any matter identified as being reserved to be taken by the Shareholders within the Articles of Associations and/or the Delegations Policy for the relevant Company.

Provided that where a decision that relates to any such matter affects the budgetary framework or has been reserved to Full Council under the Delegations policy for the relevant Company, the Shareholder Committee will consider the decision and provide a recommendation to Full Council.

- Report to the Council annually on the performance of the trading activities of the relevant Company

3.2 The Shareholder Committee 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.

### 4. Accountability of Decisions

4.1 The Scrutiny Co-ordination Committee will be responsible for the scrutiny function in relation to the operation of the Shareholder Committee. The Scrutiny Co-ordination Committee will be able to call the Shareholder Committee to account for progress in relation to any Company for which the Council is a shareholder and any returns it is making.

4.2 Any recommendations the Scrutiny Co-ordination Committee wishes to make will be submitted to the Shareholder Committee for reconsideration.

4.3 The Chair of the Shareholder Committee will be required to answer questions on its work at Full Council meetings.

4.4 All decisions of the Shareholder Committee will be open to the Call in arrangements and subject to the call-in criteria.

### 5. Quorum

5.1 The quorum for a meeting of the Shareholder Committee is a minimum of 3 members, one of whom must be the Chair or the Deputy Chair of the Shareholder Committee.

## 6. Operation of the Shareholder Committee and Frequency of meetings

- 6.1 The Cabinet has delegated to the Shareholder Committee the authority to take decisions as set out in paragraph 3.1 in respect of 100% of the Council's shareholding in any Company.
- 6.2 The Shareholder Committee will meet twice annually, or as required.
- 6.3 In cases of urgency, decisions will be made in accordance with the provisions set out in the Constitution by the Chief Executive.
- 6.4 Any decisions made by the Shareholder Committee must be notified to the Company's Directors as soon as reasonably practicable following such decision being taken.
- 6.5 An authorised representative of the Shareholder Committee will be given authority on behalf of the Shareholder Committee to take decisions at a Company's general meeting.
- 6.6 The Shareholder Committee will review the Terms of Reference annually.

## **7. Access to Information and Procedure relating to Shareholder Committee**

- 7.1 As an Executive Committee of Cabinet, meetings of the Shareholder Committee are subject to the Access to Information Procedure Rules set out in Part 3B of the Council's constitution.
- 7.2 it is expected that all meetings of the Shareholder Committee will involve the consideration and review of Exempt Information (i.e. information relating to the financial or business affairs of any particular person (including the authority holding that information)).