

**Coventry City Council**  
**Minutes of the Meeting of Coventry Shareholder Committee**  
**held at 3.00 pm on Wednesday, 30 March 2022**

Present:

Members: Councillor G Duggins (Chair)  
Councillor AS Khan (Deputy Chair)  
Councillor P Hetherton  
Councillor M Mutton  
Councillor J O'Boyle  
Councillor K Sandhu  
Councillor P Seaman  
Councillor D Welsh

Coventry Municipal Holdings Limited: P Fahy, Director  
G McKelvie, Director  
P Mudhar, Director  
K Nelson, Director  
G Sangha, Secretary  
A Walster, Director

Employees (by Directorate):

Chief Executive: M Reeves  
Finance B Hastie (Chief Operating Officer)  
Law and Governance J Newman (Director of Law and Governance), L Knight

Apologies: Councillor R Brown and K Caan

## **Public Business**

### **1. Declarations of Interest**

There were no disclosable pecuniary interests.

### **2. Exclusion of Press and Public**

**RESOLVED** that the Coventry Shareholder Committee agrees to exclude the press and public under Sections 100(A)(4) of the Local Government Act 1972 relating to the private report in Minute 5 below headed 'Business Planning Cycle for 2022-23 for the Coventry Municipal Holdings Group' on the grounds that the report involves the likely disclosure of information as defined in Paragraph 3 of Schedule 12A of the Act, as it contains information relating to the financial affairs of a particular person (including the authority holding that information) and in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

### 3. **Business Planning Cycle for 2022-23 for the Coventry Municipal Holdings Group**

The Coventry Shareholder Committee considered a report of the Managing Director for Coventry Municipal Holdings Limited, which provided an outline of the key capital and revenue investments included in the business plans for companies within the Coventry Municipal Holdings Group (CMH).

A corresponding private report detailing confidential financial matters was also submitted for consideration (Minute 5 below refers).

On the 5<sup>th</sup> November 2021, the Council incorporated CMH and restructured their wholly owned company investments. The organisational structure, provided at figure 1 within the report, was implemented to strengthen the governance arrangements to ensure that the companies are managed in a robust and transparent manner.

Each of the companies had prepared their own business plans for 2022/23 and on overview for 2023-2025. These plans were appended to the corresponding private report. The CMH group included the following companies:

- Tom White Waste Limited (TWW) and subsidiaries: A&M Metals, TW(LACo) (the Teckal Company)
- Coombe Abbey Park Limited (CAPL) and subsidiaries: No Ordinary Hospitality Management (NOHM), Coombe Abbey Park (LACo) (the Teckal Company)
- Coventry Technical Resources Limited (CTR)
- Coventry Regeneration Limited (CR)
- No Ordinary Hotels Limited (effectively a dormant company)

The report indicated that the vision for CMH for 2022/23 and beyond is:

- To provide excellent governance across its own activities and those of its subsidiaries in accordance with the Group Governance Agreement
- To derive value from commercial activity in line with the strategic corporate objectives that may be used to off-set budget pressures and enhance services delivered by Coventry Council
- To have a positive social and environmental impact through its undertakings and activities
- To grow the portfolio of activity of CMH and its subsidiaries in a risk balanced manner through organic growth, further acquisition and investment in business process and infrastructure
- To provide a vehicle for investment

It was recommended that the business plans for CMH Ltd and each subsidiary entity be approved along with their vision and strategic objectives for 2022/23 and beyond in their entity business plans. The Committee noted that the strategic objectives for CMH were:

- To deliver positive social impacts for the residents of Coventry in the context of both CMH's direct activities, and by delivering 'profit for purpose', off-setting budget pressures with income and dividends derived from CMH and its subsidiaries' activities
- To drive commercial growth through all subsidiaries and through CMH led initiatives, exploring opportunities for business acquisition, development of new businesses and investment in business process, resource and infrastructure.
- To support the delivery of the business plans of the subsidiaries with resource capability and capacity and investment as appropriate
- To focus the activity of CMH within the environment and leisure sectors
  - Environment sector, with the intention of supporting the Council's climate change strategy with commercial activity that contributes to mitigating climate change, expanding on the activity of Tom White
  - Leisure sector, that supports the growth of business in the leisure sector to increase resilience of the existing investment in the sector at Coombe Abbey, and benefit from the growth in the UK leisure sector
- To explore the ability to set up an investment fund that is capable of supporting investment in the existing subsidiaries and further initiatives that will deliver the business plan.

A summary of the budget for 2022/23 was included in the corresponding private report which included the budget to March 2023. For CAPL this represented a 15 month trading period incorporating two of the quietest quarters in the hospitality calendar. This was to realign their year end to the end of March, in line with the wider group.

The CMH Group were on track to deliver a dividend that was declared by TWW in a previous accounting year but not yet paid and following a restructure of the balance sheet for CTR, a dividend which reflected the proceeds from the sale of the shares in Arena Coventry Limited.

The corresponding private report included the forecast capital and revenue investments which had been included in the individual business plans.

A key capital investment was for TWW who were exploring options to secure funding for the investment in redeveloping the material recycling facility on their site. The business case for the material recycling facility redevelopment was covered in more detail in the TWW Business Plan. The investment was focussed on enhancing the environmental performance of the Company and for businesses in Coventry, as more material would be recovered for beneficial use rather than disposal and should deliver zero material being sent to landfill. The net financial impact had been included within the budget for 2022/23 onwards.

TWW business plan also considered the creation of a new subsidiary – Tom White Haulage Limited. This new company would be created to undertake the haulage contract being discussed with Sherbourne Recycling Limited. The capital and revenue investment would only be undertaken if this contract was signed.

The Committee noted that the business plans were key documents for the companies to move forward to achieve the projections and objectives.

**RESOLVED that, subject to consideration of the corresponding private report on this matter, the Coventry Shareholder Committee approve:**

1. **The business plans for Coventry Municipal Holdings Limited.**
  2. **The business plan for Coombe Abbey Park Limited group.**
  3. **The business plan for Tom White Waste group.**
  4. **The business plan for Coventry Technical Resources Limited**
  5. **The business case investment in the Materials Recycling Facility as included within and appended to the Tom White Waste business plan.**
  6. **The incorporation of Tom White Haulage Limited as more fully described within the Tom White business plan.**
  7. **The Group budget as set out in Table 1 for Coventry Municipal Holdings Limited and its subsidiaries.**
  8. **The appointment of LDP Luckman's as the auditors for the group companies for a period of 3 years with the option to extend for a further year.**
4. **Any other items of public business which the Chair decides to take as a matter of urgency because of the special circumstances involved**

There were no other items of public business.

5. **Business Planning Cycle for 2022-23 for the Coventry Municipal Holdings Group**

Further to minute 3 above, the Coventry Shareholder Committee considered a private report of the Managing Director for Coventry Municipal Holdings Limited, setting out the commercially confidential matters relating to the business planning cycle for 2022-23 for the Coventry Municipal Holdings Group.

**RESOLVED that, the Coventry Shareholder Committee approve:**

1. **The business plans for Coventry Municipal Holdings Limited.**
2. **The business plan for Coombe Abbey Park Limited group.**
3. **The business plan for Tom White Waste group.**
4. **The business plan for Coventry Technical Resources Limited**

5. **The business case investment in the Materials Recycling Facility as included within and appended to the Tom White Waste business plan.**
  6. **The incorporation of Tom White Haulage Limited as more fully described within the Tom White business plan.**
  7. **The Group budget as set out in Table 1 for Coventry Municipal Holdings Limited and its subsidiaries.**
  8. **The appointment of LDP Luckman's as the auditors for the group companies for a period of 3 years with the option to extend for a further year.**
6. **Any other items of private business which the Chair decides to take as a matter of urgency because of the special circumstances involved**

There were no other items of private business.

(Meeting closed at 4.00 pm)