

TERMS OF REFERENCE OF THE BCKLWN SHAREHOLDER COMMITTEE

SUB-COMMITTEE OF CABINET

1. Definitions

Council Companies	means the private limited companies in which BCKLWN is the sole shareholder/owner
Governance Documents	means, as the context requires, the Articles of Association, Business Plan, Shareholder Agreement and/or Intragroup Agreement
Shareholder Function	Means the functions set out in paragraph 4 of these terms of reference (and for ease of reference is intended to equally apply to any company limited by guarantee)

2. Overview

- 2.1 The Shareholder Committee is a sub-committee of Cabinet, the purpose of which is to fulfil the Council's Shareholder Function in relation to the Council Companies, this being an executive function.
- 2.2 The Shareholder Committee will exercise the Council's Shareholder Function in any company, limited by shares or guarantee, wholly owned by the Council for the purposes of service provision and/or trading activities.
- 2.3 The Shareholder Committee will exercise the functions delegated to it by Cabinet as set out in paragraph 4 below

3. Composition & Operation

- 3.1 The Shareholder Committee shall comprise of three Cabinet Members, to be appointed by the Leader.
- 3.2 Members of the Shareholder Committee can only be substituted by other Cabinet Members who are not Directors of the Council Companies.
- 3.3 The Shareholder Committee shall appoint its own Chair and Vice-Chair annually at the first meeting of the municipal year.
- 3.4 Quorum is three voting Members.

- 3.5 A Shareholder Committee meeting shall be held no less than 4 times per annum.
- 3.6 The Chief Executive, Section 151 Officer and Monitoring Officer (or their nominees) will support the Shareholder Committee.
- 3.7 Any decisions made by the Shareholder Committee must be notified to the Company Directors as soon as reasonably practicable following such decision being taken.
- 3.8 Advisors may be invited to attend the Shareholder Committee as required.

4 Functions delegated to the Shareholder Committee

The Shareholder Committee will have responsibility for the following:

- 4.1 Any decisions identified as being reserved to the Shareholder within the Governance Documents, subject to paragraph 4.3 below.
- 4.2 Any decisions that the Shareholder is required by legislation to make, subject to paragraph 4.3 below.
- 4.3 In respect of paragraphs 4.1 and 4.2, decisions may be taken provided that where a proposed recommendation is outside the Council's budgetary or policy framework, the Shareholder Committee will consider the recommendation and provide a recommendation to Full Council.
- 4.4 Approval of the Business Plan for each of the Council Companies on an annual basis.
- 4.5 Holding each of the Council Companies to account for their performance against the respective Business Plan.
- 4.6 Approval of Shareholder Agreements with the Council Companies, including any variations thereto.
- 4.7 Responsibility for holding the Council Companies to account for compliance with the respective Shareholder Agreements.
- 4.8 Reviewing the Governance Documents on an annual basis with a view to making any changes to improve governance and/or performance requirements of the Council Companies.

5 Scrutiny of the Shareholder Committee

- 5.1 All decisions of the Shareholder Committee are subject to the call-in arrangements set out in the Council's Standing Orders.
- 5.2 The Review and Development Panels may otherwise scrutinise the performance of the Shareholder Committee and require that it reports to them on the status and progress in relation to any of the Council Companies and how the Shareholder Function is being performed.
- 5.3 Audit Committee are to receive assurance that there is sound system of internal control and risk management process in place for each of the Council's companies.

6 Review

- 6.1 The Shareholder Committee will review the Terms of Reference annually