REPORT TO SHAREHOLDER COMMITTEE

Open/~~Exempt~~		Would any decisions proposed:
Any especially affected Wards	Mandatory/ Discretionary / Operational	Be entirely within Shareholder Committee powers to decide YES/~~NO~~ Need to be recommendations to Council ~~YES~~/NO Is it a Key Decision ~~YES~~/NO

Lead Member: Cllr Alistair Beales E-mail: cllr.Alistair.Beales@West-Norfolk.gov.uk	Other Cabinet Members consulted: N/A Other Members consulted: N/A
Lead Officer: E-mail: Direct Dial:	Other Officers consulted: Emma Hodds, Chief of Staff Karl Patterson, Housing Development Manager Emma Briers, Democratic Services Officer

Financial Implications ~~YES~~/NO	Policy/ Personnel Implications ~~YES~~/NO	Statutory Implications ~~YES~~/NO	Equality Impact Assessment ~~YES~~/NO If YES: Pre-screening/ Full Assessment	Risk Management Implications ~~YES~~/NO	Environmental Considerations ~~YES~~/NO

If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)

Date of meeting: 23 July 2026

ANNUAL REVIEW OF THE SHAREHOLDER COMMITTEE TERMS OF REFERENCE

Summary
This report presents the revised Terms of Reference for the Shareholder Committee for review and approval.

Recommendation
1. Approve the revised Terms of Reference as set out at Appendix A
2. Agree that the revised Terms of Reference be recommended to Cabinet for formal adoption.
3. Note that the Terms of Reference will continue to be reviewed annually.

Reason for Decision
The current Terms of Reference state "The Shareholder Committee will review the Terms of Reference annually." This review is in line with this requirement.

1 Background

The Shareholder Committee is a sub-committee of Cabinet established to exercise the Council's Shareholder Function in relation to companies wholly or partly owned by the Borough Council of King's Lynn & West Norfolk.

The current Terms of Reference state that:

"*The Shareholder Committee will review the Terms of Reference annually*."

A review has now been undertaken to ensure the Committee's Terms of Reference remain robust and fit for purpose. This report presents the revised Terms of Reference to the Committee for review and approval.

Key Changes

- Revised and updated look of the Terms of Reference throughout
- Language revised throughout to make it easier to read and understand
- Expansion of 'Definitions' section – Reserved Matters and Business Plan are now expressly defined
- Renamed the previous 'Overview' section to 'Purpose and Scope'
- Strengthened and expanded the new 'Purpose and Scope' section, providing further clarity of the Committee's Scope.
- Inclusion of escalation and intervention routes where a company is underperforming
- Reporting requirements for Council Companies are now defined
- The Committee will produce an annual report to Audit Committee
- Date of approval and next date of review included

2. Options Considered

2.1 Approve the revised Terms of Reference – Recommended.

2.2 Request further amendments – The Committee may identify additional changes.

2.3 Retain the existing Terms of Reference – Not recommended.

3 Policy Implications

3.1 The revised Terms of Reference strengthen the Council's ability to protect its financial and reputational interests, by providing clarity on reporting and oversight requirements, reducing risk exposure.

3.2 The revised Terms of Reference introduce a formal escalation route if a company is underperforming or non-compliant.

4 Personnel Implications

4.1 None

5 Environmental Considerations

5.1 None

6 Statutory Considerations

6.1 The revised Terms of Reference ensure that the Council's shareholder activity is exercised lawfully, transparently, and in a manner consistent with the Council’s strategic objectives and statutory powers.

6.2 Local Government Act 2000 – Executive Arrangements. The Shareholder Committee is a sub-committee of Cabinet and exercises executive functions on behalf of the Council. Approval of the revised Terms of Reference will therefore be considered for approval by Cabinet.

7 Equality Impact Assessment (EIA)

7.1 The revised Terms of Reference relate to governance arrangements and do not directly impact service users or Council staff.

8 Risk Management Implications

8.1 The revised Terms of Reference introduce strengthened risk oversight.

8.2 The changes reduce governance, financial, and operational risk

8.3 They support the Audit Committee’s assurance role

9 Declarations of Interest / Dispensations Granted

9.1 None

10 Background Papers

10.1 None

Stage 1 - Pre-Screening Equality Impact Assessment

For equalities profile information please visit [Norfolk Insight - Demographics and Statistics - Data Observatory]

Name of policy/service/function	Updated Terms of Reference for the Council's Shareholder Committee			
Is this a new or existing policy/ service/function? *(tick as appropriate)*	New		Existing	✓
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service is rigidly constrained by statutory obligations, and identify relevant legislation.	This report presents the revised Terms of Reference for the Shareholder Committee for review and approval.			
Who has been consulted as part of the development of the policy/service/function? – new only *(identify stakeholders consulted with)*	N/A – existing			

Question	**Answer**				
1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?		Positive	Negative	Neutral	Unsure
	Age			✓	
	Disability			✓	
	Sex			✓	
Please tick the relevant box for each group.	Gender Re-assignment			✓	
	Marriage/civil partnership			✓	
NB. Equality neutral means no negative impact on any group.	Pregnancy & maternity			✓	
	Race			✓	
If potential adverse impacts are identified, then a full Equality Impact Assessment (Stage 2) will be required.	Religion or belief			✓	
	Sexual orientation			✓	
	Armed forces community			✓	
	Care leavers			✓	
	Health inequalities*			✓	
**For more information on health inequalities please visit [The King's Fund]*	Other (eg low income, caring responsibilities)			✓	

Please provide a brief explanation of the answers above:

The revised Terms of Reference relate to governance arrangements and do not directly impact service users or Council staff

Question	Answer	Comments
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	~~Yes~~ / No	
3. Could this policy/service be perceived as impacting on communities differently?	~~Yes~~ / No	
If 'yes' to questions 2 - 3 a full impact assessment will be required unless comments are provided to explain why this is not felt necessary: **Decision agreed by EWG member: …………………………………………………..**		
4. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section	~~Yes~~ / No	**Actions:** **Actions agreed by EWG member:** **………………………………………….**
5. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	~~Yes~~ / No	**Please provide brief summary:**

Assessment completed by: **Name**	Charlotte Marriott		
Job title	Interim Corporate Governance Manager		
Date completed	02.06.2026		
Reviewed by EWG member		**Date**	

✓ **Please tick to confirm completed EIA Pre-screening Form has been shared with Corporate Policy** (corporate.policy@west-norfolk.gov.uk)

Borough Council of
King's Lynn &
West Norfolk

Terms of Reference — Shareholder Committee (Draft for Adoption)~~TERMS OF REFERENCE OF THE BCKLWN SHAREHOLDER COMMITTEE~~

(Sub-Committee of Cabinet)~~SUB-COMMITTEE OF CABINET~~

1. Definitions

Council Companies	~~means the p~~Private limited companies in which the Borough Council of King's Lynn & West Norfolk ~~BCKLWN~~ is the majority shareholder or ~~/~~owner
Governance Documents	~~means, as the context requires, t~~The Articles of Association, Business Plan, Shareholder Agreement and/or Intragroup Agreement and any other approved governance document
Reserved Matters	Decisions requiring shareholder approval under Governance Documents
Business Plan	The annual plan submitted by each company setting out objectives and priorities, KPIs, financial forecasts, risks, and investment requirements.
Shareholder Function	~~Means t~~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~~Purpose and Scope

2.1 The Shareholder Committee (the "Committee") is a sub-committee of Cabinet~~,~~ established to ~~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 Committee is not responsible for matters relating to the operational management of the Council Companies.

2.3 The Committee acts as the single, strategic interface between the Council (as shareholder) and its companies, ensuring that:

2.3.1 Companies operate in line with the Council's strategic objectives.
2.3.2 Companies deliver agreed outcomes set out in their Business Plans.

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2.3.3 The Council's financial, reputational, and legal interests are protected.

~~2.1~~ Directors are held to account for performance, risk, and compliance.

~~2.2~~2.4 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~~2.5 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~~ Only Cabinet Members who are not Directors of any Council Company may serve or substitute.~~Members of the Shareholder Committee can only be substituted by other Cabinet Members who are not Directors of the Council Companies.~~

~~3.3~~3.2 The ~~Shareholder~~ Committee shall appoint ~~its own~~ a Chair and Vice-Chair annually at the first meeting of the municipal year.

~~3.4~~3.3 Quorum is three voting Members.

~~3.5~~3.4 ~~A Shareholder~~The Committee ~~meeting~~ shall ~~be held~~ meet ~~no less than~~ at least 4 times per ~~annum~~ year~~.~~

~~3.6~~3.5 The Chief Executive, Section 151 Officer and Monitoring Officer (or their nominees) ~~will~~ shall support the ~~Shareholder~~ Committee.

~~3.7~~3.6 Any decisions made by the ~~Shareholder~~ Committee ~~must be notified to the Company Directors~~will be published as soon as reasonably practicable ~~following such decision being taken~~.

~~3.8~~3.7 Advisors may be invited to attend the ~~Shareholder~~ Committee as required.

4 ~~Functions delegated to the Shareholder Committee~~Delegated Functions

The ~~Shareholder~~ Committee will have responsibility for the following:

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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~~ Approving the annual Business Plan for each company.~~Approval of the Business Plan for each of the Council Companies on an annual basis.~~

4.4 Holding ~~each of the Council Companies~~Company Directors to account for the~~ir~~ delivery of and performance against the respective Business Plan.

4.5 Receiving quarterly performance reports, including KPIs, service standards, financial performance, and risk.

4.6 ~~Approval~~ Approving and reviewing ~~of~~ Shareholder Agreements ~~with the Council Companies, including~~ and 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~~and recommending ~~making any~~ changes to improve governance and/or performance requirements of the Council Companies.

4.9 Ensuring the Council Companies comply with legal, regulatory, and contractual obligations.

4.10 Approving Director appointments and removals

4.11 Where a company is underperforming or failing to comply with shareholder instructions, the Committee may:

4.11.1 Require improvement plans.

4.11.2 Commission external reviews.

4.11.3 Recommend changes to company governance or leadership.

~~4.8~~4.11.4 Refer matters to Cabinet or Full Council where required.

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5 Scrutiny of the Shareholder Committee

5.1 All ~~decisions of the Shareholder~~ Committee decisions are subject to the call-in ~~arrangements set out in the Council's~~under Standing Orders.

5.2 The Review and Development Panels may ~~otherwise~~ scrutinise the Committee's performance ~~of the Shareholder Committee~~ and ~~require that it~~request 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~~shall receive an annual assurance report ~~that there is sound system of~~on internal control and risk management process ~~in place for each of the Council's~~across all Council ~~c~~Companies.

6 Reporting Requirements for Council Companies

Each company must provide:

- 6.1 Quarterly performance and financial reports.
- 6.2 Annual Business Plan for approval.
- 6.3 Annual accounts and audit findings.
- 6.4 Risk register updates.
- 6.5 Notifications of any matter requiring shareholder approval.

~~6~~7 Review

7.1 The Shareholder Committee will review the Terms of Reference annually

Approved by the Shareholder Committee on XX June 2026
Next Review: XX June 2027
~~6.1~~

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