1. Terms of Reference — Shareholder Committee (Draft for Adoption)(Sub-Committee of Cabinet)

2. Definitions

Council Companies	Private limited companies in which the Borough Council of King's Lynn & West Norfolk is the majority shareholder or owner
Governance Documents	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	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)

3. Purpose and Scope

2.1 The Shareholder Committee (the "Committee") is a sub-committee of Cabinet established 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.
2.3.3 The Council's financial, reputational, and legal interests are protected.

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

2.4 The 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.

2.5 The Committee will exercise the functions delegated to it by Cabinet as set out in paragraph 4 below

3. Composition & Operation

3.1 The Committee shall comprise of three Cabinet Members, appointed by the Leader.

3.2 Only Cabinet Members who are not Directors of any Council Company may serve or substitute.

3.3 The Committee shall appoint a Chair and Vice-Chair annually at the first meeting of the municipal year.

3.4 Quorum is three voting Members.

3.5 The Committee shall meet at least 4 times per year

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

3.7 Any decisions made by the Committee will be published as soon as reasonably practicable.

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

4 Delegated Functions

The 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 Committee will consider the recommendation and provide a recommendation to Full Council.

4.4 Approving the annual Business Plan for each company.

4.5 Holding Company Directors to account for the delivery of and performance against the respective Business Plan.

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

4.7 Approving and reviewing Shareholder Agreements and any variations.

4.8 Responsibility for holding the Council Companies to account for compliance with the respective Shareholder Agreements.

4.9 Reviewing the Governance Documents on an annual basis and recommending changes to improve governance and/or performance requirements of the Council Companies.

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

4.11 Approving Director appointments and removals

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

- 4.12.1 Require improvement plans.
- 4.12.2 Commission external reviews.
- 4.12.3 Recommend changes to company governance or leadership.
- 4.12.4 Refer matters to Cabinet or Full Council where required.

5 Scrutiny of the Shareholder Committee

5.1 All Committee decisions are subject to the call-in under Standing Orders.

5.2 The Review and Development Panels may scrutinise the Committee's performance and request reports on the status and progress of the Council Companies and how the Shareholder Function is being performed.

5.3 Audit Committee shall receive an annual assurance report on internal control and risk management process across all Council Companies.

6 Reporting Requirements for Council Companies

6.1 Each company must provide:

- 6.1.1 Quarterly performance and financial reports.
- 6.1.2 Annual Business Plan for approval.
- 6.1.3 Annual accounts and audit findings.
- 6.1.4 Risk register updates.
- 6.1.5 Notifications of any matter requiring shareholder approval.

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