

REPORT TO CABINET

Borough Council of
**King's Lynn &
West Norfolk**



DATE OF MEETING	13 October 2026
REPORT TITLE	Annual Review of the Shareholder Committee Terms of Reference
LEAD MEMBER	Cllr Alistair Beales
LEAD OFFICER	Charlotte Marriott, Interim Corporate Governance Manager
CONSULTEES	Emma Hodds, Karl Patterson, Emma Briers
WARDS AFFECTED	None specifically

KEY DECISION	YES/NO
DECISION MAKER	Cabinet Recommendations to Council Part Cabinet Decision and Part Recommendations to Council Other Council Body
IS THE REPORT OPEN OR EXEMPT	OPEN/EXEMPT

FINANCIAL IMPLICATIONS	YES/NO
HR IMPLICATIONS	YES/NO
POLICY IMPLICATIONS	YES/NO
STATUTORY IMPLICATIONS	YES/NO
RISK MANAGEMENT IMPLICATIONS	YES/NO
ENVIRONMENTAL IMPLICATIONS	YES/NO
EQUALITY IMPACT ASSESSMENT COMPLETED	CONFIRM PRE-SCREEN COMPLETED AND IF FULL EIA REQUIRED AND COMPLETED

SUMMARY OF REPORT

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

RECOMMENDATIONS

Cabinet resolves to:

- 1) Approve the revised Terms of Reference as set out at Appendix A.
- 2) Note that the Terms of Reference will continue to be reviewed annually.

Recommendation to Full Council:

- 1) N/A

REASON FOR DECISION

The Terms of Reference require annual review and the proposed revisions strengthen governance, oversight, reporting requirements and escalation arrangements.



CORPORATE STRATEGY

How does this proposal support our Corporate Priorities [Our priorities | Corporate Strategy 2023 - 2027 | Borough Council of King's Lynn & West Norfolk](#)

Promote growth and prosperity to benefit West Norfolk	Indirectly supports the Council's housing company activities by strengthening governance and shareholder oversight arrangements
Protect our Environment	No direct impact identified
Efficient and effective delivery of our services	Supports effective governance, accountability, performance monitoring and risk management of Council-owned companies
Support our communities	Indirectly supports community outcomes by ensuring Council companies operate effectively and in accordance with agreed objectives.

REPORT DETAIL

1. Introduction

The Shareholder Committee is a sub-committee of Cabinet established to exercise the Council's shareholder function in relation to Council-owned companies.

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. Background

An annual review has been undertaken to ensure the Terms of Reference remain robust and fit for purpose.

3. Proposal

Adopt the revised Terms of Reference incorporating updated definitions, strengthened governance arrangements, reporting requirements and escalation routes for underperformance.

4. Options Considered

- a) Approve the revised Terms of Reference – Recommended.
- b) Request further amendments – The Committee may identify additional changes.
- c) Retain the existing Terms of Reference – Not recommended.

5. Financial Implications

No direct financial implications. Improved oversight supports protection of the Council's financial interests.

6. HR Implications

None identified.

7. Policy Implications

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.

This revision introduces a formal escalation route if a company is underperforming or non-compliant.

8. Climate Change and Environmental Implications and considerations

None identified.

9. Statutory and Legal Implications

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.

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.

10. Local Government Reorganisation Implications

None identified.

11. Health and Safety Implications

None identified.

12. Consultees

Emma Hodds, Karl Patterson, Emma Briers and members of the Shareholder Committee

13. Equality Impact Assessment

Pre-screen completed. Governance changes are equality neutral and do not directly impact service users or staff.

14. Risk Management Implications

The revised Terms of Reference introduce strengthened risk oversight. The changes reduce governance, financial, and operational risk and support the Audit Committee's assurance role

15. Conclusion

The revised Terms of Reference provide clearer governance arrangements and are recommended for adoption.

LIST OF APPENDICES
• Appendix A – Revised Terms of Reference – Shareholder Committee – track changes • Appendix B – Revised Terms of Reference – Shareholder Committee – clean version

LIST OF BACKGROUND PAPERS
• None



PRE SCREENING EQUALITY IMPACT ASSESSMENT

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

Name of policy/service/function

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?

Please tick the relevant box for each group.
NB. Equality neutral means no negative impact on any group.

If potential adverse impacts are identified, then a full Equality Impact Assessment (Stage 2) will be required.

**For more information on health inequalities please visit [The King's Fund](#)*

	Positive	Negative	Neutral	Unsure
Age			✓	
Disability			✓	
Sex			✓	
Gender Re-assignment			✓	
Marriage/civil partnership			✓	
Pregnancy & maternity			✓	
Race			✓	
Religion or belief			✓	
Sexual orientation			✓	
Armed forces community			✓	
Care leavers			✓	
Health inequalities*			✓	
Other (eg low income, caring responsibilities)			✓	



Please provide a brief explanation of the answers above:

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	Amy Pearce	Date	02/06/2026
☐ Please tick to confirm completed EIA Pre-screening Form has been shared with Corporate Policy (corporate.policy@west-norfolk.gov.uk)			



Appendix A - Revised Terms of Reference – Shareholder Committee – track changes

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.

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.

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

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

2.52.4 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.

2.62.5 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.~~

~~3.33.2~~ The ~~Shareholder~~ Committee shall appoint ~~its own~~ a Chair and Vice-Chair annually at the first meeting of the municipal year.

~~3.43.3~~ Quorum is three voting Members.

~~3.53.4~~ A ~~Shareholder~~ The Committee ~~meeting shall be held meet no less than at least~~ 4 times per ~~annum year~~.

~~3.63.5~~ The Chief Executive, Section 151 Officer and Monitoring Officer (or their nominees) ~~will~~ shall support the ~~Shareholder~~ Committee.

~~3.73.6~~ 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. 

~~3.83.7~~ 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:

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 their delivery of and performance against the respective Business Plan.

~~4.5~~

~~4.6~~4.5 Receiving quarterly performance reports, including KPIs, service standards, financial performance, and risk.

~~4.7~~4.6 Approval ~~Approving and reviewing of~~ Shareholder Agreements ~~with the Council Companies, including and~~ any variations ~~thereto~~.

~~4.8~~4.7 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 ~~with a view to and recommending – making any~~ changes to improve governance and/or performance requirements of the Council Companies.

~~4.9~~

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

~~4.10~~

~~4.10~~ Approving Director appointments and removals

~~4.11~~

~~4.12~~

~~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.

4.11.4 Refer matters to Cabinet or Full Council where required.

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 a sound system of~~ on internal control and risk management process ~~in place for each of the Council's~~ across all Council Companies.

6 Reporting Requirements for Council Companies

6 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.

7

87 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

8.4



Appendix B – Revised Terms of Reference – Shareholder Committee – clean version

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

2. 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.
 - 2.3.4 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.

3.7 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:
 - 4.11.1 Require improvement plans.
 - 4.11.2 Commission external reviews.
 - 4.11.3 Recommend changes to company governance or leadership.
- 4.11.4 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

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.

7 Review

7.1 The Shareholder Committee will review the Terms of Reference annually

Approved by Cabinet on XX June 2026

Next Review: XX June 2027