

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



Shareholder Committee

Agenda

Thursday, 16th November, 2023
at 3.00 pm

in the

**Remote Meeting on Zoom and available for
the public to view on [WestNorfolkBC on You
Tube](#)**



**King's Court, Chapel Street, King's Lynn, Norfolk, PE30 1EX
Telephone: 01553 616200**

Date Not Specified

Dear Member

Shareholder Committee

You are invited to attend a meeting of the above-mentioned Task Group which will be held on **Thursday, 16th November, 2023 at 3.00 pm** in the **Council Chamber, Town Hall, Saturday Market Place, King's Lynn PE30 5DQ** to discuss the business shown below.

Yours sincerely

Chief Executive

AGENDA

1. **Minutes of the previous meeting** (Pages 5 - 9)
2. **Apologies for absence**
3. **Declarations of Interest** (Page 10)

Please indicate if there are any interests which should be declared. A declaration of an interest should indicate the nature of the interest (if not already declared on the Register of Interests) and the agenda item to which it relates. If a disclosable pecuniary interest is declared, the member should withdraw from the room whilst the matter is discussed.

These declarations apply to all Members present, whether the Member is part of the meeting, attending to speak as a local Member on an item or simply observing the meeting from the public seating area.

4. **Chair's correspondence**

5. Members present under standing order 34

To note the names of any Councillors who wish to address the meeting under Standing Order 34.

Members wishing to speak pursuant to Standing Order 34 should inform the Chair of their intention to do so and on what items they wish to be heard before a decision on that item is taken.

6. Urgent Business

To consider any business, which by reason of special circumstances, the Chair proposes to accept, under Section 100(b)(4)(b) of the Local Government Act 1972.

7. Committee Forward Plan (Pages 11 - 14)

**8. Review of West Norfolk Housing Company Governance Documents
(Pages 15 - 20)**

9. Date of future meetings

22 January 2024 at 4.00pm
20 March 2024 at 3.00pm

10. Exclusion of the Press and Public

The Committee is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the items below on the grounds that they involve the likely disclosure of exempt information as defined by paragraph 3 of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

11. West Norfolk Housing and West Norfolk Property Companies Business Plans (Pages 21 - 56)

To:

Shareholder Committee: A Beales, C Morley and S Ring

Officers

Alexa Baker, Monitoring Officer
Michelle Drewery
Lorraine Gore, Chief Executive
Honor Howell, Assistant to the Chief Executive
Oliver Judges, Executive Director - Place

BOROUGH COUNCIL OF KING'S LYNN & WEST NORFOLK

SHAREHOLDER COMMITTEE

**Minutes from the Meeting of the Shareholder Committee held on
Monday, 23rd October, 2023 at 2.30 pm in the Council Chamber, Town Hall,
Saturday Market Place, King's Lynn PE30 5DQ**

PRESENT: Councillors A Beales, C Morley and S Ring

Officers present:

Alexa Baker, Monitoring Officer

Honor Howell, Corporate Governance Manager

Oliver Judges, Executive Director

Michelle Drewery, Section 151 Officer

1 **APPOINTMENT OF CHAIR FOR THE REMAINDER OF THE
MUNICIPAL YEAR**

RESOLVED: That Councillor Beales be appointed Chair for the remainder of the municipal year.

2 **APPOINTMENT OF VICE-CHAIR FOR THE REMAINDER OF
THE MUNICIPAL YEAR**

RESOLVED: That Councillor Ring be appointed as Vice-Chair for the remainder of the municipal year.

3 **MINUTES OF THE PREVIOUS MEETING**

RESOLVED: The Minutes of the meeting held on 17 March 2023 were noted as none of the current members were members of the Committee at its last meeting.

4 **DECLARATIONS OF INTEREST**

None

5 **CHAIR'S CORRESPONDENCE**

None

6 **MEMBERS PRESENT UNDER STANDING ORDER 34**

None

7 **URGENT BUSINESS**

None

8 **SHAREHOLDER COMMITTEE TERMS OF REFERENCE**

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The Committee carried out an annual review of the Shareholder Committee's Terms of Reference at its first meeting of the municipal year.

Councillor Morley suggested that in the definition of the Council Companies it should read sole shareholder/owner. This was agreed.

The Committee noted that the Business Plans from each of the Companies would be submitted to the Shareholder Committee for approval.

Councillor Beales asked how the Audit Committee would receive assurance. The S151 Officer reported that the Auditors would undertake a risk assessment and build it into their Strategic Audit Plan as appropriate.

RECOMMENDED: The Terms of Reference were reviewed and a de minimis change was approved to replace the word 'majority' with the word 'sole' in the Definition of 'Council Companies' in Section 1.

Reason for Decision

To ensure that at a review is undertaken at least annually of the terms of reference of the Shareholder Committee, which, as a sub-committee of Cabinet, must refer any recommended changes back to Cabinet; this being the body that set the Terms of Reference on 15 November 2022

9 **VOLUNTARILY ENDING THE USE OF SECTION 21 NOTICES**

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In support of its proposed Corporate Strategy on supporting communities and helping to prevent homelessness, the administration wished explore the fast-tracking of the removal of section 21 notices (referred to as 'No Fault Evictions') from the range of options available to its wholly owned companies, West Norfolk Property Limited and West Norfolk Housing Company Limited, to terminate tenancies issued by the company or their contracted housing management provider.

The Chair stated that the Council was opposed to S21 notices. The Committee debated whether they required the information from the Companies or could just implement the decision. It was agreed that there was a potential risk of financial or legal impact with this action so it was recommended that the recommended route be taken.

RESOLVED: 1) That the Board of Directors of West Norfolk Property Limited and West Norfolk Housing Company Ltd be respectively requested to submit a written report addressed to the Chair of the Shareholder Committee within 8 weeks on the following matters:

- 1.1 The number of notices served under section 21 of the Housing Act 1988 (“section 21 notices”) within the last two years by the company or its contracted housing management provider;
- 1.2 The number of tenancies the company has or their contracted housing management provider has in which a section 21 notice could be served;
- 1.3 The predicted impact, financial or otherwise, on the company or their contracted housing management provider if the company was to voluntarily choose to never use section 21 notices going forwards;
- 1.4 Confirmation of any changes that would be necessary in legal contracts with any contracted housing management provider (and where possible confirmation of whether the housing management provider is willing to agree such change) in order to codify the voluntary removal of section 21 notices as an option for ending a tenancy;
- 1.5 Whether, with reference to its Business Plan, the Board of Directors considers it is in the best interests of the company to implement a company decision to voluntary remove section 21 notices as an option for use for ending a tenancy.

Reason for Decision

In anticipation of approving business plans for the companies which support the Council’s Corporate Strategy, as sole shareholder and owner of the companies.

10

COMMITTEE FORWARD PLAN

The Committee’s forward Plan was noted and the Committee was informed that a review of the West Norfolk Housing Company’s governance documents would also be considered in November, and an additional meeting would be required in the new year to consider the responses from the previous S21 item and Alive’s business plan. It was agreed that an amended version of the Plan would be distributed.

RESOLVED: That the Committee's Forward Plan be approved with the addition of a review of West Norfolk Housing Company's Governance Documents in the November meeting and the addition of a further meeting in January 2024 to consider the following:

- Alive West Norfolk's Business Plan
- Responses from West Norfolk Housing and West Norfolk Property regarding the Section 21 Notices
- Any further amendments requested following consideration of the West Norfolk Property and West Norfolk Housing's Business Plans.

11 **DATES OF FUTURE MEETINGS**

16 November 2023 @ 3.00pm
20 March 2024 @ 3.00pm

An additional date to be confirmed in January 2024.

12 **EXCLUSION OF THE PRESS AND PUBLIC**

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RESOLVED: That under Section 100(A)(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 3 and 5 of Part 1 of Schedule 12A to the Act.

13 **SHAREHOLDER AGREEMENT FOR WEST NORFOLK PROPERTY**

The Committee was reminded that on 15 November 2022 Cabinet resolved to approve an action plan to improve the governance of the Council companies. One of the items of the action plan was the preparation and completion of common template governance documents. Cabinet delegated authority to approve these documents to the Shareholder Committee.

A draft Shareholder Agreement and revised Articles of Association had been prepared for West Norfolk Property Ltd, and authority was sought from the Shareholder Committee to enter the Shareholder Agreement following conclusion of negotiations with West Norfolk Property Ltd.

The Committee reviewed the Agreement and Articles of Association and made some de minimis amendments to it.

RESOLVED: 1) That the Committee be given access to Board Papers going forward.

- 2) That the Shareholder Committee retain the authority to decide where the Company Secretary for the Companies is appointed from.
- 3) That a Shareholder Agreement be entered and the Articles of Association for the Council's wholly owned company, West Norfolk Property Ltd be revised, in order to strengthen and codify the governance of the relationship between the shareholder (the Council) and the company (West Norfolk Property Ltd).
- 4) That authority be delegated to the Monitoring Officer in consultation with the Chair of the Shareholder Committee to approve the final terms of the Shareholder Agreement and revised Articles of Association, to include the changes identified at the meeting.
- 5) That an annual review of the Shareholder Agreement and Articles of Association be undertaken by the Shareholder Committee.
- 6) That the Shareholder Representative role in relation to West Norfolk Property Ltd be undertaken jointly by the Chief Executive and the Section 151 Officer.

Reason for Decision

To improve the corporate governance of the relationship between the Council and the Council's wholly owned company.

14

CORN EXCHANGE CONTRACTS

The Committee considered a report which set out a proposal to remove the Princess Theatre from contract clauses with performers at the Corn Exchange.

RESOLVED: That, as the Corn Exchange is operated by Alive West Norfolk on behalf of the borough council. Part 2 6(1) of the Articles of Association for Members reserved powers state 'the members may, by special resolution, direct the directors to take, or refrain from taking, specified action'. The Shareholder Committee directs the Alive West Norfolk Board of directors to remove the reference to the Princess Theatre from the contract clauses.

Reason for Decision

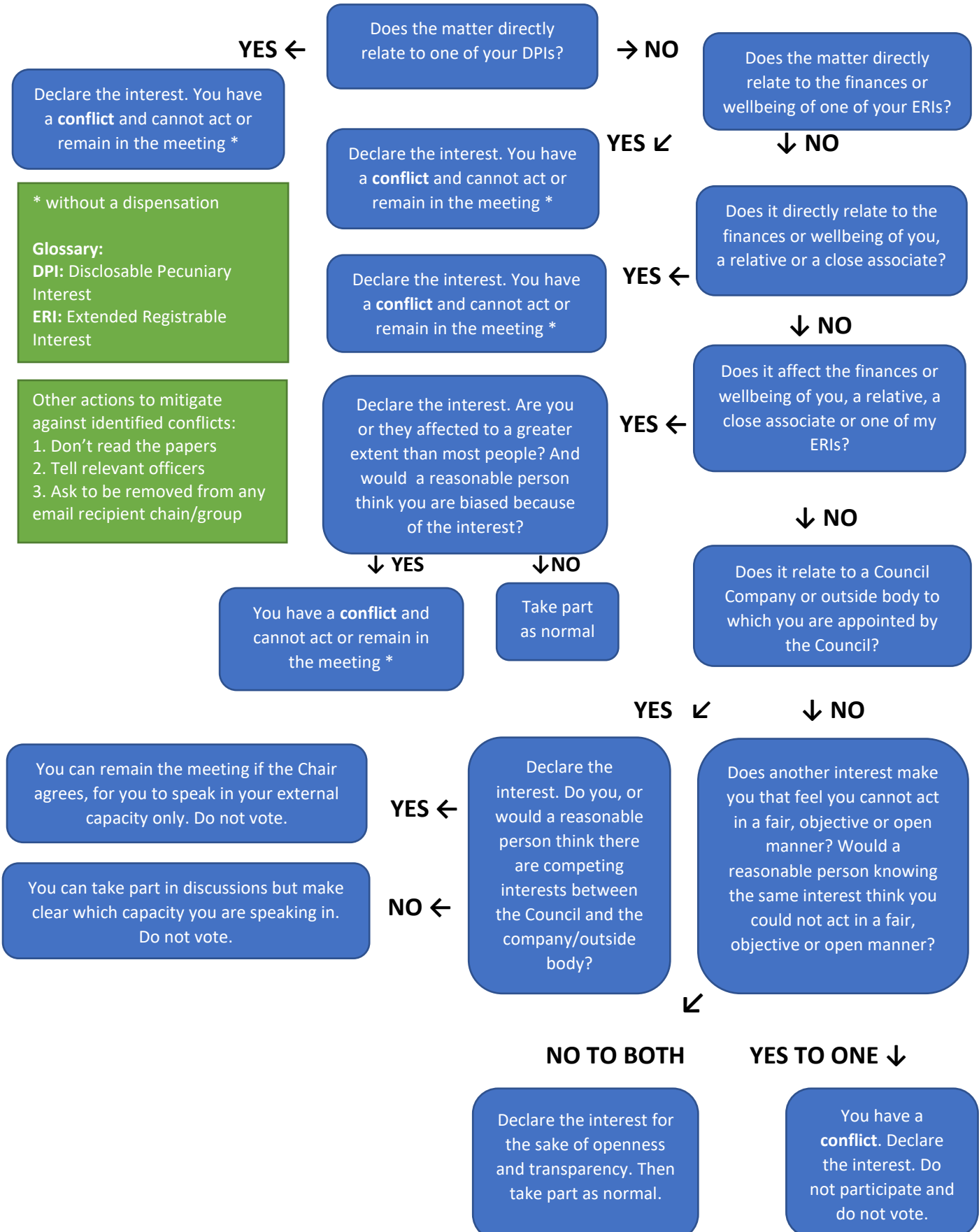
Although the Princess Theatre is no longer operated by the borough council, it is important that the whole borough has access to the best performers which will enhance the arts and entertainment offer in the north of the borough. Amendment of the clause will enable the Princess Theatre to operate on a level playing field with other theatres within a 50-mile radius of the Corn Exchange.

The meeting closed at 3.33 pm

DECLARING AN INTEREST AND MANAGING ANY CONFLICTS FLOWCHART



START



Declare the interest. You have a **conflict** and cannot act or remain in the meeting *

* without a dispensation

Glossary:
DPI: Disclosable Pecuniary Interest
ERI: Extended Registrable Interest

Other actions to mitigate against identified conflicts:

1. Don't read the papers
2. Tell relevant officers
3. Ask to be removed from any email recipient chain/group

FORWARD PLAN

Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
13 February 2023 – meeting postponed	Election of Chair	Shareholder Committee	Leader Monitoring Officer – A Baker	Cabinet Report 15 November 2022	Public
	Shareholder Committee Terms of Reference	Shareholder Committee	Leader Monitoring Officer – A Baker	Cabinet Report 15 November 2022	Public
	Appointment of a Company Secretary	Alive West Norfolk Board	Leader Assistant to the Chief Executive – H Howell		Public
	Appointment of Directors to the Board of the council companies	Alive West Norfolk Board	Leader Assistant to the Chief Executive – H Howell		Item scheduled at end of agenda should the committee determine to exclude the Press and Public to consider the report
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
17 March 2023	Election of Chair	Shareholder Committee	Leader Monitoring Officer – A Baker	Cabinet Report 15 November 2022	Public
	Shareholder Committee Terms of Reference	Shareholder Committee	Leader Monitoring Officer – A Baker	Cabinet Report 15 November 2022	Public
	Appointment of a Company Secretary	Alive West Norfolk Board	Leader Assistant to the Chief Executive – H Howell		Public
	Appointment of Directors to	Alive West Norfolk	Leader		Item scheduled at

	the Board of the council companies	Board	Assistant to the Chief Executive – H Howell		end of agenda should the committee determine to exclude the Press and Public to consider the report
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
	Election of Chair	Shareholder Committee	Leader Monitoring Officer – A Baker	Cabinet Report 15 November 2022	Public
25 October 2023	Review of Terms of Reference	Shareholder Committee			Public
	Section 21's - WNH	Shareholder Committee	Cllr Alistair Beales – Portfolio for Business		Public
	Draft Shareholder Agreement West Norfolk Property	Shareholder Committee	Leader Assistant Director – Legal, Governance and Licensing		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
	Corn Exchange Contracts	Shareholder Committee AWN Board	Cllr Simon Ring – Portfolio for Leisure and Tourism		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
Date of	Report Title	Decision Maker	Cabinet Member Lead and	List of Background	Public or Private

Meeting			Lead Officer	Papers	Meeting
16 November 2023	Review of Draft Business plans for WNP WNH	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
	Review of WNHC Governance Documents	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder Council Companies Honor Howell – Corporate Governance Manager		Public
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
22 January 2024	Responses from WNH and WNP regarding Section 21 Notices	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder Council Companies Alexa Baker – Monitoring Officer		Public
	Review of draft business Plan for AWN	Shareholder Committee	Cllr Simon Ring – Portfolio Holder – Leisure Honor Howell – AWN Client Officer		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)
	Consideration of WNP and WNH business plans following initial feedback	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder Council Companies Duncan Hall/Karl Patterson – Housing Companies		Private – Contains exempt information under para 3 – information relating

					to the business affairs of any person (including the authority)
Date of Meeting	Report Title	Decision Maker	Cabinet Member Lead and Lead Officer	List of Background Papers	Public or Private Meeting
20 March 2024	Approval of Business plans for WNP WNH AWN (TBA)	Shareholder Committee	Cllr Alistair Beales – Portfolio Holder for Business Alexa Baker – Monitoring Officer Duncan Hall/Karl Patterson – Housing Companies		Private – Contains exempt information under para 3 – information relating to the business affairs of any person (including the authority)

REPORT TO SHAREHOLDER COMMITTEE

Open/Exempt		Would any decisions proposed:			
Any especially affected Wards	Mandatory/	Be entirely within Shareholder Committee powers to decide YES/NO			
	Discretionary/	Need to be recommendations to Council		YES/NO	
	Operational	Is it a Key Decision		YES/NO	
Lead Member: Cllr Alistair Beales E-mail: <i>cllr.alistair.beales@west-norfolk.gov.uk</i>		Other Cabinet Members consulted:			
		Other Members consulted:			
Lead Officer: Honor Howell E-mail: <i>honor.howell@west-norfolk.gov.uk</i> Direct Dial: 01553 616550		Other Officers consulted: West Norfolk Housing Company Board of Directors			
Financial Implications YES/NO	Policy/ Personnel Implications YES/NO	Statutory Implications YES/NO	Equal Impact Assessment YES/NO If YES: Pre-screening/ Full Assessment	Risk Management Implications YES/NO	Environmental Considerations YES/NO

Date of meeting: 16 November 2023

WEST NORFOLK HOUSING COMPANY – REVIEW OF GOVERNANCE DOCUMENTS

Summary

West Norfolk Housing Company have reviewed their governance documents to ensure compliance with the latest legislation and regulations. In accordance with the Shareholder Agreement, amendments to the company’s Memorandum and Articles of Association must be approved by the council as the Shareholder.

Recommendation

That the Shareholder Committee note the proposed amendments to the memorandum and Articles of Association for West Norfolk Housing Company and agree with the amendments.

Reason for Decision

To ensure West Norfolk Housing Company’s governance documentation continues to be compliant with the latest legislation and regulations as well as the new NHF Code of Governance which the Board of Directors has agreed to transition towards.

1. Background

West Norfolk Housing Company’s board of directors has reviewed its governance documentation to ensure it is compliant with the latest legislation and regulations and consistent with the operations of the company. The

review has also looked at the new NHF Code of Governance which the board has agreed to transition towards.

Following the review, the board has recommended the following amendments to the Memorandum and Articles of Association, Terms of Reference for the board, Board Member Role Description and Chair Role Description.

The proposed amendments are attached at Appendix A.

In accordance with the shareholders agreement, any amendments to the companies Memorandum and Articles of Association must be approved by the council as the Shareholder.

2 Options Considered

None, the amendments are required for legislative purposes.

3 Policy Implications

There are no policy implications.

5 Personnel Implications

None

6 Environmental Considerations

None

7 Statutory Considerations

The amendments are necessary to meet statutory requirements.

8 Equality Impact Assessment (EIA)

(Pre screening report template attached)

Pre-screening only

9 Risk Management Implications

The council's wholly owned companies should regularly review their governance documents to ensure compliance with statutory requirements and best practice.

10 Declarations of Interest / Dispensations Granted

None

11 Background Papers

None

Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn & West Norfolk



Name of policy/service/function	Amendments to West Norfolk Housing Company governance documents				
Is this a new or existing policy/service/function?	existing				
<p>Brief summary/description of the main aims of the policy/service/function being screened.</p> <p>Please state if this policy/service is rigidly constrained by statutory obligations</p>	Amendments to the Memorandum and Articles of Association for West Norfolk Housing Company.				
Question	Answer				
<p>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 according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			x	
	Disability			x	
	Gender			x	
	Gender Re-assignment			x	
	Marriage/civil partnership			x	
	Pregnancy & maternity			x	
	Race			x	
	Religion or belief			x	
	Sexual orientation			x	
	Other (eg low income)			x	

APPENDIX A

Memorandum and Articles of Association

Article 3.2 (c) – Article 3 (2) states that board members will not be entitled to remuneration other than (a) professional fees for certain work carried out for the company (b) reasonable and proper remuneration for services provided by board members or employees and (c) interest on money by any member or officer of the company at a reasonable rate

Recommendation - That point (c) is removed as it is not deemed to be relevant or necessary

Article 7.2 – The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

Given that any of the articles cannot be amended without shareholder consent, the board does not think it is appropriate for the board to be given this level of consideration.

Recommendation – That 7.2 is deleted

Article 15 – Conflicts of Interest

- Article 15 (3) – This allows a director who is interested in an actual or proposed transaction or arrangement with the company to participate in the decision making process when
(a) the Company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
(b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
(c) the director's conflict of interest arises from a permitted cause.

Recommendation – The Shareholder reviews Article 15(3) as to whether permitted cause is defined anywhere in the Articles, if not and they deem it appropriate that, (c) be deleted

- Article 15 (8) – This states that where the number of non-conflicted directors is less than quorum, the quorum shall be all the disinterested directors.

Recommendation - That where the number of non-conflicted directors is less than the quorum, the matter be referred to the Shareholder

Article 19 - Tenure of directors

The articles state that directors should be appointed for a term of 3 years with a maximum of 3 terms equating to 9 years in total. This was in line with the 2015 NHF Code of Governance. However, the new code of governance states

“Maximum tenure will normally be up to six consecutive years (typically comprising two terms of office), but where a member has served six years, and the board agrees that it is in the organisation's best interests, their tenure may be extended up to a maximum of nine years”

Recommendation – That article 19 is amended to bring it into line with the new code of governance

Recommendation – That all references to Chairman are amended to Chair

Terms of Reference for the board

Functions – The new Code of Governance places a significant emphasis on Resident Focus and requires that *“the needs and safety of the organisation’s current and future residents and other customers are placed at the heart of the board’s decision-making.”*

Function 3 of the ToR is *“Setting a positive culture, with a strong customer focus, seeking to understand and improve customers’ experience.”*. It is recommended that this is strengthened to reflect requirements of the new Code of Governance.

Delegation – The ToR states that the Board plans to establish an Audit and Risk Committee. However, the board subsequently determined that this was not necessary due to the size of the organisation. It is recommended that this decision is reviewed and the ToR amended accordingly.

Accountability – The ToR will need to be amended to reflect any amendments to the term or maximum tenure for directors within the MEMARTS.

Quorum – The ToR states that quorum for directors meetings is 2. However, this is not consistent with the MEMARTS which specifies quorum as not less than 3. It is recommended that the ToR are amended to be consistent with MEMARTS.

Urgency Policy – It is recommended that the reference to Skype is replaced with Video Conferencing

Board Member Role Description

It is recommended that a point is added under Main Purpose with reference to ensuring compliance with the Code of Governance adopted by the Company

Chair Role Description

As above, it is recommended that reference is made to ensuring compliance with the Code of Governance

Document is Restricted

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

Document is Restricted