

## **SHAREHOLDER COMMITTEE**

### **TERMS OF REFERENCE**

#### **Membership**

The committee is a committee of the Executive and the same rules of procedure apply to its meetings as apply to the Cabinet. Voting members therefore must be Cabinet members.

A Chair and at least two other voting members will be appointed by Cabinet and reported to the next meeting of the Council for information.

The Cabinet members on the committee should represent portfolios relating to the companies of which the Council is a shareholder.

The quorum shall be two thirds of the membership or three members, whichever is the larger.

#### **Purpose**

1. To represent the Council's interests as shareholder in wholly owned and other companies.
2. To ensure that the companies act in the interests of the Borough as shareholder and contribute to the Council's objectives.
3. To consider and approve any proposed or amended company documentation including memorandum and articles of association and shareholder agreements.
4. To undertake the actions, activities and responsibilities provided for and required by any legislative requirement or any shareholders agreement.
5. To provide, or withhold, consent as appropriate on those matters requiring shareholder consent as defined in the shareholders agreement.
6. To review and agree the annual Business Plan prepared by the Company. The Business Plan will include:
  - a. An updated programme of activity for the forthcoming year.

- b. An updated financial plan for the forthcoming year including cash-flow, identifying income and expenditure, and forecast for drawdown of finance or assets provided by the Council.
  - c. In the case of development companies: details of proposed future development and investment pipeline.
7. Monitor performance and financial delivery against the business plan.
  8. Review and agree any proposals to undertake activities outside of the Borough.
  9. Make recommendations to Cabinet for any investment in/asset transfers or lending to companies.
  10. Delegate specific functions to officers of the council to increase commercial flexibility.

## Meeting Arrangements

Meetings are subject to the provisions of the Local Government (Access to Information) Act, 1985, which legally bind the Local Authority regarding public access to reports and meetings.

The minutes will be available through the Council's website at [www.walthamforest.gov.uk](http://www.walthamforest.gov.uk).