

**STATEMENT OF EXECUTIVE SHAREHOLDER AND TRUSTEE COMMITTEE
DECISIONS**

Thursday, 8th August, 2024

The decisions summarised below were taken by the Executive at the above-mentioned meeting and, subject to the call-in procedure referred to in Overview and Scrutiny Procedure Rule 17 and to the Notes at the end of this document, shall have effect five working days after the meeting. Details of any recommendations to Council are also included for completeness.

Members of the Committee

Chairman:

Councillor Julia McShane (Leader of the Council)

Vice-Chairman:

Councillor Tom Hunt (Deputy Leader of the Council) *

Councillor Angela Goodwin *

Councillor Catherine Houston *

Councillor Carla Morson *

Councillor Richard Lucas *

*Present

Councillor Philip Brooker were also in attendance.

**Agenda Item
No.**

**Officer(s)
to action
Item**

**1. APOLOGIES FOR ABSENCE AND NOTIFICATION OF
REPLACEMENTS**

Apologies for absence were received from Councillor Julia McShane who was replaced by Councillor Richard Lucas.

2. DISCLOSURE OF INTERESTS

Councillor Tom Hunt declared a non-pecuniary interest in respect of Item 4 as he held the position of Chairman of the Board of Directors for Guildford Borough Council Holdings.

Councillor Angela Goodwin declared a non-pecuniary interest in respect of Items 4 and 6 as she held the position of Director sitting on the Board of North Downs Housing.

3. MINUTES

The minutes of the meeting held on 28 February 2024 were confirmed. The Chairman signed the minutes.

4. APPOINTMENT OF CHAIRPERSON FOR ITEM 4

In the absence of the Leader and the Deputy Leader under Executive Procedure Rule 2.1 a chairperson was appointed to preside over the business of Item 4.

RESOLVED: To appoint Councillor Catherine Houston to preside for Item 4 of the agenda.

5. A REVIEW OF THE COUNCIL'S INTERESTS IN COMPANIES

Decision:

1. Noted the Council's interests in 'Guildford Sportsground Management Company', 'Guildford Borough Council Holdings' and 'North Downs Housing Limited' and the dissolution of 75 Ash Street Management Company Limited;
2. Delegated authority to the Joint Chief Executive, in consultation with the Leader of the Council, to appoint an additional Director to the Board of Guildford Sportsground Management Company as soon as possible and to replace Ian Doyle and Kelvin Mills with alternative appointments on behalf of the Council;
3. Delegated authority to the Joint Chief Executive, in consultation with the Leader of the Council, to appoint an additional Director to the Board of Guildford Borough

Council Holdings Limited as soon as possible and to replace Ian Doyle with an alternative appointment on behalf of the Council;

4. Noted that the Joint Chief Executive will encourage the Directors of Guildford Borough Council Holdings Ltd to make 4 additional appointments of Director to the Board of North Downs Housing Ltd, with one being a Guildford Borough Council officer, as soon as possible;
5. Approved the draft work programme set out at paragraph 6.4 and delegate authority to the Monitoring Officer to deviate from the work programme where appropriate, in consultation with the Leader of the Council;
6. To receive a report in August 2024 from the Lead Officer for North Downs Housing Ltd recommending an options appraisal be undertaken to inform the future of the Company;
7. To receive a report in November 2024 from the Lead Officer for Guildford Sportsground Management Company reviewing the objectives and arrangements for the Council's Interest in that Company;
8. To receive a report in November 2024 from the Lead Officer for Guildford Borough Council Holdings Ltd reviewing the objectives and arrangements for the future of Guildford Borough Council Holdings Ltd.
9. To receive a report in November 2024 from the Council's Statutory Officers starting the process of reviewing the governance arrangements and Council's interests in Charities and Trusts.

Reason(s):

1. To enable the Council to fulfil its duties in respect of the shareholder function competently, robustly and transparently.
2. To enable the Council to be able to fulfil its duties in respect of best value and continuous improvement in respect of its interests in companies, and to keep under

review the objectives, strategies and plans, and performance of each of its companies.

Other options considered and rejected by the Committee:

None.

Details of any conflict of interest declared by the Leader or lead councillors and any dispensation granted:

Councillor Tom Hunt in respect of being the Chairman of the Board of Directors for Guildford Borough Council Holdings.
Councillor Angela Goodwin in respect of being a Director sitting on the board of North downs Housing.

6. THE COUNCIL'S INTERESTS IN COMPANIES: REVIEW OF GOVERNANCE ARRANGEMENTS

Decision:

Susan Sale

1. Noted the changes the Chief Executive was making to ensure the Corporate Leadership Team had greater oversight of the Council's companies, their objectives, business cases, and performance as summarised in paragraph 6.3 of this report;
2. Noted the proposed revised governance arrangements relating to the Council's company interests, set out at Part 3(1) of the Constitution, (Responsibility for Functions), as set out in para 6.1 to this report and appendix 1 and 2, and provide feedback on the proposals to the Monitoring Officer, by way of consultation;
3. Noted the proposed revised governance arrangements relating to the Council's company interests, set out at Part 3(2) of the Constitution, (Terms of Reference of Council, Leader/Executive and Committees), as set out in para 6.2 of this report and appendix 3 and 4, and provide feedback on the proposals to the Monitoring Officer, by way of consultation;
4. Noted the Monitoring Officer's intention to recommend to the GBC Corporate Governance & Standards Committee that they recommend to full Council the adoption into the

Constitution of revised Parts 3(1) and 3(2) to reflect appendix 2 and 4, subject to the feedback of the Executive Shareholder and Trustee Committee.

Reason(s):

1. It was considered that improvements could be made to the governance framework to ensure the shareholder had greater oversight of the Council's interests in companies.
2. Good practice would be for the Council's senior officers to monitor the performance of the Council's interests in companies, and to bring forwards reports to the shareholder in a regular, timely and transparent way with appropriate recommendations.
3. Whilst the shareholder function was exercised by the Leader as an Executive function, there was currently no mechanism in place for scrutiny of such executive decisions and good practice would be for the Council's overview and scrutiny committees to provide effective scrutiny of the shareholder role.

Other options considered and rejected by the Committee:

None.

Details of any conflict of interest declared by the Leader or lead councillors and any dispensation granted:

None.

7. NORTH DOWNS HOUSING: FUTURE OPTIONS APPRAISAL

Decision:

1. Procurement of a suitably qualified company to carry out a review into the most effective governance structure of North Downs Housing Limited (NDH).
2. That the review included a detailed options appraisal into the future operation of NDH – including options to wind up the company or to continue operations in a commercially viable manner.

Julian
Higson

Reason(s):

1. NDH has experienced difficulties meeting its interest and debt repayments from its operating surpluses. A review of the company's viability is required.
2. The Board of Directors of NDH have asked the Council to consider options for the future of the company, following an options review undertaken by NDH by Savills.

Other options considered and rejected by the Committee:

Do nothing.

Details of any conflict of interest declared by the Leader or lead councillors and any dispensation granted:

Councillor Angela Goodwin in respect of being a director sitting on the North Downs Housing Board of Directors.

8. ANNUAL RETURNS FOR CHARITIES 2022-23

Decision:

Solomon
Akuffo

1. Approved the charitable accounts for the financial year 2022/2023 to be presented at a Trustees meeting for the following charities:
 - Guildford Sports Ground Charity (also known as the Woodbridge Road Sports Ground) (305056).
 - Burpham War Memorial Recreational Grounds Charity (304982).
 - Public Walks and Pleasure Grounds Charity (Allen House Grounds) (305054).
 - Arundel House (Hamilton Fellows) (200491)
 - The Mayor's Local Support Fund (258388)
 - The Racks Close Open Space Charity (1058137)
2. Authorised the Joint Strategic Director of Finance to convene a Trustees meeting for each of the charities to agree the accounts and annual return.
3. Recommended the committee the Finance Transformation Officer as an administrator of all the

authority's charity accounts with The Charity Commission.

Reason(s):

To comply with the legal requirement that the charities must submit annual returns to the Charity Commission. If the Trustee fails to submit these returns, it could result in the Charity Commission removing the charity from its register and taking further action.

Other options considered and rejected by the Committee:

None.

Details of any conflict of interest declared by the Leader or lead councillors and any dispensation granted:

None.

NOTES:

- (a) Any decision marked “#” means that the item was deemed by the Managing Director and agreed by the Executive and Chairman of the Overview and Scrutiny Committee to be a matter of urgency for the reason indicated and, in accordance with Overview and Scrutiny Procedure Rule 17 (h), such decision takes effect immediately and is therefore *not* subject to the call-in procedure.
- (b) The call-in procedure is as follows:
 - (i) the Chairman of an Overview and Scrutiny Committee; or
 - (ii) a minimum of five members of the Councilmay require that a decision be referred to the Overview and Scrutiny Committee for review.
- (c) Councillors wishing to exercise their right to call-in a decision taken by the Executive must give notice in writing to the Democratic Services Manager. The reason for a councillor calling-in a decision shall accompany any such request and must meet one of the following criteria:

- (a) that there was insufficient, misleading or inaccurate information available to the decision-maker;
- (b) that all the relevant facts had not been taken into account and/or properly assessed;
- (c) that the decision is contrary to the budget and policy framework and is not covered by urgency provisions; or
- (d) that the decision is not in accordance with the decision-making principles set out in the Constitution.

Such notice should be marked for the attention of John Armstrong who can be contacted by e-mail on john.armstrong@guildford.gov.uk

- (d) On receipt of a call-in request, the Monitoring Officer will decide, in consultation with the chairman of the Overview and Scrutiny Committee, whether it is valid and will notify the councillors concerned accordingly.
- (e) In the case of a valid call-in, the decision shall be referred to a special Call-in meeting of the Overview and Scrutiny Committee, which shall be held within 21 days of the decision on validity referred to in paragraph (d) above.
- (f) A decision marked with an asterisk denotes that the matter is a “Key Decision” which is defined in the Council’s Constitution as an executive decision:
 - (i) which is likely to result in significant expenditure or savings (of at least £200,000) having regard to the budget for the service or function to which the decision relates; or
 - (ii) which is likely to have a significant impact on two or more wards within the Borough.