

Executive Shareholder and Trustee Committee

28 November 2024

- * Councillor Julia McShane (Chairperson)
- * Councillor Tom Hunt (Vice-Chair)
 - * Councillor Angela Goodwin
 - * Councillor Catherine Houston
 - Councillor Carla Morson
 - * Councillor Richard Lucas
 - Councillor Merel Rehorst-Smith
 - * Councillor George Potter
 - * Councillor Fiona White

*Present

Action By

13. Apologies for Absence

Apologies for absence were received from Councillor Carla Morson.

14. Disclosure of Interests

Councillor Tom Hunt declared a non-pecuniary interest in respect of Item 5 as he held the position of Chairman of the Board of Directors for Guildford Borough Council Holdings.

Jo Knight, Assistant Director for Finance also declared a non-pecuniary interest in respect of Item 5, as she too sat as a non-executive director on the Guildford Borough Council Holdings Board.

15. Minutes

The minutes of the meeting held on 8th August 2024 were confirmed as correct. The Chair signed the minutes.

16. General Companies Update

Susan Sale

The Committee considered a report that provided an update on the progress that had been made following previous reporting in August 2024. Notably, the Council had appointed

an interim company lawyer who was reviewing each of the companies and supporting the programme of work which had been set. It was envisaged that manuals would be provided setting out arrangements for the operation of the companies and the Council's involvement. A training package was also being developed to include the appointment and resignation of Directors, conflicts of interests, meetings and proceedings and corporate governance. It was hoped that this would support Officers and Directors to fulfil their roles and encourage interest in the vacant Director roles. Work would continue to identify the most appropriate Directors for the Companies.

The Committee heard that the Chief Executive would progress with contacting the Council's companies to remind them of the deadline for filing accounts. Due to the shortage of time, authority was sought to enable the Joint Strategic Director of Finance to give shareholder approval to the accounts to enable them to be filed before the end of the year. The Committee would be informed when this action was complete and the submitted accounts would be brought to the next meeting of the Committee in March 2025.

RESOLVED:

1. To note the progress made following the report on the Council's companies in August 2024.
2. To write to the companies to remind them of the deadline for filing the company accounts.
3. To delegate authority to the Joint Strategic Director of Finance to give shareholder approval to the accounts to enable them to be filed by 31 December 2024.

Reason(s):

1. To enable the Council to fulfil its duties in respect of the trustee 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 charities, and to keep under review the objectives, strategies and plans, and

performance of each of its companies.

17. Guildford Borough Council Holdings Update

Ben Silver

At the meeting of the Committee held on 8 August 2024, it was resolved to receive a report in November 2024 from the Lead Officer for the Company reviewing the objectives and arrangements for the future of Guildford Borough Council Holdings (GBCH).

A non-pecuniary interest was declared by Councillor Tom Hunt as Chairman of the Board of Directors of Guildford Borough Council Holdings Ltd and Jo Knight who was a non-executive director. Both left the chamber for the duration of the item.

The Committee considered a high level report that provided a summary of the background and current position of the Company and which sought authority to wind up the Company by way of a members' voluntary liquidation under the Insolvency Act 1986 and certain other related and connected steps. In 2022 the Committee had already resolved to wind up the company but this had not taken place due to a variety of reasons that were set out in the report. It was financially prudent now to proceed.

The wind up was estimated to take a time period of six months and it was necessary to have quorum requirements in place for the Board during this period.

The Committee agreed that GBCH was an unnecessary corporate structure that incurred unnecessary governance and administrative burdens. It was noted there were some costs associated with the wind up, but administrative and legal cost savings would be made in longer term. Consequently, the Committee,

RESOLVED:

1. To delegate authority to the Joint Strategic Director of Economy, Planning & Place, in consultation with the Monitoring Officer and Leader of the Council, to take all steps necessary to implement the members' voluntary

liquidation of the Company under the Insolvency Act 1986 (the “Winding Up”) including the appointment of a liquidator in connection with the Winding Up;

2. To delegate authority to the Joint Strategic Director of Economy, Planning & Place to seek all further advice necessary in connection with the Winding Up including, without limitation:
 - (i) advice from external legal services provider; and
 - (ii) advice from external tax services provider.
3. To delegate authority to the Monitoring Officer to amend the articles of association of GBCH to reduce the quorum requirement from three directors to two directors for any meeting of the board of directors of the Company.

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 fulfil its duties in respect of best value and continuous improvement in respect of its interests in GBCH and NDH, and to keep under review the objectives, strategies and plans, and performance of each company.
3. To fulfil the Council’s corporate governance duties in respect of GBCH and NDH.

18. A Review of the Council's Interests in Charities

Solomon
Akuffo

The Council was trustee for a number of charities and exercised its trustee function as an Executive function. In many cases the Council was the sole trustee. At the meeting of the Executive Shareholder & Trustee Committee in August 2024 it was resolved that a report should be received 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.

The Committee considered this report that set out the Council's existing trustee responsibilities in charities and the work that needed to be undertaken to review the aims and objectives, management arrangements, financial and performance monitoring of each.

An additional meeting of the Committee would be scheduled for January in order to consider the final accounts of certain charities prior to their filing with the Charity Commission before the end of January and to deliver various other updates. The administrative issue that had affected filing reports to the Charity Commission was being worked on and would be resolved in time to allow any outstanding accounts to be delivered.

The report was welcomed by the Committee and officers were thanked for setting out complex arrangements in a simple and accessible way.

The Committee,

RESOLVED:

1. To note the Council's interests in The Mayor of Guildford's Local Support Fund, The Racks Close Open Space, Burpham War Memorial Recreation Ground, Public Walks and Pleasure Grounds, Guildford Sports Ground and Arundel House (Hamilton Fellows);
2. In recognition of Trustees Week at the beginning of November to thank all those trustees who volunteer their time to support charities in our local community and in particular Cllr Sallie Barker MBE and Cllr Howard Smith for their commitment and effort to supporting The Mayor of Guildford's Local Support Fund and Arundel House (Hamilton Fellows);
3. To approve 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;

4. To receive a report in January 2025 from Joint Strategic Director, Finance to provide confirmation of the filing of accounting reports for the financial year ending 31 March 2023 for The Racks Open Space, Public Walks and Pleasure Grounds and Burpham War Memorial Recreation Ground and draft accounts of all the charities for the financial year ending 31 March 2024 for approval;
5. To receive a report in March 2025 from the Joint Strategic Director for Legal & Democratic Services considering whether any of the charities can be linked or have compatible objectives and would benefit in achieving their objectives by a merger with another charity.
6. To receive a report in March 2025 from the Joint Strategic Director for Legal & Democratic Services proposing conflict of interest policies for adoption by each charity.

Reason(s):

1. As a trustee the Council has a responsibility to ensure it has in place robust mechanisms for making trustee decisions which are in the best interests of the charity. The recommendations in this report will establish compliance with the accounting and reporting responsibilities whilst supporting good governance to enable the Council to fulfil its duties in respect of the trustee 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 charities, and to keep under review the objectives, strategies and plans, and performance of each of its companies.

19. A Review of the Objectives and Arrangements for Guildford Sportsground Management Company

Sally
Seymour

The report related to Guildford Sportsground Management Company Limited (ManCo) that was a company limited by guarantee. Its members were the Council, Surrey County

Cricket Club (SCCC) and Guildford Cricket Club (GCC).

At the meeting of the Committee held on 8 August 2024, the Committee resolved to receive a report in November 2024 from the Lead Officer for the Company reviewing the objectives and arrangements for the future of the Company. The report provided a summary of the current position.

Presently, there was just one Director appointed by the Council to the Company and a further two were required. The Joint Chief Executive had a delegation to appoint new Directors. The one Director currently appointed was Kelvin Mills who was present at the meeting.

The Lead Officer would follow up the appointment of new Directors, recruitment of a General Manager and consult with the ManCo to ensure full reports are available for the March 2025 meeting.

RESOLVED:

To receive a further report from the Lead Officer in March 2025 providing a copy of the accounts and business case.

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 fulfil its duties in respect of best value and continuous improvement in respect of its interests and to keep under review the objectives, strategies and plans, and performance of each company.
3. To fulfil the Council's corporate governance duties in respect of ManCo.

20. Work Programme

The Committee agreed in August 2024 to receive a work programme update at each meeting.

The revised work programme was set out in the Supplementary Information Sheet to include lead officers for

each workstream.

RESOLVED:

The Committee considered and approved its updated 12 month rolling work programme, as detailed in the Supplementary Information Sheet.

Reason(s):

To allow the Committee to maintain and update its work programme.

The meeting finished at 6.45 pm

Signed

Date

Chairman