

1. CABINET SUB-COMMITTEES

Shareholder Committee

The purpose of the Shareholder Committee is to approve and oversee the Council's strategic objectives across Portsmouth City Council's companies and to support the development of these companies in line with the Council's regulations and ambitions the constitutional instruments of each relevant company. The Shareholder Committee will provide strategic oversight of the Council's companies and provide assurance to the Cabinet that these companies are compliant with the Council's constitution, rules and procedures including achieving best value and, are fit for purpose.

The Shareholder Committee will not have operational control over the Council's companies. The day-to-day operation of each company is the responsibility of the Directors of each company. The Shareholder Committee will provide overarching oversight including business case sign off in line with the relevant company constitutional governance. Operational liaison with the Council's companies will be between the client service of the Council and the managing Director of each company.

1. Composition

- 1.1. The Shareholders Sub-Committee will comprise the Leader of the Council and 3 other Cabinet Members.
- 1.2. The Head of Paid Service, the Chief Finance Officer (Section 151 Officer) and the Monitoring Officer to exercise their statutory roles and representatives of the group companies shall be invited to all meetings on a non-voting basis.
- 1.3. Other Cabinet members and non-Cabinet members, together with one member from each opposition group, may be invited to attend meetings on a non-voting basis.
- 1.4. The Leader of the Council shall be Chairman.

Quorum

- 1.5. The Shareholders Sub-Committee quorum will be 3 Cabinet Members.

Reserves

- 1.6. Members of the Shareholders Sub-Committee may appoint reserve members from within the Cabinet.

Competency

- 1.7. All members of the Shareholders Sub-Committee and Cabinet members attending as reserves must:
 - 1.7.1. have undertaken mandatory training in the relevant law and procedures which relate to the Sub-Committee's work; and
 - 1.7.2. undertake further mandatory training, on an ad hoc basis, when there are changes to procedure or relevant legislation that are deemed significant by the relevant Director.

2. Function of Shareholders Sub-Committee

- 2.1. The Shareholders Sub-Committee has the right to access the following information from Council companies to undertake the work of the Sub-

Committee:

- 2.1.1. The statutory accounts of the company;
 - 2.1.2. Business plans including risk registers;
 - 2.1.3. Reports on major projects;
 - 2.1.4. Any reports on engagement and commercial activity; and
 - 2.1.5. Any additional information it considers necessary to undertake the work of the Sub-Committee.
- 2.2. To hold the Council's companies to account, providing strategic oversight of the arrangements with the companies including delivery by the companies of the Council's policy aims.
- 2.3. To be consulted on the following by the Council's companies:
 - 2.3.1. the strategy, business plan, financial and corporate performance of the company;
 - 2.3.2. Company policies;
 - 2.3.3. matters reserved for shareholder approval as and when appropriate; and
 - 2.3.4. emerging issues and opportunities which may impact the company, to discuss solutions proposed by the company.
- 2.4. To provide assurance that:
 - 2.4.1. strategic commissioning arrangements for the Council's companies are fit for purpose or provide recommendations to ensure that they are;
 - 2.4.2. the overarching performance arrangements for each of the Council's companies are fit for purpose or provide recommendations to ensure that they are;
 - 2.4.3. where applicable, that the arrangements for Council's companies comply with the Public Contract Regulations 2015; and
 - 2.4.4. all Council's companies are complying with the relevant statutory and regulatory framework for their respective areas of operation.
- 2.5. To prepare and maintain a strategic risk register in relation to the Council's companies.
- 2.6. To exercise any shareholder consents.
- 2.7. To approve as shareholder the business plans of each of the Council's companies including providing strategic advice on the robustness and suitability of each of the business plans.
- 2.8. To take any decisions necessary in relation to the overall commissioning arrangements with the Council's companies.
- 2.9. To approve, on advice of the Section 151 Officer, any proposals to make a significant capital or revenue investment in any of the Council's companies.
- 2.10. To review and analyse the annual statement of accounts of each of the Council's companies.

- 2.11. To determine the distribution of any surplus or the issue of any dividends from any of the Council's companies.
- 2.12. To prepare and present a strategic report to the Cabinet at least once a year on the overall governance, financial and performance arrangements for the Council's companies.