

**APPENDIX B2**

Appendix 1

**D. OTHER COMMITTEES/JOINT COMMITTEES/OTHER  
PARTNERSHIP BODIES**

**EAST CAMBRIDGESHIRE TRADING COMPANIES SHAREHOLDER  
COMMITTEE**

**ANGLIA REVENUES PARTNERSHIP JOINT COMMITTEE**

**EAST CAMBRIDGESHIRE TRADING COMPANIES SHAREHOLDER COMMITTEE**

**1.0 CONSTITUTION**

1.1 The East Cambridgeshire Trading Companies Shareholder Committee shall comprise of 7 members of Council who shall be appointed by Full Council. Its quorum is 3. Directors of the Trading Companies may not be Members or Substitute Members of the Shareholder Committee.

1.2 In accordance with the Shareholder Agreement for the Trading Companies:

- a Shareholder Committee Meeting shall be held no less than 4 times per annum every quarter;
- the Chairman of the Shareholder Committee may call an extraordinary committee:
  - on giving not less than 6 Business Days' notice; and
  - And If the Chairman and Managing Director will be required to attend. If they are unable to attend, a Board Director will attend in their place, provided they are given not less than 10 Business Days' notice in writing;
- the Trading Companies shall ensure that at least one representative shall attend each meeting of the Shareholder Committee who shall be a Director and qualified to address the issues on the agenda for the meeting.

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**2.0 OBJECTIVES**

2.1 To scrutinise the East Cambridgeshire Trading Companies.

**3.0 TERMS OF REFERENCE**

3.1 To act as the Shareholder Committee for the purposes of the scrutiny of the Trading Companies and, in particular, to consider/review and make recommendations to Full Council, where relevant, on:

- the appointment of the Chairman of the Board and best practice policies in relation to such an appointment;
- the constitution of the Board of Directors;
- the Business Plans and each annual Business Plan;
- the financial performance of the Trading Companies ;
- how Council should exercise the functions flowing from its ownership of shares.

3.2 In order to discharge the functions in paragraph 3.1 above, to receive a report from the Board of Directors of each Trading Company at least twice a year quarterly which shall provide all information reasonably required for the Shareholder Committee to conduct an effective review of the following items:

- 3.2.1 the services provided by the Company, with quality performance matched against contractually agreed service levels, strategic risk assessment;
- 3.2.2 progress against the Business Plan; and financial projections;
- 3.2.3 summary management accounts and key financial metrics including financial projections and variations. ;
- 3.2.4 the review of future service developments and opportunities; and
- 3.2.5 information and assessment of any additional ad-hoc requests.

For the avoidance of doubt, the list of items in this clause 3.2 is not exhaustive.

3.3 To comment and make recommendations, as appropriate, on the following matters relating to as set out in the Shareholders' Agreement for that particular the Trading Companies that Company/ies that are reserved for decision by Full Council.

- ~~3.3.1~~ issuing or allotting any shares;
- ~~3.3.2~~ granting any option or other interest (in the form of convertible securities or in any other form) over or in its share capital, redeeming or purchasing any of its own shares or effecting any other reorganisation of its share capital;
- ~~3.3.3~~ altering in any respect its articles of association or the rights attaching to any of its shares;
- ~~3.3.4~~ permitting the registration of any person as a Shareholder of the Company;
- ~~3.3.5~~ declaring or paying any dividend;
- ~~3.3.56~~ re-registering the Company as a public limited company, or as any entity other than a company limited by shares;
- ~~3.3.67~~ applying for the listing or trading of any shares or debt securities on any stock exchange or market;
- ~~3.3.8~~ forming any Subsidiary Undertaking or acquiring shares in any other company or participating in a joint venture (incorporated or not);
- ~~3.3.79~~ amalgamating or merging with any other company or business undertaking; or
- ~~3.3.810~~ passing any resolution for its winding up or presenting any petition for its administration, unless it has become insolvent;
- ~~3.3.911~~ changing the nature of the Business or commencing any new business which is not ancillary or incidental to the Business;
- ~~3.3.12~~ engaging in any business other than as contemplated by the Business Plan or defraying any monies other than in good faith for the purposes of or in connection with the carrying on of such business;
- ~~3.3.1013~~ appointing or removing any Director;
- ~~3.3.114~~ the grant of any power of attorney or the appointment of any agent, or the entry into any other agreement which devolves or transfers management control of the Company from the Board of Directors;
- ~~3.3.125~~ agreeing to remunerate (by payment of fees, the provision of benefits in-kind or otherwise) any Director;
- ~~3.3.136~~ the entry into any service contract, terms of appointment or other agreement with a Director;
- ~~3.3.147~~ agreeing to remunerate (by payment of fees, the provision of benefits in-kind or otherwise) any key employee of, or consultant to, the Company at a rate in excess of £100,000 per annum or increasing the remuneration of any such person to a rate in excess of 1% per annum;
- ~~3.3.158~~ establishing or amending any profit-sharing, share option, bonus or other incentive scheme of any nature for directors or employees;
- ~~3.3.169~~ making any bonus payment to any director or key employee;
- ~~3.3.20~~ instituting, settling or compromising any material legal proceedings instituted or threatened against it or submitting any dispute to arbitration or alternative dispute resolution;
- ~~3.3.1721~~ borrowing any monies which require a guarantee or security from the Council (other than normal trade credit);
- ~~3.3.1822~~ changing its name or its registered office; or
- ~~3.3.23~~ replacing or modifying the Business Plan;
- ~~3.3.24~~ creating or granting any Security Interest over the whole or any part of its business, undertaking or assets or agreeing to do so;

- ~~3.3.25 entering into any arrangement, contract or transaction outside the normal course of its business or otherwise than on arm's length terms;~~
- ~~3.3.26 making any loan (otherwise than by way of deposit with a bank or other institution the normal business of which includes the acceptance of deposits) or granting any credit (other than in the normal course of trading) or giving any guarantee or indemnity; or~~
- ~~3.3.1927 entering into an agreement to do any of the foregoing.~~

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3.4 To host an annual Members Seminar update on the trading companies Shareholder meeting for all Members of the Council.

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**4.0 Delegation to East Cambridgeshire Trading Companies Shareholder Committee**

- 4.1 Subject to the provisions of the Council's Constitution, the Committee has delegated authority to act on behalf of the Council in relation to the above, unless:
  - reserved to Council; or
  - delegated to officers under these or the other Committee terms of reference.

**5.0 Delegation to Officers**

- 5.1 The Monitoring Officer or appropriate Service Lead, are authorised to act in relation to any matter of immediate urgency, which must be dealt with before the next meeting of the Committee provided:
  - the Chairman or Vice-Chairman of the Committee is consulted prior to the delegated decisions being made;
  - the appropriate Service Delivery Champion is consulted prior to the delegated decisions being made;
  - spokespersons of minority groups are notified immediately of any action taken under this delegated power;
  - action taken is reported to the next Committee; and
  - it excludes any decision, which is by law expressly vested in the Council.

- 5.2 There shall be delegated to the Monitoring Officer or appropriate Service Lead, the exercise of any power or function of the Council in routine matters related to the implementation of agreed Strategies, Policies and programmes, falling within established policies and procedures and within existing budgets.  
For the avoidance of doubt this delegation shall include the power to authorise others to exercise such powers.

This delegation shall not be taken to include any matter reserved to Full Council.

- 5.3 There are further delegated to the officers indicated below the exercise of any power or function of the Council relating to the matters set out below (whether Policy approval, monitoring or operational matters have been delegated to a Sub-Committee or not) under the Listed Acts or any amendment, modification or re-enactment of those Acts, or Regulations/Orders made under those Acts:

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