



**Nottingham City Council
Companies Governance Executive Sub-Committee**

Date: Tuesday, 17 March 2020

Time: 2.15 pm (or at the rise of Executive Board, whichever is the later)

Place: Ground Floor Committee Room - Loxley House, Station Street, Nottingham,
NG2 3NG

Councillors are requested to attend the above meeting to transact the following business

Corporate Director for Strategy and Resources

Governance Officer: Mark Leavesley

Direct Dial: 0115 876 4302

Agenda	Pages
1 Apologies for absence	
2 Declarations of interests	
3 Minutes Last meeting held on 21 January 2020 (for confirmation)	3 - 4
4 Wholly or majority owned subsidiaries - summary information Report of Strategic Director of Finance	5 - 8
5 Proposed Work Plan Report of Chief Executive	9 - 12
6 Future meetings To note the proposed future meeting dates (at either 2.15pm or the rising of Executive Board, whichever is the later):	
<u>2020</u> 21 April 19 May 21 July 22 September 17 November	<u>2021</u> 19 January 16 March

If you need any advice on declaring an interest in any item on the agenda, please contact the Governance Officer shown above, if possible before the day of the meeting

Citizens attending meetings are asked to arrive at least 15 minutes before the start of the meeting to be issued with visitor badges

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Nottingham City Council

Companies Governance Executive Sub-Committee

Minutes of the meeting held at Loxley House, Station Street, NG2 3NG, on 21 January 2020 from 2.30 pm - 3.02 pm

Membership

Present

Councillor Sally Longford (Vice Chair)
Councillor David Mellen (Chair)
Councillor Adele Williams
Councillor Linda Woodings
Councillor Cheryl Barnard (substitute for Councillor Webster)

Absent

Councillor Sam Webster

Colleagues, partners and others in attendance:

Candida Brudenell - Corporate Director of Strategy and Resources
Ian Curryer - Chief Executive
Mark Leavesley - Governance Officer
Laura Pattman - Strategic Finance Director
Shail Shah - Head of Audit and Risk
Malcolm Townroe - Director of Legal and Governance
Ceri Walters - Head of Commercial Finance

Call-in

Unless stated otherwise, all decisions are subject to call-in. Last date for call-in is 31 January 2020. Decisions cannot be implemented until the working day after this date.

1 Appointment of Vice-Chair

Resolved to appoint Councillor Longford as Vice-Chair for the remainder of the 2019-20 municipal year.

2 Apologies for absence

Councillor Webster - leave

3 Declarations of Interests

In the interest of transparency, the following declarations were made in relation to item 4, 'Companies Governance' (minute 4):

	Company associated with:
Councillor Barnard	- Robin Hood Energy
Councillor Longford	- Enviroenergy
Councillor Mellen	- Blueprint
Councillor Williams	- Blueprint, Thomas Bow
Councillor Woodings	- Nottingham City Homes
Malcolm Townroe	- Enviroenergy

4 Companies Governance

This item does not contain any decisions eligible for call-in.

The Committee considered the report of the Corporate Director of Strategy and Resources, detailing the new arrangements in relation to governance of companies that Nottingham City Council wholly own or have a controlling interest.

During discussion the following comments were made:

- a) any commissioned work involving companies should be reported to this Committee in a timely manner, as should a business case for any proposed new company involvement by the Council;
- b) companies need to work closer together to help prevent issues arising, possibly including an annual companies conference;
- c) any training for Councillor Directors should also be available to relevant officers.

Resolved to note the report and the terms of reference for this Sub-Committee.

Reason for decision:

To formalise future arrangements for the governance of companies either wholly owned by the Council or where the Council has a controlling interest.

Other options considered:

None.

5 Future meetings

The Sub-Committee agreed to meet normally on a bi-monthly basis at 2.15pm or the rising of Executive Board (whichever is the later), subject to any additional meetings at the request of the Chair.

Therefore, it was noted that the next scheduled meeting will be on Tuesday 17 March 2020.

Agenda Item 4

Companies Governance Executive Sub Committee – 17 March 2020

Subject:	Wholly or majority owned subsidiaries – summary information
Director:	Laura Pattman – Strategic Director of Finance
Portfolio Holder:	Councillor Mellen, Leader
Report author and contact details:	Ceri Walters – Head of Commercial Finance Ceri.walters@nottinghamcity.gov.uk
Subject to call-in:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Key Decision:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Criteria for Key Decision:	
(a)	<input type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision
and/or	
(b)	Significant impact on communities living or working in two or more wards in the City <input type="checkbox"/> Yes <input type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Total value of the decision:	Nil
Wards affected:	All
Date of consultation with Portfolio Holder(s):	25 February 2020
Relevant Council Plan Key Theme:	Nottingham People Living in Nottingham Growing Nottingham Respect for Nottingham Serving Nottingham Better x
Summary of issues (including benefits to citizens/service users):	This report is to provide high level information about the companies that Nottingham City Council (NCC) either wholly or partly own and form part of the 'Group'. The detail in this report is taken from the 2018/19 published accounts and is set out in appendix A.
Exempt information:	None
Recommendation:	
1	To note the report and appendix, which provides a summary with regard to each company that forms part of the 'Group'.

1 Reasons for recommendations

- 1.1 To provide the sub-committee with high level information with regard to those subsidiaries which form part of the 'Group' for NCC.
- 1.2 This will support the development of the future work programme.

2 Background (including outcomes of consultation)

- 2.1 Information has been taken from the companies' published 2018/19 accounts and summarised for information. This is set out in appendix A.

3 Other options considered in making recommendations

3.1 None.

4 Finance colleague comments (including implications and value for money/VAT)

4.1 Any financial implication that arises from the subsidiaries is captured within the Medium Term Financial Plan of the Local Authority.

4.2 The consolidation of the group accounts form part of the statutory accounts of the Local Authority.

5 Legal and Procurement colleague comments (including risk management issues, and legal, Crime and Disorder Act and procurement implications)

5.1 None.

6 Strategic Assets & Property colleague comments (for decisions relating to all property assets and associated infrastructure)

6.1 None.

7 Social value considerations

7.1 None.

8 Regard to the NHS Constitution

8.1 None.

9 Equality Impact Assessment (EIA)

9.1 An EIA is not required because the report does not involve new or changing policies.

10 List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

10.1 None.

11 Published documents referred to in this report

11.1 2018/19 published accounts at Companies House for each subsidiary.

APPENDIX A

				2018/19 PUBLISHED ACCOUNTS							2019/20		
Company Name	What it does	Ownership	Accounting Year	Gross Income £m	Gross Expenditure £m	Net Expenditure £m	Assets £m	Liabilities £m	Net Assets £m	Average Employee numbers	NCC Directors / Board Members Names	Shareholder rep	Chair
Blueprint Limited Partnership	The Council purchased its share in March 2015 for £8m for the redevelopment of property and the sale and interim rental of land and property. The company specialises in the development of sustainable homes and workspaces.	Joint Venture (50%)	April - March	(3.987)	3.668	(0.319)	17.337	(1.081)	16.256	N/A	Cllr Mellen, Williams and Candida Perkis	Chris Henning	Jeff Moore
Enviroenergy Ltd	Provide heat (from steam) for domestic and commercial customers and to generate and sell electricity.	Subsidiary (100%)	April - March	(8.799)	8.552	(0.247)	12.088	(16.789)	(4.701)	5	Cllr Longford, Khan, Matsiko, Edwards, and Woodward	Andy Vaughan	Cllr Longford
Futures Advice, Skills & Employment Ltd (was Nottingham & Nottinghamshire Futures Ltd)	Futures is jointly owned by Nottingham City Council and Nottinghamshire County Council and is a not for profit company. It delivers contracts for Councils, the Education Skills Funding Agency (ESFA) and the Department of Work and Pensions (DWP). It was established in March 2001 and provides an all age careers and employment advice service. The Council also commission this service under a contractual process; any budget reductions to this spend will impact on the viability /future operation/business planning of this company.	Joint Venture (50%)	April - March	(18.038)	15.345	(2.693)	7.257	(19.261)	(12.004)	339 - including apprentices	Cllr Khan, Elliot, Rostance, Langton and Nikki Jenkins	Chris Henning	Tim Richmond
Nottingham City Homes Ltd	NCH was set up in 2004 as an Arms length management organisation (ALMO) of NCC set up to manage and maintain the housing stock on NCC's behalf. It manages around 26,000 homes and approximately 1,000 leasehold. It is responsible for the day to day management of the homes including services such as tenancy management, rent collection and repairs. NCH also provides other services such as Nottingham on Call, payment collection etc.	Subsidiary (100%)	April - March	(80.682)	72.069	(8.613)	46.829	(125.528)	(78.699)	206	The NCH board is comprised of Councillors as Directors, tenants and leaseholders and independent and co-opted members. Cllr Woodings, Power, Radford, Langton.	Chris Henning	Malcolm Sharp (CBE)
Nottingham City Transport Ltd	NCT was 'privatised' in 1986 and NCC held 100% equity of the company until 2000 when Transdev PLC the UK arm of the French multi-national transport operator acquired a stake in the company. The company delivers public transport for the City.	Subsidiary (95%)	April - March	(53.773)	55.239	1.466	52.241	(40.791)	11.450	1,113	Cllr Chapman, Wynter, Roberts, Jackson	Chris Henning	TBC
Nottingham Ice Centre Ltd	The NIC was the first twin Olympic-sized (60m x 30m) ice pad facility in the UK, "heralding a new era in the development of ice skating". ^[1] Incorporating the Nottingham Arena (since January 2016 re-branded as the Motorpoint Arena Nottingham), the NIC is a combined live entertainment and leisure venue.	Subsidiary (100%)	April - March	(19.572)	19.594	0.021	8.626	(9.939)	(1.313)	738	Cllr Trimble and Peach	Hugh White	Mitch Stevenson
Nottingham Revenues & Benefits Ltd	Incorporated August 2014, Provides administration services for Nottingham City Council's revenue and benefit services through a contract with Northgate. This contract is due to expire in October 2021.	Subsidiary (100%)	April - March	(7.062)	6.840	(0.222)	3.278	(12.191)	(8.914)	206	Cllr Webster, Campbell-Clark and Jackson	Laura Pattman	TBC
Robin Hood Energy Ltd	The company started trading in a controlled manner in July 2015 and started trading nationally in September 2015. Robin Hood Energy is a Not for Profit Energy Company launched by NCC as a competitor to the Big Six Energy Suppliers.	Subsidiary (100%)	April - March	N/A	N/A	0.000	N/A	N/A	0.000	N/A	Cllr Khan, Battlemuch, O'Grady, Barnard, Kotsonis	Chris Henning	Cllr Khan

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Subject:	Proposed Work Plan		
Corporate Director/ Directors:	Ian Curryer – Chief Executive Candida Brudenell – Corporate Director of Strategy and Resources Malcolm R. Townroe – Director of Legal and Governance Laura Pattman – Strategic Director of Finance		
Portfolio Holder:	Councillor David Mellen – Leader of the Council		
Report author and contact details:	John Slater		
Key Decision	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Subject to call-in
			<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
Reasons:	<input type="checkbox"/> Expenditure <input type="checkbox"/> Income <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision	<input type="checkbox"/> Revenue	<input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Total value of the decision: Nil			
Wards affected: All	Date of consultation with Portfolio Holder(s): 25 February 2020		
Relevant Council Plan Key Theme:			
Nottingham People			<input type="checkbox"/>
Living in Nottingham			<input type="checkbox"/>
Growing Nottingham			<input checked="" type="checkbox"/>
Respect for Nottingham			<input type="checkbox"/>
Serving Nottingham Better			<input type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
The proposed work plan will support the committee in meeting its terms of reference, and priorities.			
Exempt information: None			
Recommendation:			
1. Note and comment on the proposed work plan.			

1 Reasons for recommendations

- 1.1 To formalise planning and prioritisation of activities connected to the governance of companies that are either wholly owned by the Council or where the Council has a controlling interest.

2 Background (including outcomes of consultation)

- 2.1 An outline proposed forward plan of work is attached (Appendix 1) for consideration. Members of the Sub-committee are invited to contribute proposals for future activity in connection with the sub-committee’s terms of reference.

3 Other options considered in making recommendations

- 3.1 Not to have a forward plan – It is best practice to plan work in advance, so this option has not been considered further.

4 Finance colleague comments (including implications and value for money/VAT)

4.1 None.

5 Legal and Procurement colleague comments (including risk management issues, and including legal, Crime and Disorder Act and procurement implications)

5.1 None.

6 Social value considerations

6.1 None.

7 Regard to the NHS Constitution

7.1 None.

8 Equality Impact Assessment (EIA)

8.1 An EIA is not required because no service is proposed or changed by this decision.

9 List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

9.1 None.

10 Published documents referred to in this report

10.1 None.

	17 March 2020	April	May	July	September	November	January	March
Key Events								
Agenda Items		Presentation by Group Company Strategic plan Business Plan Governance update	Presentation by Group Company Strategic plan Business Plan Governance update	Presentation by Group Company Strategic plan Business Plan Governance update	Presentation by Group Company Strategic plan Business Plan Governance update	Presentation by Group Company Strategic plan Business Plan Governance update	Presentation by Group Company Strategic plan Business Plan Governance update	Presentation by Group Company Strategic plan Business Plan Governance update
Companies Shareholding, Directors & Key Information		Presentation on Commercial Entities Review		Summary financial performance 2019-20 City Council companies	Summary six-monthly or annual performance of NCC companies			Summary six-monthly or annual performance of NCC companies
Proposed Work plan				External Audit Reports for all companies and NCC		Companies Conference		
Future meetings					Company Director Training & Development Roles & Responsibilities of members on company boards			
		Companies Shareholding, Directors & Key Information			City Council Companies Financial Position Update 2020-21		City Council Companies Financial Position Update 2020-21	
		Significant change in existing company plans	Significant change in existing company plans	Significant change in existing company plans	Significant change in existing company plans	Significant change in existing company plans	Significant change in existing company plans	Significant change in existing company plans
		Approval of New Companies business cases and formation	Approval of New Companies business cases and formation	Approval of New Companies business cases and formation	Approval of New Companies business cases and formation	Approval of New Companies business cases and formation	Approval of New Companies business cases and formation	Approval of New Companies business cases and formation

Key -

Exempt Item

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