



Northumberland County Council

Your ref:
Our ref:
Enquiries to: Karon Hadfield
Email:
Tel direct:
Date: 12 July 2023

Dear Sir or Madam,

Your attendance is requested at a meeting of the **CABINET SHAREHOLDER COMMITTEE** to be held in **COUNCIL CHAMBER - COUNTY HALL** on **THURSDAY, 20 JULY 2023** at **10.30 AM**.

Yours faithfully

Dr Helen Paterson
Chief Executive

To Cabinet Shareholder Committee members as follows:-

W Ploszaj, G Sanderson and R Wearmouth



Dr Helen Paterson, Chief Executive
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AGENDA

PART I

It is expected that the matters included in this part of the agenda will be dealt with in public.

1. MEMBERSHIP AND TERMS OF REFERENCE

To note the membership and Terms of Reference as follows:

Membership

Such members of the Cabinet, as may be appointed from time to time by the Leader.

Quorum:

Three members, which must include:

- the Leader (or other Cabinet member appointed by the Leader for this purpose);
- Cabinet member with portfolio for finance and resources; and
- Cabinet member(s) with portfolio for most closely associated with the company or companies concerned with the items of business.

Terms of Reference

The Shareholder Cabinet Committee will exercise responsibility for the Cabinet's functions in respect of:

1. The Council's approach to membership of a company or companies, including:
 - a. evaluation of potential new opportunities to deliver social and financial returns on investment through company holdings;
 - b. approval of comprehensive statements (business cases) to establish a new company, company membership or joint venture;
 - c. sale or liquidation of Council interests in companies;
 - d. the adoption of investment or contractual strategies in relation to council held company memberships;
 - e. the provision or requirement of services to or by a company;and
 - f. the governance framework and over-arching approach to company memberships.
2. Decisions concerning the evaluation, monitoring or acting upon:
 - a. the financial and social returns on investment (be that shareholding, loans or direct investment); and
 - b. risks and opportunities arising from any shareholding in a company or companies, including contracts or financial investments in respect of such companies.
3. Decisions concerning the performance of a company in relation to

its Business Plan and, in particular, the company's performance:

- a. in financial matters
- b. against the social goals of the company as set out in the company's Objects, Business Case or Business Plan; and
- c. against the values of the Council.

4. All decisions reserved to the Council for shareholder approval, such as (but not limited to):

- a. Varying Articles of Association
- b. Varying ownership and structure
- c. Variations to shares (number of, rights, etc.)
- d. Entering contracts that:
 - i. have a material effect on Council business (including other companies within the group)
 - ii. are outside of the business plan or do not relate to the

business

- iii. significant in relation to the size of the business, the business plan, etc.
- e. Material legal proceedings outside of ordinary business
- f. Adopting and amending business plans each year and strategic plans (3 years)
- g. Appointment, removal and the remuneration of directors (members of the company board)
- h. Selection of the chair of the board
- i. Appointment of auditors
- j. Issue of dividends

as more particularly set out in a company's Articles of Association or Shareholder Agreement.

5. Other matters as may be referred to the Cabinet Committee for consideration by the CSR, s.151 officer, monitoring officer or chief executive

2. ELECTION OF CHAIR

3. DISCLOSURE OF MEMBERS' INTERESTS

Unless already entered in the Council's Register of Members' interests, members are required where a matter arises at a meeting;

Which directly relates to Disclosable Pecuniary Interest ('DPI') as set out in Appendix B, Table 1 of the Code of Conduct, to disclose the interest, not participate in any discussion or vote and not to remain in room. Where members have a DPI or if the matter concerns an executive function and is being considered by a Cabinet Member with a DPI they must notify the Monitoring Officer and arrange for somebody else to deal with the matter.

Which directly relates to the financial interest or well being of a Other Registrable Interest as set out in Appendix B, Table 2 of the Code of Conduct to disclose the interest and only speak on the matter if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain

the room.

Which directly relates to their financial interest or well-being (and is not DPI) or the financial well being of a relative or close associate, to declare the interest and members may only speak on the matter if members of the public are also allowed to speak. Otherwise, the member must not take part in discussion or vote on the matter and must leave the room.

Which affects the financial well-being of the member, a relative or close associate or a body included under the Other Registrable Interests column in Table 2, to disclose the interest and apply the test set out at paragraph 9 of Appendix B before deciding whether they may remain in the meeting.

Where Members have or a Cabinet Member has an Other Registrable Interest or Non Registrable Interest in a matter being considered in exercise of their executive function, they must notify the Monitoring Officer and arrange for somebody else to deal with it.

NB Any member needing clarification must contact monitoringofficer@northumberland.gov.uk. Members are referred to the Code of Conduct which contains the matters above in full. Please refer to the guidance on disclosures at the rear of this agenda letter.

4. ELECTION OF VICE CHAIR

5. REPORT OF THE EXECUTIVE DIRECTOR OF TRANSFORMATION AND RESOURCES (Pages 1 - 36)

Advance Northumberland Business Plan 2023-24

To present to the Committee the Advance Northumberland Ltd draft business plan for 2023-24 (see also confidential appendix at item 11 of this agenda).

6. REPORT OF THE EXECUTIVE DIRECTOR OF TRANSFORMATION AND RESOURCES (Pages 37 - 40)

Advance Northumberland Draft Statement of Financial Accounts 2022-23

To report to the Committee the Advance Northumberland Ltd draft statement of group statutory accounts for 2022-23 (see also confidential appendix at item 12 of this agenda).

7. REPORT OF THE EXECUTIVE DIRECTOR OF TRANSFORMATION AND RESOURCES (Pages 41 - 46)

Advance Northumberland Review of Corporate and Financial Structure

To update the Committee on the progress of the review of Advance

Northumberland company and financial structure and emerging options (see also confidential appendix at item 13 of this agenda).

8. REPORT OF THE EXECUTIVE DIRECTOR OF TRANSFORMATION AND RESOURCES (Pages 47 - 50)

Advance Northumberland Appointment of External Auditor

To inform the Committee of the proposed appointment of Robson Laidler Accountants Ltd as external auditors to Advance Northumberland Ltd and its subsidiaries for a three-year period from 2022-23 to 2024-5 in place of Mazars LLP and to seek authority for the shareholder representative to give reserved matters consent for their appointment on behalf of the Council as shareholder.

9. URGENT BUSINESS (IF ANY)

To consider such other business as, in the opinion of the Chair, should, by reason of special circumstances, be considered as a matter of urgency.

10. EXCLUSION OF PRESS AND PUBLIC

The Committee is invited to consider passing the following resolution:

(a) That under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the Agenda as they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and

(b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
11-13	3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).
AND	The public interest in maintaining this exemption outweighs the public interest in disclosure because disclosure would adversely affect the Authority's interests.

11. REPORT OF THE EXECUTIVE DIRECTOR OF TRANSFORMATION AND RESOURCES (Pages 51 - 68)

Advance Northumberland Business Plan 2023-24

To consider the attached Appendices under Agenda item 5 in Part 1 of this agenda.

- 12. REPORT OF THE EXECUTIVE DIRECTOR OF TRANSFORMATION AND RESOURCES** (Pages 69 - 92)
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Advance Northumberland Draft Statement of Accounts 2022-23

To consider the attached Appendices under Agenda item 6 in Part 1 of this agenda.

- 13. REPORT OF THE EXECUTIVE DIRECTOR OF TRANSFORMATION AND RESOURCES** (Pages 93 - 154)
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Advance Northumberland Review of Corporate and Financial Structure

To consider the attached Appendix under Agenda item 7 in Part 1 of this agenda.

IF YOU HAVE AN INTEREST AT THIS MEETING, PLEASE:

- Declare it and give details of its nature before the matter is discussed or as soon as it becomes apparent to you.
- Complete this sheet and pass it to the Democratic Services Officer.

Name:		Date of meeting:	
Meeting:			
Item to which your interest relates:			
Nature of Interest i.e. either disclosable pecuniary interest (as defined by Table 1 of Appendix B to the Code of Conduct, Other Registerable Interest or Non-Registerable Interest (as defined by Appendix B to Code of Conduct) (please give details):			
Are you intending to withdraw from the meeting?		Yes - <input type="checkbox"/>	No - <input type="checkbox"/>

Registering Interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in "The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012". You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

"Disclosable Pecuniary Interest" means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A 'sensitive interest' is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a 'sensitive interest' you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest.

Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.

5. Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in **Table 1**) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.
8. Where a matter arises at a meeting which **affects** –
- a. your own financial interest or well-being;
 - b. a financial interest or well-being of a relative or close associate; or
 - c. a financial interest or wellbeing of a body included under Other Registrable Interests as set out in **Table 2** you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied
9. Where a matter (referred to in paragraph 8 above) **affects** the financial interest or well- being:
- a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
 - b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise, you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.