

## **Housing Companies Shareholder Group - terms of reference**

### **Overview**

The Council has established Oxford City Housing Limited (“OCHL”) a wholly owned limited company dealing with certain housing matters. OCHL itself has two wholly-owned subsidiaries. These companies are referred to collectively as “the Housing Companies”.

The Council is the sole shareholder in the Housing Companies. Shareholding is an executive function. Under the ‘strong leader’ model operated by this Council, executive power is vested in the Leader of the Council. The Leader of the Council therefore has the authority to determine how the Council is to be represented in its role as the shareholder of its companies.

The Leader of the Council has delegated responsibility for the shareholder function in relation to the Housing Companies to the members of the City Executive Board collectively. The members of the CEB will therefore form a Housing Companies Shareholder Group to carry out this responsibility.

The Housing Companies Shareholder Group will obtain advice from Council officers as required. Committee and Member Services will provide appropriate secretariat support.

Responsibility for the day to day operation and management of the Housing Companies (including the responsibility for internal processes and staffing matters) vests in that Company’s Board of Directors, who must ensure that the Company’s business is conducted in accordance with the terms of the Company’s Shareholder’s Agreement and its Articles of Association.

### **Terms of reference of the Housing Companies Shareholder Group**

The Housing Companies Shareholder Group will:

1. Safeguard the Council’s investment in the Housing Companies and ensure the Housing Companies comply with the Council’s corporate objectives and maximise outcomes in line with Council policy.
2. Approve the Shareholder’s Agreement, which will have the initial Housing Companies Business Plan scheduled to it.
3. Receive, review and comment on the annual report and financial accounts of the Housing Companies and agree how these are to be published and circulated.
4. Appoint (at least annually) and remove Company Directors and ensure directors operate in accordance with the Housing Companies’ objectives.
5. Agree the employment of any non-executive or external Directors and the basis on which these directors will be remunerated.
6. Appoint the Company auditors.
7. Determine the distribution of any surplus or the issue of any dividends from the Housing Companies, in accordance with the Shareholder’s Agreement,

and exercise any other strategic functions flowing from the Council's ownership of shares.

8. Approve any frameworks within which the Council interfaces with the Housing Companies (e.g. a code of conduct for how Council officers interact with the Companies).
9. Exercise any reserved powers set out in the Company's Shareholder Agreement or Articles of Association.
10. Refer any conflicts arising between the Housing Companies and other Council-owned companies to the City Executive Board for resolution.

### **Meetings of the Housing Companies Shareholder Group**

1. Meetings will be operated in accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, requiring that:
  - a) Agendas are published 5 clear working days in advance of meetings.
  - b) Private meetings are notified 28 days in advance. Otherwise urgency rules will apply, requiring the agreement of the Chair of Scrutiny.
  - c) Key decisions will be notified 28 days in advance. Otherwise urgency rules will apply, requiring that the Chair of Scrutiny is informed (or if less than 5 clear days in advance, agrees).
  - d) Members of Council will be able to attend public and private parts of meetings.
  - e) Members of the public will be able to attend the public part of meetings.
2. Meetings will be scheduled at least annually.
3. Extraordinary meetings can be called at any time by the Leader of the Council or the Board of Directors.
4. The quorum is 3 and must include either the Leader of the Council or Deputy Leader.
5. Substitutions will not be allowed.
6. Meetings will be chaired by the Leader of the Council or in their absence, the Deputy Leader.
7. Meetings will also be attended by the Company Directors, the Company Secretary and the Housing Companies Shareholder Group's advisors.
8. After each meeting the Chair will approve the minutes of the previous meeting.
9. The Housing Companies Shareholder Group will take decisions in respect of the Council's total holdings in the Company.
10. Decisions will be taken by consensus of those present unless any member of the Housing Companies Shareholder Group requires a vote, in which case a majority decision will be taken with each member present having a single vote. In the event of a tied vote the Chair will have a casting vote.

### **Relationship to the Scrutiny Committee**

The Council's Scrutiny Committee retains its scrutiny function in relation to the Housing Companies Shareholder Group. The Scrutiny Committee will be able to call the Housing Companies Shareholder Group and its advisors to account for the progress and performance of the Housing Companies in accordance with a scrutiny protocol.

NOTE: Company Directors act in a way that is legally independent from the Council and their actions as company directors are not open to scrutiny in this way.

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