

### Terms of Reference

#### Cabinet Sub-Committees

##### Overview

- 4.1. There shall be three Cabinet Sub-Committees, known as Shareholder Boards, and these Boards shall exercise Medway Council's role as shareholder for the following Council owned (or part owned) companies, including their subsidiaries:
  - 4.1.1. Kyndi Ltd and its subsidiaries: Kyndi Care Ltd and Medway Public Services Ltd;
  - 4.1.2. Medway Development Company Ltd and its subsidiaries: Medway Development Company (Land and Projects Ltd) and Medway Development Company (PRS) Ltd;
  - 4.1.3. Medway Norse Ltd – joint venture with Norse Commercial Services Ltd.
- 4.2. The Shareholder Boards act with the delegated authority of the Cabinet to ensure that the duties and responsibilities of the Council as the sole shareholder (or as part of a joint venture) are exercised through each company, including but not limited to exercising decisions that are reserved to the shareholder and responding to matters raised by the board of directors, except for those matters set out in paragraph 4.4 below, which will remain matters reserved for consideration and decision by the Cabinet. The Shareholder Boards are responsible for ensuring that the companies are providing high quality services, value for money and are fit for purpose.
- 4.3. The Shareholder Boards will not have operational control over the Council's owned (or part owned) companies. The day to day operation of each company is the responsibility of the Directors of each company. Operational liaison with these companies will be undertaken between the client service of the Council and the Managing Director of each company.
- 4.4. The Cabinet has reserved decision making power in respect of each of the companies and this is detailed in the scheme of delegation set out in each memorandum of understanding.

##### Membership and meetings

- 4.5. Membership of each Shareholder Board shall be three Cabinet Members, appointed by the Leader of the Council. The Chairperson of each Board shall also be appointed by the Leader of the Council. Cabinet Members appointed to the Shareholder Boards shall undertake any training as directed by the Assistant Director Legal and Governance.

- 4.6. The Chief Executive, Assistant Director Legal and Governance and Chief Operating Officer plus the nominated lead officer for each Shareholder Board shall be invited to attend meetings and provide advice as required. Democratic Services shall provide governance and administrative support to the Shareholder Boards. Other Council officers and representatives of the Companies, plus any other officers/advisors shall be invited to attend meetings as required.
- 4.7. The quorum for the Shareholder Boards shall be two Cabinet Members.
- 4.8. Each Shareholder Board shall meet quarterly, or as required, and the Council's Access to Information rules shall apply accordingly. The call-in rules specified in section 15 of the Overview and Scrutiny rules shall apply to decisions made by the Shareholder Boards in the same way that apply to Cabinet decisions. The Shareholder Board shall comply with all other requirements set out in the Council's Constitution.
- 4.9. The Council's Overview and Scrutiny committees shall retain its scrutiny function in relation to the companies' activities and may request reports for consideration at their meetings accordingly.
- 4.10. In cases where it is not possible to convene a meeting of a Shareholder Board, the Assistant Director, Legal and Governance, in consultation with the relevant Chairperson for each Shareholder Board, has been granted delegated authority to take decisions that are required as a matter of urgency, in accordance with the Council's Access to Information rules.

#### **Matters reserved for the Shareholder Boards**

- 4.11 The Cabinet Sub Committees have reserved decision making power in respect of each of the company and this is detailed in the scheme of delegation set out in each Memorandum of Understanding