


Agenda Item No:	9	
Committee:	Cabinet	
Date:	20 th February 2020	
Report Title:	Investment Board Terms of Reference	

1.1. Purpose

- To update the Investment Board's Terms of Reference following feedback from Overview and Scrutiny.

1.2. Key issues

- Full Council approved the Commercial and Investment Strategy in January 2020 which included a governance structure to establish an Investment Board as a sub-committee of Cabinet to oversee, once created, a Local Authority Trading Company (LATCo) as well as other functions in relation to investments.
- Cabinet established the Investment Board in January 2020 and agreed its associated Terms of Reference, Membership and Appointments.
- Overview and Scrutiny subsequently called in the January 2020 Cabinet paper and considered it at its meeting on 10/02/2020. At the meeting, comments were raised about the governance around decision making and how that could be strengthened in the terms of reference.
- In response to this point, the terms of reference have been updated to reflect that if there are only two Members present at the Investment Board then the decision needs to be unanimous in order to be carried.

1.3. Recommendations

- For Cabinet to agree the updated terms of reference for the Investment Board at Appendix 1.

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Boden, Leader and Portfolio Holder, Finance
Report Originator(s)	Paul Medd, Chief Executive Peter Catchpole, Chief Finance Officer and Corporate Director Carol Pilson, Corporate Director and Monitoring Officer Amy Brown, Deputy Monitoring Officer

Contact Officer(s)	Paul Medd, Chief Executive Officer Peter Catchpole, Chief Finance Officer and Corporate Director Carol Pilson, Corporate Director and Monitoring Officer Gary Garford, Corporate Director Amy Brown, Deputy Monitoring Officer
Background Paper(s)	Cabinet Report dated 9 th January 2020 Council Report dated 9 th January 2020 Commercial & Investment Strategy Cabinet Report dated 16 th January 2020 O&S Report dated 10 th February 2020

APPENDIX 1 - PROPOSED TERMS OF REFERENCE

1.1 CABINET

Cabinet will be responsible for the following specific functions in relation to the Commercial Investment Strategy and the Council's companies and partnerships:

- (a) Conducting a formal review of the Commercial Investment every 2 years and recommending any necessary amendments for approval by Full Council;
- (b) Agreement of process and documentation for approval of Part 2 and 3 proposals;
- (c) The establishment of any new company and/or partnership;
- (d) The decommissioning/winding up of existing companies or partnerships;
- (e) The determination of Articles of Association;
- (f) The determination of the percentage share of ownership;
- (g) The determination of Reserved Matters for example appointment or dismissal of Directors unless delegated to the Investment Board;
- (h) Scheme of delegations to the Investment Board and Officers;
- (i) To delegate to the Investment Board the requisite funding allocated for delivery of the Council's Commercial Investment Strategy and to oversee spending against that budget in accordance with the agreed processes.

1.2 INVESTMENT BOARD

1.2.1 Purpose

The Investment Board is responsible for implementing Parts 2 and 3 of the Commercial Investment Strategy including oversight of the Council's companies and partnerships.

The Investment Board will act as a decision-making body in relation to the functions delegated to it and will report to Cabinet in relation to the exercise of those functions.

Support and advice will be provided to the Investment Board by the Chief Executive, Section 151 Officer, Monitoring Officer and Director of Growth.

1.2.2 Membership and Operation of the Investment Board

The Investment Board will comprise a maximum of two Cabinet Members (one of whom should be the portfolio holder for finance if that position is not held by the Leader) in addition to the Leader who will determine their appointment annually.

The Leader will Chair the Investment Board and a Vice Chair will be selected from the elected members of the Investment Board.

The Investment Board shall meet on a basis agreed by itself with a minimum of 3 meetings per year.

The quorum shall be the Leader in the presence of a minimum of;

- one other Cabinet Member;
- one senior advisory officer (or their appointed deputy)

If there are only 2 voting Members present, then any decision must be unanimous.

An invitation to attend must have been provided to the Chair of O&S at least 5 clear days in advance of the meeting taking place. This notice period may be waived if the Chair of O&S or their nominated deputy so agrees.

An invitation to attend must also have been provided to the section 151 officer and the Monitoring Officer (or their nominated deputies) which will normally be at least 5 clear days in advance of the meeting taking place.

The provisions relating to substitution set out at paragraph 28 of the Standing Orders shall apply to meetings of the Investment Board save that the Leader and Cabinet Members may only be substituted by Cabinet Members and the Chair of O&S may only be substituted by the Vice Chairman. Such substitutions to be notified to Council as part of the annual nomination process.

The Cabinet Procedure Rules shall apply to meetings of the Investment Board save in respect of paragraphs 1.6, 1.8, 2.2 (second paragraph), 2.3(g) and (h) and paragraph 2.5(d) which shall be disapplied.

1.2.3 Functions of the Investment Board

- (a) To determine investment appraisals submitted under Part 2 of the Council's Commercial Investment Strategy together with the most appropriate means of delivery;
- (b) To determine business cases submitted under Part 3 of the Council's Commercial Investments Strategy by the Council's companies and partnerships;
- (c) To determine the amount and terms of any investments, loans and assets required for the delivery of proposals approved in accordance with paragraphs (a) and (b) above from the agreed budget allocation;
- (d) To produce a report to Cabinet twice a year summarising its activities in accordance with paragraphs (a) to (c) above.
- (e) Approve the business plans of the Council's companies and partnerships;
- (f) To monitor performance and financial delivery in line with the approved business plans;
- (g) To ensure that those companies and partnerships comply with relevant Council policies, strategies and objectives;
- (h) To exercise decisions, where delegated by Cabinet, in relation to a company or partnerships' reserved matters;

- (i) To oversee the relationships between the Council and the Council's companies and partnerships in accordance with the Council's objectives.**
- (j) To prepare and present an annual report to the Overview and Scrutiny Committee;**
- (k) To determine for each individual company or partnership whether the Investment Board recommends to Cabinet the delegation of any functions to the officers of the Council.**

All other matters not falling within the remit of the Investment Board functions set out at (a) to (k) above will be referred to Cabinet for decision.