

Appendix 1

MILVERTON HOMES SHAREHOLDER REPRESENTATIVE BOARD TERMS OF REFERENCE

1. Objectives:

- 1.1 The Milverton Homes Shareholder Representative Board is to oversee the stewardship, accountability and monitoring for the Council's Housing Company and Joint Venture arrangements. In doing so, the Board seeks to balance the interests of the various stakeholders for the Company and Joint Venture to have a successful and sustainable future.
- 1.2 The Board will review performance of Milverton Homes Limited (MHL) and the Joint Venture (JV) against agreed objectives and the SLA.
- 1.3 It will also receive the proposed business plan for comment at least two months before it is to be presented to Cabinet, along with an annual review of the governance arrangements completed by the Monitoring Officer.
- 1.4 The view of the Board will be presented to the Cabinet as part of the business plan and the Annual Governance review will be separately reported to the Audit & Standards Committee.

2. Composition of the Board:

- 2.1 The Board will be made up of the following:

Councillors

Leader (Who will act as Chair)

Deputy Leader

Portfolio Holder for Housing

Portfolio Holder for Resources

Chair of Audit & Standards

Leader of non-administration Groups

Advising officers

Head of Finance

Legal Services representative

Monitoring Officer

Officers to Attend

Council appointed Executive Directors of Milverton Homes Limited.

Principal Accountant (Appointed to Milverton Homes)

Principal Accountant (Housing)

3. Quorum

- 3.1 The quorum for any meeting of the Board shall be the Leader or Deputy Leader, one Portfolio Holder, the Chair of Audit & Standards Committee, the Head of Finance and the Monitoring Officer.
- 3.2 The members of the Board may participate from any location by means of conference technology or other communication equipment which allows those participating to hear each other and be heard and shall be entitled to vote or be counted in the quorum accordingly.

4. Meetings

- 4.1 Will be chaired by the Leader

- 4.2 Meetings will be held quarterly and subject to the availability of Councillors.
- 4.3 Additional meetings can be called by any of the members of the Board.
- 4.4 Each meeting will have formal minutes with the actions or comments included in the formal decision-making report to Cabinet or the relevant Committee.
- 4.5 The paperwork for the meeting will only be available for those who are responsible to attend.

5. Decision making/Board resolutions.

- 5.1 The Board shall reach its view through agreement and consensus. Where this cannot be reached a majority view can be recorded or further work can be requested from officers for consideration by the Board.

6. Conflicts of interest of individual Board Members

- 6.1 Members of the Board are bound by their respective Codes of Conduct and statutory responsibilities to the Council and any company.
- 6.2 If a member of the Board finds themselves with a conflict of interest, they shall immediately disclose this to the meeting and where appropriate excuse themselves from any deliberations or votes of the Board concerning the relevant subject-matter.

7. Matters delegated to the Board by Cabinet (Shareholders)

7.1 Milverton Homes

- 7.1.1 Review and pass comment on the Business Plan and Annual Budget for Milverton Home at least two months prior to its formal submission to the Council.
- 7.1.2 Review the audited accounts for Milverton Homes and any subsidiaries for each financial year, providing advice to Cabinet.
- 7.1.3 Receive quarterly performance reports, cash flow statements and cash flow forecasts for the company.
- 7.1.4 Monitor the Risk Register.
- 7.1.5 Review the Financial Regulations and Business Continuity Plan providing commentary to the company.
- 7.1.6 Advise on any proposed deviations or changes to the shareholder agreement.

7.2 Joint Venture

Receive and review:

- 7.2.1 Reports from Council officers in respect of the Loan provided to the Joint Venture including activity over the quarter.
- 7.2.2 Narrative explaining the current positions from the Council's perspective.
- 7.2.3 Crewe Lane loan balances and repayment timing - £60m
- 7.2.4 Interest Income summary from £60m loan
- 7.2.5 Crewe Lane profitability analysis of WDC's Share of JV Profit – Using Crewe Lane Vistry JV Finance model from the Council's Loan Legal Agreement and the Viability/Profitability report
- 7.2.6 Any relevant risk issues linked with the Crewe Lane development.

8. Meeting support

- 8.1 This will be provided via the Council's officer administrative support.
- 8.2 This will include arranging meetings (including attendance by guests), agenda preparation, minute taking and subsequent distribution.

9. Review

- 9.1 The Terms of Reference will be reviewed annually by the Monitoring Officer and reported to the Cabinet alongside the Business Plan for MHL.