



Audit & Governance Committee	Agenda Item
8 March 2024	11

Title:	Shareholder board update
Report of:	Edwina Adefehinti
Lead Member:	Cllr Edna Murphy- Governance
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	N/A

Recommendations:

A	Note the update regarding the shareholder board
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Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

	A report on the activities of the shareholder board will assist this committee in assessing whether partly or wholly owned companies of the combined authority successfully each entity supports the combined authority's policies and strategies, and will also assist in reviewing risks relating to these entities and establish whether they are effectively managed and scrutinised and have a strong governance framework.
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1. Purpose

1.1	To provide an update to this committee on progress made so far, by the Shareholder Board.
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2. Proposal

2.1	To receive updates at intervals and to remind this committee that a member of this committee may attend a shareholder board meeting as an observer.
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3. Background

3.1	In November 2022, the Combined Authority Board approved the establishment of a shareholder Board with delegations to oversee, interface, and engage with its partially or wholly owned Companies.
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3.2	<p>Progress has been made on appointing members of the shareholder Board and a meeting took place on 7 June 2023. Another meeting is taking place on Monday 4th February 2024.</p> <p>At the meeting on 7 June 2023, as part of the agenda item, the Board received the detailed final report of the subsidiary companies deep-dive conducted by internal auditors RSM (UK) which was undertaken as part of the approved internal audit plan 2022/23. The Board heard that the purpose of the review was to allow the Combined Authority Board to take assurance over the design and effectiveness of the governance and reporting arrangements between the CA and their subsidiary companies. This included the provision of secretarial support, risk management, and conflict of interests. It was confirmed that a deep-dive focussed on the Cambridgeshire & Peterborough Business Growth Company (GrowthCo) and the Peterborough R&D Property Company (PropCo2).</p>
3.3	The Shareholder Board will merge into the new Investment Committee which is soon to be established.

4. Appendices

4.1	<p>Appendix 1- Investment committee Terms of reference: Document.ashx (cmis.uk.com)</p> <p>Appendix 2- EXEMPT- Details of companies invested in.</p>
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5. Implications

Financial Implications

5.1	Active oversight of the Combined Authority's investments in companies, as currently undertaken by the Shareholder Board, is important to ensure that financial risks are minimised and that the investments are likely to help the Authority achieve its strategic objectives.
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Legal Implications

6.1	<p>Chapter 13 of the Combined Authority's constitution places part of the burden of oversight of the Combined Authority's companies on this committee:</p> <p>13.3.22- Assisting the Combined Authority in fulfilling its oversight responsibilities in relation to reviewing and monitoring activity of the trading companies.</p> <p>13.3.23 Advising the Combined Authority Board on any matters within the Committee's powers pertaining to the trading companies.</p> <p>13.3.24 Providing appropriate review and challenge of the Combined Authority's governance arrangements of its trading companies and its appointments to the boards of the companies.</p> <p>13.3.25 Providing appropriate review and challenge on the financial information provided to the Combined Authority by the trading companies.</p> <p>13.3.26 Commissioning, where appropriate, the Combined Authority's internal audit function to undertake discrete activity relating to the Authority's governance of its trading companies.</p>
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Public Health Implications

7.1	
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Environmental & Climate Change Implications

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Other Significant Implications	
9.1	
Background Papers	
10.1	