

Birmingham City Council

Report to Cabinet Committee – Group Company Governance

17 April 2019



Subject: Company Update
Report of: Clive Heaphy, Corporate Director, Finance & Governance
Relevant Cabinet Member: Councillor Brigid Jones
Relevant O &S Chair(s): Councillor Sir Albert Bore
Report author: Martin Stevens

Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, add Forward Plan Reference:		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential :		

1 Executive Summary

This report provides Members with an update on changes within entities that fall within the Council's group structure.

2 Recommendations

2.1 Members are asked to note the information provided

3 Background

3.1 There have been a number of changes in companies that fall within the Council's group structure, which have been detailed below.

Company Changes

3.2 Details of the changes in companies are set out below:

- Acivico Limited
Acivico (Building Consultancy) Limited
Acivico (Design, Construction and Facilities Management) Limited
Catherine Newhall-Caiger resigned as a Director of the company on 27 February 2019
The interim Chief Executive and the interim Director of Finance have both left the company
- Birmingham Children's Trust CIC
The Children's Trust has amended its Articles of Association to increase the number of Independent Non-Executive Directors from five to six. Professor Jon Glasby, previously the Council's nominee to the CIC board, has been appointed to be an Independent Non-Executive Director. Jonathan Tew has been appointed to the vacant Council Director nomination.
- Southside Business District Limited
Councillor Penny Holbrook resigned as a Director of the Company on 21 March 2019.
- Retail Birmingham Limited
Councillor John Cotton was appointed as a Director of the Company on 27 February 2019
- Birmingham Voluntary Service Council
Councillor Ken Wood and Councillor Mohammed Idrees were appointed as Directors of the Company on 27 March 2018 and 1 November 2018 respectively, but recorded on Companies House on 24 January 2019.
- Birmingham Royal Ballet
Councillor Lou Robson was appointed as a Director of the Company on 30 October 2019 but recorded on Companies House on 4 March 2019.
- Commonwealth Games (Birmingham) CIC
This company was dissolved via voluntary strike off on 26 March 2019.

Schools

3.3 Further work is being undertaken to try and capture information on charities that are associated with maintained schools within the City. As part of the work undertaken by Birmingham Audit in their visits to schools, they are now asking whether there are any charities associated with the school. Only one additional charity has been

identified at present and additional information is being sought on the constitution, aims and members of the charity.

4 Options considered and Recommended Proposal

- 4.1 This report provides information to Members on changes to organisations that fall within the Council's group structure. Further reports will be provided to future meetings of this committee.

5 Consultation

- 5.1 The Chair of the Committee has been consulted in the preparation of this Report..

6 Risk Management

- 6.1 This report sets out information on external organisations associated with the Council.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- a) The Council provides services to community through a number of different vehicles. This report provides information on entities associated with the Council through which service delivery is being provided.

7.2 Legal Implications

- a) The Council's Section 151 Officer has a duty to ensure the proper administration of the Council's financial affairs. The Accounts and Audit Regulations 2015, requires the Council to have effective arrangements for the management of risk.

7.3 Financial Implications

- a) The Council needs to consider whether any of the changes in the company group structure has a financial impact on or increases the financial risks to the Council.

7.4 Procurement Implications

- a) There are no procurement implications directly arising from this report.

7.5 Human Resources Implications

- a) There are no human resources implications directly arising from this report.

7.6 Public Sector Equality Duty

- a) There are no equality duty or equality analysis issues relating to the proposals set out in this report.

8 Background Documents

CIPFA Code of Practice on Local Authority Accounting