

Birmingham City Council

Report to Cabinet Committee – Group Company Governance

16 September 2021



Subject: Company Update
Report of: Rebecca Hellard, Director Council Management
Relevant Cabinet Member: Councillor Brigid Jones
Relevant O &S Chair(s): Councillor Mohammed Aikhlaq
Report author: Alison Jarrett

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 within the report and at private appendix 1 which contains commercially confidential details concerning associated companies.

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.

3.2 Company Changes

Details of changes in companies are set out below, where a termination or appointment is made that is not a BCC member, officer or associate it is not noted.

1. ACIVICO (DESIGN, CONSTRUCTION AND FACILITIES MANAGEMENT) LIMITED (07918913), ACIVICO (BUILDING CONSULTANCY) LIMITED (07918763), ACIVICO LIMITED (07792304) - 13-Jul-21 - Termination of appointment of Frederick Thomas Grindrod as a director on 30 June 2021
2. ARDEN CROSS LIMITED (09948413) - 30-Aug-21 - Director's details changed for Ms Kathryn Elizabeth James on 30 August 2021
3. IB (BIRMINGHAM) LIMITED (01623466) - 14-Aug-21 - Final Gazette dissolved following liquidation
4. BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY (10762047) Appointment of Suzanne Dodd, Director Legal Services following resignation of Jonathon Tew (papers yet to be filed at Companies House).

3.3 Annual accounts have been submitted for the following companies:

Company		unqualified audit (where applicable)
BIRMINGHAM MUSEUMS TRADING LIMITED (04221635)	Amended accounts for a small company made up to 31 March 2020	Y
FINANCE BIRMINGHAM LIMITED (07423867)	Accounts for a small company made up to 31 March 2021	Y
BIRMINGHAM AIRPORT LIMITED (02078273)	Full accounts made up to 31 March 2021	Y
BIRMINGHAM AIRPORT (FINANCE) PLC (04061664)	Full accounts made up to 31 March 2021	Y
BIRMINGHAM AIRPORT HOLDINGS LIMITED (03312673)	Group of companies' accounts made up to 31 March 2021	Y
BHX (SCOTLAND) LIMITED (SC445279)	Unaudited abridged accounts made up to 31 March 2021	N/A
BHX FIRE AND RESCUE LIMITED (05997636)	Audit exemption subsidiary accounts made up to 31 March 2021	N/A
BIRMINGHAM AIRPORT OPERATIONS LIMITED (09915844)	Audit exemption subsidiary accounts made up to 31 March 2021	N/A

BIRMINGHAM AIRPORT SERVICES LIMITED (08203043)	Audit exemption subsidiary accounts made up to 31 March 2021	N/A
BIRMINGHAM AIRPORT AIR TRAFFIC LIMITED (08201487)	Audit exemption subsidiary accounts made up to 31 March 2021	N/A
BIRMINGHAM AIRPORT DEVELOPMENTS LIMITED (02295119)	Audit exemption subsidiary accounts made up to 5 April 2021	N/A
FIRST CASTLE DEVELOPMENTS LIMITED (02783202)	Audit exemption subsidiary accounts made up to 31 March 2021	N/A
EURO-HUB (BIRMINGHAM) LIMITED (02403252)	Audit exemption subsidiary accounts made up to 31 March 2021	N/A
BIRMINGHAM LEP COMPANY LIMITED (06915791)	Full accounts made up to 30 December 2020	Y

The airport subsidiary companies have all filed audit exempt subsidiary accounts, and in addition to this:

- notice of agreement to exemption from audit of accounts for period ending 31/03/21
- audit exemption statement of guarantee by parent company for period ending 31/03/21
- Consolidated accounts of parent company for subsidiary company period ending 31/03/21

3.4 Covid-19

A review of the material group company interests of the council is an ongoing process to understand the impact of Covid-19 on their business plans and performance. This review is refreshed as further information becomes available both nationally, within the industry categories and within each organisation. This review will continue to be updated and a snapshot reported to each meeting of the Group Company Governance Committee. Where it is indicated that there is a risk of a financial impact to the council then that will be reported within the regular revenue and capital monitoring reports to Cabinet.

The detailed review contains commercially sensitive information that may impact on performance were it to be made public. A private appendix is presented on the private agenda.

From July 19 2021 the impact of the ending of the furlough scheme and the return to more “normal” trading or implementation of recovery plans will be monitored and reported.

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