

SHAREHOLDER CABINET COMMITTEE

MONDAY 4 NOVEMBER 2024

10.00 AM

Bourges/Viersen Room - Town Hall

AGENDA

Page No

- | | | |
|----|--|----------------|
| 1. | Apologies for Absence | |
| 2. | Declarations of Interest | |
| 3. | Minutes - 9 September 2024 | 3 - 6 |
| 4. | Peterborough Museum and Art Gallery Trust - Proposal to Seek Amendments to the Constitution | 7 - 10 |
| 5. | Exclusion of Press and Public | |
| | To resolve that the press and public may be excluded from the meeting on the following items: | |
| | Item 6, Opportunity Peterborough | |
| | Item 7, Monitoring Actions and Recommendations Report, Appendix 1 | |
| | on the grounds that the item contains exempt appendices which include information under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed. (Relating to the financial or business affairs of any particular person). | |
| 6. | Opportunity Peterborough | 11 - 20 |
| 7. | Monitoring Actions and Recommendations Report | 21 - 24 |

Emergency Evacuation Procedure – Outside Normal Office Hours

In the event of the fire alarm sounding all persons should vacate the building by way of the nearest escape route and proceed directly to the assembly point in front of the building. The duty Beadle will assume overall control during any evacuation, however in the unlikely event the Beadle is unavailable, this responsibility will be assumed by the Committee Chair.

Recording of Council Meetings: Any member of the public may film, audio-record, take photographs and use social media to report the proceedings of any meeting that is open to the public. A protocol on this facility is available at:

<http://democracy.peterborough.gov.uk/ecSDDisplay.aspx?NAME=Protocol%20on%20the%20use%20of%20Recording&ID=690&RPID=2625610&sch=doc&cat=13385&path=13385>



There is an induction hearing loop system available in all meeting rooms. Some of the systems are infra-red operated, if you wish to use this system then please contact on 01733 384639 as soon as possible.

Committee Members:

Councillors: M Jamil (Chair), Jones (Vice Chair), Thulbourn, Jones, Ellis, Allen, Farooq, Hogg, Ali and A Shaheed

Substitutes: Councillors: Skibsted, Wiggin, M Cereste, Howard and Cole

Further information about this meeting can be obtained from on telephone 01733 384639 or by email – daniel.snowdon@peterborough.gov.uk

Recording of Council Meetings: Any member of the public may film, audio-record, take photographs and use social media to report the proceedings of any meeting that is open to the public. A protocol on this facility is available at:

<http://democracy.peterborough.gov.uk/ecSDDisplay.aspx?NAME=Protocol%20on%20the%20use%20of%20Recording&ID=690&RPID=2625610&sch=doc&cat=13385&path=13385>

MINUTES OF THE SHAREHOLDER CABINET COMMITTEE MEETING

HELD AT 10.00AM ON

MONDAY 9 SEPTEMBER 2024

BOURGES/VIERSEN ROOM, TOWN HALL

Members present: Councillors M Jamil (Chair), A Jones, S Allen, A Ellis, C Hogg, M Farooq, N Thulbourn, I Ali

Officers in attendance:

Neil McArthur – Director of Legal and Governance, Cecile Booth – Executive Director Corporate Services and S151 Officer, Adrian Chapman – Executive Director Place and Economy, Kitran Eastman – Managing Director Peterborough Ltd and Daniel Snowdon - Democratic and Constitutional Services Manager

9. APOLOGIES FOR ABSENCE

Councillor Dennis Jones

10. DECLARATION OF INTEREST

There were none.

11. MINUTES OF THE MEETINGS HELD ON 8 JULY 2024

The minutes of the meetings held on 8 July 2024 were agreed as a correct record.

12. PETERBOROUGH LTD ANNUAL ACCOUNTS

Members received the annual accounts for Peterborough Ltd. Presenting the accounts the Managing Director of Peterborough Ltd highlighted that in the last financial year, Peterborough Ltd returned a profit which was the first time it had been profitable. As a result, there was a £47k tax bill and investigations were taking place as to whether it could be offset against losses for other companies within the organisation.

The company had received an exemplary audit report that had found previous, relatively minor issues, had been rectified. The Board of Directors had endorsed the accounts, and they were now ready for submission.

Attention was drawn to the performance element of the report and in particular Appendix E that showed profit was significantly ahead of the quarter 1 performance and it was anticipated that a break-even position would be achieved by year end.

Attention was also drawn to the service dashboards that showed culture that had recorded in excess of 71k visits and was working to secure grants. Environment remained green and static, although fly tipping was a concern as a pressure on frontline resources. Leisure was also green and static with a successful first quarter in which sales records had been broken for 6 of the last 7 months.

In response to member questions:

- Noted that the loan from Peterborough City Council was for 5 years, the majority of services were transferred in 2019. There was approximately £900k remaining to be repaid and the loan was extended until 2029 with an increase to the interest rate.
- It was explained that reporting of health and safety incidents at leisure facilities had been raised as an issue due near misses. There had been a substantial amount of training undertaken and a significant improvement had been witnessed. It was noted that the majority of incidents were minor in nature.
- Concern around Bretton Splash pool being closed was noted and it was explained that the splash park facilities were of an age where refurbishment was required, however, the financial climate was difficult. Although some spare parts were kept in stock, however, some were expensive and not cost effective to keep in stock. It was believed that the design was putting pressure on the pumps and causing issues. A review of the parks was being developed and would be brought forward in the future.
- Noted the concern of members regarding recycling rates and although recycling centres were not run by Peterborough Ltd, support and assistance would be offered where possible.
- It was explained that regarding the 2024/25 pay award, discussions were taking place with trade unions and were awaiting feedback as to the risk of strike action.
- In response to concerns raised regarding the deliverability of savings through Peterborough Ltd and the need for contracts to be signed for leisure and drafted for culture, it was suggested that a service-by-service review of the company was required in order for members to decide on what services should continue or be discontinued at a future meeting. Action

RECOMMENDATIONS

It was resolved to

1. Endorses the P-Ltd Audited Annual Accounts for 2023-24, and request that the Executive Director for Place and Economy, in line with their delegation (detailed in KEY/26AUG24/04) gives approval to the P-Ltd Board of Directors to Submit the Company Accounts with Companies House.
2. Notes the P-Ltd Strategic Report 2023-24.
3. Endorses that P-Ltd bring a quarterly report to Shareholder Cabinet Committee on its performance.

13. MONITORING ACTIONS AND RECOMMENDATIONS REPORT

Members received the monitoring actions and recommendations report that provided an update on actions arising and previously agreed recommendations.

RECOMMENDATIONS

It was resolved to:

Considers the progress on actions and recommendations made at previous meetings as attached in Appendix 1 and 2 to the report and provides feedback including whether further monitoring of each recommendation is required.

Chair
Started 10:06 and ended at 10:40

This page is intentionally left blank

| | |
|--------------------------------------|----------------------|
| SHAREHOLDER CABINET COMMITTEE | AGENDA ITEM No. 4 |
| 4th November 2024 | PUBLIC REPORT |

| | | |
|--------------------------------|---|------------------|
| Report of: | Neil McArthur, Director of Legal and Governance, and Monitoring Officer | |
| Cabinet Member(s) responsible: | Cllr Angus Ellis, Cabinet Member for Environment and Transport | |
| Contact Officer(s): | Tom Hennessy, Head of Economic Growth and Development | Tel. 07950960108 |

PETERBOROUGH MUSEUM AND ART GALLERY TRUST - PROPOSAL TO SEEK AMENDMENT TO THE CONSTITUTION

| | |
|---|---------------------------------------|
| RECOMMENDATIONS | |
| FROM: Head of Economic Growth and Development in the role of Client Officer responsible for the Council as Trustee of the Peterborough Museum and Art Gallery | Deadline date: 4 November 2024 |
| <p>It is recommended that the Committee:</p> <ul style="list-style-type: none"> (1) Recommends that Cabinet confirms the continuing appointment of Cllr Alan Dowson to represent the interests of Peterborough Museum and Art Gallery Trust to the Council (2) Recommends to Cabinet that the Charity Commission be invited to draw up a new Scheme for the management of the Peterborough Museum and Art Gallery Trust | |

1. ORIGIN OF REPORT

1.1 This report is submitted to the Shareholder Cabinet Committee following a referral from the Monitoring Officer.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to provide information and obtain the recommendation of the Shareholder Cabinet Committee to Cabinet to decide on the above proposals.

2.2 This report is for the Shareholder Cabinet Committee to consider under section 3.3.2 of Part 3 of the Constitution, which provides that the Committee will oversee the relationships between the Council and its charities, and act as an advisory body to Cabinet.

3. TIMESCALES

| | | | |
|---|-----------|----------------------------------|--|
| Is this a Major Policy Item/Statutory Plan? | NO | If yes, date for Cabinet meeting | |
|---|-----------|----------------------------------|--|

4. BACKGROUND AND KEY ISSUES

- 4.1 Peterborough City Council is the sole Trustee for the Peterborough Museum and Art Gallery Trust (PMAG) under the terms of the 1968 Charity Commission Scheme, when PMAG was effectively transferred from a group of individuals to the Council.
- 4.2 In its role as Trustee, it must make decisions relating to the management of the Trust in the best interests of the Trust, and in doing so, ensure that it is fully transparent and independent of Council interests i.e. that there is no conflict with the Council's own interests and priorities.
- 4.3 Under the current Scheme, the Trust can make decisions with reference to a committee appointed by members of what is now the Peterborough Museum Society. This process appears to have become obsolete (although the Society still exists) and the committee has never been replaced.
- 4.4 Independent legal advice has been obtained from a Trusts' lawyer, who has advised that the oversight of PMAG is therefore "uncertain" and the powers of those acting on its behalf unclear. This clearly needs addressing as otherwise it leaves Trust unable to make decisions which are not open to challenge by the Charity Commission, members of the public, members of the Society, and potential external/partnership funders who would want to see clear lines of accountability before making any significant funding available.
- 4.5 It is therefore proposed that (i) Peterborough City Council, in its role as Trustee, take the necessary steps to put in place a new, modernised constitution, with clear decision making processes, for the future management of the Trust, as soon as possible; and (ii) a quote be obtained for legal fees for the purposes of instructing an external Trusts lawyer to advise in the process.
- 4.6 There are two potential options for this:
- a. To request that the Charity Commission draw up a new, modern Scheme for the management of the Trust, (note it is not possible to draw up a Scheme for the Charity Commission's approval if this route is taken, as they require that they draw it up themselves); or
 - b. To set up a Charitable Incorporated Organization (CIO) (this would be a separate legally incorporated body).
- 4.7 Option a. is recommended initially for the following reasons:
1. The Charity Commission's involvement from the outset will ensure a reliable, legal process for setting up a Scheme under which decisions can be taken, is immediately underway;
 2. The Scheme drawn up in this way will ensure that the new constitution and decision processes will stand up to scrutiny, be reliable and transparent and free of conflicts of interest;
 3. Any later decision to set up a CIO (see below) will then be transparent and bear scrutiny as it will be made under the new constitution.
- 4.8 However, there are some important points to note:
- Firstly, Peterborough City Council will have no control over how long the Charity Commission take to complete this work although it is anticipated by our Trusts' lawyer that this should usually be no longer than 6-8 months.
 - Secondly, the Charity Commission will create the Scheme that they feel is suitable and may or may not take into consideration all suggestions put forward by Peterborough City Council for inclusion.

Option b – the Charity Incorporated Organization (CIO)

There are compelling reasons why the Trust may wish to set up a CIO in the longer term, as this has the potential to open access to a wider range of funding options, being a separate body, independent of the Council. For now though, this alternative has been discounted for the reasons outlined below (see section 9).

5. CORPORATE PRIORITIES

The recommendation links to the following Corporate Priorities:

1. Our Places & Communities
 - Places and Safety - A Culture, Heritage and Leisure offering that meets the expectations of our residents, visitors and business and with a vigorous mission to promote our City's past and its' connection to the present and future
2. Sustainable Future City Council
 - How we Work - Provide robust and transparent governance and assurance across all our work
 - How we Serve - Create the right structures to support the delivery of our priorities
 - How we Enable - Maximise our assets, resources and capability to enable our priorities and plans

6. CONSULTATION

- 6.1 The recommendations in this paper have been discussed by CLT.

7. ANTICIPATED OUTCOMES OR IMPACT

- 7.1 It is anticipated that the creation of a new more modern Scheme by the Charity Commission will enable good, lawful governance and management of the Trust in keeping with modern Trust law requirements.

8. REASON FOR THE RECOMMENDATION

- 8.1 This recommendation is being made on the basis that it is considered to be a both reliable and effective way of establishing a clear governance structure for the management of the Peterborough Museum and Art Gallery Trust.

9. ALTERNATIVE OPTIONS CONSIDERED

- 9.1 The alternatives to this proposal would be to A) maintain the status quo, and B) establish a Charitable Incorporated Organisation (CIO) through which to manage the Trust.

A) This option has been discounted as the current Scheme does not provide sufficient clarity on the governance structures required to effectively manage the Trust in current times.

B) This option has been discounted because of:

- The inevitability of complex political discussions within and outside Council on the merits of a CIO vs Council continuing to act as Trustee and who should run it.
- The uncertainty as to how the Council makes a lawful decision on changing to a CIO.
- The fact that the management of the Trust could still be challenged during the period until a CIO is formed (i.e. the process will not already be under the supervision of the Charity Commission)

10. IMPLICATIONS

Financial Implications

- 10.1 Specialist legal advice will need to be obtained from an external Trusts Lawyer to act on behalf of the Trust in its dealings with the Charity Commission. This will be paid by the Council in the first instance, subject to satisfactory quotes being considered.

Legal Implications

- 10.2 The legal implications are set out above. In essence the aim of this report is to redraft the legal constitution and decision-making processes of the Peterborough Museum and Art Gallery Trust.

In addition, the appointment of Cllr Alan Dowson as the Cllr representing the interests of the Trusts to the Council, needs to be confirmed to ensure that there is an appropriate record of the governance arrangements is in place. Whilst taking into considerations the constitutional issues raised, it will be necessary for Trust issues arising prior to the finalization of the new constitution to be represented and addressed.

Equalities Implications

- 10.3 NA

11. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 11.1 NA

12. APPENDICES

- 12.1 NA

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank

| | |
|--------------------------------------|----------------------|
| SHAREHOLDER CABINET COMMITTEE | AGENDA ITEM No. 7 |
| 4 NOVEMBER 2024 | PUBLIC REPORT |

| | | |
|---------------------|---|-------------------|
| Report of: | Neil McArthur, Director Legal and Governance (Monitoring Officer) | |
| Contact Officer(s): | Charlotte Cameron, Senior Democratic Services Officer | Tel. 01733 684628 |

MONITORING ACTIONS AND RECOMMENDATIONS REPORT

| | |
|--|---------------------------|
| RECOMMENDATIONS | |
| FROM: Senior Democratic Services Officer | Deadline date: N/A |
| <p>It is recommended that the Shareholder Cabinet Committee considers the progress on actions and recommendations made at previous meetings as attached in Appendix 1 and 2 to the report and provides feedback including whether further monitoring of each recommendation is required.</p> | |

1. ORIGIN OF REPORT

1.1 In accordance with the constitution, the Shareholder Cabinet Committee has functions relating to all the Council’s companies, partnerships and charities. In the discharge of these functions, the committee can request actions and make recommendations that support the monitoring of those companies, partnerships and charities.

This report is therefore provided as part of this process to ensure the monitoring of any actions or recommendations which have been made by this committee.

2. PURPOSE AND REASON FOR REPORT

2.1 The report enables the Shareholder Cabinet Committee to monitor and track progress of actions and recommendations made to the Executive or Officers at previous meetings.

2.2 This report is for the Shareholder Cabinet Committee to consider under its Terms of Reference No. *Part 3, Section 3 Delegations – Executive Functions part 3.3. (b)*

“To provide the necessary oversight from the shareholder’s perspective and ensure that those companies, partnerships, and charities comply with relevant Council policies, strategies, and objectives”

3. TIMESCALES

| | | | |
|---|-----------|----------------------------------|------------|
| Is this a Major Policy Item/Statutory Plan? | NO | If yes, date for Cabinet meeting | N/A |
|---|-----------|----------------------------------|------------|

4. BACKGROUND AND KEY ISSUES

- 4.1 Appendix 1 of the report sets out the actions recommendations made to the Executive or Officers at previous meetings of the Committee. It also contains summaries of any action taken by Cabinet Members or Officers in response to the recommendations.
- 4.2 The progress status for each action and recommendation is indicated and if the Committee confirms acceptance of the items marked as completed, they will be removed from the list. In cases where action is outstanding, or the Committee does not accept the matter has been adequately completed it will be kept on the list and reported back to the next meeting of the Committee. It will remain on the list until such time as the Committee accepts the action or recommendation has been completed.
- 5. ANTICIPATED OUTCOMES OR IMPACT**
- 5.1 Regular monitoring of actions and recommendations made will assist the Committee in assessing the impact and consequence of the recommendations and ensure that they are implemented.
- 6. REASON FOR THE RECOMMENDATION**
- 6.1 To assist the Committee in assessing the impact and consequence of actions and recommendations made at previous meetings and ensuring that they are implemented.
- 7. ALTERNATIVE OPTIONS CONSIDERED**
- 7.1 To not provide the Committee with oversight on progress of the actions and recommendations. This option was not taken forward as it does not allow the Committee to monitor the work completed around their actions and recommendations.
- 8. IMPLICATIONS**
- Financial Implications**
- 8.1 There are no direct financial implications arising from this report.
- Legal Implications**
- 8.2 There are no direct legal implications arising from this report.
- 9. BACKGROUND DOCUMENTS**
Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985
- 9.1 Minutes of the Shareholder Cabinet Committee meetings held on 29 January 2024, 12 February 2024, 26 February 2024, 25 March 2024, 10 June 2024, 8 July 2024 and 9 September 2024.
- 10. APPENDICES**
- 10.1 Appendix 1 – Exempt: 2024-2025 Actions and recommendations tracker

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank