

Appendix 6– Steps to be taken following set up of Oversight Board

Steps for LBE

- The Shareholder Board will be a Committee of London Borough of Enfield Cabinet, the Committee and its responsibilities will need to be added to the Constitution so the Cabinet report could add a recommendation to refer to full Council to change the Constitution to add the Committee of Cabinet and its terms of reference.
- Where there are changes to Councillor/Officer directors on the company Boards, this will need to be noted at Full Council (being appointments to outside bodies).

Steps for companies

- Company Boards need to agree to receive reports from the Shareholder Board and to comply with decisions of the Shareholder Board.
- Company Board Minutes need to address the points below, and agree the frequency of Board Meetings.
- Articles of Association will need to be amended to refer to Shareholder Board, and reflect new requirements for Boards of Directors (i.e. only one Cllr Director on each Board, and Shareholder Board to appoint the Chair).
- A Delegations Matrix* should ideally be drawn up for each company (and energetik's amended) setting out where decisions need to go, and referencing matters for the Shareholder Board. This would be a good place to include reporting requirements.
- Appropriate filings will need to be made to Companies House to implement changes.

*The Delegations Matrix for energetik has a single column listing decisions to be taken by LBE as shareholder. This can be expanded (and adopted by other companies too) to make it clear where those decisions need to go to Shareholder Board or Cabinet within LBE.

Note:

The matters and details of what needs to go to the Shareholder Board might differ from company to company depending on whether the intention is for that company to be Teckal or not. If a company is intended to be Teckal to enable contracts to be entered into between LBE and the company, governance will need to be tighter (and more control by LBE). If, on the other hand, the company needs to operate commercially and ideally without the constraints of the Public Contracts Regulations, then governance would need to be structured so that it is not a 'contracting authority'.

