

North Yorkshire Council

Shareholder Committee

Minutes of the meeting held on Tuesday, 21 October 2025 commencing at 12.30 pm.

Councillor Carl Les in the Chair. Councillors Gareth Dadd and Mark Crane.

Officers present: Richard Flinton, Gary Fielding, Barry Khan, Kerry Metcalfe and Elizabeth Jackson.

Copies of all documents considered are in the Minute Book

76 Apologies for Absence

There were no apologies for absence.

77 Minutes of the meeting held on 2 September 2025

Resolved

That the Minutes of the meeting held on 2 September 2025, having been printed and circulated, be confirmed as read and signed by the Chair as a correct record.

78 Declarations of Interest

There were no declarations of interest.

79 Public Questions and Statements

There were no public questions or statements.

80 Brierley Group 2025/26 Quarter 1 Financial Performance Report

The report of the Assistant Director Commercial, Property and Procurement, providing a Quarter 1 financial and performance update for 2025/26 for the companies that made up the Brierley Group.

Kerry Metcalfe, Assistant Director Commercial, Property and Procurement introduced the report, providing an overview of performance and highlighting the Quarter 1 achievements and challenges for the individual companies. She drew members' attention specifically to the positive performance of the Group with a forecast pre-tax profit of £4.416m and a total shareholder value of £13.3m.

All companies were forecasting a profit for Quarter 1. Align was showing a strong performance with the Committee requested to authorise the payment of a £1m dividend to North Yorkshire Council. Brierley Homes was forecasting a profit of £348k for the year based on the financial information as at Quarter 1 on the basis of predicted sales being achieved. It was noted that there had been some delays with projected sales so the position is being closely monitored by the company, and the financial projections will be

updated at Quarter 2 reporting, with the next report to Shareholder Committee being Quarter 3 reporting in March 2026.

The Committee received a detailed update on Brierley Homes following the outcome of the independent review, which was reported to the Executive in September. Consideration was given to plans and actions to be taken and future options for the Company.

It was proposed that North Yorkshire Highways Limited add general property compliance, maintenance and repair works as well as general capital building schemes to its portfolio of works to enable it to undertake property compliance and maintenance for North Yorkshire Council when the current contract expired in January 2026. Approval was sought to make the necessary changes to NY Highways Ltd's governance documents and for it to enter into contract with the Council to deliver responsive repairs and other schemes.

Members noted the report and thanked officers for the update.

Resolved

That the Shareholder Committee

- 1) note the report and the Brierley Group Q1 Financial Performance for the 2025/26 year.
- 2) approve the Written Resolution at Appendix B for the payment of a dividend of £1 million to The North Yorkshire Council by Align Property Partners Limited.
- 3) authorise the Chief Executive (as Shareholder Representative) to sign the Written Resolution and any other relevant shareholder resolutions relating to this dividend.
- 4) provide approval to make the necessary changes to NY Highways Ltd's governance documents to include general property compliance, repair and maintenance works as well as larger capital schemes.
- 5) provide approval for NYH to enter into contract with the council to deliver its general property compliance, repair and buildings works as well as larger capital schemes.

81 Commercial Governance Review

Considered – A report of the Corporate Director Resources which provided an update to the Commercial Governance Review report presented to the Audit Committee on 18 March 2024 and Shareholder Committee on 19 March 2024, and which considered feedback from a recent review undertaken by Veritau. The report set out progress on the eleven recommendations identified in the March 2024 reports. The report had also been considered by the Audit Committee on 29 September 2025 and paragraph 5.10 of the report had been updated to reflect the points raised by Audit Committee members.

The Assistant Director Commercial, Property and Procurement (ADCPP), presented the report and noted that despite some key staff vacancies, good governance arrangements remained in place, there were no risks and vacant posts had been backfilled.

The committee considered paragraph 5.10 of the report which provided an update to Recommendation 5 that Board membership be reviewed and consideration given to whether elected members should stand down as directors for certain companies on the basis that the Shareholder Committee provided elected member oversight. CIPFA guidance provided recommendations in relation to elected members holding directorships in

local authority companies and the potential for conflicts of interest which might make it difficult to take decisions effectively.

Some members of Audit Committee had raised concerns with the proposal not to include elected members on company boards, and in response the issue had been considered further by members of Brierley Board and NYC officers. The ADCPP confirmed that it had been concluded that the Shareholder Committee was the appropriate forum for the oversight and governance of the council's commercial entities and other members could attend Shareholder Committee as observers, as it was a committee of the council held in public. For Veritau Ltd and Yorwaste Ltd which were jointly owned with City of York Council elected members would continue to sit on the Boards and CYC required their members to sit on the Boards.

The committee considered the CIPFA guidance and supported the recommendation that elected members be removed from company Boards and instead be given observer status for those Boards where the company is delivering policy objectives for the Council. The Assistant Chief Executive Legal and Democratic noted that NYC voting rights may need to be considered and updated where elected members have been removed from company boards to ensure NYC control is not diluted.

Resolved

That the Shareholder Committee

- 1) Note the actions set out in section 5 of this report
- 2) Approve that in line with CIPFA guidance all elected member directorships on NYC company boards will cease and those members be given observer status, except where the company is jointly owned with City of York Council, and that voting rights be reviewed where members had been removed. Authority be delegated to the Assistant Chief Executive Legal and Democratic to implement any changes to voting rights
- 3) Note that elected members are welcome to attend Shareholder Committee as observers

82 Work Programme

Members considered and endorsed the work programme for the Committee for the remainder of 2025/26.

83 Date of Next Meeting – 24 March 2026

The meeting concluded at 1.28 pm.