

This report is public with an Exempt Appendix	
Graven Hill Village Development Company (GHVDC) - Governance Review Action Plan – Update	
Committee	Shareholder Committee
Date of Committee	12 June 2025
Portfolio Holder presenting the report	Leader of the Council, Councillor David Hingley
Date Portfolio Holder agreed report	02 June 2025
Report of	Monitoring Officer & Assistant Director – Law and Governance, Shiraz Sheikh

Purpose of report

This report presents an update of the Governance Review Action Plan, which commenced following a request at the Shareholder Committee meeting dated 05 July 2023 to ensure oversight of the remaining actions emerging from the Governance Review, carried out by WBD Solicitors.

1. Recommendations

The Shareholder Committee resolves:

- 1.1 To note the updated Graven Hill Governance Review Action Plan attached as **Appendix A**.
- 1.2 To note and comment on the draft Governance Framework attached as **Exempt Appendix B**.

2. Executive Summary

- 2.1 The recommendation that this report address is the ongoing reporting process of the Governance Review Action Plan to implement the governance arrangements that have been used to oversee the Graven Hill companies.

Implications & Impact Assessments

Implications	Commentary
Finance	There are no financial implications as a result of this report. Michael Furness, Assistant Director of Finance (S151 Officer), 27 May 2025
Legal	There are no legal implications arising from this report. Shiraz Sheikh, Assistant Director of Law and Governance and Monitoring Officer, 15 May 2025.
Risk Management	There are no risks arising directly from this report. If any risks arise, they will be managed through the service operational risk and

	escalated to the Leadership Risk register as and when deemed necessary. Julie Miles, Performance Analyst and Developer, 22 May 2025			
Impact Assessments	Positive	Neutral	Negative	Commentary
Equality Impact				N/A
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?				N/A
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?				N/A
Climate & Environmental Impact				N/A
ICT & Digital Impact				N/A
Data Impact				N/A
Procurement & subsidy				N/A
Council Priorities	Business Plan - <i>Housing that meets your needs</i>			
Human Resources	Not applicable			
Property	Not applicable			
Consultation & Engagement	Not applicable			

Supporting Information

3. Background

3.1 The Council commissioned external legal experts to review the arrangements between it and the Graven Hill companies as good practice and ascertain whether Cherwell District Council

such arrangements needed to be amended to remain lawful and compliant with best practice. The full report was included for this meeting's consideration on 5 July 2023.

- 3.2 The report provided a comprehensive overview of the governance arrangements for overseeing the Graven Hill companies.
- 3.3 The report situated its observations in the context of the Council's overriding obligations (its Duty of Best Value), several well-known cases in which governance shortcomings have contributed to failures connected to commercial ventures initiated by other local authorities, and widely circulated guidance on best practices.
- 3.4 The report identified several focus areas for the Council to further strengthen governance and oversight arrangements of its wholly owned companies.
- 3.5 The Action Plan provided in this report has been previously approved by the Committee, and the attached version offers an update on the dates and progress.

4. Details – Action Plan Update

4.1 The main changes to the action plan are highlighted below

Governance Framework and Review of the Shareholder Agreement

Action: A review of the Shareholder agreement to be presented at March's Shareholder Committee meeting and the draft Governance Framework to be presented at June 2025 meeting.

Update: The Shareholder agreement was approved by the Shareholder committee in March. The draft governance Framework will be presented at this shareholder committee meeting.

Review provision of Council's Shareholder Representative

Action: The roles and responsibilities of the Shareholder Representative will be included in the draft Governance Framework. The framework will be presented at June's Shareholder Committee meeting.

Update: This shareholder committee meeting will present the draft governance framework.

Review of the Shareholder Committee's role

Action: The shareholder committee's roles and responsibilities will be included in the draft Governance Framework, which will be presented at June's shareholder Committee meeting.

Update: This shareholder committee meeting will present the draft governance framework.

Ensuring proper procurement is in place for the Company

- Action: The Council will provide the company with a Procurement Act Briefing on January 29th, 2025, to assist with updating its strategy.
- Update: The company has received a briefing on the Procurement Act from the Council and will now collaborate with the Council to ensure its strategy aligns with the new requirements.

Risk Management

- Action: The matter has been postponed until the commencement of the new financial year. The shareholder representative is scheduled to meet with the Chair and Vice Chair of the Overview and Scrutiny Committee to formulate a plan for future actions and subsequently provide an update to the committee.
- Update: The O&S committee is scheduled to tour Graven Hill and meet with the team and board during an informal visit in June 2025. In July 2025, Graven Hill will present its plans for the site's development to the O&S committee.

This item will be added to the Council's internal audit programme.

4.2 Outstanding actions to be progressed

Review of Loan Agreement

- Update: Following the outcome from the Strategy Day held on 7 February, the Monitoring Officer must undertake follow-up actions regarding this action. This is yet to be conducted and will be carried out by the Council's external barrister.

4.3 On-hold actions

There are no actions on hold.

4.4 Completed actions

The below actions have been removed from the action plan due to completion. Please note that this now includes ALL of the completed actions for reference:

Going Concern/ valuation

- Action: GHVDC are carrying out a 'net present valuation' of the land and will report on this in the new year as part of the Strategy Day considerations. A company valuation is yet to be carried out.
- Update: During the recent Strategy Day held on February 7th, members of the Shareholder Committee reached a consensus to refrain from conducting a company valuation. This decision was based on the

realisation that the valuation would likely fall below the lowest option that had been rejected during the Strategy Day discussions.

Training for members

- Action: All councillors will receive a briefing session annually on the performance of all companies.
- Update: The Shareholder Rep will hold an all-member briefing at year's end and ensure this is done annually.

Strong Governance and Reporting

The council and the company have agreed that the company's Board minutes will be a standing item for future Shareholder Committee meetings.

Company Training

A joint training session to include members, NEDs, and executive directors was delivered by an external provider in July 2024.

Recruitment

This is complete, and the process for recruiting to senior executive posts is now picked up in an earlier action.

Legislation Compliance

This will be picked up as part of the loan review as above.

Recording of Actions

Decision notice implemented

Conflict

A member development plan will be implemented if there are members/councillors on the board.

Skills mix of Company Directors

- Action: GHVDC was requested to bring a report to October SHC detailing the skills mix of the newly appointed NEDs and recruitment to permanent senior roles within the executive team for shareholder consideration/approval.
- Update: This action was presented to the Committee in December 2024.

5. Alternative Options and Reasons for Rejection

- 5.1 No alternative options have been considered, as company governance and compliance with governance actions are crucial to the success of the Council's companies.

6 Conclusion and Reasons for Recommendations

- 6.1 The Action Plan provided will enable the Shareholder Committee to track progress toward the completion of its recommendations.

Decision Information

Key Decision	N/A
Subject to Call in	Yes
If not, why not subject to call in	N/A
Ward(s) Affected	All

Document Information

Appendices	
Appendix A	Graven Hill Governance Review Action Plan
EXEMPT Appendix B	Draft Governance Framework
Background Papers	None
Reference Papers	None
Report Author	Shiraz Sheikh, Monitoring Officer
Report Author contact details	Email: shiraz.sheikh@cherwell-dc.gov.uk
Corporate Director Approval (unless Corporate Director or Statutory Officer report)	Stephen Hinds – Corporate Director Resources and Transformation