

Subject	Decisions taken between meetings of the Authority	Status	For Publication
Report to	Authority	Date	12 September 2024
Report of	Head of Governance and Corporate Services		
Equality Impact Assessment	Not Required	Attached	No
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1 **Purpose of the Report**

- 1.1 To report on decisions taken as a matter of urgency between meetings of the Authority.
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2 **Recommendations**

- 2.1 Members are recommended to:
- a. **Note the decisions taken between meetings of the Authority using the appropriate urgency procedure.**
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3 **Link to Corporate Objectives**

- 3.1 This report links to the delivery of the following corporate objectives:

Effective and Transparent Governance

To uphold effective governance showing prudence and propriety at all times.

4 **Implications for the Corporate Risk Register**

- 4.1 The contents of this report will contribute to addressing risks around regulatory compliance.

5 **Background and Options**

- 5.1 It is often necessary for decisions to be taken between meetings of the Authority due to the time sensitive nature of the matters involved. These decisions are taken by the Chair in consultation with the s41 members and the Director and, while published on the Authority's website, are also reported to the next Authority meeting for transparency.
- 5.2 One decision has been required under this procedure in the period since the previous meeting of the Authority. This decision was taken in July 2024 as follows.

5.3 Border to Coast circulated several shareholder resolutions for approval at the Annual Meeting of shareholders. The Authority was requested to vote on the following resolutions:

- i. To receive the accounts – Recommend voting in favour. They show the company is profitable and is delivering against its objectives.
- ii. To reappoint the auditors (KPMG) and authorise the directors to negotiate the fee. It was recommended to abstain on this resolution (see comments in para 5.4 below).
- iii. To note the policy on Directors outside business interests. Recommend voting in favour. This is a standard policy which the company takes seriously.
- iv. To receive the register of Directors outside business interests. Recommend voting in favour. The interests which are notified did not raise any red flags.
- v. Approve a 1-year extension as a director for Cllr John Holtby. Recommended to vote in favour. This was supported by the Joint Committee.
- vi. Approve the appointment of Felicity Bambery as a director. Recommend voting in favour. This individual appears to have an appropriate background and experience for the role.
- vii. Approve the remuneration policy for Non-Executive Directors. Recommend voting in favour. While there are increases in the directors' fees proposed the comparative information produced indicates that they are not out of line with the market (if anything slightly below) and these individuals do provide significant input.
- viii. Note a change in policy which will move non-executive director fees to a day rate. Recommend voting in favour. This is in line with market practice.

5.4 Abstaining from resolution (ii), relating to the reappointment of KPMG as auditors, was supported for the below reasons:

- The reality is that the resolution has no effect as the company is tied into a long-term contract with KPMG. The total contract has a length of 10 years. Were this an investment in another company Border to Coast would vote against an audit firm being appointed for more than 9 years on the grounds that they cease to be independent.
- KPMG have been subject to several adverse regulatory findings in relation to their audit practice. While this is true of all the big firms it poses a reputational risk for the company. The Company indicates that they are keeping these issues under regular review.

5.5 The decision was approved to vote in line with the recommendations above.

6 Implications

6.1 The proposals outlined in this report have the following implications:

Financial	No direct implications.
Human Resources	No direct implications.
ICT	No direct implications.
Legal	No direct implications.
Procurement	No direct implications.

Jo Stone,

Head of Governance and Corporate Services (Monitoring Officer)

Background Papers	
Document	Place of Inspection
Published Decision Records	Governance (sympensions.org.uk)