

Report of the Director of Governance

Shareholder Committee Report: Veritau Business Update Report

Purpose of Report

1. This report provides an update on the performance and trading activities of Veritau Limited and Veritau Public Sector Limited (VPS) since the last meeting of this Committee in June 2026.

Recommendations

2. The Shareholder Committee is asked to:
 - a) note the Veritau annual report for 2025/26
 - b) note the performance of both Veritau Limited and Veritau Public Sector Limited since the last business update report
 - c) recommend to Executive that approval be given to amend the Veritau Limited Shareholder Agreement by increasing the threshold for reserved matter approval of financial transactions from £100,000 to £300,000

Reasons:

To enable members to assess the performance of Veritau in 2025/26 and the current financial year, and to ensure Veritau Limited can continue to operate effectively.

Background and analysis

3. The Shareholder Committee is responsible for overseeing and monitoring the performance of the council's owned companies. The committee is also responsible for discharging the shareholder functions of the Council under the Companies Act 2006. This includes determining and approving matters reserved to the Council as shareholder.
4. Annex 1 to this report provides an update on the performance of both Veritau companies in 2026/27 to date. Attached to the report is also a

copy of the 2025/26 Veritau annual report which provides details of the financial and operating results of the companies in 2025/26

Key Company Matters:-

5. Points of note from Annex 1 include:

- the expectation that several councils will request to join Veritau Public Sector Limited as member councils in the next few months
- the continued expansion in the provision of internal audit and data protection officer services to the education and charity sectors
- the management accounts show that Veritau Public Sector Limited expects to achieve a surplus for 2026/27 in line with the budget and that Veritau Limited also expects to deliver a profit in the year
- a request from the Veritau Limited board to both shareholders to amend the threshold contained in the shareholder agreement for approving financial transactions from £100k to £300k. This is to enable the company to be able to operate effectively on a commercial basis. Attached to the report is a list of the existing reserved matters contained in the shareholder agreement. Under Article 12 para. 5.1 of the Council's Constitution, decisions related to any changes to company governance including its Shareholder Agreement, which are reserved exclusively to Executive.

Risk Management

6. There are no specific risk issues arising from this report.

Implications

7. There are no financial, legal, HR, equalities, crime and disorder, information technology, property or other implications arising from this report.

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	Report Approved	Y	Date	30/9/26
Wards Affected:				All
For further information please contact the author of the report				

Annexes:

Annex 1: Veritau business update report

Appendix 1: Veritau Annual Report

Appendix 2: Extract from Shareholder Agreement