



Agenda for LATCo Shareholder Committee Wednesday, 19th November, 2025, 6.30 pm

Members of LATCo Shareholder Committee

P Arnott, S Hawkins, G Jung, J Loudoun and T Olive

Venue: Council Chamber, Blackdown House, Heathpark
Industrial Estate, Honiton EX14 1EJ

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Wednesday, 12 November 2025

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1 Apologies

2 Declarations of Interest

Guidance is available online to Councillors and co-opted members on making [declarations of interest](#).

3 Minutes (Pages 3 - 5)

4 Public Speaking

Information on [public speaking is available online](#).

5 Matters of Urgency

Information on [matters of urgency](#) is available online.

6 Confidential/Exempt item(s)

To agree any items to be dealt with after the public (including the Press) have been excluded.

7 Shareholder Committee Governance arrangements (Pages 6 - 9)

8 Project Management update

To receive a verbal update.

9 Company Governance - key tasks (Pages 10 - 14)

10 Local Government Act 1972 - Exclusion of the Press and Public

To consider passing a resolution having been duly proposed and seconded under Schedule 12A of the Local Government Act 1972 to exclude the press and public from the meeting, on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, within the meaning of Schedule 12A to the Local Government Act 1972.

11 Procurement of IT services through Strata (Pages 15 - 33)

[Decision making and equalities](#)

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of LATCo Shareholder Committee held at Otter Room, Blackdown House, Heathpark Industrial Estate, Honiton EX14 1EJ on 29 October 2025

Attendance list at end of document

The meeting started at 5.00 pm and ended at 5.32 pm

1 Appointment of Chair

Nominations were sought for the appointment of the Chair for the LATCo Shareholder Committee.

The Leader of the Council, Councillor Paul Arnott was nominated and duly seconded and unanimously appointed as the Chair of the LATCo Shareholder Committee.

RESOLVED:

To appoint the Leader of Council, Councillor Paul Arnott as the Chair for the LATCo Shareholder Committee.

2 Appointment of Vice Chair

The Chair invited nominations for the Vice Chair of the LATCo Shareholder Committee.

The Deputy Leader, Councillor John Loudoun, was nominated and having being proposed and seconded was unanimously appointed as the Vice Chair for the LATCo Shareholder Committee.

RESOLVED:

To appoint the Deputy Leader, Councillor John Loudoun as the Vice Chair for the LATCo Shareholder Committee.

3 Appointment of Councillors on the LATCo Shareholder Committee

The Chair confirmed that the membership of the LATCo Shareholder Committee would be:

- Leader of Council – Councillor Paul Arnott
- Deputy Leader – Councillor John Loudoun
- Portfolio Holder Environment – Operations – Councillor Geoff Jung
- Portfolio Holder Finance – Councillor Sam Hawkins
- Portfolio Holder Place, Infrastructure & Strategic Planning – Councillor Todd Olive

RESOLVED:

That the membership of the LATCo Shareholder Committee as set out above is noted.

4 Apologies

There were none.

5 Declarations of Interest

6 **Public Speaking**

There were no members of the public registered to speak at the meeting.

7 **Matters of Urgency**

There were no matters of urgency.

8 **Confidential/Exempt item(s)**

There was one item of confidential/exempt business which was set out in Agenda Item 10.

9 **Local Government Act 1972 - Exclusion of the Press and Public**

Having been duly proposed and seconded the LATCo Shareholder Committee
RESOLVED:

That the press and public were excluded from the meeting, on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, within the meaning of Schedule 12A of the Local Government Act 1972, Paragraph 2 (Information relating to any individual).

10 **Appointment of Managing Director for the Recycling and Waste
LATCo**

The LATCo Shareholder Committee received a report seeking the appointment of a Managing Director of the LATCo.

The committee received a verbal update from the Chair of the Recruitment Panel.

Having been duly proposed and seconded the LATCo Shareholder Committee unanimously approved the recommendations.

RESOLVED:

That the LATCo Shareholder Committee approve:

1. That the preferred candidate is Candidate A.
2. That the reserve candidate is Candidate B.
3. That upon the LATCo being established instructs the Directors of the LATCo to appoint the preferred candidate to the role of Managing Director.
4. That in the event that it is not possible to appoint the preferred candidate, instruct the Directors of the LATCo to appoint the Reserve Candidate as the Managing Director, following consultation with the Interim Director of Place.
5. That delegated authority is given to the Interim Director of Place to determine and negotiate relevant terms of appointment for the Managing Director as set out at paragraph 4.2 of the exempt report.

Attendance List

Councillors present:

P Arnott
S Hawkins

G Jung
J Loudoun
T Olive

Councillors also present (for some or all the meeting)

P Faithfull

Officers in attendance:

Simon Davey, Director of Finance
Tracy Hendren, Chief Executive
Andrew Melhuish, Democratic Services Manager
David Robertson, Project Manager Recycling and Waste
Melanie Wellman, Director of Governance (Monitoring Officer)

Councillor apologies:

None.

Chair

Date:

Report to: Shareholder Committee

Date of Meeting 19th November 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release [Click here to enter review date for release of document if currently covered by exemption above or state "N/A"](#)



Arrangements Shareholder Committee Governance Arrangements

Report summary:

To outline proposed arrangements for operating the committee

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendations:

1. That the Committee notes progress on development of Terms of Reference and proposed changes to the Council's Constitution.
2. That members of the Committee receive training to support their delivery of the role, to be provided by end of January 2026.

Reason for recommendation:

To update the committee on development of its purpose and operating arrangements

Officer: David Robertson, Project Manager, Streetscene

Portfolio(s) (check which apply):

- ☐ Assets and Economy
- ☐ Communications and Democracy
- ☐ Council, Corporate and External Engagement
- ☐ Culture, Leisure, Sport and Tourism
- ☐ Environment - Nature and Climate
- ☒ Environment - Operational
- ☒ Finance
- ☐ Place, Infrastructure and Strategic Planning
- ☐ Sustainable Homes and Communities

Equalities impact Medium Impact

There are no equalities impacts of this decision

Climate change Low Impact

Risk: Low Risk; Click here to enter text on risk considerations relating to your report.

Links to background information

Appendixes

None

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
 - ☐ Carbon neutrality and ecological recovery
 - ☒ Resilient economy that supports local business
 - ☒ Financially secure and improving quality of services
-

Report in full

1. Purpose

- 1.1. This report is to brief the Committee on activity to develop the operating arrangements and terms of reference of the committee.

2. Background

- 2.1. The Shareholder Committee has been established to carry out necessary functions of the Council in its capacity as owner of the company East Devon Trading Limited, the Local Authority Trading Company set up to deliver waste and recycling services on behalf of the Council.
- 2.2. The Committee is a Cabinet Subcommittee, formed by a resolution of Cabinet on 1st October 2025.

3. Terms of Reference and update to Council Constitution

- 3.1. Law firm Bevan Brittan have been instructed to produce draft terms of reference for the Committee and updates to the Council's Constitution. These will be developed with input from the Monitoring Officer and officers from within Place Directorate.
- 3.2. If desired, the Committee can contribute to the development process, for example by attending meetings which will be set up to discuss the documents.
- 3.3. It is anticipated that the draft Terms of Reference will be completed in December 2025, for approval by the Committee at the next available scheduled meeting.
- 3.4. The proposed changes to the Constitution will also be presented to the Committee for feedback. Changes to the constitution will be presented to Full Council, via the Constitutional Working Group.

4. Scheduling of meetings and forward plan

- 4.1. It is proposed that the Committee will meet every three months, with additional meetings as necessary during the period to September 2026, reflecting the higher workload. The meetings will be scheduled to co-ordinate with wider Council meetings, ensuring that tasks such as accepting operating budgets are managed effectively.

- 4.2. A proposal for an annual schedule of meetings and Committee business will be developed in parallel with the Terms of reference and presented to the Committee for its agreement.

5. Role of Portfolio Holder Group

- 5.1. The Portfolio Holder Group (PHG) has played an effective role in developing the detail of plans for setting up the LATCo, providing a forum for cross party Councillors to give input into decision making.
- 5.2. The PHG does not have decision making powers, its role is defined in section 6.10 of the Council's Constitution, which allows for the operation of Portfolio Teams at the prerogative of the Portfolio Holder; section 6.10.1 defines this role as

Their primary function will be to enable the Leader/Portfolio Holders to initiate the review and development of policies and to discuss major issues that have yet to be considered by the Cabinet. They may also assess the implementation of matters that have already been approved in principle and to advise on budget monitoring.

- 5.3. Cabinet considered the role of the PHG in July 2025, resolving that it provides 'oversight of the development and implementation of these proposals [to form a LATCo] prior to the establishment of the Shareholder Board, with minutes and action points reported to Cabinet.' The supporting papers to the report proposed that the PHG continues to meet regularly and operates until December 2026, handing over its functions to the Cabinet and Overview and Scrutiny. We will therefore continue to send information to the PHG for review alongside the SHC and ELT.

6. Training for members of the Committee

- 6.1. The purpose of the Shareholder Committee is to undertake the Council's duties as owner of the company, ensuring that it operates effectively and achieves its strategic objectives. This requires members of the Committee to have specialist knowledge and understanding of the role.
- 6.2. Specialist training has been sourced for members of the Committee, which will be delivered by two online sessions which will be scheduled during December and January. It is recommended that all members of the Committee attend the training sessions, to ensure that they have the necessary skills and for the Council to demonstrate high levels of governance of the company. The training will be delivered by an experienced lawyer from Association for Public Service Excellence (APSE). It is a certified course which will provide members with skills which can be applied both in this role and to other roles that members may have in supporting other local organisations.

Financial implications:

There are no financial implications identified from the recommendation or details within this report that require comment.

Legal implications:

It is important that the Sub-Committee has clear Terms for Reference. Those Terms of Reference will be subject to approval by the Cabinet. Training will ensure that the Sub-Committee has a clear understanding of its role moving forward.

Report to: Shareholder Committee

Date of Meeting 19th November 2025

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Company Governance Update

Report summary:

To update the Committee on progress in developing the LATCo and its governance arrangements.

Is the proposed decision in accordance with:

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

Recommendations:

1. That the Committee notes progress on development of the company and governance processes and endorses the ongoing role of the Project Board in delivering this workstream.
2. That the Committee supports development of Articles of Association and Shareholder Agreement and provides input to the drafting process.
3. That APSE are used to provide training for the Shareholder Committee and Company Directors, and to provide a Company Secretary function during the start-up phase.
4. That the Committee approves interim procurement process outlined in this report.

Reason for recommendations:

To ensure effective governance of the Company and ongoing control of all activities.

Officer: David Robertson, Project Manager, Streetscene

Portfolio(s) (check which apply):

- ☐ Assets and Economy
- ☐ Communications and Democracy
- ☐ Council, Corporate and External Engagement
- ☐ Culture, Leisure, Sport and Tourism
- ☐ Environment - Nature and Climate
- ☒ Environment - Operational
- ☒ Finance
- ☐ Place, Infrastructure and Strategic Planning

☐ Sustainable Homes and Communities

Equalities impact Medium Impact

There are no equalities impacts of this decision

Climate change Low Impact

Risk: Low Risk; [Click here](#) to enter text on risk considerations relating to your report.

Links to background information None

Appendixes

None

Link to [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
 - ☐ Carbon neutrality and ecological recovery
 - ☒ Resilient economy that supports local business
 - ☒ Financially secure and improving quality of services
-

Report in full

1. Purpose

- 1.1. This report is to brief the Committee on activities to create and manage the Local Authority Trading Company.

2. Company Incorporation

- 2.1. The Company was created and registered at Companies House on 7th November 2025, its registration number is 16840236.
- 2.2. It was intended to register the company with the name 'East Devon District Council Trading Limited', however Bevan Brittan advised that this name would likely be rejected due to similarity with a Council and would need further verification. Therefore the name 'East Devon Trading Limited' was used as a substitute, to ensure that the process was completed to the necessary timescales. This name can be changed when a trading name is selected.

3. Selection, appointment and training of Directors

- 3.1. The Committee has power to appoint and terminate appointment of the Company Directors.
- 3.2. The Company has been registered with two senior officers as Directors, who will undertake these roles until independent Directors are appointed by the Committee.
- 3.3. It is intended that the Managing Director will be both an employee of the company and a Director; this appointment can be arranged when the successful candidate begins their employment, which is anticipated to be February 2026.
- 3.4. It was agreed at cabinet on 1st October 2025 that arrangements for selecting the three Non-Executive Directors and Finance Director will be proposed by the

LATCo Project Team and approved by the SHC. A panel comprised of Officers including the Chief Executive and 2 Directors, 3 members of the SHC (a Cabinet sub-committee) and 2 members of the Recycling and Waste Portfolio Holder Group (PHG) will be formed to evaluate potential candidates, providing recommendations for consideration and appointment by SHC.

- 3.5. It is proposed to identify candidates through an open recruitment and selection process which can be carried out during December and January. This will be supported by advertising the roles on the Council's website and through LinkedIn recruitment website. A similar process has been used for recruiting members of the Council's Governance Committee. It is estimated that the costs of advertising will be less than £1,000, this can be met within existing project budgets.
- 3.6. It is recommended that all Directors receive training in their legal duties and best practice in performing their role, to be supplied by APSE.

4. Articles of Association and Shareholder Agreement

- 4.1. The Company has been registered with 'off-the-shelf' Articles, amended slightly to reflect local circumstances. These will need to be developed into a full set which are appropriate for the ongoing operation of the company.
- 4.2. Likewise, the Shareholder Agreement will need to be developed. This will set out the powers and limitations of the Board of Directors and wider controls and processes to ensure effective decision making and controls.
- 4.3. Both documents are being developed by Bevan Brittan and it is proposed that the Committee has a role in this process. It is anticipated that Bevan Brittan will develop a first draft, which will be presented to the Monitoring Officer and service management for review and input. Involvement in this process by members of the Committee would be valuable, either through attending the meetings with officers to review proposals, or through written feedback.

5. Arrangements for Company Board and secretarial function

- 5.1. The Company Board of Directors will need to start functioning as soon as possible, to enable the Company to make effective decisions. Board meetings will need to be managed through formal processes, along with a programme of business for the year, which must be linked to the activities of the Shareholder Committee and Council processes.
- 5.2. As the company does not currently have its own administrative function, It is recommended that Company Secretary services are sourced from an external supplier during the set-up period. This will cover administration of the first few board meetings, setting up the Board's programme of work, and training up a member of staff to undertake this function.
- 5.3. Bevan Brittan were approached to take on this role, but recommended that it is sourced from a supplier with more appropriate experience and charging structures. APSE have also been approached and have offered to supply the service through a qualified solicitor with experience of supporting local government owned companies. It is recommended that the Company uses APSE for company secretarial service and support during the first year of operation, including training a staff member to take over this function.

6. Interim procurement arrangements

- 6.1. The Company will need to procure a broad range of goods and services in the pre-trading period, including entering into high-value contracts for the supply of

services such as fuel, agency staff and fleet management services. While most of this activity will take place nearer to the go-live date, there is already a need for some small purchases, therefore processes and controls for sourcing suppliers are needed.

- 6.2. The Company is deemed as a 'Contracting Authority' under the Procurement Act 2023 and is legally required to comply with the same rules as local councils. Therefore it will need fully formed purchasing policies and procedures, to ensure legal compliance and effective management control. These procedures will not be developed until closer to July 2026, however controls will be needed immediately for the low value purchases it is carrying out.
- 6.3. The Company could adopt the same procurement procedures as the Council, however this is not recommended as this will create an administrative burden that will be excessive and will lead to delays in sourcing suppliers which will adversely impact project planning and delivery. Therefore it is proposed that the company adopts lighter-touch processes until fully formed procedures can be out in place.
- 6.4. It is recommended that the project team develop proposals for interim procurement policies, for approval by the Company Board of Directors, following these contract value thresholds.

Up to £5,000	Electronic written quotation from one supplier or direct purchase on Company credit/debit card. Approval by Company Managing Director or Assistant Director Streetscene
£5,001 - £100,000	Written quotation from three suppliers. If three quotations cannot be sourced then evidence that efforts were made to source quotes from suitable suppliers. Approval by Company Managing Director or Assistant Director Streetscene
£100,001 to Public Procurement Threshold	Procurement process run through Procontract system, using the 'Request for Quote' procedure and ensuring that contract award notices and associated legal duties are followed. Approval by Company Managing Director or Board of Directors
Over Public Procurement Threshold	Procurement process run through Procontract system, using the full tender process and ensuring that contract award notices and associated legal duties are followed. Approval by Company Managing Director or Board of Directors. All planned activity reported to the BoD prior to entering contracts.

7. Company name

- 7.1. The Company has been incorporated under the name 'East Devon Trading Limited'
- 7.2. Creation of a permanent operating name is now a priority as advised by Strata as this is time critical for establishing email, Microsoft 365 and other IT accounts and cannot easily be changed later.

7.3. ELT had previously recommended that the naming discussions set out in the October Cabinet report be paused pending recruitment of the MD and to enable discussions to take place with the LATCo staff body at a later date.

7.4. The information and imperative to agree a name has now changed, and so we propose that an email discussion with the SHC, ELT and PHG be instigated to start creating a long list of names with assistance from our new Communications AD and including the new MD. October Cabinet report stated:

- *The July Cabinet Report paper proposed that the company's name would be discussed by stakeholders at a workshop in September 2025. This process has been postponed due to focus on legal framework and governance issues essential for the creation of the company. The company will be registered with a neutral name, which can be changed when the trading name is agreed.*
- *Councillors and wider stakeholders will be consulted during October on options for the name and branding. A preferred option will be submitted to the Shareholder committee, which will make the final decision on both name and branding identity.*

Financial implications:

Feedback from the Section 151 Officer will be provided to the Committee as a verbal report

Legal implications:

Feedback from the Monitoring Officer will be provided to the Committee as a verbal report

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

By virtue of paragraph(s) 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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