

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
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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.
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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.