

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of LATCo Shareholder Committee held at Council Chamber, Blackdown House, Heathpark Industrial Estate, Honiton EX14 1EJ on 19 November 2025

Attendance list at end of document

The meeting started at 6.30 pm and ended at 8.03 pm

11 Apologies

There were no apologies.

12 Declarations of Interest

No declarations of interest were made.

13 Minutes

The minutes of the meeting held on 29 October 2025 were confirmed as a correct record.

14 Public Speaking

No members of the public had registered to speak.

15 Matters of Urgency

There were no matters of urgency.

16 Confidential/Exempt item(s)

There was one item of confidential/exempt business conducted under Agenda Item 11.

17 Shareholder Committee Governance arrangements

The committee considered a report outlining arrangements for operating the committee.

The committee noted that the Shareholder Committee (SHC) had been established to carry out necessary functions of the Council in its capacity as owner of the company East Devon Trading Limited, to deliver waste and recycling services on behalf of East Devon District Council.

The committee were advised that external legal advice had been provided by Bevan Brittan who were preparing draft terms of reference and updates to the Council's Constitution and it was anticipated that these documents would be available to the SHC in December.

The committee also considered the role of the Portfolio Holder Group and recognised the important role of the group in providing oversight of the development and implementation of the proposals to form a LATCo and supported that the Group continued to meet regularly and operate until December 2026, before handing its functions to the Cabinet and Overview and Scrutiny committees.

The committee discussed the need to provide support to committee members of the SHC and noted that specialist training had been sourced to support this to ensure that members of the SHC had the necessary skills to demonstrate high levels of governance of the company.

The SHC supported the recommendations set out in the report, which having been proposed and seconded were unanimously carried.

RESOLVED:

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

18 **Project Management update**

The Project Manager, David Robertson, provided the Shareholder Committee (SHC) with an update on project management for the committee.

The following points were presented:

Project Control:

- Project management structure in place, including risk register

Current position:

- Delivery of project ongoing,
- SHC now in place and trading company created with appointment of a Managing Director nearing completion.

Key Risks:

- Company name required to allow set up of relevant IT systems and website.

Next Steps:

- Critical friend review underway and due to be reported back to SHC.
- Procurement strategy being developed.
- Financial arrangements.
- Company structure.

Workstreams:

- Information Technology.
- Human Resources.
- Demobilisation of SUEZ.
- Fleet management planning.
- Finance.
- Communications.
- Procurement.
- Company set up.

The SHC thanked the Project Manager for the update.

RESOLVED:

That the SHC note the update on project management.

19 **Company Governance - key tasks**

The Shareholder Committee (SHC) considered a report on progress in developing the LATCo and its governance arrangements, including:

Company Incorporation:

The SHC noted that the Local Authority Trading Company had been created and registered at Companies House on 7 November 2025 and would trade as East Devon Trading Limited. It was noted that this name could be changed when a trading name was selected.

Selection, appointment and training of Directors:

The SHC were advised that the committee had powers to appoint and terminate appointment of the Company Directors. Following registration of the company two senior officers had been appointed as Directors and would undertake those roles until independent Directors were appointed by the SHC.

The SHC noted that the Managing Director of the LATCo (East Devon Trading Limited) would be both an employee of the company and a Director which was likely to be arranged when the successful candidate began their employment in February 2026.

It was noted that following agreement at Cabinet on 1 October 2025 that arrangements for selection of the three non executive Directors and Finance Director would be proposed by the LATCo Project Team for approval by the SHC, subject to evaluation by a panel of officers, EDDC Directors and SHC members to evaluate potential candidates.

Articles of Association and Shareholder Agreement:

In order to set up the LATCo it was noted that the Company had been registered with 'off-the-shelf' Articles, amended slightly to reflect local circumstances. The SHC acknowledged that those Articles would need to be further developed to ensure they were appropriate for the ongoing operation of the Company. At the same time, the Shareholder Agreement would need to be developed to set out the powers and limitations of the Board of Directors and wider control processes to ensure effective decision making and controls. The SHC welcomed that Bevan Brittan were developing both documents for further review by officers before being finalised and presented to the SHC.

Arrangements for Company Board and secretarial function:

The SHC were advised that the Company Board of Directors would need to start functioning as soon as possible, to ensure that the Company could make effective decisions. It would be necessary for Board meetings to be arranged through formal processes along with a programme of business for the year.

It was noted that the Company did not currently have its own administrative function and it was recommended that Company Secretary services were sourced from an external supplier during the set up period. The SHC welcomed that APSE had been approached and had offered to supply this service through a qualified solicitor with the relevant experience and the SHC supported that this would be provided during the first year of operation, including training a staff member to take over this function.

Interim Procurement arrangements:

The SHC noted that the Company would need to procure a broad range of goods and services in the pre-trading period. The SHC supported that the project team develop

proposals for interim procurement policies for approval by the Company Board of Directors in line with the contract value thresholds set out in the report and requested that a delegation was put in place to approve the interim procurement process.

Company Name:

The SHC noted that the Company had been incorporated under the name East Devon Trading Limited. The SHC recognised that it was important to agree a name for the Company to support the establishment of email accounts and the necessary branding for the Company. The SHC welcomed that working with Executive Leadership Team, the Portfolio Holder Group, Assistant Director for Communications and the new LATCo Managing Director a long list of names should be developed to allow consultation with councillors and wider stakeholders on options for the name and branding, with a preferred option coming back to the SHC for approval. The SHC recognised the need to

The SHC supported the company governance arrangements set out in the report and having been proposed and seconded unanimously agreed the recommendations.

RESOLVED:

1. That the SHC 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 SHC 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 SHC agree to delegate authority to the Director for Place, in consultation with the Chair of the SHC to approve the interim procurement process.
5. That the SHC agree that authority is delegated to the Committee Chair to select a new name and trading name for the Company after consultation with the Shareholder Committee to establish a name with support of the majority of members, to be decided no later than 1st December 2025.

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

The Vice Chair of the SHC proposed that the press and public be excluded from the meeting under Schedule 12A of the Local Government Act 1972, 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.

Having been seconded the motion was unanimously carried.

RESOLVED:

That the press and public be excluded from the meeting under Schedule 12A of the Local Government Act 1972, 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.

21 **Procurement of IT services through Strata**

The SHC considered a report on the procurement challenges, and a proposed solution, in making arrangements for IT services to the new LATCo.

The SHC noted that there was not an option for direct award under a 'Teckal' style exemption, therefore the preferred route was a direct award following issuing of formal Transparency Notice and Contract Award Notices, which would neutralise any potential challenges.

Having been proposed and seconded the SHC supported the recommendations.

Councillor Sam Hawkins requested that his abstention from voting be duly recorded.

RESOLVED:

1. That the SHC notes the proposal for the LATCo to make arrangements for a direct award of a contract to the company named in the exempt report for provision of all IT services, subject to procurement notices being uncontested, and agreement by the company named in the exempt report.
2. That in the event that procurement notices result in third party challenge, the LATCo pursues a competitive procurement process for sourcing IT services.

Attendance List

Councillors present:

P Arnott
S Hawkins
G Jung
J Loudoun
T Olive

Councillors also present (for some or all the meeting)

I Barlow
R Collins

Officers in attendance:

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

Councillor apologies:

None.

Chair

Date: