

**MINUTES OF THE SHAREHOLDER SUB COMMITTEE FOR HTS
(PROPERTY AND ENVIRONMENT) LIMITED
HELD ON**

31 May 2016

7.30 - 8.34 pm

PRESENT

Sub Committee Members

Councillor Jon Clempner (Chairman)
Councillor Joel Charles
Councillor Rod Truan
Councillor Mark Wilkinson

Officers

Graham Branchett, Chief Operating Officer
Brian Keane, Head of Governance
Julie Galvin, Assistant Solicitor
John Phillips, Managing Director, HTS (Property and Environment) Limited

8. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Andrew Johnson.

9. **DECLARATIONS OF INTEREST**

None.

10. **MINUTES**

RESOLVED that the minutes of the meeting held on 17 February 2016 are agreed as a correct record and signed by the Leader.

11. **MATTERS ARISING**

None.

12. **SUB COMMITTEE WORK PLAN**

The Sub Committee received the draft work plan for February 2016 – April 2017.

It was noted that the proposed Sub Committee meeting on 9 June may not be needed if the Articles of Association are agreed at tonight's meeting.

Councillor Joel Charles noted that the work plan indicated a loan will be requested from Harlow Council's Cabinet on 21 July 2016. Officers agreed to provide a note on the potential impact of loan repayments on the

dividend to be paid by HTS (Property and Environment) Limited to Harlow Council.

13. **HARLOW TRADING SERVICES LIMITED TRANSITION PLAN UPDATE REPORT**

The Sub Committee received the HTS (Property and Environment) Limited Project Plan (May 2016). John Phillips, Managing Director of HTS (Property and Environment) Limited, introduced the Plan.

The Chairman asked that future expenditure summaries (Appendix C from the report submitted) include forecast expenditure for each budget head. He also asked that tasks are assigned appropriate milestone dates to ensure progress can be tracked.

In response to questions from the Sub Committee, John Phillips indicated that he is hopeful a Finance Director for HTS (Property and Environment) Limited will be in post by September 2016. One of their first tasks will be to draft financial regulations for the company.

Graham Branchett, Chief Operating Officer, informed the Sub Committee that there will be further clarity on some risks within the Risk Register (Appendix C from the report submitted) once Kier Group's demobilisation plan has been made available to the Council and HTS. The Sub Committee requested a briefing note on the implications of the Kier Group demobilisation plan once received.

RESOLVED that the HTS (Property and Environment) Limited Project Plan (May 2016) is noted.

14. **REFERENCES FROM THE LATC BOARD OF DIRECTORS**

a) Articles of Association

The Sub Committee received a report proposing Articles of Association for HTS (Property and Environment) Limited.

The Sub Committee proposed an additional Article to clarify the arrangements for appointing and replacing board members in the event of a Councillor retiring, or a change in the political control of the Council.

RESOLVED that the proposed Articles of Association are agreed, subject to the inclusion of the following additional Article below 22.1.8 (and appropriate renumbering of subsequent Articles):

- (i) Article 22.1.9 that person is removed by the council (being the holding company's sole shareholder) by a notice in writing to the company;

b) Scheme of Delegation

The Sub Committee received a report proposing a Scheme of Delegation for HTS (Property and Environment) Limited.

RESOLVED that the proposed Scheme of Delegation is agreed.

15. **CONSULT ON NON-EXECUTIVE CHAIRMAN POSITION**

The Sub Committee received a report that summarised the results of the recruitment exercise for a Non-Executive Chair for HTS Group. The report included a confidential appendix which showed the CV of the candidate selected by the Board.

RESOLVED that the Sub Committee notes the Board's selected candidate for the post of Non-Executive Chair, HTS Group.

16. **MATTERS OF URGENT BUSINESS**

None.

CHAIRMAN OF THE SUB COMMITTEE