

**MINUTES OF THE SHAREHOLDER SUB COMMITTEE
HELD ON**

27 September 2023

19:30 - 21:41pm

PRESENT

Sub Committee Members

Councillor Dan Swords (Chair)
Councillor David Carter (Vice-Chair)
Councillor Tony Edwards
Councillor James Leppard
Councillor Lanie Shears
Councillor Nancy Watson

Officers

Andrew Bramidge, Chief Executive
Simon Freeman, Deputy Chief Executive and Director of Finance
Michael Harrowven, Non-Executive Chair HTS (Property and Environment Ltd)
Nicole Parker, Admin Assistant
Alan Townshend, Interim Managing Director HTS (Property and Environment Ltd)

Other Attendees

Councillor Jodi Dunne
Councillor Matthew Saggars
Councillor Chris Vince

9. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Nicky Purse.

10. **DECLARATIONS OF INTEREST**

None.

11. **MINUTES**

RESOLVED that the minutes of the meeting held on 23 August 2023 are agreed as a correct record and signed by the Chair.

12. **MATTERS ARISING**

a) Minute 6 - HTS Governance Arrangements

Councillor Dan Swords noted that at the previous meeting it was agreed that scoping options for future governance arrangements would be presented to this meeting. Councillor Dan Swords advised that this would not be discussed at this meeting due to the number

of items on the agenda. Councillor Dan Swords confirmed that the item would therefore go to the next meeting of the Shareholder Sub Committee.

13. **SUB COMMITTEE WORK PLAN**

Councillor Dan Swords (seconded by Councillor James Leppard) proposed the removal of the following reports from the work plan; performance and balanced scorecard and the business development plans.

Councillor Dan Swords (seconded by Councillor James Leppard) proposed that the following reports be added to the work plan; performance reports, financial performance reports and progress reports on the current changes to the structure.

RESOLVED that the Sub Committee noted the Work Plan and agreed the above mentioned proposals.

14. **PERFORMANCE REPORT**

The Sub Committee received a performance report from HTS.

RESOLVED that the report was noted.

15. **ROOFING REPORT**

The Sub Committee received a roofing report from HTS.

RESOLVED that the report was noted.

16. **HTS (HOUSING AND REGENERATION) PROPERTY OPTIONS**

The Sub Committee received a report with options brought forward on how to move forward for the disposal of the rental properties owned by HTS (Housing & Regeneration) Ltd.

A number of members raised questions on the robustness of the report and its recommendations. All members agreed that they required further information to make a decision.

Councillor Dan Swords proposed (seconded by Councillor David Carter) that the item be deferred to the next meeting to gain further information on the governance implications and further detailed information on each option presented.

RESOLVED that the item be **DEFERRED**.

17. **REFERENCES FROM THE HTS BOARD**

a) Approval of Statutory Accounts

The Committee received the HTS Group Ltd Audited Statutory Accounts.

RESOLVED that the committee notes the HTS Group Ltd Audited Statutory Accounts attached as Appendix A to the report.

18. **HTS GOVERNANCE ARRANGEMENTS**

The Committee received a report on HTS Governance Arrangements.

RESOLVED that:

- A** Approval be given to the required shareholder special resolutions to:
- i) Change the articles of HTS Group Limited, HTS (Property and Environment) Limited, and HTS (Housing and Regeneration) Limited to allow the ability to appoint further non-executive directors and/or senior council officers to the board of the company as set out in Appendix A to the report.
 - ii) Instruct HTS Group Limited and, through its shareholdings, HTS (Property and Environment) Limited, HTS (Housing and Regeneration) Limited, and HTS P&E Services Limited to take instructions from HTS Group Limited and Harlow District Council in relation to the restructuring of the HTS group of companies.
- B** HTS Group Limited be asked to confirm these changes at their next meeting and undertake the required notifications processes.
- C** HTS Group Limited be asked to confirm that the shareholder special resolutions in relation to HTS (Property and Environment) Limited, HTS (Housing and Regeneration) Limited, and HTS P&E Services Limited are passed in the correct manner.
- D** The Sub Committee note the advice on the restructuring of the Group and companies as set out in Appendix B to this report.
- E** That, subject to Shareholders view taken earlier in the meeting in relation to the Housing and Regeneration Company,

delegated authority be given to the Chief Executive in consultation with the Leader of the Council, to:

- i) Acting as the representative of Harlow District Council as the shareholder of HTS Group Limited instruct the HTS Group Limited board to wind up the group structure and simplify the company structure by retaining HTS (Property and Environment) Limited, as a company owned directly by the Council ; and
- ii) Agree the final preferred route and undertake the necessary activities to achieve the restructuring set out in this report and ancillary to those; and
- iii) Work with HTS and legal and financial advisors to find the most efficient way of achieving this.

19. **MATTERS OF URGENT BUSINESS**

None.

20. **DATE OF NEXT MEETING**

The Sub Committee noted that the next meeting would be held on 15 November 2023.

CHAIR OF THE SUB COMMITTEE