

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

19 October 2016

7.30 - 8.07 pm

PRESENT

Sub Committee Members

Councillor Jon Clempner (Chairman)
Councillor Joel Charles
Councillor Danny Purton

Officers

Graham Branchett, Chief Operating Officer
Julie Galvin, Assistant Solicitor
Adam Rees, Corporate and Governance Support Officer

Additional Attendees

John Phillips, Managing Director, HTS (Property and Environment) Limited
Michael Harrowven, Non-Executive Chair of the HTS (Property & Environment)
Limited Board

APOLOGIES

Councillor Mark Wilkinson

29. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Mark Wilkinson.

30. **DECLARATIONS OF INTEREST**

None.

31. **MINUTES**

RESOLVED that the minutes of the meeting held on 7 July 2016 are agreed as a correct record and signed by the Leader.

32. **MATTERS ARISING**

None.

33. **SUB COMMITTEE WORK PLAN**

The Work Plan was noted.

34. **HARLOW TRADING SERVICES LIMITED TRANSITION PLAN UPDATE**

The Sub-Committee received an update on the transition from the current Joint Venture Company to HTS (Property and Environment) Limited.

The Sub-Committee noted the progress which had been made on the IT network installation, improvements to software and the use of SAGE software which would allow the company to process of HR and payroll. It was also noted that consultations had commenced with both the trade unions and employees.

John Phillips, Managing Director of HTS (Property and Environment) Limited, outlined the fleet leasing arrangements and explained how cloud technology would be utilised. A new Finance Director had been appointed earlier in the month.

The Sub-Committee noted the Transition Board's role in resolving problems and the escalation procedures which were in place, should they be needed.

The Leader asked for a copy of the minutes for the most recent Transition Board meeting.

RESOLVED that the Transition Plan Update was noted.

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

36. **ARTICLES OF ASSOCIATION**

The Sub-Committee considered the Articles of Association for HTS Group Limited, which were recommended for adoption.

RESOLVED that the HTS Group Ltd Articles of Association be adopted.

37. **CONSULTATION ON APPOINTMENT OF AUDITORS**

The Sub-Committee received a report on the proposed appointment of Ernst Young as external auditors to HTS (Property & Environment) Limited.

RESOLVED that the Sub-Committee noted:

A. The Board's proposed appointment of Ernst Young as external auditors to HTS (Property & Environment) Limited for the first fourteen month trading period.

B. That the terms and conditions of the appointment be agreed by the Company Secretary.

C. That a further report is to be provided to the Board following completion and implementation of the planned national framework to deliver external audit services to Local Authorities and their wholly owned trading companies.

38. **RECEIVE UPDATE ON SERVICES AGREEMENT**

The Sub-Committee received an update on the Services Agreement contract between the Council and HTS (Property and Environment) Ltd.

RESOLVED that the Services Agreement contract be noted.

39. **MATTERS OF URGENT BUSINESS**

None.

40. **DATE OF NEXT MEETING**

24 November 2016 (if needed).

19 January 2017.

CHAIRMAN OF THE SUB COMMITTEE