

**REPORT TO:** SHAREHOLDER SUB COMMITTEE

**DATE:** 15 JANUARY 2019

**TITLE:** REFERENCE FROM HTS GROUP LTD BOARD – APPOINTMENT OF NON-EXECUTIVE CHAIR AND MANAGING DIRECTOR OF HTS GROUP AND HTS (PROPERTY & ENVIRONMENT) LTD

**LEAD OFFICER:** BRIAN KEANE, MANAGING DIRECTOR  
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**RECOMMENDED that:**

- A The Sub Committee approve the revisions to the current appointments for the Non-Executive Chair (HTS Property and Environment) Ltd and for the Managing Director of HTS (Property and Environment) Ltd for a further three years.

**BACKGROUND**

1. On 17 February 2016, the Sub Committee was consulted on the appointment of the Non-Executive Chair of HTS (Property and Environment) Ltd (HTS).
2. The appointed person to this role was to have commercial experience and be outward facing with an estimated likely time commitment of 17 days per annum and remuneration of around £20,000 per annum including expenses.
3. A rigorous recruitment process was undertaken at that time. A final appointment was made by the new HTS Group Board, in consultation with the Sub Committee, and Michael Harrowven was appointed on a term of three years. In addition, at its meeting in February 2016, the recruitment for Managing Director for HTS was also referred from the Board to the Sub Committee on the terms and conditions during and post Kier Harlow Ltd transition.

**ISSUES/PROPOSALS**

4. The initial Services contract period for HTS runs for five years and concludes on 1 February 2022. There is a provision to extend this by a further five years subject to the outcome of a Best Value Review that will be undertaken in 2019/20. A final decision will be made by August 2020.
5. The terms of engagement for Michael Harrowven in the role of Non-Executive Chair are due to expire in June 2019. The terms of engagement for John Phillips in the role of Managing Director are due to expire in February 2020. The HTS Group Board approved the proposals to extend the terms of office for the Group Non-Executive Chair and Managing Director of HTS at their meeting

on 20 December 2018.

6. The Board is seeking ratification from the Sub Committee to extend the arrangements in respect of both of these positions. This is to ensure continuity is provided and historical knowledge is utilised. This will mean that essential work priorities, including any necessary preparatory work, is completed and necessary changes are made to lead the Company to successfully deliver the additional five year contract extension. This will also allow for a smooth transition into the new important phase for the development of the Council's Local Authority Trading Company (LATC) post March 2022.
7. The Sub Committee is therefore required to consider and approve the new contracts to March 2022.

## **IMPLICATIONS**

### **Place (Includes Sustainability)**

None specific.

**Author: Andrew Bramidge, Project Director – Enterprise Zone and Interim Head of Planning**

### **Finance (Includes ICT)**

The Costs of the appointments are contained within the operational budgets of the Company as reflected within the HTS (P&E) Ltd Business Plan.

**Author: Simon Freeman, Head of Finance and Deputy to the Managing Director**

### **Housing**

As outlined in the report.

**Author: Andrew Murray, Head of Housing**

### **Community Wellbeing (Includes Equalities and Social Inclusion)**

None specific.

**Author: Jane Greer, Head of Community Wellbeing**

### **Governance (Includes HR)**

None specifically, the report is in line with the request of the Subcommittee, at its meeting in February 2016, to comment on such proposals.

**Author: Simon Hill, Head of Governance**

## **Appendices**

None.

## **Background Papers**

None.

## **Glossary of terms/abbreviations used**

HTS – HTS (Property and Environment) Ltd

LATC – Local Authority Trading Company