

**SUPPLEMENTARY REPORTS FOR  
SHAREHOLDER SUB COMMITTEE  
Thursday 18 November 2021 at 7.30 pm  
Council Chamber - Civic Centre**

The attached documents are due to be considered at the meeting listed above and were unavailable for circulation when the agenda for the meeting was published. The agenda items to which the documents relate is noted below.

**AGENDA**

6. Operation and Performance Reports
  - a) Performance Report (Pages 2 - 33)
  - b) Risk Register (Pages 34 - 37)
  - c) Social Impact Report (Pages 38 - 70)
  - d) Responsive Repairs and Customer Access Review  
(Pages 71 - 74)

**REPORT TO:** **SHAREHOLDER SUB COMMITTEE**

**DATE:** **18 NOVEMBER 2021**

**TITLE:** **OPERATIONAL AND FINANCE REPORT**

**LEAD OFFICER:** **JOHN PHILLIPS, MANAGING DIRECTOR HTS  
(PROPERTY AND ENVIRONMENT) LTD**

**CONTRIBUTING OFFICERS:** **HTS SENIOR MANAGEMENT TEAM  
BUSINESS PERFORMANCE TEAM**

**RECOMMENDED that:**

- A** The Sub Committee notes HTS (Property & Environment) Ltd (HTS) performance and finance summary. It covers operational activity across all work streams for the period July to September 2021 as follows:
- i) Operational – The report illustrates HTS performance against KPI targets set including a summary of customer service update.
  - ii) Financial – Financial analysis provides a review of HTS position against forecast. Shareholder Statement in attached in Appendix B.
  - iii) Status Update – HTS has been reviewing Government advice at each stage and have reviewed the services we can safely deliver to limit the risk of spreading the virus to our staff and the residents we deliver services to.

**BACKGROUND**

1. HTS is now working to service recovery plans (housing and environment) across all work streams with a view to reduce the backlogs, capital/planned works and day to day operations.
2. The Government continues to undertake a review to assess the country's preparedness for autumn and winter, which will consider whether to continue or strengthen public and business guidance as we approach the winter, including on face coverings and test, trace and isolate.
3. External factors are starting to take affect resulting in additional challenges and pressures emerging from Covid-19 as outlined in Appendix A.

## ISSUES/PROPOSAL

### Impact on Services

4. HTS has prepared a progress report, Emerging from Covid. The key points of these changes are:
  - a) Material supply and price increases
  - b) Labour supply and remuneration
  - c) Overhead challenges such as energy and fuel price increases, increases in insurance premiums and lead in time for vehicle supply
  - d) Inflationary increases to circa 4% and the risk of recession
  - e) Supply chain availability and reliability
  - f) Increased levels of WIP and operational performance leading to higher levels of complaints and escalations
5. The backlog of outstanding non-emergency works had increased significantly during the lockdowns and HTS has started to make substantial progress in reducing aged outstanding jobs, however WIP has continued to gradually rise in more recent weeks. The recovery plan details progress against these backlogs. HTS staff are now mainly working from the office full time.

### Summary of Operational Performance – September 2021

6. HTS has been working hard to not only deliver the normal service but also catch up on the backlogs that had been created in the lockdown. A number of Action Improvement Plans were completed to assist in reducing backlogs and tracking progress to improve performance.

Good progress was made in the following areas:

- Reducing Repairs backlogs to Standard Repairs
- Reducing compliance backlogs in Gas Servicing and EICR testing
- Clearing the voids backlogs

This is clearly demonstrated in our monthly Performance Reporting to Shared Operational Performance Meeting (SOPM) which has continued throughout the year.

7. HTS operations continued to cover all repairs lifting its performance from 86% in March '21 to 91% in September '21, and has achieved an average of 91% KPI compliance as at September '21 against the full suite of Major and Minor KPIs that govern the contract for the year 2021/22.

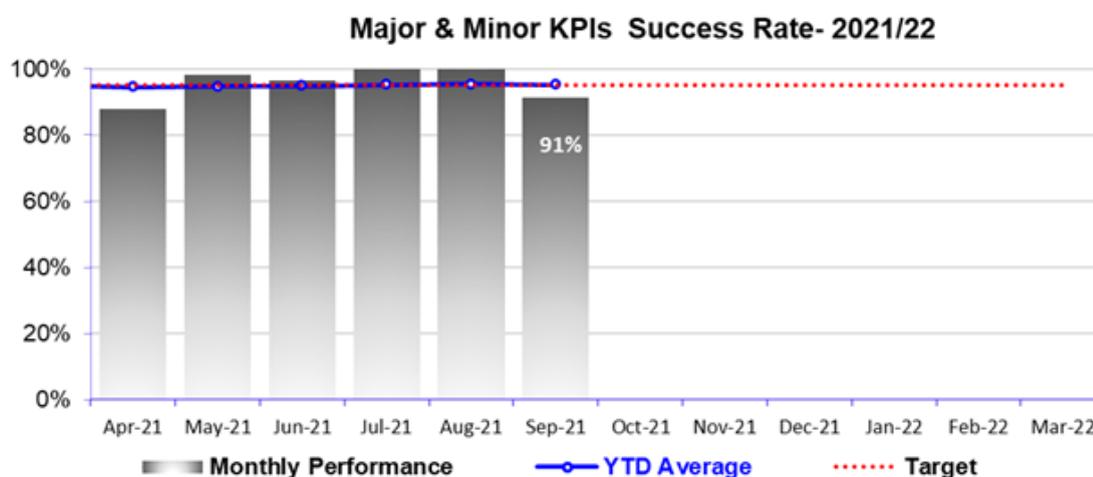
### Underperforming Major KPIs

#### Major KPIs:

##### Environment

**Amber:** Routine Cleaning of Streets – Detritus

**Reason:** HTS performance fell short of target. Areas identified were Industry & Warehousing, Rural Roads, Recreation Areas and Other Highways.



**Corr**

**Corrective action:** Detritus saw a great improvement in Q2 at 12.96% compared to 21.43% in Q1 however, still fell short of KPI target. HTS continues with increased activity in line with the lifting of restrictions from last quarter and expects continued performance recovery.

**Amber:** The proportion of relevant public land and highways with unacceptable levels of weed are visible.

**Reason:** Performance dropped due to delivery of a less efficient service following some staff isolating and revised working conditions which affected the overall performance.

**Corrective action:** Weed Growth at 17.82% has increased significantly. This increase is in line with the worsening condition of pavements and carriageways. They have increased to their highest score of 16.59% & 18.86% respectively since 2017/18. The Carriageway condition has the largest proportion of weed failure. HTS continues to increase activity in line with the lifting of restrictions and expects performance recovery by quarter end.

**Amber:** Graffiti / Fly posting removal - (Non-Offensive / Non-Obscene)

**Reason:** Performance dropped marginally to 93.75% during Q2.

**Corrective action:** This is generally a high performing area. The reduction in performance is due to 1x job completing just outside of target. The team has been reminded to focus on target time to ensure jobs are completed in time.

**Amber:** Tree works – work carried out within 80 working days

**Reason:** Performance dropped to 93.22% due to high volume of emergencies and inspection jobs.

**Corrective action:** HTS has seen an overall increase in tree works performance however the routine works priority performance marginally reduced in this quarter with 5x tree jobs completing outside of target. This was due to an increase in inspection jobs coming through. HTS is working with its tree specialist contractor to ensure that this performance recovers for next quarter.

## Minor KPIs:

### Environment

**Amber:** Remove all reported graffiti or fly posting of a racist or obscene nature removed within 24 hours.

**Reason:** Performance dropped marginally to 90% during Q2.

**Corrective action:** This is generally a high performing area. The reduction in performance is due to 1x job completing just outside of target. The team has been reminded to focus on target time to ensure jobs are completed in time.

8. The volume of completed transactions within R&M over the reporting period is set out below:

R&M OPERATIONS	July '21	August '21	September '21
Response Repairs	3,573	3,159	3,348
Gas Servicing	1,122	940	1,023
Emergencies	526	383	437

### Customer Service Report

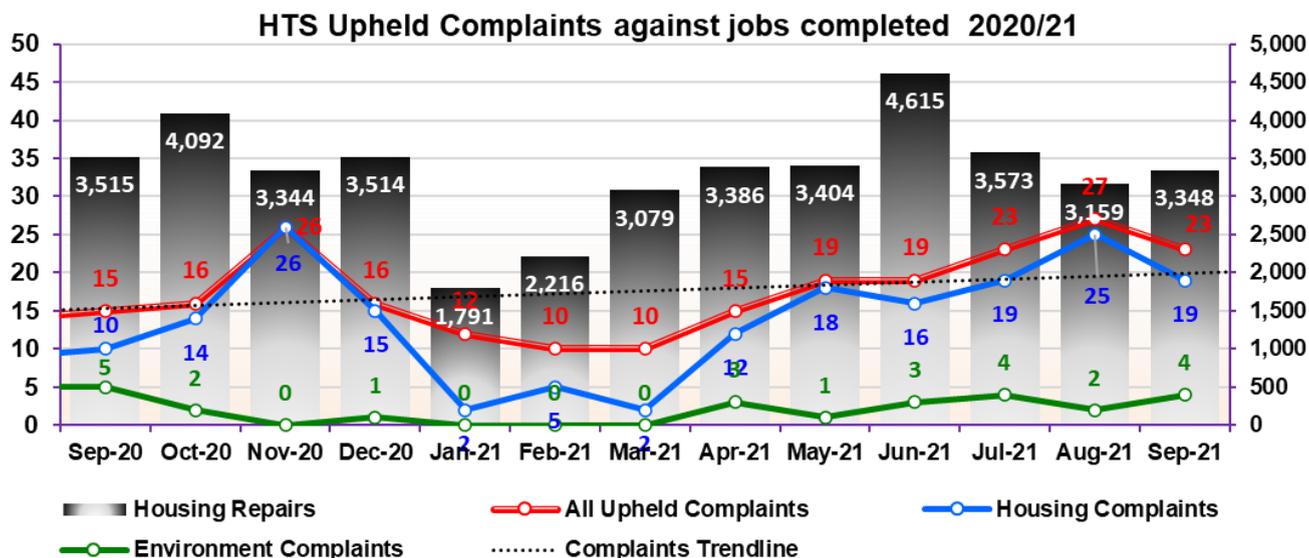
9. The customer service report provides a summary of the complaints for both Environment and Housing, members' enquiries as well as an update on plaudits. It is important to note that Harlow Council's complaints officer carries out a monthly audit of all complaints with the customer services team and so far, no variations have been identified.

Whilst complaints are rising gradually, there is also an underlying issue that the quality of works and the ability to diagnose a first-time repair to prevent follow on appointments being required. This has been highlighted in a number of roofing repairs that ended in up in complaints. HTS is looking at its processes and procedures to reduce these occurrences and making sure our customer service is not compromised. We are reviewing our call centre and are looking to improve the customer experience from start to finish. The chart below shows all **Upheld** complaints since June '20 and monitors the trend against the Housing repairs.

- a) HTS completed **3,348** repairs jobs in **September '21** with **23** resulting in valid complaints illustrating **0.69%** of jobs leading to valid complaint. This accounts for an average of 17 complaints per month during the period of January-September '21.
- b) Complaints relating to environment accounted for **17%** of the overall complaints whilst the remaining **83%** were in housing. This trend has been constant over the last 3 years of HTS Operations.
- c) Whilst the number of overall complaints have increased over the last quarter, the upheld complaints remain significantly low. HTS analyses the causes of complaints to ensure continued learning. The upheld complaint

numbers have remained low at less than 1% of jobs carried out. HTS has seen an increase in overall complaints as tenants are chasing non-urgent jobs which had been put on hold during the lockdown period. This trend is set to continue throughout the next quarter as HTS works through a service recovery plan to reduce the backlog of work requests.

Please see below a chart illustrating complaints trend during the last 13 months.



### Members' Enquiries

10. Councillors can also take up issues on behalf of residents and report to Harlow Council. These issues/enquiries are then passed on to HTS where necessary for a resolve. These are reviewed daily, and the Customer Service Team advise members of all completions by e-mail within a 10-working day period if passed to other departments and one working day for general enquires.

- a) There has been a significant increase in Councillors' enquiries over the last quarter. The highest number of requests came in September 2021. Please see table below.
- b) The biggest increase in enquiries continues to relate to Dumped Rubbish with **44%** of all calls followed by **29%** for Grounds Maintenance (grass, trees, hedges etc.).

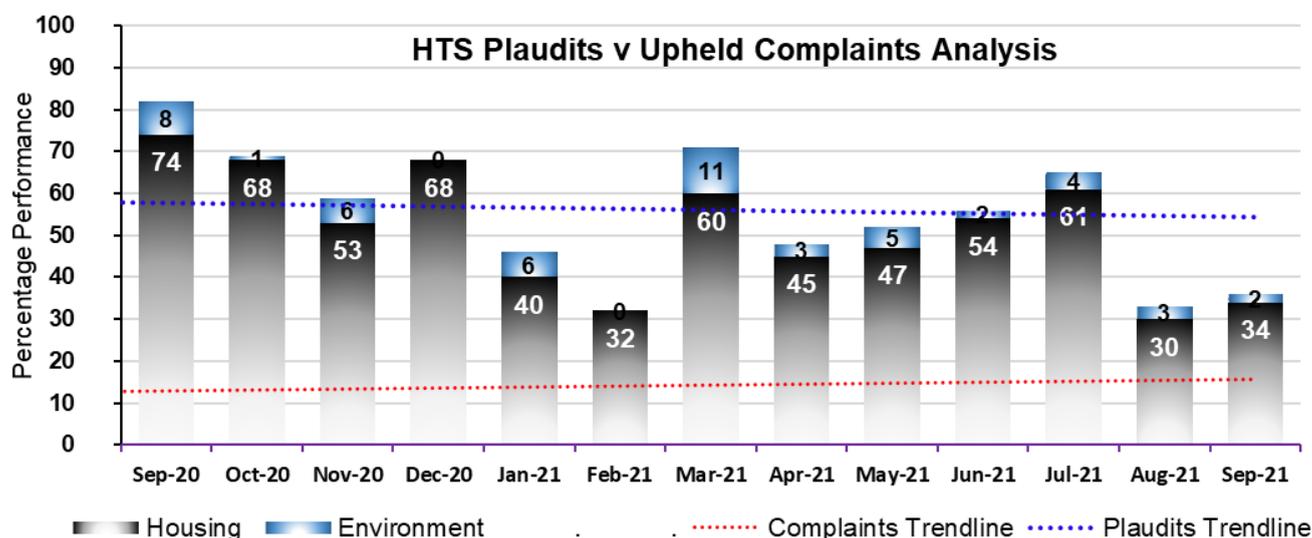
HTS OPERATIONS	July '21	August '21	September '21
Members' Enquiries	45	52	79

### Plaudits and Good News Stories

11. A plaudit is recognition of a team member or group who the customer feels has gone above and beyond what is usually expected of them. Plaudits are recorded by HTS HR and Communications team and come through various

mediums such as satisfaction surveys, letters or phone calls. Once a plaudit has been recorded by HR, the business support team writes to the staff member or team advising them that they have been recognised by customers thanking them for their good work.

a) Please see below an analysis of plaudits against complaints.



b) September 2021 has resulted in **36** Plaudits across housing and Environment. Whilst the number of plaudits is higher than complaints, there is a recurring theme of reduction in plaudits as complaints increase in numbers as reflected in the trendline above.

### Planned Works and Delivery of Capital Programme

12. The Council and HTS agreed an initial draft three-year programme within the Council's investment plans at the commencement of the contract, with the programme being reviewed on an annual basis – currently in Year 5.
13. Key for both HTS and the Council is to continue to ensure increased confidence is demonstrated with the new Housing Capital Business Case processes. This will need to involve effective liaison, robust forward forecasting on a programme of delivery that can demonstrate value for money; ensuring programmes are delivered on time, within budget, and to high satisfaction to customers.
14. All Business Case submissions have been subjected to the requirement of the new Schedule 2 Services Agreement (Planned and Capital works methodology) that enables the Council and HTS to demonstrate the outcome of the value for money assessment against a defined criterion.

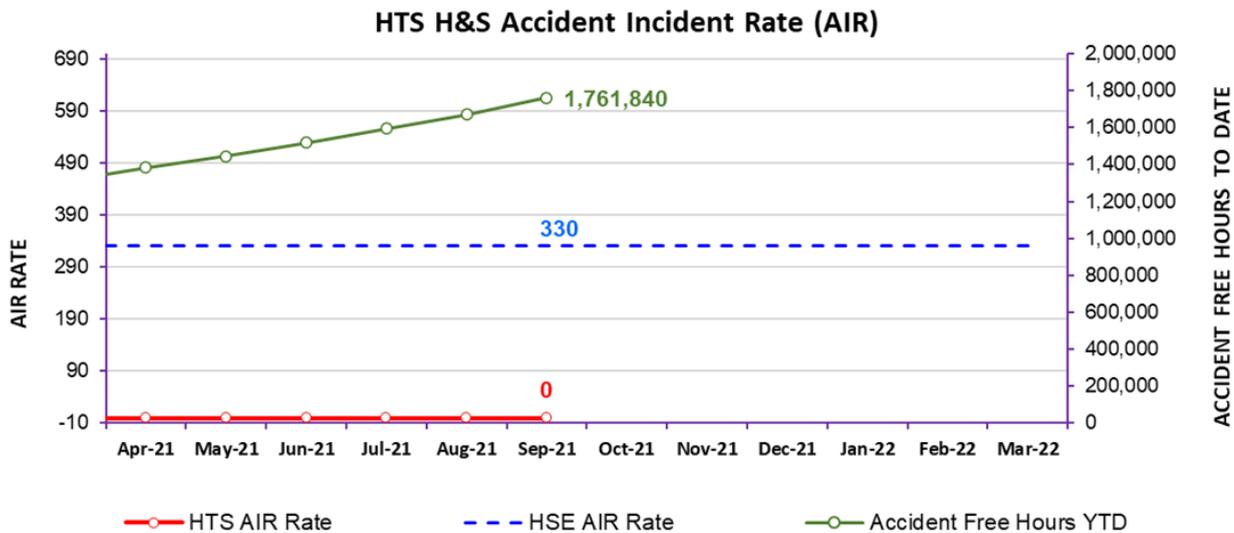
### Business Case Awards 2020/21

15. It is recognised ongoing review of process for awarding individual contracts will need to be aligned to wider Business plan activities. To include longer term agreements where applicable.

### Health and Safety

16. HTS has maintained an excellent rating of **0 AIR** with over **1.7 million hours** of

accident-free operations.



## Finance Update

17. Overall Summary - September 2021 Revenue of £2,542k was £390k below forecast, mainly due to variance in Capital Works, and produced Net Profit before Tax of £85k. The YTD total revenue was £13,669k, with YTD Profit of £326k, representing 2.4% net profit margin.
18. Grounds – Revenues of £264k were as per forecast and produced Gross loss of £8k, being £7k below the forecast. Total YTD Revenue was £1,591k, with a YTD Profit of £99k.
19. Streets – Revenues of £285k were as per forecast and produced a Gross Profit of £30k, being £3k below the forecast. Total YTD Revenue was £1,726k, with a YTD Profit of £204k.
20. Housing Property Services – Revenues of £880k were £123k above forecast due to the additional income relating to buy back properties and due release of COVID deferred income (now completed) and produced a Gross profit of £51k, being £45k above forecast. Total YTD Revenue was £5,103k, with a YTD loss of £131k.
21. Depot – Revenues of £46k is in line with forecast and produced a Gross loss of £6k which was £2k above budget. Total YTD Revenue was £296k, with a YTD loss of £10k.
22. Overheads – Revenues in the month of £211k were as per forecast. The actual overhead spends in the month of £234k which is £8k below the budget. Total YTD Revenue was £1,267k, with a YTD Profit of £35k.
23. Harlow Capital Works – The September revenue of £847k were £510k below the forecast with a gross profit of £35k which is £15k below the budget. Total YTD Revenue was £3,615k, with a YTD Profit of £170k.
24. Third Party Works – There were £9K revenues relating mainly to the sub lease of Mead Park and South Cambridgeshire facility management. Total YTD Revenue was £70k, with a YTD Profit of £52k.

25. ASC Budget – The SEP 2021 results of 4,398 jobs were completed with an actual spend of £608k. YTD total jobs completed was 25,262 with an actual spend of £3,652k.
26. Non-Housing Budget – The Non-Housing results for SEP 2021 were 81 jobs completed and valued at £28k. YTD total number of jobs of 444 valued at £172k.
27. Harlow District Council Loan – The loan continues to be repaid at £30k per month and the balance outstanding as at September 2021 was £707k. Interest of £2k for September 2021 has been paid to Harlow District Council.
28. Capital Assets – As at SEP 2021, the Net Book Value of Fixed Assets was £1,210k as shown below:

	<b>Cost Value</b>	<b>Acc. Depreciation</b>	<b>NBV</b>
<b>Goodwill</b>	£448k	£403k	£45k
<b>Plant &amp; Machinery</b>	£984k	£696k	£288k
<b>Office Equipment</b>	£19k	£13k	£6k
<b>IT &amp; Phones</b>	£249k	£210k	£39k
<b>Motor vehicles</b>	£1,221k	£438k	£783k
<b>Building Improvements</b>	£87k	£38k	£49k
	<b>£3,008k</b>	<b>£1,798k</b>	<b>£1,210k</b>

Note: In line with IFRS16 on leases, HTS balance sheet includes the right of use assets representing qualifying leases to a value of £451k and the corresponding right of use liability to a value of £462k.

There were no additions and disposals of motor vehicles in the month of SEP 2021.

### **Coronavirus Status Update**

29. Following the easing of restrictions at the end of the lockdowns, there has been a need to continually exercise safe working practices that have impacted on the work delivered. This is pertinent as we approach the winter season when the virus spread is expected to be at its highest point.
- a) HTS's Recovery Plan – Emerging from Covid is a strategy to drive the recovery and monitor progress of the Environment and Housing workstreams following the easing of restrictions as a result of the Covid-19 pandemic and this report is covered separately.

## HTS Achievements



30. HTS (Property & Environment) Ltd. are supporting Veolia waste management locally with fuel whilst there are national supply issues. This is to ensure that Veolia can continue to deliver their services to Harlow Town.

Steve Ward, Operations Director at HTS comments:

*“HTS wanted to support Harlow Council to allow businesses to run as normally as possible. Even though this will hopefully only need to be a short-term fix, we will be re-assessing the situation fortnightly based on deliveries and business needs. As always HTS will continue to proudly serve Harlow during these challenging times”.*

31. HTS Fishing Team Raises £270.00 for St Clare Hospice  
The fishing team and their families had a great day over at Southend Farm Fisheries recently, luckily the weather was very kind and the top 3 winners received trophies including Largest Catch and Catch of the Day!



Well done to all of the team for continuing to support HTS Groups' chosen charity, St Clare Hospice.

### 32. Works progress at site of new housing in The Hill



The first houses to be built by HTS are progressing well at the site of new housing in Old Harlow. Work to construct the two properties, situated in The Hill, is now moving forward following the demolition of the house that was there previously. This had to be a very careful demolition, carried out by a specialist contractor as the house, which was in an unsafe condition, was part of a semi-detached pair of houses.

Drainage and the foundations for the two new houses are now being laid in readiness for construction of the buildings to begin in earnest.

John Phillips, HTS Group Ltd Managing Director, said: ***“We are very excited to see***

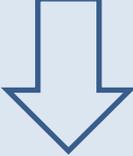
***the gradual and careful progress being made as we prepare the site to build two brand new council houses in The Hill.”***

Councillor Simon Carter, Portfolio Holder for Housing, said: ***“I am pleased to see that work on the first homes to be built by HTS continues to progress well. With the foundations now being prepared I am looking forward to see how these houses take shape over the coming months”.***

Once built, these homes will be let to people on Harlow Council's Housing Needs Register.

The homes are due for completion in early 2022.

### 33. Current Status of Services

Service	Direction of Travel	Commentary
Street Scene		Quarter 2 produced some good results with main area of concern around still detritus and weed growth.
Grounds Maintenance		Still some remaining issues around performance of tree works
Housing Property		There has been a good progress made in housing repairs as reflected in KPI performance following the improvement action plan. The work in pipeline has increased.
Non-Housing Property		Back log is nearly cleared and WIP at average levels

### IMPLICATIONS

#### Environment and Planning (Includes Sustainability)

As contained in the report.

**Author: Andrew Bramidge, Director of Strategic Growth and Regeneration**

#### Finance (Includes ICT, and Property and Facilities)

As set out in the report.

**Author: Simon Freeman, Deputy to the Chief Executive and Director of Finance**

**Housing**

As contained in the report.

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

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

None specific.

**Author: Jane Greer, Director of Communities and Environment**

**Governance (Includes HR)**

KPI's are currently being reviewed as part of the Recommendations of the Best Value Review and changes will be reported on in due course.

**Author: Simon Hill, Director of Governance and Corporate Support**

**Appendices**

Appendix A – Emerging from Covid

Appendix B - HTS Management Accounts

**Background Papers**

None.

**Glossary of terms/abbreviations used**

HTS – HTS (Property and Environment) Ltd

KPI – Key Performance Indicators

WIP – Work in Progress

YTD – Year to Date

Report of:		Title:	
Neil Rowland		Commercial Director	
Name of Report	Date of Report		Status:
Emerging from Covid - Recovery Plan	18 November 2021	Shareholders Sub-Committee	Information

***Proudly serving Harlow***

**Introduction**

HTS's Recovery Plan is a strategy to drive the recovery of the Environment and Housing workstreams following the easing of restrictions as a result of the Covid-19 pandemic.

During the lockdowns, HTS has taken government advice into account at each stage and have reviewed the services we can safely deliver to limit the risk of spreading the virus to our staff and the residents we deliver services to.

New measures to gradually reduce restrictions were introduced by the Government detailing a Roadmap out of Lockdown in early March 2021.

As a result, the working restrictions that were imposed in 2020 continued through most of Q4 of 2020/21 and Q1/Q2 of 2021/22 and continue to have an impact on HTS's performance and ability to deliver services.

As a result of the changes made already and the forecast dates of further improvements, HTS and Harlow Council can start to align service recovery with the Roadmap dates and this report provides more details of how this will be achieved.

**Additional Challenges Facing HTS Post Covid**

Currently, across the country we are experiencing high levels of positive cases, but there are now a number of other factors that are affecting HTS and other organisations in a similar way such as, materials supply and price increases, high and rising inflation, and labour price increases.

In the preparation and planning phase of this Recovery Plan HTS predicted a number of possible effects of coming out of lockdown. A number of these have now come into play and despite forward planning are impacting on the delivery of services. The situation has been further distorted by the effects of Brexit:

**Materials**

Real point of sale costs have increased between 5%-40%, generating cost as well as delivery challenges. High energy usage manufacturing such as plaster, plastics, glass, bricks etc. will continue into next calendar and financial year.

Materials prices rose by 6.3% in 3rd quarter 2021 on a quarterly basis and by 16.9% compared with a year earlier. The materials supply difficulties are expected to stabilise by 3rd quarter 2022 and prices will rise by 15% over the forecast period (3Q2021 to 3Q2026).

**Labour/Renumeration**

'The great resignation' is what some are titling the current movement of people. Gallup 12, who carry out Employee Engagement surveys are saying that engaged colleagues will

leave for a 20% remuneration increase, this is being offered in the market. We have struggled with recruitment and it will continue to be hard going. Although labour rates are not showing this rate increase at present in the indices, site labour rates are increasing by as much as 10%.

### Overhead Challenges

Insurance premiums are experiencing large increases on fleet and buildings. Insurers risk appetite and ROI from premiums are taking a hit.

Fleet availability and prices are experiencing unprecedented timescales, meaning more aged vehicles within our fleet.

Fuel shortages now resolved have turned into fuel price increases alongside the costs of people heating their homes and buildings. We are reaching near record highs of energy costs; this impacts every element we are jointly reliant on.

### Inflation

With the expected circa 4% inflationary rate, alongside the US potentially entering a recession (UK PLC usually follows two quarters later) and the bank of England likely to increase interest rates (with £400Bn of borrowing) this be the end of cheap borrowing.

### Procurement

Procurement at least historic risk averse procurement is in a state of flux. Risk allowance is being increased on all repairs and planned contracts as well as development costs.

Supply chain appetite has changed rapidly as materials and labour prices increases are almost monthly affecting their ability to deliver.

Tender prices are expected to rise steeply over the next year with sharp rises in materials costs and site labour rates, together with strong demand. Tender prices continue to rise faster than costs over the remainder of the forecast period.

Initially, we forecast that this was a six-month issue, that would be rebalanced in early 2022.. For instance, timber the first nationally covered commodity is returning to normal availability and cost levels – this will still take 4 months to work through to a point of sale reduction. The same will occur for the other challenges noted, some longer, some quicker, with the possibility of the UK going into a recession in 2022.

However, the true impact of this combination of changes is beginning to impact HTS operationally and financially aligned to an increase in WIP post covid and complaints from Residents and Councillors.

Following our attendance at a recent conference held by Echelon Consulting, it is apparent that the challenges and impacts being realised by HTS is affecting similar organisations across the country.

## Summary of the Governments Road Map out of Lockdown

### Step 1 - Changes on 29 March

- Safer for people to meet outdoors rather than indoors. Rule of 6 introduced
- The 'stay at home' rule will end

### Step 2 - not before 12 April

- Non-essential retail can open including libraries, gyms etc

### Step 3 - not before 17 May

- Restrictions on meeting people outdoors is lifted meaning up to 30 people can meet outdoors
- Up to 6 people or 2 families can meet indoors
- Social distancing will be reviewed
- Most businesses can re-open

### Step 4 - not before 21 June

- The government hopes to be in a position to remove all legal limits on social contact. This will be the most significant stage for HTS when potentially all work can continue without restrictions for the first time since March 2020.

## Next Steps for Recovery

HTS's Roadmap to Recovery can be set out into 3 phases:

### Phase 1 – Restart (Short Term Objectives – 0-3 months)

#### ➤ Increase output

Works that previously couldn't be carried out safely should recommence. HTS has started this process already. This includes repairs inside resident's properties.

Projects and Capital programmes should be commenced while adhering closely to government guidance on preventing the spread of Covid-19.

Test, track and trace services for workers should help keep our sites running, as this allows us to monitor workforce availability and potential infection rates.

Shielding for vulnerable staff ended on the 30 March 2021 with all employees returning to work.

#### ➤ Minimise disruption

Collaborative efforts will help minimise output lost due to Covid-19. It is therefore important for employers, contractors and supply chains to understand the difficulties caused by Covid-19 and work together to overcome them.

Prompt payments to contractors and the supply chain will also help with cash flow and prevent delays.

➤ **Identify Affected Services**

Establish a list of affected services and the extent of any backlog that may have been built up during Lockdown.

Initially prioritise actions to get services back up and running.

Establish Action Improvement Plans where required assessing timescales, resources and costs to improve performance.

**Phase 2 – Reset (Medium Term Objectives – 3 - 12 months)**

➤ **Increase productivity**

As we progress through the roadmap productivity should increase as restrictions are lifted.

Review approaches will be needed to compensate for the loss of productivity due to the requirement to implement Government guidelines across construction and the built environment

➤ **Strengthen capability in the supply chain**

It is essential that HTS maintains investment in training and retraining workers to ensure increased levels of sustainable employment.

Manage delays and availability of materials in the supply chain. Investigate options with alternative suppliers.

Subcontractors may have reduced resources due to furlough, so guaranteeing work and mobilising new contracts is critical.

➤ **Maximise employment**

A key element of the plan is its emphasis on skills and people.

HTS needs to make sure it retains its current workforce and fill any vacant positions to maximise its ability to deliver its services.

Training our new apprentices is key to developing talent within the business.

Develop and implement the governments Kick Start Programme and Work Experience programmes within HTS. These are being discussed in the HTS Recovery Planning meetings.

➤ **Preparing for barriers to recovery**

Increased demand on services when restrictions are lifted in addition to current backlogs created during Lockdown.

Operative productivity and flexible working are going to be key in recovery and we must consider what opportunities are available to us such as:

- Extended working hours during the week and weekends
- Employing additional resources
- Use of additional subcontractors
- Use of multi-trade operatives

There will be a need to consult with Unite Union to agree any potential changes to contracts.

### **Phase 3 – Monitoring and Reporting (Long Term Objectives – 6-12 months)**

#### **➤ Recovery Group for HTS activities**

Continue to develop and implement the key objectives of the Recovery Group:

Improving Business Resilience and Efficiency by a review of HTS Business Plans, Priorities and Business Continuity; enhanced communication plans aligned to Council communication plans and a robust gap analysis and performance reporting.

Reassessing HTS Community Impact by its social value programme and reporting.

HTS Environmental Impact through its Landscape programmes and policies reviews.

Creating opportunities through the HTS Group Business and Commercial growth plans, particularly in the area of apprenticeships, training, and employment for young people.

To show leadership within the local business community with regards to creating local opportunities for local people.

#### **➤ Role of Shared Operational Performance Meetings**

Provide regular monthly updates on Performance across the full suite of KPI's and monitor progress of Actions Plans on services that have been affected by Covid-19.

#### **➤ Shareholder Sub-Committee Meetings**

An opportunity for both parties to review the recovery plan and provide strategic direction to HTS.

## Workstream Summary

### Responsive Repairs

HTS has been closely monitoring the WIP that was built up during the Pandemic and tracking the progress of the oldest outstanding jobs that were raised between March 2020 and the 31<sup>st</sup> April 2021.

The table below illustrates the progress made up to the end of September 2021. Since June, 91% of Standard Priority jobs and 33% of Planned Priority jobs have been completed. Overall, 55% of jobs have been completed in 5 months.

Priority		WIP at 30/9/21	WIP at 31/08/21	WIP at 31/07/21	WIP at 30/06/21	WIP at 09/06/21
Standard	Complete works in 20 working days	20	34	43	103	235
Planned	Complete works in 9 months	329	384	388	415	492
<b>TOTAL</b>		<b>349</b>	<b>418</b>	<b>431</b>	<b>518</b>	<b>727</b>

Additionally, the table below identifies and breaks down the WIP levels of each trade over the same period.

This will allow HTS to focus resources in the areas required to clear the oldest jobs as fast as possible.

All areas are reducing steadily and in line with plans.

Housing - WIP by Work Centre				
Housing		WIP at 30/9/21	WIP at 31/08/21	WIP at 31/07/21
HCAP00	HOUSING AD-HOC	4	6	9
HREBPL	BRICKLAYING, PAVING AND LABOUR	13	16	16
HREGRF	GARAGE ROOF REPAIRS	21	22	23
HRESAA	AIDS & ADAPTATIONS	-	-	-
HRESBD	DAMP REPAIRS UNDER £400	-	-	-
HRESCA	CARPENTRY	39	47	48
HRESDE	DOOR ENTRY	-	-	-
HRESDG	DOUBLE GLAZED UNITS	17	25	25
HRESDR	DRAINAGE	-	1	1
HRESEL	ELECTRICAL	1	3	3
HRESFC	FENCING	4	10	11
HRESGA	GARAGES	1	4	4
HRESGL	GLAZING	7	10	10
HRESGR	GAS BREAKDOWNS	-	-	-
HRESIN	LOSS OF INSURANCE	-	-	-
HRESPA	PAINTING	1	1	1

HRESPB	PLUMBING	2	7	7
HRESPL	PLASTERING	50	52	52
HRESRF	ROOFING	160	178	181
HRESUP	UPVC	17	22	23
HVO103	VOIDS REPAIRS IN OCCUPANCY	4	4	4
<b>TOTAL</b>		<b>341</b>	<b>408</b>	<b>418</b>

Non-Housing - WIP by Work Centre				
Non-Housing		WIP at 30/9/21	WIP at 31/08/21	WIP at 31/07/21
HMUNDR	NON HOUSING DRAINS WORK	-	-	-
HMUNPL	MUNICIPAL PLANNED WORKS	-	-	-
HMUNOO	MUNICIPAL	8	10	13
HMCAP0	NON HOUSING AD-HOC	-	-	-
HMUNPP	PADDLING POOLS	-	-	-
HMUNWD	WORK DEPOT	-	-	-
<b>TOTAL</b>		<b>8</b>	<b>10</b>	<b>13</b>

Performance against Housing KPI's for Standard repairs has predictably been affected by the progress made in clearing the backlog of jobs, but overall movement has been in the right direction:

April **Red** 72%  
 May **Amber** 91%  
 June **Green** 96%  
 July **Green** 99%  
 August **Green** 98%  
 September **Green** 98%

We also regularly carry out an in-depth analysis of the jobs included in the WIP and can identify the number of jobs in each work type that have already exceeded their target date due to Lockdown restrictions and can illustrate them by date below. Where possible the oldest jobs are being targeted first:

#### Outstanding Standard jobs by age from date raised

S1 Jobs in WIP by age	Apr 2020	Jun 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	S1 Total
HCAPO0			1						1
HMUNOO					2	1		3	6
HRESCA							1		1
HRESDG				1					1
HRESGL	1	1					1	3	6
HRESPB							1	1	2
HRESPL				1					1
HRESUP								2	2
<b>Grand Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>9</b>	<b>20</b>

These works are being carried out using inhouse operatives.

The remaining jobs are taking slightly longer than anticipated mainly due to access issues. It is anticipated that the remaining outstanding WIP for S1's will be complete by the end of November 2021, subject to access and the availability of materials.

#### Outstanding Planned jobs by age from date raised

<b>P1 Jobs in WIP by age</b>	<b>Dec 2020</b>	<b>Jan 2021</b>	<b>Feb 2021</b>	<b>Mar 2021</b>	<b>Apr 2021</b>	<b>May 2021</b>	<b>Jun 2021</b>	<b>P1 Total</b>
HCAPO0						2		2
HMUNOO						1		1
HREBPL	1			3	5	3	1	13
HREGRF	8	2	2	1	1	6	1	21
HRESCA				2	13	18	2	35
HRESDG	1			1	9	5		16
HRESFC	1					2	1	4
HRESGA						1		1
HRESPA					1			1
HRESPL	1	2	1	10	14	14	7	49
HRESRF	15	9	4	21	36	63	12	160
HRESUP				1	4	5		10
HVO103	1			1			1	3
<b>Grand Total</b>	<b>28</b>	<b>13</b>	<b>7</b>	<b>40</b>	<b>83</b>	<b>120</b>	<b>25</b>	<b>316</b>

Movements in Priority

13

It is anticipated that the remaining outstanding WIP for P1's will be completed in approx. 6 months, subject to access and the availability of materials.

An additional subcontractor has been engaged to specifically deal with planned category works and their progress is being monitored. Access to properties dropped significantly in July and August due to the holiday period.

Below is a summary of the existing service provision:

- Compliance - Gas Servicing – The programme is back on track being 8 weeks ahead of programme.
- Compliance - CO and Smoke Testing. As these are primarily undertaken alongside the gas service the above applies.
- Compliance - Emergency Lighting Testing. All tests are in date and compliant. The programme is back on track and 4 weeks ahead of programme.
- Compliance – Non-Housing Electrical Tests. All tests are in date and compliant. Works are progressing to create a 4-week buffer.
- Void Refurbishments – Backlog of work is decreasing each month, but the average turn around time is not back to pre-covid levels yet.

- Fixed Price Kitchens (voids) – Works are progressing well but the volume of new kitchens required is exceeding the budget for the year and alternatives methods are being discussed so as not delay void handovers.
- Fixed Price Boilers (voids) – Volumes of new works are exceeding budget and surpluses are being managed through the Capital Works programme.
- Emergency and Urgent Priority Requests - The main trades involved are Gas, Plumbing, Electrical, Carpentry and Drainage. These priority orders have been undertaken since the start of the lockdown period and will continue.
- Roofing – High level discussions are ongoing regarding the continued volume of roofing jobs and the increased amount of works required to each property putting increased pressure on budgets and performance.
- Fencing – We are experiencing a higher volume of works in WIP as demand for fencing repairs is increasing.
- Bricklaying, Paving - We are experiencing a higher volume of works in WIP as demand for brickwork repairs is increasing.
- Drainage - We are experiencing a higher volume of works in WIP as demand for drainage repairs is increasing.
- Garages - Continuation of services but to also include roof repairs depending on client Asbestos surveys resuming.
- Communal and Landlord Areas – Proceeding to plan
- Non-Housing - Continuation of services with only a small backlog left to clear.
- Routine/Standard Orders - This area of work will be totally dependent on the priority of the orders themselves, the backlog of WIP and the priority status of orders already in the system. Increased investment in sub-contractor and possibly agency resources has been implemented, along with possible incentive payments or changes to working hours for HTS staff/operatives to address what will be a large backlog of orders.

Whilst the covid backlog is progressing relatively well and to programme, we are now experiencing a ripple effect of increased WIP levels in the current period. We have provided a summary of some of the potential reasons for this at the beginning of this report.

## **Capital Works**

## **Internal Works**

Works consist of all elements covered within the Decent Homes categories covering Kitchens, Bathrooms, Rewires and Central Heating works.

The programme has now restarted and:

- all remaining properties have now carried over and will be prioritised for completion in 2021//22 programme

- the 2021/22 asset list has been issued to HTS and pre-start surveys and designs are on-going.
- the 20/21 Programme is now back to a normal productivity levels, with completions and handover requests increasing weekly

## **Aids and Adaptations**

Works consist of various Aids and Adaptations to Council properties.

The programme is progressing as follows:

- all remaining properties have now carried over and will be prioritised for completion in 2021//22 programme.
- projects for the 2021/22 portion of the programme are now being released
- programme is demand led and projects will continue to be released as authorised.

## **Compliance**

Works consist of electrical testing and remedial works where required and:

- the entire asset list for 20/21 is now complete and the 21/22 programme of testing and associated works has commenced.
- we have now moved to testing the laterals for the tower blocks.
- Due to the spend being lower than expected additional works to defined projects to non-leasehold blocks are being scoped, the lighting at Sumner Farm Close and electrical upgrades at Netteswellbury Farm, with the inclusion of external charging points for mobility scooters has been re-prioritised.
- Other non-leasehold schemes are being sourced to bring into the programme as bringing forward too many properties from 2021/22 will start to upset the flat-line approach to the 5-year programme.

## **Externals**

Works consist of a series of re-roofing projects across the town.

- Pitch roofing has commenced where possible, although roofs that require Redland tiles will be delayed due to a 20-week delivery date.
- The flat roofing supply chain is proving difficult to secure and we are continuing with a further procurement to exercises to limit the delay, although works have commenced on urgent properties.
- A list of properties has been provided, although additional and adjacent tenanted properties will be included to maximise value and for added asset management benefits.

## **Garages**

Works consist of refurbishment and demolition of various sites across the town.

The programme of works is now progressing well with works concluded in East Park and we are making good progress in The Hides.

Planning notices for the 21/22 programme have been issued and priced by HTS and works are programmed to commence in November.

### **Resources**

HTS has employed additional resources to be able to deliver the remainder of the 20/21 programmes alongside the 21/22 programmes. This will include:

- 2No. Site Managers,
- 1No. RLO,
- 1No. Administrator,
- 1No. Quantity Surveyor
- 1No. Electrical Quality Inspector

## Environmental Recovery Plan

This report is to describe the current position with regards to operations in Environmental Services with a view to the future and how we can control and mitigate the longer-term impact from coronavirus lockdown and other factors experienced over the last 18 months.

### Parks and Landscapes

<p><b>Recruitment</b> problems due to furlough scheme reducing availability of staff and late start in recruitment due to lockdown and inability to complete remote interviews (skill set of likely workers)</p>	<p>End date October 2021. This is due to the end of the summer work programme and therefore reduced staffing need. Until this date we are continuing to try to recruit and supporting this by offering a wide range of overtime. To protect against a repeat next year, we are going to recruit the summer agency staff early and take on extra permanent staff. We will look to use other methods of accessing temporary staff if this is not successful (recruitment shows, etc) Recruitment is an ongoing struggle. We are looking at new ways to recruit, including running a recruitment fair, using other recruitment agencies, changing to application forms rather than CVs and other methods in a hope to improve uptake of advertised jobs.</p>
<p><b>Absence</b>– sickness from covid and time off for isolation. This links to the management resource to deal with these cases.</p>	<p>This is ongoing and likely to increase over the winter period with flu and covid expected to increase. Isolation for ‘track and trace’ has now finished, so this will improve the situation and we’ve had reduced covid related absence recently. Current covid rates are raising and likely to speed up with the children returning to school in early September. This has been the case and we continue to have a number of covid cases and isolation to support children. End date likely to be about April 2022, following the winter ‘flu season’ – but obviously hard to predict. We actively remind staff of the importance of social distancing, regular lateral tests and reporting of symptoms.</p>
<p><b>Annual leave</b> burden from agreed carry over</p>	<p>In line with government advice, we permitted annual leave ‘carry over’ due to the lack of availability of holidays and the need for maximum workforce to carry out the works. This has been spread over 2 years, with 5 extra days holiday in each year. We believe this is manageable, but ongoing minor impact until April 2023</p>
<p><b>Vehicles</b> – increase usage</p>	<p>There has been an increase in the number of vehicles in use due to social distancing. Which was removed with the summer work (working off mowers) and the reduced requirement from social distancing.</p>

	<p>We have a couple of teams who have 5 or 6 to a van and this has been reduced until lower covid rates (vulnerable employees) – therefore ongoing until about April 2022 following likely high winter rates. <a href="#">We continue with these additional vehicles as expected.</a></p>
<p><b>Weeds</b> – high level of weeds due to missing a year of weed spray activity and reduced cutting</p>	<p>2021 has allowed weed sprays to recommence and therefore the impact will be being reduced each time. We expect 2022 to show much reduced weeds around the town. There is a 3-year cycle for weed spraying and therefore a minor impact will be ongoing until 2023.</p>
<p><b>Grass growth levels – Restricted access</b> to areas to cut grass due to both increase parking making cutting difficult and also a significant increase in knee-rails around the town</p>	<p>The access from parked cars has been improving, however with long term increase in working from home likely, it is expected for this to continue into the future. This has been exasperated by the significant amount of knee rails in place, which reduce access points, requiring either smaller machinery or strimming of areas that used to be mown rapidly by a large machine. We will use the winter period to review our rounds and access points alongside the new parking, considering the requirement for different machinery and longer rounds if necessary. Working alongside the client to make as efficient and cost effective as possible. Expect Spring 2022 when mowing season starts that improvements will be made, and in line with adjustments to the round or significant return to the workplace policies, we would look to have a full solution by the end of Summer 2022.</p>
<p><b>Grass growth levels - weather factors</b> (large amounts of sun, then rain in the growing season)</p>	<p>We had a very challenging summer period due to the weather and staff levels. Since the middle of August the main growing has finished and the weather has slightly improved, allowing us to complete our rounds successfully to the end of September. As long as we are able to overcome the staffing issues over the Winter / Spring, we don't envisage a reoccurrence here</p>
<p><b>Grubbing out work</b></p>	<p>This was completed by the end of October 2021</p>
<p><b>Hedges</b></p>	<p>Due to the reduced works during Winter 2020/21 has led to significant growth now visible. Due to legislation this couldn't be tackled until late September (and we didn't have the resource). We will work our way through our winter programme as normal, hopefully with additional staff, but we expect increased complaints over the winter season. By the end of the winter 2021/22 it should be much improved but won't look aesthetically pleasing due to the hard cut. By winter 2022/23 this will be fully recovered.</p>
<p><b>Tree works</b></p>	<p>Due to social distancing it has been difficult for the arborists to work to their normal efficiency. Their work, with the use of ropes and climbing, requires close working regularly</p>

	<p>and their inability to complete this has led to a backlog (we recognise that this isn't the only reason for this backlog). HTS are working hard to overcome this with the use of contractors, and this has dramatically reduced in the last couple of months.</p>
<b>Machinery</b> - supply of parts	<p>This has become a problem over the last 2 or 3 months, seeming to increase recently. We have controlled this by the keeping of stock, good maintenance programme and the skill of our in-house mechanics. No significant impact to date, but to be aware it may increase over the winter. We will continue to monitor and plan ahead to try to reduce this.</p>
<b>Allotments</b>	<p>The allotments were not managed during the pandemic in 2020 and the start of 2021, and additionally the residents have carried out dramatically reduced work on them – presumably in line with lockdown restrictions and increased illness and isolation. HTS have been working through the required 32 plots that we clear and re-let each year and have been carrying out further plots where we have the resource to do so (this is completed by our ETF team). We will continue to work alongside HDC (Patrick) to support their work, to enable these to be brought back to a suitable standard. Timescales are dependent on resident engagement or investment from HDC – and a joint meeting is being arranged by Michael Pitt (HDC) to jointly decide on a suitable way forward for the future.</p>
<b>Street Cleansing</b>	
<b>Recruitment</b> problems due to inability to interview and take on new staff because of lockdown Also concern about HGV drivers for sweepers	<p>End date April 2021 – this is no longer an issue, but did have an impact earlier in the year, although not as significant as other sections and no requirement for seasonal workers. One recent street cleansing position has been difficult to cover, however this has now been completed with new starter now in post. We have been trying to book training for further HGV training for potential sweeper drivers, which is yet to be available. We are also aware that our current drivers are likely to be offered more attractive packages in other businesses due to the nationwide lack of HGV drivers – none of this is currently having an impact, but we are working to reduce a future problem.</p>
<b>Absence</b> – sickness from covid and time off for isolation. This links to the management resource to	<p>This is ongoing and likely to increase over the winter period with flu and covid expected to increase. Isolation for 'track and trace' has now finished, so this will improve the situation</p>

deal with these cases.	and we've had reduced covid related absence recently. Current covid rates are raising and likely to speed up with the children returning to school in early September. This has been the case and we continue to have a number of covid cases and isolation to support children. End date likely to be about April 2022, following the winter 'flu season' – but obviously hard to predict. We actively remind staff of the importance of social distancing, regular lateral tests and reporting of symptoms
<b>Annual leave</b> burden from agreed carry over	In line with government advice, we permitted annual leave 'carry over' due to the lack of availability of holidays and the need for maximum workforce to carry out the works. This has been spread over 2 years, with 5 extra days holiday in each year. We believe this is manageable, but ongoing minor impact until April 2023
<b>Vehicles</b> – increase usage	There has been an increase in the number of vehicles in use due to social distancing. This has now been removed and we have returned to normal.
<b>Detritus levels</b> – due to lockdown and no full sweeping 'wave'	Our 'wave' system was halted during full lockdown, to enable social distancing to be observed. We returned to the wave system in April 2021, and eventually to a 2-wave system (normal level) by May 2021, although this has been reduced to 1 on numerous occasions due to absences from covid predominantly. We continue to struggle with sweeper breakdowns (see below under 'vehicles')
<b>Detritus levels</b> – due to parking on grass verges, increased residential parking, long wet grass offcuts and temporary pedestrian barriers.	We managed to fully clean the town by the end of May 2021 and continue to do this, however there are a number of areas where we have been unable to access due to an increase in parked cars in estates (due to home working) and also pavement damage and mud due to vehicles parking on grass verges. This has reduced, but likely to be an ongoing, long term problem. Discussions with HDC to be held to find ways to manage or accept this, particularly with the KBT report expectations (likely a national problem – perhaps benchmark results). We have also been working to clear the offcuts from our grass cuttings, which have been more substantial and wetter than normal. This has improved since about mid-August and now no longer a problem due to the end of the cutting season. The pedestrian barriers for covid segregation were removed at the end of the summer and the issue with build-up of weeds and litter / detritus has now been resolved
<b>Fly tipping</b> increase – due to more domestic projects, some waste site closures etc	This has reduced now and is now slightly high, but manageable – no ongoing impact
<b>Litter increase</b> (loose and in town bins) – due to more exercise, closed restaurants and significant	The litter levels, including levels of litter in bins, have continued to be high, although dramatically down from pre-June 2021 levels.

increase in takeaways / picnics	We have been supported by the work of the Harlow wombles, which has reduced the impact, and HTS have worked closely to collect all the litter collected rapidly. This is above normal levels, but under control, therefore no ongoing impact.
<b>Vehicles</b> down time due to lack of parts	We have struggled with getting rapid turnaround times from our sweeper hire company, which they state is due to the difficulty in supply of parts. Unfortunately, we aren't able to foresee the impact in the future, but will continue to work closely with them to resolve any issues We are looking into our new contracts for sweepers currently and hope to enable some inhouse works as part of this. The new sweeper tenders are at review stage and hope for introduction in mid-2022, in the meantime we are looking to rent further sweepers to overcome this.
<b>Building Cleaning and Caretaking</b>	
<b>Recruitment</b> problems due to inability to interview and take on new staff because of lockdown	End date April 2021 – this is no longer an issue, but did have an impact earlier in the year, although not as significant as other sections and no requirement for seasonal workers
<b>Absence</b> – sickness from covid and time off for isolation. This links to the management resource to deal with these cases.	This is ongoing and likely to increase over the winter period with flu and covid expected to increase. Isolation for 'track and trace' has now finished, so this will improve the situation and we've had reduced covid related absence recently. Current covid rates are raising and likely to speed up with the children returning to school in early September. This has been the case and we continue to have a number of covid cases and isolation to support children. End date likely to be about April 2022, following the winter 'flu season' – but obviously hard to predict. We actively remind staff of the importance of social distancing, regular lateral tests and reporting of symptoms
<b>Annual leave</b> burden from agreed carry over	In line with government advice we permitted annual leave 'carry over' due to the lack of availability of holidays and the need for maximum workforce to carry out the works. This has been spread over 2 years, with 5 extra days holiday in each year. We believe this is manageable, but ongoing minor impact until April 2023
<b>Vehicles</b> – increase usage	There has been an increase in the number of vehicles in use due to social distancing. This has now been removed and we have returned to normal, with one exception which will be

	ongoing through the winter season.
<b>Covid sanitisation works</b>	HTS cleaning team have worked throughout the pandemic, increasing work to ensuring high levels of sanitisation, particularly of touch points and also in critical areas such as public toilets, doctors waiting rooms (Latton Bush) and the bus terminal. We have also increased filling of dispensers (increased washing) and sanitising. This work is ongoing until at least April 2022, and we have resourced this accordingly, so no impact to service. In some places this has also become an income stream with increased cleaning requirements.
<b>Void clearance and cleaning works</b> – due to lack of void management because of lockdown, leading to a ‘flood’ of voids from April onwards	We have had a significantly increased levels of void clearance and void cleaning works whilst the backlog was overcome from lockdown, this was overcome by use of an additional contractor for the clearance and two agency cleaners for the cleaning works. This has returned to about normal levels in August 2021. With covid and flu levels likely to be high this winter, there is a likelihood of further deaths and therefore increased voids works, but also continued absences and therefore potential impact until about April 2022 – we will plan for this and hope to avoid impact to service.
<b>Transport</b>	
<b>Absence</b> – sickness from covid, shielding and time off for isolation. This links to the management resource to deal with these cases.	This has had a particular impact on this team, due to its small size and a number of medical conditions. The work has continued to be well managed, and all MOT, Servicing, Inspections and general repairs have been completed throughout. We expect ongoing issue through the winter period with flu and covid expected to increase.
<b>Vehicle increase</b> – due to social distancing	The team have managed additional vehicles (planned for sale) to enable social distancing and the maximum workforce availability. This has led to increased work for the team to maintain but has been successfully completed and with the recent reduction, this impact has now been removed. With no further lockdown expected, we don’t foresee a continued impact here for the team.
<b>Annual leave</b> burden from agreed carry over	In line with government advice we permitted annual leave ‘carry over’ due to the lack of availability of holidays and the need for maximum workforce to carry out the works. This has been spread over 2 years, with 5 extra days holiday in each year. We believe this is manageable, but ongoing minor impact until April 2023

<b>Supply of parts</b>	There has been some impact on supplies, which is generally been worked around well, but particularly impacting our sweeper service from Go Plant (see above in Street Cleansing)
<b>Waste</b>	
<b>Non-recyclable waste</b>	Due to the increase in litter (see Street Cleansing) this has led to an increase in non-recyclable waste coming into our waste station. This is already having an impact on our recycling rates unfortunately and expected to continue until winter – perhaps November 2021 The team are working to find new and innovative ways to improve this in other ways, such as reuse of some voids waste. HTS have introduced a weighbridge to understand waste volumes better, particularly for subcontractors, and recovering cost in scrap metal for example.

# Appendix B

HTS (Property & Environment) Ltd

Summary of Management Accounts

Month: September-21

	Actual Year to Date			Actual Month			Actual Year to Date			Forecast		
	12 Months to 31 MAR 2021			SEP 2021			6 Months to SEP 2021			Year to MAR 2022		
	Latest Forecast	Original Budget	Variance	Actual	Forecast	Variance	Actual	Forecast	Variance	Latest Forecast	Original Budget	Variance
£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	
<b>1/ Total (All Activities)</b>												
Sales	20,845	24,641	(3,797)	2,542	2,932	(390)	13,668	14,525	(857)	29,105	30,210	(1,105)
Cost of Sales	(17,976)	(20,728)	2,752	(2,220)	(2,630)	410	(12,023)	(12,849)	826	(25,657)	(26,429)	772
Gross Profit	2,868	3,913	(1,044)	322	302	20	1,645	1,677	(31)	3,449	3,781	(333)
Overheads	(2,835)	(2,882)	47	(234)	(243)	9	(1,330)	(1,380)	51	(2,763)	(2,872)	109
Net Profit	32	1,032	(997)	88	59	29	315	294	20	682	909	(225)
Interest	(42)	(22)	(20)	(3)	(3)	-	(13)	(14)	1	(26)	(26)	-
Net Profit before Tax	(9)	1,011	(1,017)	85	56	29	301	280	20	656	883	(225)
Taxation	0	(192)	192	(16)	(11)	(7)	(57)	(54)	(4)	(124)	(168)	43
Retained Profit	(9)	819	(825)	69	45	22	245	227	16	532	715	(182)
<b>2/ H.D.C.- Annual Service Charge</b>												
Sales	17,373	18,721	(1,348)	1,686	1,564	122	9,982	9,570	412	19,366	18,768	598
Cost of Sales	(15,244)	(15,262)	18	(1,408)	(1,321)	(87)	(8,568)	(8,144)	(424)	(16,385)	(15,489)	(896)
Gross Profit	2,129	3,459	(1,330)	279	243	35	1,423	1,426	(12)	2,981	3,278	(298)
Overheads	(2,679)	(2,724)	45	(217)	(229)	12	(1,227)	(1,289)	62	(2,578)	(2,674)	96
Net Profit	(550)	735	(1,285)	62	14	47	192	137	50	403	604	(202)
<b>3/ H.D.C. - Capital Works</b>												
Sales	3,313	5,775	(2,462)	847	1,357	(510)	3,616	4,888	(1,272)	9,610	11,318	(1,708)
Cost of Sales	(2,695)	(5,426)	2,731	(812)	(1,307)	495	(3,445)	(4,690)	1,245	(9,249)	(10,924)	1,675
Gross Profit	619	349	269	35	50	(15)	170	198	(27)	361	394	(33)
Overheads	(156)	(156)	-	(17)	(17)	-	(99)	(99)	1	(199)	(198)	(1)
Net Profit	462	193	269	18	34	(15)	71	99	(27)	163	196	(34)
<b>4/ Non HDC Trading</b>												
Sales	157	146	11	9	11	(2)	70	66	4	127	124	3
Cost of Sales	(38)	(41)	3	(1)	(2)	1	(18)	(13)	(5)	(22)	(16)	(6)
Gross Profit	120	105	14	9	9	(1)	53	53	(1)	104	108	(3)
Overheads	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit	120	105	14	9	9	(1)	53	53	(1)	104	108	(3)
										0	0	0

33

**REPORT TO:** SHAREHOLDER SUB COMMITTEE

**DATE:** 18 NOVEMBER 2021

**TITLE:** RISK MANAGEMENT REPORT

**LEAD OFFICER:** ANDREW MURRAY, DIRECTOR OF HOUSING  
(01279) 446676

**CONTRIBUTING OFFICER:** STUART MOSELEY, INSURANCE AND RISK  
MANAGER (01279 446215)

**RECOMMENDED that:**

- A** The Shareholder Sub Committee (SSC) notes the strategic risks as relating to HTS (Property & Environment) Ltd together with their analysis and mitigation.

**BACKGROUND**

1. The Shareholder Sub-Committee terms of reference includes responsibility to ensure HTS (Property & Environment) Ltd (Local Authority Trading Company) (LATC) risks are adequately defined, monitored and controlled.
2. Harlow Council has its own Corporate Risk register which is regularly reviewed by Senior Management Board (SMB), reported to each Audit and Standards Committee meeting for scrutiny and challenge together with escalations, if required. This is also reported to Cabinet quarterly.
3. Within the corporate risk register, a strategic risk has been identified which relates to the 'Provision of Repairs, maintenance, landscape and street scene services' provided by HTS (Property & Environment) Ltd, and impacts upon Harlow Council.

**HTS (PROPERTY AND ENVIRONMENT) LTD RISK REGISTER**

4. The HTS (Property & Environment) Ltd risk register monitor its own corporate risks as it relates to the business. They are living documents, evolving, being reported to their Board quarterly. The Council's Joint Performance Review Meeting ensuring issues are escalated, if required, to the Shareholder Sub Committee.
5. HTS (Property & Environment) Ltd have been aligning the required

methodology for risk articulation, analysis and reporting with that used by Harlow Council. Strategic risks are subject to regular quarterly reviews and report to HTS (Property & Environment) Board, and to major reviews indicated by “Target Date”. This is to ensure they are concurrent with the HTS Corporate Plan. The updated HTS (Property & Environment) Ltd strategic risk register is shown in Appendix A.

6. Operational risks may be subject to regular and more frequent reviews in accordance with risk score, additional possible risk controls identified and target dates set for each risk. Operational risks are reviewed and managed by HTS (Property & Environment) Ltd Directors and Departmental Managers. Operational risks with a residual risk score of 20 or higher will be reported to HTS Board for review.
7. It should be noted that controls have now been implemented to address strategic risk “Information Governance and Data Compliance”. HTS Board members could have personal liability for data breach or non-compliance as noted in the risk impact statement.

## **IMPLICATIONS**

### **Environment and Planning (Includes Sustainability)**

As contained in the report.

**Author: Andrew Bramidge, Director of Regeneration and Strategic Growth**

### **Finance (Includes ICT, and Property and Facilities)**

None specific.

**Author: Simon Freeman, Deputy to the Chief Executive and Director of Finance**

### **Housing**

As outlined in the body of the report.

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

### **Community Wellbeing**

None specific.

**Author: Jane Greer, Director of Communities and Environment**

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

None specific.

**Author: Simon Hill, Director of Governance and Corporate Support**

## **Appendices**

Appendix A - Strategic Risk Register

## **Background Papers**

None

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

SSC – Shareholder Sub Committee

LATC – Local Authority Trading Company

SMB – Senior Management Board

JPRM – Joint Performance Review Meetings

GDPR – General Data Protection Regulations

RoPA – Record of Processing Activities

# Appendix A

## HTS (Property Environment) Ltd Strategic Risk Register

Likelihood	Almost Certain	5	11	16	20	24	28
	Likely	4	7	12	17	21	24
	Moderate	3	4	8	13	18	22
	Unlikely	2	2	5	9	14	19
	Rare	1	1	3	6	10	15
Risk Rate Matrix		1	2	3	4	5	
	Insignificant	Minor	Medium	Major	Catastrophic		
							Impact

Objective	Risk Name	Risk	Background	Likelihood	Impact	Risk Owner	Inherent Risk Score			Controls already in place	Residual Risk Score			Foreseeable Risk Score			Additional actions to mitigate risk (4Ts)	Target Date
							Likelihood	Impact	Score		Likelihood	Impact	Score	Likelihood	Impact	Score		
Financial Performance	SR01 - Financial Sustainability	If a sustainable budget is not secured, then HTS will lack financial resilience	HTS has been set up as a LATC, wholly owned by HDC with a five year contract in place. ASC budgets were set with JVCo baseline 2015/2016 and need to be managed going forward to maintain financial sustainability of the company.	Job priorities may impact on KPI achievement, management of client expectations, efficiencies, management of employee sickness, maintenance and replacement of assets, payscales alignment	Pension, failure of KPIs, penalties from HDC, external market wage rates pressures, service delivery	Alex Morris, Finance Director	3	4	18	change notice, job variation meetings, budget monitoring, Joint Performance meetings, JPRM, Management Account meetings, quarterly reviews, cash flow, VCR meetings, auditing of accounts, forward planning on replacement of assets (5 year plan)	2	4	14	2	4	14	callsys interface with orchard to manage job ticket priorities. Interfaces occur at when job is raised, complete and invoiced.	Annual review
Business Growth	SR02 - Business Sustainability	If the business does not develop and grow, then it will stagnate and ultimately fail	HTS needs to grow business beyond its existing HDC contract in order to develop and survive and meet employee and shareholder expectations for future opportunities	Perception of environmental performance by HDC versus contracted performance, KPI measurement and analysis, delayed capital works, failure to award additional capital works, ability to secure third party works and deliver at profit, capacity to deliver third party services	reputation, bottom line, morale, negative employee culture, productivity and service delivery, business growth, loss of key employees, inability to win new third party contracts, loss of existing third party contracts	Neil Rowland, Commercial Director	4	4	21	Joint Performance Meetings, JPRM, quarterly reviews, balanced scorecard reviews, KPI reviews, weekly performance and productivity reviews, vehicle tracking monitoring, opportunities register, joint board/member meetings, tenant and leaseholder engagement, accreditations	3	4	18	2	4	14	opportunities register, GIS mapping and route optimisation, innovations, marketing materials and presentations and case studies of efficiencies already achieved	Annual review
Operational Performance	SR03 - Operational Delivery	If HTS fails to deliver services on a consistent satisfactory basis, then the business may receive negative perception leading to failure to maintain and extend contracts	Inheritance of an ageing workforce may result in loss of local knowledge and expertise when they leave. HTS requires to resource existing and future employees along with external supplychain to ensure continuous satisfactory delivery of services and third party contracts	Government legislation changes, statutory regulations changes, KPI measurement and analysis, capacity to deliver third party services, resourcing against peaks and troughs and specialist trades, client expectations, perception vs actual performance, budget and seasonal variations, ageing workforce, incentivisation for employees	reputation, bottom line, employee opportunities, morale, negative employee culture, productivity and service delivery, business growth, loss of key employees, KPI penalties	Steve Ward, Operations Director	2	4	14	Joint Performance Meetings, JPRM, quarterly reviews, balanced scorecard reviews, KPI reviews, weekly performance and productivity reviews, vehicle tracking monitoring, change notices, tenant and leaseholder engagement, accreditations, ASC meetings, subcontractor and agency budget monitoring, efficient processes investment, Business Continuity Plan	2	4	14	2	4	14	compliance software, additional employee training, succession planning, continual training and development, apprenticeships, work experience employees, payscales reviews and alignment	Annual Review
Culture	SR04 - Employee Engagement	If HTS fail to engage it workforce, then there are consequences to delivery and success of the business	An engaged and happy workforce is a productive and effective workforce 'Proudly Serving Harlow' reflecting the HTS brand.	morale, incentivisation and engagement of workforce, training budgets and resource, quality of external candidates, salary packages, pension/pay flexibility, terms and Conditions of employment	VFM review in year 3, morale, lack of workforce engagement, reduced productivity, accidents, poor attendance, reputation, employee expectations	John Philips, Managing Director	3	4	18	Quarterly employee engagement, monthly union meetings, quarterly staff newsletters, balanced scorecard, staff award scheme, staff discount cards, PPRs, vehicle tracking monitoring, IT investment, asset investment, succession planning, training plans, 1-2-1s and Team meetings, Living Wage employer	3	4	18	2	4	14	employee satisfaction surveys, incentivisation schemes, employee conference and awards, succession plan, flexible working and retirement, future pay reviews, equal pay	Annual Review
Compliance	SR05 - Information Governance and Data Compliance	If HTS does not adopt holistic and robust response to data information and governance, then it may be unable to demonstrate statutory compliance.	An Information Governance Framework is required to ensure information is dealt with efficiently, effectively and in compliance with statutory provisions and regulations. The General Data Protection Regulations (GDPR) applies from 25 May 2018, replacing the Data Protection Act 1998, imposing a much tougher data protection regulatory framework. Also on the horizon is Electronic Data Protection Regulation (EDPR)	GDPR requirement to notify breaches within 72 hours. Changes to Subject Access Requests (SARS). It is necessary to evidence compliance in all areas of GDPR. There are changes to the way consent is obtained and individual's rights over data held about them.	Breach and non-compliance carries risk of enforcement action and increased financial penalties from the Information Commissioners Office (ICO). Reputation would suffer.	Tim Page, HR Manager	4	4	21	Data Protection & Security Policy in place. Privacy Impact Assessments in place (HTS format). Breach log in place (HTS format) and incidents reviewed & closed out. DPO in place and formally appointed. Deputy DPO identified internally. Full training carried out for key staff and toolbox talks provided for all staff. Data cleanup actioned. Variation to Services Agreement to align it for GDPR compliance has been signed and sealed. Actions from Z7001 gap analysis mostly closed out.	3	3	13	3	3	13	Cyber security policy reviewed but requires further review in January 2019. Carry out DPO training which has been identified. Ongoing employee awareness and training required along with poster campaign. Continue discussions and work to align Privacy Impact Assessments and Breach log with Harlow Council format.	Monthly Review

**REPORT TO:** SHAREHOLDER SUB COMMITTEE

**DATE:** 18 NOVEMBER 2021

**TITLE:** SOCIAL IMPACT REPORT

**LEAD OFFICER:** JOHN PHILLIPS, MANAGING DIRECTOR HTS  
(PROPERTY AND ENVIRONMENT) LTD

**CONTRIBUTING OFFICERS:** HTS SENIOR MANAGEMENT TEAM

**RECOMMENDED that:**

**A** The Shareholder Sub Committee (SSC) notes the report.

**BACKGROUND**

1. HTS (Property and Environment) Ltd (HTS) continue to produce an annual Social Impact Report to the Shareholder Sub Committee.
2. This is to demonstrate the Social Impact of its contractual activities in the period 2021. For 2021, particular emphasis is on its response to and emergence from the Covid-19 pandemic.

**FINDINGS AND CONCLUSIONS**

3. The key findings were as follows:
  - a) HTS contributed significantly to the Covid pandemic response in 3 main impact areas: supporting the public health response, mitigating negative economic impacts, protecting, and enhancing the wellbeing of staff and the Harlow community.
  - b) HTS still continued to create social value in relation to key core CSR objectives as well being able to quantify social impact through work experience, protecting and enhancing employment, apprenticeships, volunteering, and supporting community organisations.
  - c) Of the activities which can be monetised HTS created £383,185 social (wellbeing) value and £171,630 of public sector costs savings and economic benefits as well as making £90,000 worth of donations and staff time to charitable and community causes in the 2020-21 year.
  - d) Analysis of the Streets2Homes partnership project update report shows that HTS renovation of Bromley Cottages has continued to play a part in generating additional social outcomes such as reducing rough sleeping, helping to move people into secure tenancies and tangible access to a range of services. (full report at Appendix 1, available by kind permission of Streets2Homes).

4. A full copy of the report is attached for more detail.

#### **IMPLICATIONS:**

##### **Environment and Planning (includes Sustainability)**

As contained in the report.

Author: **Andrew Bramidge, Director of Strategic Growth and Regeneratio.**

##### **Finance (Includes ICT and Property and Facilities)**

As set out in the report.

Author: **Simon Freeman, Deputy Chief Executive and Director of Finance**

##### **Housing**

As outlined in the report.

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

##### **Community Wellbeing**

None specific.

Author: **Jane Greer, Director of Communities and Environment**

##### **Governance (includes HR)**

None specific.

Author: **Simon Hill, Director of Governance and Corporate Support**

##### **Appendices**

Appendix A - HTS 2020/21 Covid response and social impact report.

##### **Background Papers**

None.

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

HTS – HTS (Property and Environment) Ltd



# HTS 2020/21 Covid response and social impact report

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*Analysis of the social impact generated by  
HTS (Property and Environment) Ltd  
during the Covid-19 pandemic*

**August 2021**

## Executive summary

The purpose of this report is to perform a social impact analysis of selected HTS Group activities in 2020/2021 with particular emphasis on activities responding to the Covid-19 pandemic.

The dominant issue throughout 2020-21 was of course the Covid pandemic. As such this report is designed to demonstrate how HTS Group has responded to the pandemic and continued to deliver social impact and tailored its services to mitigating negative impact.

This report explores the social impact generated across several outcome areas and through a range of social impact analysis techniques.

The report uses contextual analysis, wellbeing valuation, cost benefit analysis and economic multiplier techniques to measure and evaluate social impact outcomes.

Key findings are:

- HTS Group contributed significantly to the Covid pandemic response in 3 main impact areas: supporting the public health response, mitigating negative economic impacts, protecting, and enhancing the wellbeing of staff and the Harlow community.
- HTS Group still continued to create social value in relation to key core CSR objectives as well being able to quantify social impact through **work experience, protecting and enhancing employment, apprenticeships, volunteering, and supporting community organisations.**
- Of the activities which can be monetised HTS created £383,185 social (wellbeing) value and £171,630 of public sector costs savings and economic benefits as well as making £90,000 worth of donations and staff time to charitable and community causes in the 2020-21 year.
- Analysis of the Streets2Homes partnership project update report shows that HTS renovation of Bromley Cottages has continued to play a part in generating additional social outcomes such as reducing rough sleeping, helping to move people into secure tenancies and tangible access to a range of services. (full report at Appendix I, available by kind permission of Streets2Homes)



- For the second year in succession HTS has improved its impact on the local economy by increasing the economic contribution generated through recruiting staff locally and using local suppliers.
- It is likely more social impact was generated by HTS however the evidence does not exist to demonstrate all of these outcomes.
- Recommendations include adoption of a Social Impact Framework to deliver activities specifically related to Covid and partnership working as well as establishing a social impact working group and further investigation into how to adopt the local wealth building concept in Harlow.

## Section summaries

The report is split into the following six sections:

**Section 1** provides a description of the activities of HTS Group in the context of the Covid pandemic.

**Section 2** HTS Covid response identifies the main ways in which HTS responded to the pandemic.

**Section 3 Social Impact assessment:** assesses and quantifies the social impact created through HTS activities, partnership projects such as Streets2homes, linked to Covid response and CSR strategy themes.

**Section 4: Social Impact measurement techniques:** Explains the methodology adopted in the social impact assessment and how social value is measured using contextual analysis techniques, Housing Association Charitable Trust (HACT's) UK Social Value Bank, Commission for New Economy Unit Cost database and Local Multiplier 3 calculations

**Section 5: Recommendations**

**Section 6: Summary and the future**

**Appendices**

## Section 1: Background HTS Covid response.

The Covid pandemic affected everyone in the country in some way during 2020-21 and will continue to do so for the foreseeable future. The pandemic has changed how organisations operate and enormous social and economic changes have been and will continue to be felt in communities.

A key source of data on the Covid impact is the Office for National Statistics (ONS) opinions and Lifestyle survey<sup>1</sup>. As of August 2021 the survey reported that 41% still think their wellbeing is negatively affected by the pandemic and it estimates 33% of the British population feel that it will take more than a year for life to return to normal or even that life will never return to normal.

Economically during 2020-21 there was a sharp increase in Job Seekers Allowance and Universal Credit claimants demonstrated by the graph in table 1 below. Despite a reduction in claimants during the early part of 2021 it is expected that unemployment will rise again as a result of the ending of the furlough scheme after September 2021.

The pandemic highlighted that older people, young people, the vulnerable, those in poor health and from an ethnic minority background were disproportionately affected. These demographic groups were and are being impacted on disproportionately in a number of ways ranging from their day-to-day finances to their employment and mental health. For younger adults (16-39) depressive symptoms were more than double (29%) compared to (11%) before the pandemic<sup>2</sup>.

For all the reasons above it has never been more important for HTS to implement its vision.

*Where Harlow is a place where people want to live and work as well as encouraging healthy lifestyles for employees*

The pandemic has demonstrated the importance of organisations making a difference for their employees and the community. Impacting on the pandemic clearly aligns with HTS's aim to be acknowledged as an industry leader in Corporate Social Responsibility (CSR) and be an organisation with a well-established programme in the community actively engaging with environmental, charitable, and people-based initiatives.

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<sup>1</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthandwellbeing/bulletins/coronavirusandthesocialimpactsongreatbritain/latest>

<sup>2</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/coronaviruscovid19latestinsights/wellbeing>

## Section 2: HTS Covid response

Through the established Corporate Social Responsibility (CSR) programme, HTS' was well placed to make an effective Covid response. This response has been delivered in three major impact areas outlined below. All of the responses link into the existing CSR Strategy and add to and enhance what has previously been delivered.

### Impact area 1: Supporting the pandemic public health response:

**Background and context:** The Public Health response to the pandemic was multi-faceted and involved the establishment of large-scale testing, provision of PPE as well as the introduction of local and national restrictions on daily life.

#### In 2020-21 HTS have:

- ✓ Established a Coronavirus testing centre, welfare, and rest facilities on HTS premises. (Case study Appendix 2)
- ✓ Protected staff through paying for Covid lateral flow tests prior to them becoming freely available.
- ✓ Provided PPE/NFP to charitable organisations such as St Clare Hospice, Harlow Council, Rainbow Services and Veolia.



### Impact area 2: Mitigating negative economic impacts

**Background and context:** The full extent of economic impacts of the pandemic are still being felt and will continue to be felt. Table 1 in section 3 below demonstrates a sharp increase in unemployment during the pandemic in Harlow. The percentage working age population out of work is higher in Harlow compared to the South East and nationally in England. This is despite the furlough scheme protecting an estimated 9million jobs nationally<sup>3</sup>.

#### In 2020/21 HTS have:

- ✓ Retained all staff with none being furloughed.
- ✓ Continued to commit to and recruit apprentices and provide traineeships.
- ✓ Recruited 22 additional staff of which 4 were previously unemployed.

### Impact area 3: Protecting and enhancing the wellbeing of staff and the community.

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<sup>3</sup> <https://www.gov.uk/government/news/furlough-scheme-extended-and-further-economic-support-announced>

**Background and context:** The UK assesses wellbeing by using 4 national wellbeing questions. How satisfied are you with your life nowadays? Overall, to what extent do you feel that the things you do in your life are worthwhile?, overall how happy did you feel yesterday?, overall how anxious did you feel yesterday? **Diagram 1** in section 3 below demonstrates how the pandemic has impacted negatively on all these measures.

#### **In 2020-21 HTS have:**

- ✓ Trained 6 staff as mental health first aiders.
- ✓ Received excellent customer satisfaction, positive feedback (687) and plaudits.
- ✓ Increased the number of voluntary service days which HTS provides to the community such as supporting Harlow Credit Union and Harlow Food Bank.
- ✓ Contributed to the success of the Streets2Homes project.

## Section 3 Social Impact assessment

### **Impact area 1: Supporting the pandemic public health response**

Along with many areas of the UK Harlow was affected by three different waves in the Covid pandemic.

In the context of a pandemic social impact measurement changes its emphasis and becomes more about demonstrating how negative impacts are mitigated particularly on those most at risk. Impact measurement becomes about estimating how many peoples' health and wellbeing has been protected and understanding the negative impact avoided.

HTS has played a role with the establishment of a Harlow testing centre which will have resulted in a reduction of transmission, giving people reassurance that they do not have Covid and when a test is positive people getting the medical support they need.

In social value terms physical and mental health are the two most important drivers of wellbeing. Identifying Covid cases early is acknowledged to reduce transmission and therefore reduce the risk of poor health. The social value or wellbeing burden of avoiding transmission of Covid is currently unresearched. However, there is research into the social value of avoiding conditions such as diabetes, high blood pressure, coronary heart disease and obesity through NHS health checks. This study reveals that wellbeing cost/burden of high blood pressure per person is £15,934<sup>4</sup>. Avoiding this burden and protecting wellbeing in relation to contracting Covid clearly is something which will provide a social value although this is not available at present.

It is reasonable to assume that HTS will have played a role in reducing cases and avoiding infections through their establishment of the testing centre. This impact would have been particularly important before the roll out of the vaccination programme. However, it is difficult to ascertain how much of a benefit HTS will have delivered. This

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<sup>4</sup> Fujiwara, Keohane, Hotopp, Ball (2017) Measuring the Social Value of NHS Health checks A pilot study.

will be subject to further research as more data becomes available into how Covid has impacted on wellbeing.

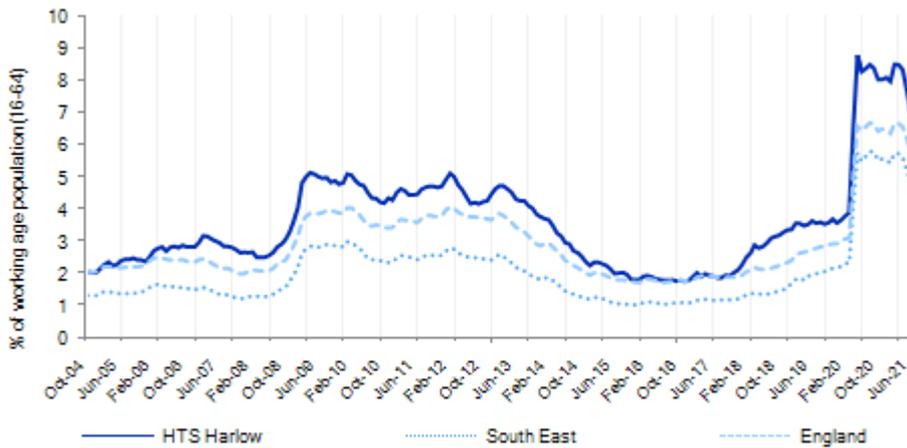
**Impact area 2: Mitigating negative economic impacts.**

Employment is important to wellbeing. Avoiding furlough and redundancies will protect wellbeing particularly at a time of great disruption. Even in Summer 2021 the pandemic is still having an impact with 41% of respondents to the Opinions and Lifestyle Survey (Covid 19 module) reporting their wellbeing is still affected by the pandemic.

Even 1x redundancy when the individual does not secure another job result in an average wellbeing reduction of £14,443<sup>5</sup>. It will also potentially increase the burden on the state through increased expenditure on benefit support. By keeping all employees in work wellbeing is therefore protected.

Given the impact of the pandemic on young people and employment it is particularly important that HTS continues with its apprenticeship and training programmes. For example, in Harlow unemployment rates for the 18-24 age group is higher than the national England average and South East averages (source DWP)

**Table I** below demonstrates how unemployment benefit and Job seeker allowance claimants have increased during the first year of the pandemic. It is worth noting that the impact has been greater in Harlow as compared to the South East and England as a whole.



**Relevant CSR work Programmes: (Employment and work experience)**

Clearly in the context of the Covid-19 pandemic there is a specific need to provide employment opportunities and protect existing ones.

In 2020-21 HTS is impacting positively on local employment in the following ways:

- ✓ 7 x apprenticeships/trainees were in post across different departments in the organisation with more planned for 2021 -22.

<sup>5</sup> <https://www.hact.org.uk/uk-social-value-bank>

- ✓ HTS recruited 4 previously unemployed workers out of a total of 22 new appointments.
- ✓ Despite the pandemic HTS also runs several work experience programmes which are designed to inform future work choices, provide opportunities for young people to prove themselves and help instil positive attitudes and behaviours expected at work<sup>6</sup>.
- ✓ HTS is a disability confident employer which means a commitment to recruiting, retaining, and developing disabled people. Currently 10% of the workforce are identified as disabled well above the minimum statutory requirement threshold of 3%. This is a significant figure as nationally people with disabilities are often under-represented in the workforce, with disabled people 28.6% less likely to be in employment than non-disabled people<sup>7</sup>.
- ✓ Providing 2 work placements of 39 days, 8 weeks in total.

### **Relevant CSR work Programme: Maximising HTS' economic impact on the Harlow Community.**

- ✓ This report calculates a Local Economic Multiplier in section 3 below (Table C). This calculation is useful when demonstrating how HTS impacts economically locally. Being able to identify and improve the local economic contribution is a starting point to understanding how HTS connects to the emerging Community Wealth Building movement defined as:
- ✓ *A people-centred approach to local economic development. It reorganises local economies to be fairer. It stops wealth flowing out of our communities, towns, and cities. Instead, it places control of this wealth into the hands of local people, communities, businesses, and organisations<sup>8</sup>*
- ✓ HTS as a locally authority owned company committed to public service values and ethics employs over 70% of its workforce resident in Harlow and buys over 66% of suppliers from local suppliers. As such more wealth is retained in the hands of local communities and stops wealth flowing out to surrounding areas. HTS was able to return a 'profit' of to the Council in 2020-2021 of £945,000 which is then able to be recycled to support local public services such as maintenance of parks, playgrounds, social care provision, or business support.
- ✓ Full details and analysis found in LM3 section (table 5 below).

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<sup>6</sup> <https://www.tes.com/news/work-experience-it-really-worthwhile>

<sup>7</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/disability/bulletins/disabilityandemploymentuk/2019>

<sup>8</sup> <https://cles.org.uk/what-is-community-wealth-building/>

### Impact area 3: Protecting and enhancing the wellbeing of staff and the community.

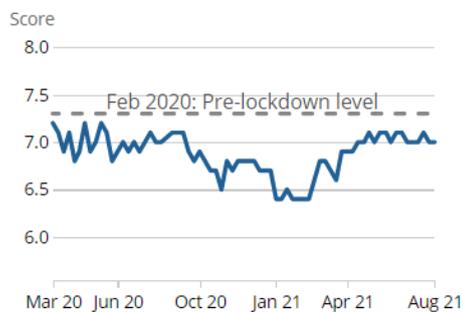
Table 2 below illustrates how wellbeing has been negatively affected by the pandemic<sup>9</sup>. Each of the graphs below shows how life satisfaction, feelings of being worthwhile, happiness are consistently reported to be below the pre pandemic levels. Anxiety levels can be seen to higher particularly in the March to April period 2020.

**Table 2: Measures of wellbeing in Britain (March 2020 to August 2021)**

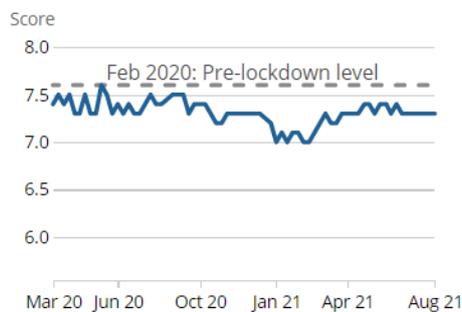
#### Well-being measures are worse than their pre-pandemic levels

Adults in Great Britain, March 2020 to August 2021

Overall, how **satisfied** are you with your life nowadays?



Overall, to what extent do you feel that the things you do in your life are **worthwhile**?



Overall, how **happy** did you feel yesterday?



Overall, how **anxious** did you feel yesterday?



A whole range of drivers have contributed to these figures, these include concerns about children, home schooling, finances, employment, working from home and isolation. In particular there was a marked increase in anxiety at the beginning of the first lockdown with almost half of the population reporting high anxiety scores. Worries around changes and finance did affect people and their mental health. One in eight adults (12.9%) developed moderate or severe mental health symptoms during the pandemic.<sup>10</sup> This did bounce back as people adjusted to lockdown although loneliness,

<sup>9</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/coronaviruscovid19latestinsights/wellbeing>

<sup>10</sup> <https://whatworkswellbeing.org/wp-content/uploads/2020/11/Covid-Mental-health-briefing-Nov-2020-.pdf>

and those with disabilities were shown by the ONS as being particularly vulnerable to higher levels of anxiety<sup>11</sup>.

The training of mental health first aiders is designed to address this issue amongst HTS staff and recognise early symptoms and workplace mental health issues, provide the necessary skills to support people and to signpost colleagues to the most appropriate support.

### **Relevant CSR Programme: (Partnership with Schools and Charities)**

Partnerships with Schools and Charities bring numerous benefits. Research from the Careers and Enterprise Company states that early interventions can bring a lasting impact on children's development and perceptions of different occupations and of the subjects enabling access to them<sup>12</sup>.

HTS is active in local schools and with Charities in the following ways:

- ✓ By providing staff and involvement in the Crucial Crew project where HTS provided a virtual presentation on the environment to students.
- ✓ Supporting 5 different charitable organisations or causes in the local community in a variety of ways. (Harlow and District Chamber of Commerce, HTS Butterfly Ball, Harlowsave Credit Union, Harlow Playhouse, St Clare Hospice, local football club sponsorship).



- ✓ Providing volunteer governors for 3 local academies/schools.
- ✓ Sponsorship of special character award for Burnt Mill Academy.
- ✓ Partnering and renovation of the Streets2Homes Step 2 (Bromley Cottages) Accommodation project.

Not only do these activities impact on the recipient organisations but also demonstrate to the community and other stakeholders that HTS is an ethical community focused business.

It is important to note the impact of HTS involvement in the Streets2Homes Step 2 Accommodation project. The project was done at cost without margin thereby

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<sup>11</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/coronavirusandanxietygreatbritain/3april2020to10may2020>

<sup>12</sup>[https://www.careersandenterprise.co.uk/sites/default/files/uploaded/1145\\_what\\_works\\_primary\\_v7\\_digital.pdf](https://www.careersandenterprise.co.uk/sites/default/files/uploaded/1145_what_works_primary_v7_digital.pdf)

representing a financial contribution to the project which has delivered significant impact from May 2019 to May 2020,

During this time 36 residents who were previously homeless have moved into secured tenancies in the private sector, Council properties or have moved in with friends and family or other supported accommodation.

The wellbeing social value calculation associated with this service where people move from homelessness to more secure accommodation is £824,315.

The project brings additional wellbeing improvements and financial savings to the state as a result of service users engaging with drugs/alcohol and mental health services. For example, successful drug and alcohol treatments result in 44% reduction in the number of dependent individuals re-offending. This is in addition to £21.5 billion cost of alcohol related harm to society in England. It is calculated by Public Health England that there is a social return of £3 for every £1 invested in alcohol treatment and a social return of £4 to every £1 invested in drug treatment<sup>13</sup>

Being an ethical community focused business is important as increasingly employees, investors and other stakeholders are questioning the ethical credentials of business. Undertaking activities such as those mentioned above can in turn provide business benefits such as improved employee motivation and retention. For example, 62% of Millennials report wanting to work for a company which makes a positive impact<sup>14</sup>

### **Relevant CSR Programmes: (Staff wellbeing, living wage and upward upgrade of staff)**

HTS are impacting positively on their workforce in the following ways:

- ✓ Cycle to work scheme set up for implementation in 2021-22.
- ✓ Internally promoting circa 15% (57) of staff into higher position/salaries over the period since 1st February 2017. Promotions can improve job satisfaction in the short term and can be an important element of improving wellbeing<sup>15</sup>.
- ✓ The Local Government Pension Scheme with a 21.8% employer contribution is 7 times higher than auto enrolment requirements and 3-4 times higher than most company employer contributions.
- ✓ All staff now receive at least the Real (Foundation) Living Wage recommended wage which is voluntarily paid based on the cost of living of a basket of goods and services and what people need to get by.<sup>16</sup>
- ✓ Staff wellbeing is underpinned by health and safety and HTS operates an internal award scheme to encourage and ensure the company fleet of over 200 vehicles is operated safely and considerately.

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<sup>13</sup> <https://app.box.com/s/p52mrjh78yrshd9smogm350s7ougg11>

<sup>14</sup> <https://www.theguardian.com/sustainable-business/2015/may/05/millennials-employment-employers-values-ethics-jobs>

<sup>15</sup> <https://whatworkswellbeing.org/resources/job-quality-and-wellbeing/>

<sup>16</sup> <https://www.livingwage.org.uk/what-real-living-wage>

HTS for the second-year running has gained a national award for Royal Society for the Prevention of Accidents (RoSPA) Gold Awards.

**Gold Award For health and safety performance** is recognition and proof of HTS commitment to maintaining and improving health and safety standards. RoSPA gold award winners have achieved a very high level of performance, demonstrating well developed occupational health and safety management systems and culture, outstanding control of risk and very low levels of error, harm, and loss.<sup>17</sup>

Finding a secure rewarding career is difficult and feeling your job is secure is both closely related to improved wellbeing along with positive relationships with colleagues and managers. The What Works Centre for Wellbeing reports that employment is one of the top three drivers of personal wellbeing with partner relationships and health particularly mental health<sup>18</sup>



In summary by providing internal promotions, offering staff benefits, provision of in-house training, providing secure terms and conditions including high health and safety standards. HTS is committed to many of the factors which determine good staff wellbeing.

### **Relevant CSR programme: Core work in improving the environment.**

An attractive well-maintained environment is crucial to wellbeing<sup>19</sup>. HTS provides core services which impact significantly on how people feel and their life satisfaction. Grass cutting and landscaping, street and grounds and housing repairs all impact on how an individual feels. This is demonstrated in the HACT report *Valuing Housing and Local Environment Improvements*<sup>20</sup>. The report demonstrates that improvements such as removal of litter problems, resolutions of problems with mould, damp and condensation, rectification of floor, ceiling, and door problems impact positively on wellbeing. Diagram 2 illustrates how housing and environment impact on life satisfaction<sup>21</sup>.

<sup>17</sup> <https://www.rospa.com/Awards/Winners/2019/Gold-Awards>

<sup>18</sup> <https://whatworkswellbeing.org/resources/job-quality-and-wellbeing/>

<sup>19</sup> [https://whatworkswellbeing.org/wp-content/uploads/2020/01/Places-spaces-people-wellbeing-May2018V2\\_0119660900.pdf](https://whatworkswellbeing.org/wp-content/uploads/2020/01/Places-spaces-people-wellbeing-May2018V2_0119660900.pdf)

<sup>20</sup> <https://hact.org.uk/sites/default/files/uploads/Archives/2017/01/Valuing%20Housing%20and%20Local%20Environment%20Improvements%20-%20Jan%202017.pdf>

<sup>21</sup> <https://www.hact.org.uk/sites/default/files/uploads/Archives/2017/01/Valuing%20Housing%20and%20Local%20Environment%20Improvements%20-%20Jan%202017.pdf>

**Diagram 2: How Housing and Environmental factors improve life satisfaction**

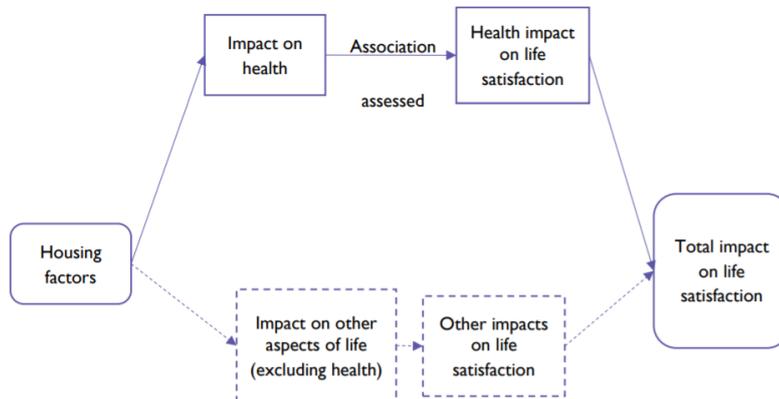


Diagram 2 demonstrates the importance of HTS core services in generating social impact in relation to improvements in health but also potentially in relation to lower energy bills for customers and affordable warmth. Recognition of these core services should in time become a standard part of the social impact reporting process.

In August 2020 HTS provided crucial support in reopening 43 playgrounds (after they were closed because of the pandemic) following safety inspections. Opening playgrounds after being shut during the pandemic was a crucial step in improving wellbeing by improving social/community cohesion, improving wellbeing of the whole family, improve social relations/interactions and increase social capital,<sup>22</sup>

It is widely accepted that Social, Economic and Environmental impact are inextricably linked<sup>23</sup>. Activities and actions which protect and harm the environment also impact on a whole variety of social and economic outcomes.

HTS states a commitment to minimising the impact of its activities on the environment. HTS publishes an environmental policy statement online <sup>24</sup> and states a commitment to ‘respond to the social, economic and environmental expectations of our community, our customers, and our stakeholders’.

HTS have received recognition of positive impact in this area by winning the international CSR excellence awards operated by the Green Organisation. The awards aim to improve environmental performance, encourage the efficient use of resources, enhance the competitiveness of organisations, and support the wider goals of sustainable development, including social benefits through community and staff involvement.

<sup>22</sup> <https://whatworkswellbeing.org/wp-content/uploads/2018/05/community-hubs-green-space-April2021.pdf>

<sup>23</sup> <https://www.bitc.org.uk/blog/why-social-environmental-and-economic-sustainability-are-inextricably-linked/>

<sup>24</sup> <http://www.htsgroupltd.co.uk/wp-content/uploads/2018/06/Environmental-Policy-Statement-2018.pdf>

## Section 4: Social Impact Measurement techniques

### Contextual analysis

Any social impact analysis should consider the local and national context in which it operates. This is important for a variety of reasons.

- ✓ It enables HTS to cross reference CSR activities in the context of local and national need.
- ✓ It helps to provide insights into how HTS is currently tackling issues at a local geographical level, for example it allows HTS to understand and become more aware of social issues in their communities and ask where support is most needed and assess whether business operations, CSR projects and programmes are aligned effectively to that need.
- ✓ Contextual analysis allows us to assess the extent of HTS contribution to key local issues.

The report makes use of several information sources to analyse and understand key issues in the Harlow Local Authority area drawing from the open data tool Community Insight<sup>25</sup>.

### Wellbeing valuation and the UK Social Value Bank

As in 2018-2019 and 2019-2020 this report has drawn heavily on the UK Social Value Bank (UKSVB)<sup>26</sup> to assess the social impact created.

Launched in 2014, the UKSVB is a HACT resource that offers organisations and businesses a way to understand the social impact of their investment in communities. The UKSVB was derived using the wellbeing valuation approach and features as part of HM Treasury Green Book<sup>27</sup> guidance that sits at the heart of policy evaluation approaches within UK Government.

Over 100 outcomes have been valued based on their relationship with life satisfaction. To do this, large national datasets were analysed to identify how people's self-reported wellbeing<sup>28</sup> changes due to different life circumstances. Analysis reveals the impact of these various outcomes on life satisfaction and calculates the amount of money that produces the equivalent impact on life satisfaction.

The UKSVB offers a proportionate way to measure social impact and enables a cost: benefit calculation. It has become the housing industry-standard method to measure

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<sup>25</sup> <https://www.communityinsight.org/>

<sup>26</sup> <http://www.hact.org.uk/value-calculator>

<sup>27</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/685903/The\\_Green\\_Book.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/685903/The_Green_Book.pdf)

<sup>28</sup> How satisfied they are with their life on a scale of 0-10, from 'not at all' to 'completely'.

social impact, has been downloaded over 18,000 times and more than 300 organisations have attended training and use the model in their business decisions.

It is recommended that the assessment of social impact using the UKSVB begins before any activity is delivered. This way the necessary evidence can be collected to meaningfully measure outcomes using before and after data (the type of evidence required varies by outcome). If evidence is not collected before activity starts, then the 'before' position of individuals may be missed and may result in a less accurate social impact assessment as positive social value may be missed.

HTS have collected data on the activities delivered in 2020-2021 and recorded the resulting outputs and achievements in Table 4. A full review of this data has been carried out and has been analysed retrospectively using HACT's Value Calculator tool and applying the UKSVB.

The analysis concentrates on individuals who directly experience a wellbeing benefit from the activities or interventions funded and/or delivered by HTS. This includes those who receive training and move into employment, for example. The state also experiences knock-on benefits from HTS investment through the outcomes experienced by the individuals leading to reduced public spending or increased tax and national insurance contributions.

Table 3 below shows the social value created for the individual through activities delivered as part of the project where available outcomes in the UKSVB exist. Seven different UKSVB outcomes were utilised in the analysis.

Points to note:

- It is certain there are some additional outcomes that were achieved but due to the evidence available for example in relation to the core activities of HTS. Therefore, no value has been claimed for improvements to the environment or physical improvements to housing.
- There are some activities as part of the programme that were delivered that do not have a corresponding value in the UKSVB. This does not necessarily mean that an activity (particularly in relation to fundraising and charitable support) did not create social impact but that it is not possible to assess it currently.
- The value for each outcome in the UKSVB is applied on a per person per year basis.

## New Economy Manchester - Unit Cost database

This report also explores the value of achievements to the state and economy, it does this by drawing on New Economy Manchester's Unit Cost Database<sup>29</sup>. This database contains more than 600 cost estimates compiled through government reports and academic studies. The database includes costs across the following outcome areas:

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<sup>29</sup> [Research: Cost Benefit Analysis - Greater Manchester Combined Authority \(greatermanchester-ca.gov.uk\)](https://www.greatermanchester-ca.gov.uk/research/cost-benefit-analysis)

crime; education & skills; employment & economy; fire; health; housing; and social services.

The project was funded by the Department for Communities and Local Government's (DCLG) Troubled Families Unit and delivered by Greater Manchester and Birmingham City Councils. Work to develop and update the database is being undertaken by New Economy (Greater Manchester), with further support from Department for Communities and Local Government and other Government departments.

The data has been subject to a rigorous validation process, including assessing the robustness of the original source documentation, considering how data has been derived from constituent cost elements, comparing costs to related data, and exploring the availability of more recent/robust sources. The data has also been reviewed by analysts from the relevant Whitehall departments.

Different types of value are available, both fiscal and economic using the Commission for New Economy model. This report has used the fiscal values which measure the costs or savings to the public sector as well as economic measures which demonstrate the increase in earnings and growth in the local economy.

Calculations using the New Economy Manchester-Unit cost database are detailed in table 4.

## Local Economic Multiplier (LM3)

Organisations can make a huge difference to their localities by local buying, recruiting, and encouraging staff to spend locally. Local Economic Multiplier (LM3) analysis can be used to measure the economic impact of an organisation in a local economy by analysing three rounds of spending. This helps organisations understand how they are contributing to the local supply chain and wider economy.

LM3 is calculated in three stages.

- ✓ **Round 1** Organisational turnover and staffing costs.
- ✓ **Round 2** Where and with who the company spends their money.
- ✓ **Round 3** Where and how suppliers and employees re-spend their incomes.

The New Economics Foundation and the Countryside Agency published the report 'The Money Trail, Measuring Your Impact on the Local Economy using LM3'<sup>30</sup> in 2002. The principles and calculations outlined in the report have been used to calculate an estimated LM3 score for HTS.

LM3 calculations in Table 5 were based on information and estimates provided by HTS and as such are not as accurate as they might be if questionnaires were undertaken with staff as to the Geographic location where they spend their salaries.

## Deadweight

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<sup>30</sup> <https://neweconomics.org/2002/12/the-money-trail/>

Deadweight, or ‘what would have happened anyway’, is an important part of social impact analysis. To give an accurate picture of social impact a percentage reduction is applied reflecting that a proportion of the outcomes would have happened anyway.

The UKSVB applies average deadweight figures from the Homes and Communities Agency (HCA) Additionality Guide<sup>31</sup>. This prevents overclaiming as it does not assume a direct cause and effect relationship between an outcome and an intervention. Using HCA figures saves additional research or a less robust figure being used.

Deadweight reductions on values are 15% for employment and training outcomes, 19% for community and social outcomes, and 27% for health outcomes.

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<sup>31</sup> <https://www.gov.uk/government/publications/additionality-guide>

Table 3: Wellbeing Social impact (wellbeing) created by activity – for the individual					
Description of activity	Source of data	UKSVB outcome/ value	Average person value	No. of beneficiaries	Total social value (minus deadweight)
<b>Impact theme: Mitigating Economic Impacts</b>					
Apprenticeships x 7	Update report	Apprenticeship	£2,353	7	£13,060
Employment of unemployed	Update report	Employment	£14,433	4	£49,071
<b>Impact theme: Protecting and enhancing wellbeing of staff and community</b>					
Continued Paringdon Youth Football Club (assumption that sponsorship results in 5 additional members who would not have normally attended)	Update report	Go to youth clubs or organised activities	£2300	5	£5182
Volunteering (Board members). HTS staff serve on 3 different organisation boards.	Update report	Regular volunteering	£3,249	3	£7772
Work experience. HTS provide unpaid work experience with schools and offers to the wider community.	Update report	General training for job	£1567	2	£2575
1 steering group member St Clare Hospice	Update report	Regular volunteering	£3249	1	£2591
Training of Mental Health First Aiders	Update report	Vocational training	£1124	6	£5195
Refurbishment of 5 new properties for those on Council waiting list	Update report	Estimated moving from temporary to secure accommodation	£8019	1	£8019
Training	Update report	General training for job	£1567	227	£292,311
Total				256	£383,185

**Table 4: Social value created by activity – for the state and economy**

Description of activity	Source of data	Value Business productivity	Value Economic benefit	Value (cost saving) to the state,	No. of beneficiaries	Total social value (minus 15% deadweight)
<b>Impact theme: Mitigating economic impacts</b>						
apprenticeships assumed on level 3	New Economy Manchester – Unit Cost Database	£20,352 (per organisation)	£1924.75	£1390	7	£43,555
Unemployed to employed Fiscal benefit	New Economy Manchester-Unit cost Database		£44,699	£6932	4	£51631
Unemployed to employed improved health outcomes	New Economy Manchester-Unit cost database		£45,267	£6444	4	£51711
Unemployed to employed increased income	New Economy Manchester-Unit costs database		£20,949	£3824	4	£24,733
Total					19	£171,630
<b>Impact theme: Protecting and enhancing wellbeing of staff and community</b>						
Donations and time in supporting community organisations	Internal data	n/a	n/a	n/a		£90,000

The Unit Cost Database has a limited number of values and so was not possible to attach a value to all of the outcomes reported. The table below includes the values and calculations that did align with the outcomes. Where annual benefits are listed one year of value has been applied to be conservative and prevent overclaiming. Additional value has been included based on the HTS calculation of the value of time and donations to community activities.

**Table 5: Local Multiplier 3 calculation 2020/21.**

Spending Round	Amount
1 Organisation turnover	£20,708,817
2 Local supply chain spend	£8,276,400
3 Staff salary spend (estimated 50% local spend)	£6,115,095
LM3 Calculation	£35,100,312/£20,708,817=1.69

Based on estimates of 50% local spend for both HTS suppliers and staff an LM3 score of 1.69 has been calculated. This means for every £1 spent by HTS £1:1.69 is further generated in the local economy. Local economy in this context is defined as Harlow and wider Essex/Herts postcodes with 66% of total supply chain spend benefiting local Harlow/Essex/Herts Companies. This compares to previous years figures in 2019-20 and 2018-19.

It is possible to interrogate the figures and provide much more accurate figures if an analysis was done of staff spend which would provide greater certainty to the figures produced. This further analysis is out of scope to this report.

To put the LM3 score into context a LM3 score of 1 is the lowest possible and 3 is the highest. A realistic upper limit would be 2.5 as there will always be some spend outside of the Borough. The HTS score represents a positive contribution to the local economy to be considered in relation to the wellbeing and financial/economic impacts highlighted in Tables 3 and 4.

**Table 6: Combined Results –Analysis summary**

In reports such as this, the value that accrues to different beneficiary groups through the same outcomes can be added together to produce an overall combined social value illustrated in the table below.

Social Impact	Value	%
Wellbeing	£383,185	69%
The State and economy	£171,630	31%
Total	£554,815	100%

## Key findings

Combined overall

- Most of the social impact reported is wellbeing created for the individual (69%) with the state and economy accruing (31)
- There is a large contribution made by regular volunteering to wellbeing impact.

For individual wellbeing (Table 3);

- An estimated 256 people experienced a measurable outcome (it is acknowledged that it is likely that many more individuals were engaged but the necessary evidence is lacking to claim value from the UKSVB)
- The highest value recorded per project was employment training for staff £292,311.

For the state and economy (Table 4)

£171,630 was generated as a combination of increased productivity, savings to the state and increased individual income with less demand on health services.

As a multiplier to the local economy (Table 5);

- A LM3 score of has been calculated. For every £1 spent by HTS there is a multiplier in the local economy of £1.69. This score should be used as a benchmark for future economic analysis.

## Partnership outcomes

HTS is actively involved in partnership projects across Harlow, all of which generate additional social value. It is not possible to claim this social value separately for HTS but it is important to ensure that HTS' contribution is recognised. The Streets2 Homes project providing services and accommodation for the homeless is an example of how HTS contributes greatly to local partnership initiatives.

## Additional potential outcomes

Other outcomes are likely to have generated measurable social impact (however information is not available to evidence this), including:

- HTS has played a significant part in the Harlow Covid response. The impacts of this are currently being felt and as yet no methodology exists to demonstrate the positive impact. Future work is needed by social value professionals to understand and quantify this value in the future.
- The UKSVB includes values around changes to the physical environment of the home, including improvements to energy efficiency, local environment and repairs to property. Evidence that renovation work led to these improvements would enable a social value calculation to be undertaken.
- HTS provides Harlow Council with a profit which helps the Council to maintain and improve local services. Further discussions with the Council on how this resource is recycled in the community would enable further social impact and local wealth building evidence to be evidenced and included in future reports.

- An agreed three-year funding programme with Paringdon Sports and Social Club worth £15,840 additional social benefits will be measurable in 2021/2022. This arrangement should be monitored in terms of future wellbeing impact.
- Due to the higher-than-average pension contributions HTS offers (3x the typical traditional defined benefits schemes). There is also potential to investigate and test whether recent retirees report higher levels of wellbeing, health and life satisfaction as compared to other non-HTS recent retirees.

## Section 5: Recommendations

2020-21 was understandably dominated by the pandemic. These recommendations are similar to 2019-20 recommendations and are still valid and made with the aim of HTS understanding better the creation of social value and to improve and manage social impact activities in the future including an on-going Covid response.

### **Recommendation 1: Develop an ongoing social value measurement framework to respond to mitigate negative impact of Covid.**

HACT believes that adopting a social value measurement framework is a crucial approach. The framework should be linked to Corporate aims, Covid response and CSR Strategy being driven by a theory of change<sup>32</sup> model, be strongly informed by local community need, help to communicate social impact with stakeholders and link to national or international agendas.

Benefits of adopting a formal framework are improving outcomes for the community and staff, identification of what is working well, grow social awareness in the organisation, promote systematic data collection processes, plan activity and monitor outcomes.

Every metric adopted in the framework should help to improve outcomes, enrich decision making and influence stakeholders. When considered with local community socio-economic profiles and local authority priorities adopting a social value framework can demonstrate to all stakeholders' clear priorities, leadership, alignment with LATCO priorities and demonstrate robustly how progress is being made.

### **Recommendation 2: Collect data as you go (particularly in relation to core services.)**

Although the data that has been collected has made this retrospective analysis possible, if data had been collected with clear social impact goals as part of a framework prior to this analysis a more accurate and meaningful report could be produced. Starting collecting data and inputs at the beginning of the year would enable quality and relevant evidence and inputs (e.g., pre and post surveys data, age, post code, when, length of time, type of intervention) to be collected and enable improved social impact reporting that can be used in informed decision making. This recommendation should also apply

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<sup>32</sup> <https://www.thinknpc.org/resource-hub/ten-steps/#:~:text=%20Theory%20of%20change%20in%20ten%20steps%20,contribute%20to%20impact%3F%20Outcomes%20happen%20before...%20More%20>

to partner charity organisations receiving funding and support from HTS. This data collection exercise should include information about core service delivery.

**Recommendation 3: Use Social Impact analysis to develop future initiatives.**

It is recommended that HTS gradually builds up an understanding of ‘what works’ and use this when planning future social impact programmes. This will be achieved through understanding project inputs as well as outcomes and spending time evaluating what is working well. Adopting this approach will put HTS in a strong position as an informed organisation who has evidence of the most effective way to invest a limited pot of money and resources in a community.

**Recommendation 4: Develop an organised Harlow wide local community wealth building programme (building on the LM3 calculation).**

Undertaking a full more detailed LM3 study will build on the estimated score produced of. This represents an improvement from 2018-2019 (LM3=1.55) and 2019-2020 (LM=1.61) and 2020-21 (LM=1.69). In future HTS could set a target and develop a local wealth building action plan to improve this ratio further.

This Harlow wide local wealth building programme could be investigated with the Council, NHS Trust, Housing Associations, Harlow College, HTS (Housing and Regeneration) Ltd and other place-based rooted in and with an interest in the Harlow community.

**Recommendation 5: Establish or develop a social impact working group to oversee progress of social value measurement framework.**

Understanding social impact is crucial to demonstrating progression and benchmarking progress. Establishing a working group to monitor impact with cost benefit analysis is one way of identifying improvements utilising a social value measurement framework (recommendation 1).

Other ways of assessing progress include producing [full social accounts](#) which should include a stakeholder analysis and survey, a social accounting panel to verify and sign off results and develop an understanding of what changes. Board members and other stakeholders such as customers can also be asked to ask key impact questions to clarify thinking such as who is experiencing change, what change is experienced, how much change is attributable to HTS. <sup>33</sup>

**Recommendation 6: Agree and request Social Value information from partnership projects**

HTS is involved in numerous partnership projects. It is important that HTS tracks the impacts of these projects in order to help understand the full impact of HTS. Key social value information should be requested at the start of each partnership to help to demonstrate the case for the time or resources invested.

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<sup>33</sup> <http://www.socialvalueuk.org/ten-impact-questions/>

## Section 6: Summary and the future

This report demonstrates that HTS has delivered positive social impact results in a particularly difficult year due to the Covid pandemic. As a LATCO with a commitment to CSR programmes there is evidence that all HTS CSR activities are being progressed.



The report through contextual analysis and a breakdown of the wellbeing benefit, economic benefits to society provides an overview of how that social impact is being created.

Looking to the future, HTS operates in an ever-changing environment which is more uncertain with the Covid-19 pandemic. These impacts are currently being felt and increasing into 2021-2022. The pandemic is shifting the way organisations think about and deliver social impact work. Housing associations, Local Authorities contractors, suppliers, and public-sector bodies will continue to look for value for money from their spend and organisations are increasingly thinking about social impact when awarding contracts and in their day-to-day activities.

The creation of the development company HTS (Property and Environment) Ltd offers further opportunities social, economic, and environmental value creation in several ways such as providing affordable housing for those in housing need or homeless, by economically boosting the local supply chain, by providing employment and training opportunities and improving life chances of tenants. As the company begins to develop it will be possible to demonstrate social impacts associated with relieving homelessness and reducing overcrowding. Parts of Harlow are well over the England average as classified in the Index of Deprivation Household overcrowding indicator<sup>34</sup> and 109 households in 2018-19 were accepted as homeless and in priority need by the Council<sup>35</sup>. HTS (Property and Environment) Ltd will in time begin to address these issues.

Along with The Social Value Act 2012 which was a major driver in changing thinking around social value there will be additional pressures to ensure that communities most at risk of negative Covid-19 impacts are mitigated. These pressures may also be additionally impacted upon by the UK leaving the EU.

A robust social value programme underpinned by a measurement framework linked to community wealth building activities will become more important than it has ever been in 2021-22 and into the foreseeable future.



<sup>34</sup> Ministry of Housing Communities and Local Government (MHCLG)  
(<https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>)

<sup>35</sup>

[https://england.shelter.org.uk/professional\\_resources/housing\\_databank/results?area\\_selection=%2C22UJ&data\\_selection=A1&selected\\_min=1997&selected\\_max=2019](https://england.shelter.org.uk/professional_resources/housing_databank/results?area_selection=%2C22UJ&data_selection=A1&selected_min=1997&selected_max=2019)

## Appendices

### Appendix I

#### **Review and Update of Streets2Homes Step 2 Accommodation Project**

**09/05/19 to 09/05/20**



#### **Background**

The Step 2 Project at Bromley Cottages is a 9-bed supported accommodation project consisting of two adjacent properties that are located near shops and services but not within a residential area. The surrounding environment is woodland, and the property is accessed by single access road / cycle track.

The project aims to relieve and prevent rough sleeping and support the resident to gain skills and remove the barriers that have prevented them from securing accommodation or sustaining a tenancy in the past.

The project was developed in partnership with Harlow Council with funding from the government Rough Sleeper Initiative fund.

The project opened to residents on the 9<sup>th</sup> of May 2019 this report covers data from this date and the following 24 months to 9<sup>th</sup> of May 2021 and includes both quantitative and qualitative data. We gained feedback from both staff and beneficiaries.

### Support Provided

Support staff are on site from 9.30am to 12 midnight 7 days a week, 365 days a year, out of these hours there is an on-call provision.

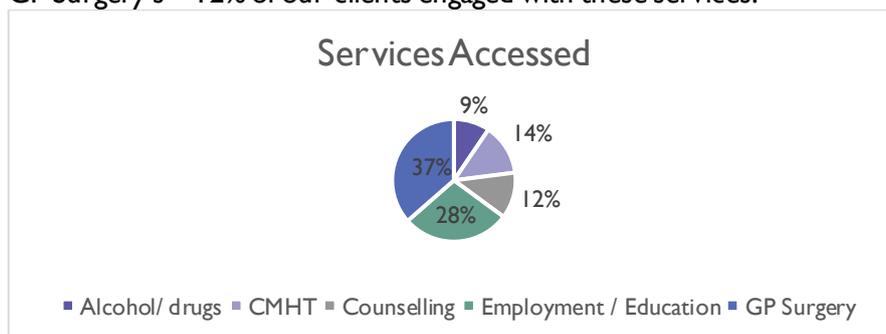
Over this period, we were able to house 42 clients who were either rough sleeping or at imminent risk of rough sleeping. The average stay was 147 nights. The average stay is longer than we anticipated for the project however, this was due to the restrictions imposed by the COVID-19 lockdowns and the need to reduce risks to both staff and residents during the pandemic.

When a new resident arrives, we (in partnership with our corporate supporter Astro Lighting) provide a starter pack which includes all they will need such as new bedding, covers, towels, toiletries, cutlery, cooking utensils, plates, cups, towelling robe and slippers etc. This then becomes their own property to take away with them when they move on.

Whilst the residents are within the service our staff work with them to co-produce individualised pathway plans. Residents are supported to achieve the agreed outcomes and goals set within the pathway plans. Staff support them to develop general living skills, offer emotional support, advice, guidance and provide assistance to enable them to access other services that may be required.

Below are the results of the statutory services that the clients have been helped to access within the timeframe.

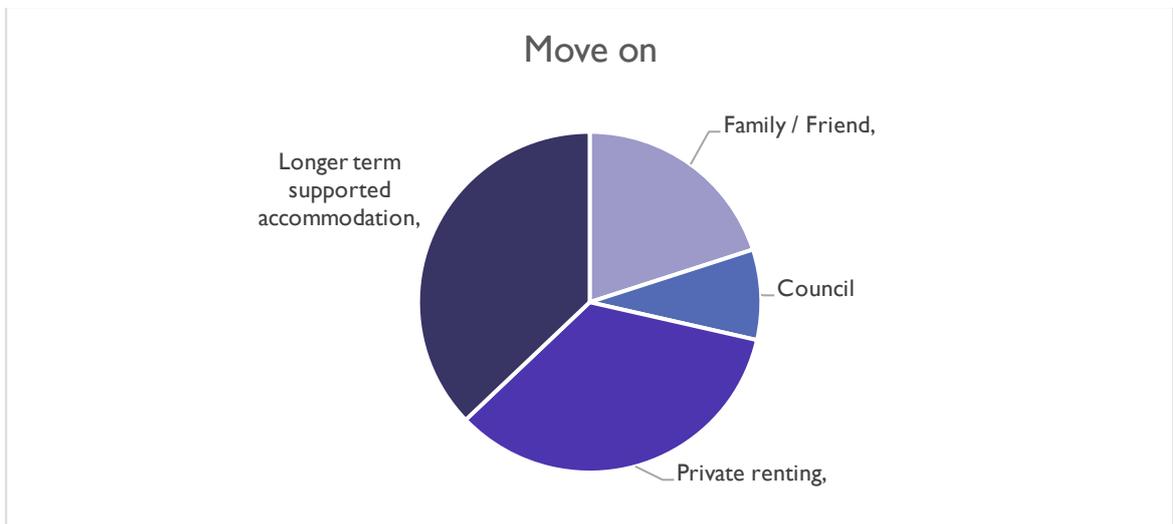
- Alcohol and drugs services – 37% of our clients engaged with these services.
- Community Mental Health Team – 14% of our clients engaged with these services.
- Counselling – 12% of our clients engaged with these services.
- Employment and Education - 28% of our clients engaged with these services.
- GP Surgery's – 12% of our clients engaged with these services.



A key goal and outcome that our residents are working towards is seeking and securing more permanent accommodation for when they are ready to move on.

Below are the results of the types of accommodation our residents moved onto.

- 13 of our residents secured tenancies with private renting.
- 13 of our residents moved on to long term supported accommodation.
- 7 residents moved on to stay with family or friends.
- 6 of our residents still reside with Bromley Cottages and have not yet moved on.
- 3 of our residents were house by the local council.
- None of our residents went to or returned to prison.
- None of our residents became street homeless.



We recently asked clients that had moved on from Bromley Cottages to complete a questionnaire on how their time at Bromley Cottages had gone. 26 previous residents responded. The results will be used to improve the services.

### **Positives from the survey**

All participants in the survey said they were made to feel welcome and were made aware of the support available.

All ex-residents have sustained their move on accommodation.

Residents felt staff were friendly and supportive.

### **What we can do better in the future**

The responses did not identify any common themes however, we will share any comments made with staff to consider in future.

Staff working within the project have stated that although challenging at times working within the project is also extremely rewarding.

Jon Pask, Supported Accommodation Manager says “It is a privilege to be part of a charity that empowers people daily to move from homelessness into housing. To work in an environment that allows for staff to have time to be with, listen to and support the clients, that takes time for people affected by trauma and empowers them to not allow their past to become their future”.

### **CASE Study - G.H (Current resident)**

The Police took me to the travel lodge after things went wrong with my wife. At the Travel lodge I started feeling unwell, so I called for an ambulance and was admitted for 7 days due to a blood clot on my foot and leg. The hospital wanted to discharge me, but I had nowhere to go until I had a visit from the staff at Streets2homes and they brought me to Bromley cottage.

When I arrived, the place was nice and clean and the staff were helpful, they listened but didn't put pressure on me. Within a couple of days, I was eating better, had more money in my pocket and was feeling much better in myself.

It's nice to have people around and I get on well with all the other residents. I am now looking to move on into my own place but am really grateful that it's up to me where I go, and I am not being pushed into living somewhere that I won't be happy in.

### **CASE STUDY – SD (Ex-resident)**

I looked up on the internet homeless in Harlow and found the address for Streets2homes.

I had been living in a tent in a woodland area for the past 12 months but my tent and sleeping bag had been vandalised by youths and I was in desperate need to find some housing.

I went to Streets2homes centre and was given a room at Bromley cottages which gave me an opportunity to get back on my feet. I have done a lot in the short time since I moved here, such as I got support to contact social care to request my care records for my childhood which was spent in the care system. I have also completed my CSCS course with the help of the staff at Bromley.

I have been in many different housing projects over the years but for me Bromley Cottages is different in that you are made to feel welcome and not just another name and given a key and see you next week. The staff are available when you need them, and I got to go at my own pace without feeling pressurised.

I was helped to move on into my own studio flat and I remain in contact with the staff and now work as a volunteer for Streets2homes so that I can help the people that helped me.

Cara Stevens, Senior Housing Operations Manager, Harlow Council District Council stated, “This is an excellent example of partnership working to achieve the same goals and objectives in assisting those in need in line with the governments Rough Sleeper Initiative project”.

## **What have we learnt?**

As this was a new project in 2019, we have continually reviewed and improved services in response to feedback. The pandemic has had a negative impact on the progress we anticipated however, thanks to procedures implemented and staff at the cottages we were able to continue provisions safely throughout the periods of government-imposed restrictions.

A review of move on options has identified a need for longer term supported accommodation provisions for many of our residents. The on-going support need is not as intense as what is offered at this project, but support is still very much needed to continue and maintain the progress made.

We do not have many rules at the project, we do however, ask that residents are considerate of one another and therefore do not come home under the influence of drugs or alcohol, do not invite guests to the property. This is not always popular when residents first move in, but the survey identified these requests where respected, understood and generally made everyone feel safe.

Some residents have settled very well and are reluctant to move on, we have identified we need a more structured, time effective plan to move residents on. We will be implementing new procedures by 2022 that will be structured around the Critical Time Intervention model.

The residents and staff identified the need for a communal area to meet and socialise, eat together etc. We were fortunate to secure funding from Essex Community Foundation, Astro Lighting and The Chocolate Run to build a garden room which will be open this summer.

We are immensely proud of what we have achieved and are grateful to Harlow Council and the Rough Sleeper Initiative funding, corporate supporters and the local community for the opportunity to develop such a project.

## **The Future**

We will strive to develop additional accommodation projects to tackle homelessness and prevent rough sleeping. We have identified certain groups that struggle to secure accommodation and will concentrate our efforts on those most in need. We aim to create sustainable projects that offer long term solutions to the ongoing issues of homelessness.

## Appendix 2

### Case Study: HTS Group Ltd - Coronavirus Testing Facility 2020/21

On 23<sup>rd</sup> March 2020, the UK government placed the country into a lockdown due to the outbreak of a Coronavirus pandemic, Covid-19.

By September 2020, the government had set up Coronavirus testing stations providing approximately 250K tests per day across the UK to support the reduction of the spread and infection rate of Covid-19, but there was no facility for this in Harlow.

HTS Group Ltd were approached about working with the NHS in the setting up of a testing facility at its Mead Park depot site in Harlow.

HTS agreed to this as a positive and essential contribution to the health and wellbeing of its staff and to the wider community in helping reduce the spread and infection rate of Covid-19 where people who tested positive would then be required to self-isolate to protect others.

HTS allocated 30% of its parking capacity and provided welfare and wellbeing facilities in its offices starting with 4 days per week and quickly increasing to 7 days a week.

Prior to commencement, risk assessments were carried out by our operations team and signed off in consultation with the trade unions as an (HSE) Covid-19 secure company to ensure that there was minimal risk to the health and wellbeing of our employees.

The testing facility commenced in earnest in September 2020, being run by NHS Staff who were also provided with access to our rest and welfare facilities'

At its peak in Harlow, positive cases of Coronavirus were 1365 per 100K and the town was the third highest local authority in the country. Current figures show that this is down by 80%, at 282 per 100K. The total number of deaths registered to-date in Harlow due to Covid-19 is 565.

The latest data nationally shows over 273 million tests have now been completed, just under 7 million have tested positive and 133K deaths have occurred.



There is currently no available data on the contribution of testing other than the 7 million people who have tested positive who would then be required to self-isolate to protect other from infection.

Although not quantifiable either statistically or financially at the moment (no data available), by using the top level of positive tests (7M) and self-isolation to protect others, this in itself is indicative as a contributing factor to controlling and reducing the spread and infection rate of the virus.

HTS were proud to have been chosen as a suitable site to support the local community in its fight against Covid-19 and the continuation of the testing facility at its Mead Park depot offices over the last year.

SHEC Manager Mrs Dunlop said, “It is fantastic that HTS are involved and assisting the community in its fight against Coronavirus, even in our small part, and we are and will continue and be passionate about the health, welfare and wellbeing of our workforce and the wider community and proud to serve Harlow and our local communities in this way.”

These words are echoed by the Managing Director of HTS, John Philips. Mr Philips said: “I am very proud that HTS is proving to be a strong community leader on this and as always we are continuing to serve Harlow as promised to the residents of Harlow”.

Data sources: gov.uk, ONS and NHS.uk

**REPORT TO:** **SHAREHOLDER SUB COMMITTEE**

**DATE:** **18 NOVEMBER 2021**

**TITLE:** **RESPONSIVE REPAIRS AND CUSTOMER ACCESS UPDATE**

**LEAD OFFICER:** **ANDREW MURRAY, DIRECTOR OF HOUSING (01279) 446676**

**CONTRIBUTING OFFICER:** **DARYL CLUCAS, ASSISTANT OPERATIONS MANAGER – BUSINESS SUPPORT (01279) 446316**

**RECOMMENDED that:**

**A** The Sub Committee notes the progress in the report.

**BACKGROUND**

1. This report sets out the progress with the above, as well as other changes that are proposed for enhancing customer access to the Council's responsive repairs service. This includes, enhanced repair tracking processes, appointments/treatment of planned repairs priorities, provision of a SMS text message appointment reminder service, and tenant profiling.

**REPAIRS ONLINE PORTAL**

2. Housing Services Landlord survey identified the need to further enhance the way it interacts with its customers. Almost 70 per cent of respondents stated that their last contact with the Council was regarding a repair, with 30 per cent of the respondents stating that they would prefer to interact with the Housing Service through an electronic method of communication such as the internet.
3. The new Online Customer Repairs Portal went live on 30 August 2020. This will provide access, including repairs, to a range of housing services regarding their access to the Council,
4. Online requests to the portal also allows access to tenant and leaseholder charge accounts. The portal provides enhanced visibility of information, easier access to council services that will generat4ed ongoing efficiencies.
5. The Customer Portal will reduce the number of manual transactions being processed, speeding up responses to enquiries. Associated business processes created to deal with the contact from customers are allowing more effective responses to customer enquiries as part of the Council's wider Customer Access Strategy.
6. Customers will have the ability to request repair time slots on line which best meet their needs for their own personal circumstances, as well allow HTS

(Property and Environment) Ltd (HTS) to better plan around the demands of the customer communication and notifications. It is expected for HTS efficiencies to be realized both in repairs communications and contact with the customer with the repair centre having information available on line when required. In addition, the Council continue to evaluate the options for implementing additional functions into the portal, including online housing and garage applications, Choice Based Lettings, reporting anti-social behaviour and other estate management functions.

7. The Council has been capturing advertisement of the customer portal to all tenants and leaseholders through the quarterly statements and Harlow Times. At present there are 2,647 registrations to the portal and the current breakdown of registrations is as follows:-

Application Status	Total	Comment
Verified	1,396	Registration complete
Person Matched	406	Waiting on applicant to apply code
New Registrations	76	Awaiting internal validations
Declined	769	Applicant advised to make contact

- Of the 1,396 complete registrations there have been 525 repair requests that have been completed via the portal.

### **Appointments/Planned Repairs**

8. HTS currently reports the number of appointments made and kept within their monthly performance reports. Performance reports for September 2021 indicate 98.25% below the target set. Trend analysis also indicates there are increasing enquiries and complaints during 2021. Emerging from lockdown indicates challenges for HTS with inconsistent levels of communications between HTS and customers.
9. The landlord survey highlights the biggest source of dissatisfaction with the Council is related to the repairs service and its communications. The Council has reaffirmed the requirement for the long term replacement of the “Planned Works” priority in its current form.
10. In 2019/20, HTS have reduced the repairs timescale for planned words from 12 months to nine months, with an aspiration to reduce this timescale further where achievable. In addition, day to day repair appointment slots have been changed from two hour slots to four hour slots in order to improve productivity. The Covid-19 pandemic has stalled progress, and HTS are establishing a “Recovery Plan” for all its activities, which primary focus is on reducing backlogs, and establishing new working arrangements. As part of these changes, HTS is now in advanced communications with unions leaders to provide further enhancements to improve their productivity and deliver better customer outcomes by extending their working hours for urgent/standard repairs, as well as offering weekend working for certain trades.
11. Initially, this will trialed by the plumbing operatives to gauge the level of uptake

and to overcome any implementation issues, commencing early 2022 subject to agreement. In addition, HTS are developing a feasibility study for providing more flexibility when offering an appointment slot for planned works at the point where the is first reported, with the ambition to provide an appointment date/time when a repair categorized as needing to be planned is first reported, keeping the customer informed. Progress will be kept under review and aligned to priorities from the Best Value review, reporting progress back to the Sub Committee meeting.

### **SMS text messaging**

12. HTS introduced the ability to send an SMS (text message) reminder of an upcoming repairs appointment. This allows for enhanced customer information to be provided, with the aim being to reduce the number of failed appointments due to “no access”. The introduction of SMS reminders also has the potential to reduce the number of paper letters being sent to customers to confirm repairs appointments when repairs are raised.
13. The system is currently working well and HTS is looking at ways to increase Communications in this manner to maximise the chance of making sure that appointments are kept. It is recognised however there is a need for associated processes to be reviewed for consistency so that the customer experience can be more positive as this is one of the key areas for improvement from complaints and enquiries.

### **NEXT STEPS**

- 14 There are a number of areas where improvements can be made to the information available to the Council about the status of a repair and specific work carried out to the property. There are IT system interfaces available that share this information automatically between the IT systems in use at both the Council and HTS. These interfaces will continue to be enhanced to provide further transparency about the type/cost of repair undertaken. The ambition is to increase the number of events being passed between IT systems which will enable the Council to provide customers with much more information about repairs they have reported to HTS, rather than re-directing the customer to the repairs contact center.
- 15 Housing services are in the process of updating and realigning its customer service access plans to align to the new Corporate Strategy priorities. These include HTS plans, tenant profiling, and reinvigorating the Corporate Customer Service Access Strategy. A scoping report is being produced in November 2021 with progress reported to the Shareholder Sub Committee later in the year.

### **IMPLICATIONS**

#### **Environment and Planning (Includes Sustainability)**

As contained in the report.

**Author: Andrew Bramidge, Director of Strategic Growth and Regeneration**

**Finance (Includes ICT, and Property and Facilities)**

None Specific – achievements set out within the report have been delivered within existing revenue and capital budgets.

**Author: Simon Freeman, Deputy to the Chief Executive and Director of Finance**

**Housing**

As outlined in the report.

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

**Community Wellbeing**

None specific.

**Author: Jane Greer, Director of Communities and Environment**

**Governance (Includes HR)**

Continuous improvement on customer communications is important to the achievement of reduced complaints which has been trend in recent performance reporting to members.

**Author: Simon Hill, Director of Governance and Corporate Support**

**Appendices**

None.

**Background Papers**

None.

**Glossary of terms/abbreviations used**

HTS – HTS (Property and Environment) Ltd