

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

11 December 2018

7.30 - 8.45 pm

PRESENT

Sub Committee Members

Councillor Mark Ingall (Chair)
Councillor Danny Purton
Councillor Mark Wilkinson

Officers

Andrew Murray, Head of Housing
Adam Rees, Governance Support Officer

Additional Attendees

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

13. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Joel Charles.

14. **DECLARATIONS OF INTEREST**

Councillors Simon Carter and Bob Davis were both in attendance as members of the public. They both declared a pecuniary interest in Item 8a, Remuneration for HTS (Property & Environment) Board Members.

15. **MINUTES**

RESOLVED that the minutes of the meeting held on 25 July 2018 are agreed as a correct record and signed by the Leader.

16. **MATTERS ARISING**

None.

17. **SUB COMMITTEE WORK PLAN**

RESOLVED that the Work Plan be noted.

18. **OPERATIONAL AND PERFORMANCE REPORTS**

a) Performance Reports and Balanced Scorecard

The Sub Committee received a report which highlighted the operational and financial performance for HTS (Property and Environment) Ltd. The Company had achieved 100 per cent of its KPIs for June, July and August 2018 and an outturn of retained profit totalling £820,000 to 31 August 2018.

John Phillips, Managing Director of HTS (Property and Environment) Ltd, said that six of HTS' apprentices were coming toward the end of their apprenticeships. All six were being offered permanent roles.

In response to a question by Councillor Ingall, John Phillips said that HTS was on track to meet its target for profit from third party contracts for 2019/20. HTS had been awarded its first external contract and hoped to meet its profit target for 2020/21. HTS was only looking to secure low risk contracts at this stage.

RESOLVED that:

A The Sub Committee acknowledges the performance and financial position set out in paragraphs 4-14 as follows:

- i) HTS (Property & Environment) Ltd achieved 100 percent success rate for June, July and August 2018 against the suite of major and minor KPI's that govern the contract.
- ii) An outturn of retained profit totalling £820,000 to 31 August 2018.

b) Customer Service

The Sub Committee received a report which summarised HTS (Property and Environment) Ltd's complaints for August 2018. John Phillips explained that there was downward trend for complaints against HTS and that customer satisfaction was now at 98 per cent.

RESOLVED that:

A The Sub Committee notes the report and summary of complaints to the month of August 2018 as set out in paragraphs 2 - 6 as follows:

- i) HTS (Property & Environment) Ltd achieved a ratio of 0.88 percent against a total of transactions to August 2018 of 17,863.

c) Risk Management

The Sub Committee received a report which set out the strategic risks for HTS (Property and Environment) Ltd.

RESOLVED that:

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

19. **RESPONSIVE REPAIRS CUSTOMER ACCESS REVIEW**

The Sub Committee received on the review of responsive repairs customer access.

It was agreed that the reviews included the relevant Council panels.

RESOLVED that:

- A** The Sub Committee noted the report.

20. **REFERENCES FROM THE HTS GROUP LTD BOARD**

a) Remuneration for HTS (Property & Environment) Board Members

Councillors Simon Carter and Bob Davis left the room whilst the item was considered.

The Sub Committee received a referral from the HTS Board which set out the terms of remuneration for the Councillor Directors of HTS Group Ltd.

Councillor Purton proposed that the allowance was linked directly the Council's Cabinet Portfolio Holder Special Responsibility Allowance and that it was specified the allowance was only to be paid in respect of the Councillor Director's role at HTS (Property and Environment) Ltd. He also asked that the Councillor Directors appear before the Sub Committee on a quarterly basis to give updates on the work they carried out. This was agreed by the Sub Committee.

It was explained that the changes above would have to be agreed by the HTS Board.

RESOLVED that:

- A** Councillor Director Simon Nicholas Carter be paid the equivalent of the Harlow Council Special Responsibility Allowance for Cabinet Portfolio Holders per annum (or part thereof) for services provided as Councillor Director to HTS (Property and Environment) Ltd. Payment to commence from 1 February 2017 and to continue for

the term of his appointment as Councillor Director to (Property and Environment) Ltd.

- B** Councillor Director Robert Davis be paid the equivalent of the Harlow Council Special Responsibility Allowance for Cabinet Portfolio Holders per annum (or part thereof) for services provided as Councillor Director to HTS (Property and Environment) Ltd. Payment to commence from 1 February 2017 and to continue for the term of his appointment as Councillor Director to (Property and Environment) Ltd.
- C** Councillor Director Christopher Vince be paid the equivalent of the Harlow Council Special Responsibility Allowance for Cabinet Portfolio Holders per annum (or part thereof) for services provided as Councillor Director to HTS (Property and Environment) Ltd. Payment to commence from 5 July 2018 and to continue for the term of his appointment as Councillor Director to (Property and Environment) Ltd.
- D** Councillor Director John Strachan be paid the equivalent of the Harlow Council Special Responsibility Allowance for Cabinet Portfolio Holders per annum (or part thereof) for services provided as Councillor Director to HTS (Property and Environment) Ltd for the period 1 February 2017 to 5 July 2018 inclusive.
- E** An item is added to future meetings of the Shareholder Sub Committee for the Councillor Directors of HTS (Property and Environment) Ltd to give updates on the work they have carried out in their capacity as Councillor Directors.

21. **REFERENCES FROM HTS (PROPERTY & ENVIRONMENT) LTD BOARD**

- a) Vehicle Homes to Work Policy

The Sub Committee received a report on HTS (Property and Environment) Ltd's vehicle homes to work policy.

RESOLVED that the report be noted.

22. **MATTERS OF URGENT BUSINESS**

None.

23. **DATE OF NEXT MEETING**

15 January 2019.

CHAIR OF THE SUB COMMITTEE