

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

7 November 2019

7.30 - 8.25 pm

PRESENT

Sub Committee Members

Councillor Mark Ingall (Chair)
Councillor Joel Charles
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 & Environment)
Limited Board
John Phillips, Managing Director, HTS (Property and Environment) Limited

13. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Andrew Johnson.

14. **DECLARATIONS OF INTEREST**

None.

15. **MINUTES**

RESOLVED that the minutes of the meeting held on 25 June 2019
are agreed as a correct record and signed by the Leader.

16. **MATTERS ARISING**

a) Minute 4a - Matters Arising

Councillor Ingall said that the report on HTS (Housing and
Regeneration) Company had been delayed. There were multiple
areas which still needed to be worked on and it was vital that the
Council got it right. It was hoped that reports would be ready to go
to Cabinet after December.

17. **SUB COMMITTEE WORK PLAN**

RESOLVED that the Work Plan was noted.

18. **OPERATIONAL AND PERFORMANCE REPORTS**

a) Performance and Balanced Scorecard

The Sub Committee received a report which set out the financial and performance position for HTS as at September 2019.

In response to questions by Councillors, John Phillips, Managing Director HTS (Property and Environment) Ltd, said that there were two reasons that operational performance was at 66 per cent. Firstly, sickness rates had risen to 4.12 per cent against a target of 3.8 per cent. This increase was primarily due to long term sickness. Secondly, HTS had experienced two RIDDOR incidents. The RIDDOR incidents would not come off of HTS's statistics until July 2020.

HTS had a minimum reserve target of £500,000, but currently had a greater level of reserves. HTS was planning to use £300,000 of its reserves to replace 43 vehicles within its fleet.

RESOLVED that:

A The Sub Committee acknowledges the performance and financial position as at September 2019 set out in paragraphs 12 to 17 as follows:

- i) HTS (Property & Environment) Ltd (HTS) has achieved a reported 96 per cent success rate for September 2019/20 against the current suite of major and minor KPI's that govern the contract.
- ii) An actual retained profit level totalling £493,009 as at September 2019/20 and are forecasting a level of £1,049,000 for the year ending March 2020/21.

b) Risk Register

The Sub Committee considered a report which set out strategic risks associated with HTS, as well as the actions that HTS was taken to address governance and data compliance concerns from the Council.

RESOLVED that the Sub Committee noted:

A The strategic risks as relating to HTS (Property and Environment) Ltd (HTS) together with their analysis and mitigation.

- B** HTS's ongoing actions to address Information Governance and Data Compliance concerns from Harlow Council.

19. **BEST VALUE REVIEW**

The Sub Committee received a report which set out progress made in the Council's best value review of the operation and services delivered by HTS (Property and Environment) Ltd since its creation in October 2016.

RESOLVED that the Sub Committee notes the report.

20. **RESPONSIVE REPAIRS AND CUSTOMER ACCESS REVIEW**

The Sub Committee received a report which gave an update on the responsive repairs and customer access review. This included progress on the implementation of an online customer portal.

RESOLVED that the Sub Committee noted the report.

21. **REPLACEMENT OF HTS (PROPERTY AND ENVIRONMENT) LTD FLEET**

The Sub Committee received a report which recommended that HTS sought a loan of £670,000 from the Council to replace 43 vehicles within HTS's fleet.

The Sub Committee discussed the opportunities available for further electric vehicles. John Phillips said that the single electric vehicle would serve as a trial and would be used to establish the needs of workers. Electric, commercial vehicles were not currently widely available, but current predictions suggested that during the next financial year they would become viable.

HTS needed to refresh its fleet now as some vehicles were being scrapped and HTS was needing to spot hire vehicles. Continuing with spot hiring would become more expensive than purchasing new vehicles.

It was agreed that the wording for recommendations A and B would be amended to include the loan was being authorised and approved in principle. It was also agreed that the subsequent report to Cabinet would request that further work be carried out on increasing the number of electric vehicles HTS had to mitigate its carbon footprint.

RESOLVED that the Sub Committee:

- A** Authorised HTS (Property and Environment) Ltd to seek a loan, in principle, of £670,000 from the Council and approve the purchase of 43 new vehicles.

B Recommended to Cabinet that a loan to HTS (Property and Environment) Ltd of £670,000 is approved, in principle, for the purpose of purchasing 43 new vehicles.

C Requested that HTS (Property and Environment) Ltd mitigate actions to alleviate any impact on climate change. In addition, to keep under review changes to electric vehicle technology so that they are well placed to take advantage for the next fleet renewal period.

22. **REFERENCES FROM THE HTS BOARD**

a) Statutory Accounts Outturn

The Sub Committee received the HTS Group Ltd Audited Statutory Accounts.

RESOLVED that the Sub Committee noted the HTS Group Ltd Audited Statutory Accounts attached as Appendix A to the report.

23. **REFERENCES FROM THE HTS (PROPERTY AND ENVIRONMENT) LTD BOARD**

a) Statutory Accounts Outturn

The Sub Committee received the HTS Group Ltd Audited Statutory Accounts.

RESOLVED that the Sub Committee noted the HTS Group Ltd Audited Statutory Accounts attached as Appendix A to the report.

24. **MATTERS OF URGENT BUSINESS**

None.

25. **DATE OF NEXT MEETING**

July 2020.

CHAIR OF THE SUB COMMITTEE

