

**SHAREHOLDER SUB COMMITTEE
Tuesday 28 September 2021 at 7.30 pm
Council Chamber - Civic Centre**

AGENDA

1. Apologies for absence
2. Declarations of Interest

Councillors' declarations of interest (if any) in relation to any items on the agenda.
3. Minutes (Pages 2 - 5)

To approve the minutes of the meeting held on 1 July 2021.
4. Matters Arising

Any matters arising from the minutes of the previous meeting.
5. Sub Committee Work Plan (to follow)

To review the Sub Committee's work plan.
6. Operation and Performance Report
 - a) Performance and Balanced Scorecard (to follow)
 - b) Emerging from Covid-19 (to follow)
7. Referrals from Cabinet

None.
8. References from the HTS Board
 - a) HTS Group 5 Year Business Plan (to follow)

To agree scoping document for the 5 Year Business Plan 2022 to 2027.
9. Matters of Urgent Business

Such other business which, in the opinion of the Chair, should be received as a matter of urgency by reason of special circumstances to be specified in the minutes.
10. Date of next meeting

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

1 July 2021

7.30 - 8.20 pm

PRESENT

Sub Committee Members

Councillor Joel Charles (Chair)
Councillor Andrew Johnson (Vice-Chair)
Councillor Simon Carter
Councillor Chris Vince
Councillor Nancy Watson

Officers

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

Also Present

Councillor Bob Davis
John Phillips, Managing Director – HTS (Property and Environment) Ltd

1. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Michael Harrowven.

2. **DECLARATIONS OF INTEREST**

None.

3. **MINUTES**

RESOLVED that the minutes of the meeting held on 18 February 2021 are agreed as a correct record and signed by the Chair.

4. **MATTERS ARISING**

In response to a question by Councillor Chris Vince, John Phillips, Managing Director HTS (Property and Environment) Ltd said that three vehicles in their current fleet were electric. They were considering the electrification of their sweeping machines.

5. **SUB COMMITTEE WORK PLAN**

The Chair outlined the work plan for the 2021/22 municipal year and said he aimed to make the Sub Committee work plan and meetings focused on strategic themes, working cross-party to develop a new commercial strategy for the HTS Group. To ensure momentum is not lost as work

continues to develop the new business plan, a scoping paper will be presented at the next meeting of the Sub Committee in September 2021. It was agreed that following September, future meetings would need to be re-aligned to coincide with HTS Board meetings and the quarterly reporting cycle, which means in practice that subsequent meetings in the year would now be rearranged.

RESOLVED that the work plan was noted.

6. **OPERATION AND PERFORMANCE REPORTS**

a) Performance and Balanced Scorecard

The Sub Committee received a report on HTS' operational and financial performance.

John Phillips explained that HTS was still able to meet almost all of its KPIs despite the pandemic. There were issues around the Balanced Scorecard profitability targets caused by the suspended housing capital works programmes, which would now be carried out this financial year as part of the HTS Capital and repairs Recovery Plans.

It was noted HTS (Property and Environment) Ltd had rebated the Council a total of £945,000 from the Annual Service Charge.

RESOLVED that:

A The Shareholder Sub Committee (SSC) acknowledged both the year end (2020/21) outturn and current (2021/22) performance/financial position set out in paragraphs 3 to 16 of the report as follows:

- i) HTS (Property & Environment) Ltd (HTS) has achieved a reported 95% per cent performance against its performance indicators for year end 2020/21 and 98.25% for May 2021/22 against the current suite of major and minor KPI's that govern the contract.
- ii) An actual retained profit level totaling £1,323,995 as at March 2021 and are forecasting a level of £1,999,995 by the year ending March 2022.

b) Emerging from Lockdown

John Phillips presented the report, which included an overview of the Recovery Plans for Capital Works and Repairs, emerging from lockdown. It was highlighted that most HTS staff had worked continuously throughout the pandemic. There was now a backlog of

work to catch up on over the next few months. The HTS Group has a plan in place to recover over the next 12 months. There is a commitment to recover the repairs backlog within 3 to 5 months to respond to the programme backlog, and delayed longer-term planned works will be actioned during the course of the year. Increased capacity and more flexible working practices are key to achieving the plan to address the backlog.

RESOLVED that:

- A** The report, and the progress HTS (Property and Environment) Ltd have made during the lockdown.
- B** Delegations be approved for the portfolio holders for Housing and Environment to monitor and manage delivery of the recovery plan, and to raise any matters arising. Progress will be reported to the Shareholder Sub Committee.

7. **FUTURE DIRECTION OF HTS GROUP LTD**

The Chair said that the key aim of the new business plan was to help scale the HTS Group to become one of the biggest public service providers in the East of England. There were a number of options being developed and these would be incorporated into the business plan. Currently, work on the future commercial proposition is taking place.

There was a need to look at wider opportunities such as skills and green technology and to create a diverse portfolio.

8. **REFERRALS FROM CABINET**

- a) Report of Covid 19 Recovery Working Group March 2021

The Working Group had looked at the number of vaccinations in Harlow which was now above 90,000. Both the Chair and the Leader set out the Council's plans for delivering the town's economic and social recovery from COVID-19.

Councillor Johnson said that the Council had bid for a number of funds from central government, including the Town's Fund, and there could be an opportunity for the HTS Group to be involved with works should these bids be successful.

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

- a) Reference from HTS (Property and Environment) Ltd - Annual Report and Financial Statement for year end 31 March 2021

The Sub Committee received the HTS (Property and Environment) Ltd Statement of Accounts.

RESOLVED that the Sub Committee noted the HTS (Property and Environment) Ltd Statutory Accounts attached as Appendix A to the report.

- b) Reference from HTS (Housing and Regeneration) Ltd Annual Report and Financial Statement for year end 31 March 2021

The Sub Committee received the HTS (Housing and Regeneration) Ltd Statements of Accounts.

RESOLVED that the Sub Committee noted the HTS (Housing and Regeneration) Ltd Statutory Accounts attached as Appendix A to the report.

- c) Reference from HTS Group Ltd - Annual Report and Financial Statement for year end 31 March 2021

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.

10. **MATTERS OF URGENT BUSINESS**

None.

11. **DATE OF NEXT MEETING**

8 September 2021.

CHAIR OF THE SUB COMMITTEE