

**SHAREHOLDER SUB COMMITTEE**  
**Thursday 18 November 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 3 - 5)  

To approve the minutes of the meeting held on 28 September 2021
4. Matters Arising  

Any matters arising from the minutes of the previous meeting.
5. Sub Committee Work Plan (Pages 6 - 7)  

To review the Sub Committee's work plan
6. Operation and Performance Reports
  - a) Performance Report (to follow)
  - b) Risk Register (to follow)
  - c) Social Impact Report (to follow)
  - d) Responsive Repairs and Customer Access Review (to follow)
  - e) Best Value Review Progress Report (Pages 8 - 17)
7. Referrals from Cabinet  

None.
8. References from the HTS Board  

None.
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

17 February 2022.

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

28 September 2021

7.30 - 8.05 pm

**PRESENT**

**Sub Committee Members**

Councillor Joel Charles (Chair)  
Councillor Simon Carter  
Councillor Nancy Watson

**Officers**

Andrew Bramidge, Head of Environment and Planning  
Andrew Murray, Head of Housing  
Adam Rees, Senior Governance Support Officer

**Also Present**

John Phillips, Managing Director - HTS (Property and Environment) Ltd  
Michael Harrowven, Non-Executive Chair – HTS (Property and Environment)  
Ltd

12. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Andrew Johnson and Chris Vince.

13. **DECLARATIONS OF INTEREST**

None.

14. **MINUTES**

**RESOLVED** that the minutes of the meeting held on 1 July 2021 are agreed as a correct record and signed by the Chair.

15. **MATTERS ARISING**

None.

16. **SUB COMMITTEE WORK PLAN**

**RESOLVED** that the Work Plan is noted.

17. **OPERATION AND PERFORMANCE REPORT**

a) Performance and Balanced Scorecard

The Sub Committee received a report on the operational and financial performance from HTS for the period from April to June 2021.

**RESOLVED** that:

**A** The Sub Committee noted HTS (Property & Environment) Ltd (HTS) performance and finance summary covering operational activity across all work streams for the period April to June 2021 as follows:

- i) Operational – The report illustrates HTS performance against KPIs targets set including a summary of customer service update highlighting the impact of Covid-19 crisis.
- ii) Financial – Financial analysis provides a review of HTS position against forecast as outlined in the Shareholder Statement shown in Appendix A.

b) Emerging from Covid-19

The Sub Committee received a report on emerging from lockdown.

**RESOLVED** that the Sub Committee:

**A** Noted the report, and the progress HTS (Property and Environment) Ltd (HTS) have made during the lockdown. Report progress and challenges outstanding emerging from lockdown.

**B** Approved delegations 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.

18. **REFERRALS FROM CABINET**

None.

19. **REFERENCES FROM THE HTS BOARD**

a) HTS Group 5 Year Business Plan

The Sub Committee received a report on a scoping document for a revised HTS Group Ltd Business Plan.

**RESOLVED** that the Sub Committee approved the scoping document as set out in Appendix 1 to the report and noted

that the updated Business Plan will be schedule for the  
February Shareholder Sub-Committee.

20. **MATTERS OF URGENT BUSINESS**

None.

21. **DATE OF NEXT MEETING**

18 November 2021.

CHAIR OF THE SUB COMMITTEE

Shareholder Sub-Committee Work Plan 2021/22

Title	1 July 2021	8 September 2021	18 November 2021	17 February 2022
<b>Operational and Performance Reports</b>				
Performance and Balanced Scorecard	Report	Report	Report	Report
Commercial challenges and Opportunities		Report (included in scoping report)	Report	Report
Operational Gap Analysis		Report (included in scoping report)	Report	Report
Business Development Plans		Report (included in scoping report)	Report	Report
Risk Register			Report	
Social Impact Report			Report	
<b>Other Reports</b>				
Responsive Repairs and Customer Access Review			Report	
HTS Group Ltd Business Plan		Scope		Final Report
Emerging from Lockdown	Report			
Covid19 Resilience Plan		Report		Report
Best Value Review Progress Report			Report	
Draft Group Accounts	Report			
Workforce Development				Report

Shareholder Sub-Committee Work Plan 2021/22

HTS Group Expansion				Report
HTS Governance				Report
Market Intelligence (July 2022)				

DRAFT

**REPORT TO:** SHAREHOLDER SUB COMMITTEE

**DATE:** 18 NOVEMBER 2021

**TITLE:** BEST VALUE REVIEW UPDATE

**LEAD OFFICER:** SIMON HILL, DIRECTOR OF GOVERNANCE AND CORPORATE SUPPORT (01279) 446099

**CONTRIBUTING OFFICER:** REBECCA FARRANT, OPERATIONS MANAGER (01279) 446811

**RECOMMENDED that** the Sub Committee notes:

- A** The progress on the Best Value Review Action Plan.
- B** The BAU Action Plan progress to date.

## **BACKGROUND**

1. A Best Value Review of HT (Property and Environment) Ltd was completed in October 2019 and on 5 December 2019 Cabinet resolved that the current contract with HTS (Property and Environment) Ltd be extended for the maximum five year period provided for subject to completion of four pre-contract requirements, which were all completed by August 2020.
2. It was also resolved that the recommendations of the Best Value report be adopted as an action plan for the contract extension and that the 'Business as Usual' activities arising from the Review would be monitored for their completion by the Shareholder Sub Committee.

## **CONTRACT EXTENSION ACTION PLAN**

3. The Action Plan arising from recommendations made in the Best Value Review Outcomes report have been prioritised into a programme of short and long term projects, to be completely in its entirety by March 2023, this being the commencement of the agreed contract extension period.
4. The projects identified for completion in August 2020 are complete, with those related to the company's strategic financial approach having been subsumed into the company's operational processes for refreshing its Business Plan. Medium term activities are due for completion by December 2021 and work on these is in progress with three recommendations completed and twelve in progress. There are three activities which have not yet started, but these are interrelated tasks around procurement which are not onerous and HTS (Property and Environment) Ltd have provided assurance that these will be completed before the end of December 2021 deadline.



5. A scheduled audit was undertaken by the Council's Internal Audit team in July and August 2021 to review joint working arrangements between the Council and HTS. The final report is in the process of being finalised, but provides substantial assurance over the adequacy of mechanisms to ensure the recommendations of the Best Value Review action plan are implemented.
6. The current status of the BAU Action Plan can be found at Appendix A. All actions have been met as per stated deadlines with the exception of the customer feedback work. As previously reported this work commenced on schedule and a number of visits to work with other LATCs/similar organisations were planned to achieve benchmarking and peer review exercise. These could not take place due to the restrictions in place in relation to COVID-19 pandemic. Given the refocusing of Council and HTS' efforts on response and recovery, and similar responsibilities of peer organisations involved, it was agreed to put this work on hold for 6-12 months, however due to the additional national lockdown restrictions in early 2021 the work had to be suspended for a further period. Visits to other organisations are now scheduled for November 2021, these visits will inform decisions on any changes to the customer service metrics and support enhancement of customer access. Future progress of work in this area will continue to be monitored by the Shareholder under the Cabinet decision regarding the BAU Action Plan.

## **IMPLICATIONS**

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

As set out 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 set out in the report.

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

### **Community Wellbeing**

As set out in the report.

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

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

As set out in the report.

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

## **Appendices**

Appendix A – BAU Action Plan (dated 20 October 2021)

## **Background Papers**

None.

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

BAU - Business as Usual

LATC - Local Authority Trading Company

# Best Value Review into HTS (Property and Environment) Ltd

## Appendix A

### Business as Usual Action Plan

This appendix includes the Business as Usual Action plan dated 20 October 2021, this is a live document and therefore what is included here is subject to change as actions are progressed and completed.



## Best Value Review into HTS (Property and Environment) Ltd

Recommendations to refer to Shared Operational Performance meetings as Business as Usual:

BVR Ref	Action	Deadline	Owner	Current Position (July 2020)	Evidence Provided
1	Address reporting of costs to allow comparisons between base operational costs and 2017 business model.	30-Jan-20	Alex Morris	Complete. Confirmation provided by SF on 13/07/2020	Email from SF
1	Update ASC to include changes arising from assumptions in the business plan prior to the new financial year (2020/21)	01-Jan-20	Alex Morris	Complete. Only change is to indexation which was agreed with CN 26. ASC now agreed for 2020/21	Change Notice 26
2	Jointly review the Business case mechanism for award of capital and planned works; any changes to retain the focus of Value for Money but also allow for quicker completion of the process, and associated management processes once awarded.	30-Jan-20	Neil Rowland	Meeting arranged for 19 June 2020 with Dean James, Bob Purton and Tina Mcdermott.	Confirmation emails from BP, TM and DJ
3	Seek support and advice to determine what procurement frameworks they could create and or access now to assist in delivering services.	01-Jan-20	Neil Rowland	Complete.	Update and progress provided by email to BT on 19 May 20
3	Update procurement procedures to reflect MSA, GDPR, ethics and transparency code requirements.	01-Jan-20	Neil Rowland	Complete	Revised Policy in place

BVR Ref	Action	Deadline	Owner	Current Position (July 2020)	Evidence Provided
4	Should house building pilot not be successful Business Plan will need to be re-cast under business as usual operations to take into account the effect of this and forecasts and investment proposals amended accordingly.	01-Jan-21	Neil Rowland	Complete	The outcome of the housing building pilot is unknown - awaiting feedback from HDC. In the meantime, HTS new Business Plan will be recast under the BAU operations to take account of the effect the above and the forecasts and business proposals amended accordingly.'
13 7	Inclusion of initiatives contained within the future innovation narrative as part of the standard agenda for client team meetings. Immediate projects for furtherance should include: <ul style="list-style-type: none"> <li>• new fleet/plant to improve the service concerning street lighting repairs</li> <li>• Drainage tanker renewal</li> <li>• GIS investment</li> </ul>	01-Jan-20	Client leads/Neil Rowland	Complete.	Action to be part of SOPM agenda - item 10 (BV Review update)
7	When projects are identified for progression update Business Plan to include those outside the contemplation of the Current Plan as and when identified for definite delivery, the Board/Shareholder should be consulted, and approval sought for decisions on initiatives/projects as per the limits set out in the Scheme of Delegation.	Process implemented	John Phillips	Complete	Is there any evidence to demonstrate the implementation?
10	Develop additional guidance and agree on when the change notice process should apply to remove the adhoc use of the process currently.	01-Dec-19	Neil Rowland/Bev	Complete	Revised guidance provided to members of SOPM 6 <sup>th</sup> May 2020
10	Revise and update process for managing escalations. Next SMT/SMB.	Complete	John Phillips/Simon Hill	Complete	Email sent to SH and JP requesting update 19.05.20. Simon Hill preparing response.

BVR Ref	Action	Deadline	Owner	Current Position (July 2020)	Evidence Provided
10	Develop process for managing contract variations.	01-Dec-19	Neil Rowland/Bev	Agreed and Complete	Guidance provided to members of SOPM 6 <sup>th</sup> May 2020
11	Review, update and publish all contractual statutory and regulatory policies.	01-Dec-19	Stella Dunlop	Complete	The 'Tracker' to be used to illustrate HTS progress to date. The 'Tracker' will include the dates of the review, update and publication; and will be presented to (and monitored by) the Shared Operational Performance Meetings.

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BVR Ref	Action	Deadline	Owner	Current Position (July 2020)	Evidence Provided
11	Identify review & completion dates for all non-statutory/regulatory policies.	01-Jan-20	Stella Dunlop	Complete	The 'Tracker' to be used to illustrate HTS progress to date. The 'Tracker' will include the dates of the review, update and publication; and will be presented to (and monitored by) the Shared Operational Performance Meetings.
11	Submit draft Criminal Finance Act 2018 policy for SMT sign off	30-Nov-19	Alex Morris	Complete. Signed off. Document on website	<a href="https://www.htsgroupltd.co.uk/criminal-finances-act-policy/">https://www.htsgroupltd.co.uk/criminal-finances-act-policy/</a>
12	Continue work on new housing maintenance system via Customer Access Strategy work.	01-Dec-19	Steve Ward	Complete	HTS will work with HDC IT department to ensure that the new housing maintenance system goes live when it is ready. What remains to be done sits HDC Housing Team
12	Publish HACT Social Value score on website.	Complete	Tim Page	Complete – link to page on website	<a href="https://www.htsgroupltd.co.uk/company/social-responsibility/">https://www.htsgroupltd.co.uk/company/social-responsibility/</a>
14	Complete the legal formalities for the ICT SLA	01-Jan -20	Neil Rowland	Complete. Document sent to Julie Galvin on 19.05.20	Copy of document provided to BT
14	Strategic Governance 2018/19 Audit to be shared with SSC meeting	Complete	HDC	Complete	
14	Revised governance arrangements to provide JPRM function to be formalised and any related contractual changes made accordingly.	Complete	HDC/SMB	Complete	Email sent to SH and JP requesting update 19.05.20. Simon Hill preparing response.

BVR Ref	Action	Deadline	Owner	Current Position (July 2020)	Evidence Provided
14	Implement single improvement plan to collate the reviews of HTS services following final outcomes of BV review, and picking up existing outstanding reviews to be monitored at SOP meetings	01-Jan -20	Neil Rowland/Bev Thomas	Complete. Single tracker document to be set up to ensure the final outcomes of BV Review are captured and monitored.	Improvement Plan to be incorporated into item 10 of the SOPM agenda
15	Implement process to ask end users on Environment SIT for satisfaction levels.	01-Dec-19	Shakeel Khan	Complete	Agreed with John Grundy
15	Submit Environment satisfaction stats e.g. Essex County Resident Survey to SOP	30-Nov-19	Shakeel Khan	Complete.	Report submitted to SOPM on 21 <sup>st</sup> November 2019
16	Ensure Customer Access Action plan (enhancing customer access and communications) is fully implemented.	01-Jan-20	Steve Ward	WM says extended working day still needs to be implemented. Revisit in December 2020. <b>Discussions have commenced with Trade Unions about changes to T&amp;C's</b>	<b>Jointly agreed to put on hold 6 months</b>
15	Obtain customer satisfaction via link on HTS (Property and Environment) Ltd /HDC websites for grass cutting and tree works.	01-Mar-20	Shakeel Khan	Complete. Satisfaction survey link on website.	<a href="https://www.htsgroupltd.co.uk/">https://www.htsgroupltd.co.uk/</a>
15	Jointly explore what other organisations do to obtain customer feedback on repair quality (customer sign off) and customer reviews at time of repair and on the ways, they save money.	01-Jan-20	Shakeel Khan/James Fulcher	<b>Visit arranged for 3/11/21 with MCP. Delayed due to work pressure at MCP. Cambridge unable to accommodate due to work backlog pressure.</b>	Report to be prepared following visit.



BVR Ref	Action	Deadline	Owner	Current Position (July 2020)	Evidence Provided
15	Jointly arrange visits to other Customer Service Centres to benchmark and obtain best practice around consistency of service and diagnostics	01-Jan-20	Steve Ward/James Fulcher	<b>Visit arranged for 3/11/21 with MCP. Delayed due to work pressure at MCP. Cambridge unable to accommodate due to work backlog pressure.</b>	Report to be prepared following visit.
15	Ensure achievement of aim to reduce complaints escalations to a downward trend by Q3 2019/20.	01-Jan-20	John Phillips / Shakeel Khan	Complete.	Report submitted at presented at SOPM on 28 Jan 2020
15	Investigate causes of high levels of dumped rubbish and whether additional actions could be introduced to reduce this issue within the town.	01-Dec-19	Mick Jenkins/Client leads	Complete	Report published on 2 June 2020 and to SOPM in June 2020