

**SHAREHOLDER SUB COMMITTEE**  
**Wednesday 23 August 2023 at 7.30 pm**  
**Committee Room 1 - 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 - 3)

To approve the minutes of the meeting held on 11 May 2023.

4. Matters Arising

Any matters arising from the minutes of the previous meeting.

5. HTS Improvement Plan (Pages 4 - 15)

6. HTS Governance Arrangements (Pages 16 - 21)

7. 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.

8. Date of next meeting

27 September 2023.

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

11 May 2023

7.30 - 7.53 pm

**PRESENT**

**Sub Committee Members**

Councillor Joel Charles (Chair)  
Councillor Russell Perrin (Vice-Chair)  
Councillor Alastair Gunn  
Councillor Nicky Purse  
Councillor Lanie Shears  
Councillor Chris Vince  
Councillor Nancy Watson

**Officers**

Andrew Bramidge, Chief Executive  
Simon Freeman, Deputy to the Chief Executive and Director of Finance  
Nicole Parker, Admin Assistant  
Adam Rees, Senior Governance Support Officer

**Also Present**

Alex Morris, Finance Director and Company Secretary HTS (Property & Environment) Ltd  
Neil Rowland, Commercial Director HTS (Property and Environment) Ltd  
Councillor Simon Carter  
Councillor Tony Edwards

52. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Michael Harrowven, Non-Executive Chair HTS (Property and Environment Ltd) and John Phillips, Managing Director HTS (Property and Environment) Ltd.

53. **DECLARATIONS OF INTEREST**

None.

54. **REFERENCE FROM HTS (PROPERTY AND ENVIRONMENT) LTD -  
REPLACEMENT OF HTS (PROPERTY AND ENVIRONMENT) LTD  
FLEET**

The Sub Committee received a report to approve the proposal to purchase new vehicles to replace the existing fleet currently maintained by HTS (Property and Environment) Ltd.

Councillors Lanie Shears, Chris Vince and Nancy Watson asked that their opposition to the recommendations in the report be noted.

**RESOLVED** that the Sub Committee:

- A** Approved to replace 74 vehicles by HTS (Property and Environment) Ltd.
- B** To replace a further 34 vehicles and 14 mowers due for replacement from April 2024.
- C** Agreed that the Council agrees to support the acquisition of the replacement fleet through the provision of loan financing of up to £2.8 million subject to the outcomes of the vehicle procurement process.
- D** Agreed that the details relating to loan finance and loan agreements are delegated to the Deputy Chief Executive/Director of Finance to finalise alongside the procurement exercise.

55. **MATTERS OF URGENT BUSINESS**

None.

CHAIR OF THE SUB COMMITTEE

# HTS Improvement Plan



**Report to:** Shareholder Sub Committee

**Date:** 23 August 2023

**Portfolio Holder:** Councillor Dan Swords, Leader of the Council

**Lead Officer:** Andrew Bramidge, Chief Executive (01279) 446000

**Corporate Priorities:** Fix council housing  
Restore pride in Harlow  
Improve council services

## Recommended that:

- A** The focus of activity for HTS during 2023/24 is limited to the delivery of the council's stated priorities, the delivery of further efficiencies within the business to achieve a balanced budget for 2023/24, the implementation of the action plans set out in Appendix A and Appendix B as well as the identified governance reforms set out in Paragraph 10 of this report.
- B** A new basis for a contractual arrangement between HTS and Harlow Council that is focussed on performance and costs is to be agreed by December 2023 for commencement in the new financial year 2024/5.
- C** The previously agreed 2022-27 HTS Business Plan is replaced with immediate effect with the improvement action plans in Appendix A and Appendix B and a new Business Plan for HTS for 2024/25 is to be agreed by February 2024 by the relevant governance bodies.
- D** The Sub Committee notes the findings and recommendations of the various reviews attached and further notes the progress that has been made to improve service delivery as a result of these reviews.

## Reason for decision

- A** To focus business activities on delivery of the council's stated priorities and to improve the operational performance and governance arrangements between HTS and Harlow Council.

## Other Options

- A The Shareholder Sub Committee could continue to endorse the proposals set out in the 2022-27 HTS Business Plan to expand the HTS group and seek commercial opportunities as opposed to focussing on improvement of core services. This is not advised given the findings and recommendations of the various reviews carried out in 2022.

## Background

1. In 2022, Harlow Council and HTS commissioned a number of reviews of the performance and governance of the company and of Harlow Council's role as both client and shareholder. These were designed to identify issues, offer recommendations as to how to increase performance and create an appropriate governance structure that would support this. These reports included two from Plan B on Housing Repairs and Landscape Maintenance respectively, from Pennington Choices on Value for Money and from Rujaja on Business Plan and Governance review.
2. The reports highlighted a number of challenges and areas of poor performance as well as offering a significant number of recommendations on how to improve the delivery of core services. The reviews advised that, given the substantial issues in performance and governance of the company, HTS should not be expanded in line with the 2022-27 HTS Business Plan and that instead, all focus should be on improving core services.
3. Action plans were drawn up incorporating the various recommendations of the reports which have been the focus of senior management of both HTS and Harlow Council. The up-to-date action plans detailing this work are set out in the appendices to this report.
4. In April 2023, the Shareholder Sub Committee approved that the construction company referenced in the 2022-27 Business Plan was not to be established and that the HTS Housing and Regeneration company be not expanded and that options were sought on the best way forward in terms of the five properties currently within the company. It has subsequently been decided that the Housing and Regeneration company will be closed in line with the recommendation of the other report to the August Shareholder Sub Committee meeting. The most tax efficient way of dealing with those five properties is currently being explored with tax advisers and therefore, a decision as to whether the properties are transferred to the Harlow Council Housing Revenue Account or as to whether the properties are disposed of will be taken at the next meeting of the Shareholder Sub Committee.
5. In May 2023, the existing Managing Director left the company and a new Interim Managing Director, Alan Townshend, commenced employment. This has provided impetus for the delivery of many of the changes recommended in the reports.
6. In June 2023, Harlow Council announced five corporate priorities for the year ahead including 'fixing council housing', 'restoring pride in Harlow', and 'improving council

services'. Behind each headline priority, sits detailed action which form the overall priority. A number of these have related to HTS and Harlow Council's delivery of core services. These priorities have also provided clear focus for HTS and its service delivery.

## Issues/Proposals

7. Considerable progress has been made to implement action plans mentioned above. There has been significant positive progress in transforming the day to day working relationships between the Council and HTS. This is seen in the re-institution of regular senior management meetings, which have been lacking in recent years, as well as the positive day to day working between the two teams on the action plans mentioned above. Additionally, both organisations are addressing some of the longer-term cultural barriers that have existed, probably since the formation of the company. A half day workshop was held in July specifically to address this and identify common objectives and ways of working. This was found to be very successful, and a follow-up session is planned for early October at Mead Park.
8. These meetings have agreed that the sole focus of attention for HTS in 2023/24 is the delivery of the Council's stated priorities and the efficient delivery of the Housing Repairs and Landscape Maintenance contracts. It is recommended that the committee formally agree to that work and that the previously agreed 2022-7 HTS Business Plan be formally replaced by the improvement action plans for 2023/4 and a new HTS Business Plan for 2024/5 be brought forward by February 2024.
9. Operational performance of the company has, as a direct result of the changes and interventions listed above, already begun to improve. In June, there was a reduction in the backlog in housing repairs for the first time in over 18 months and the standard of the landscape maintenance has also improved.
10. By the end of this financial year, it is expected that there will have been significant transformation of the operations of HTS and of the relationship between the company and the Council:
  - a) The housing repairs backlog will have been cleared and this area of work will be delivering a rolling monthly programme of new jobs with a new schedule of works (in line with standard industry practice) in place and reflected in the contract.
  - b) The new standards and processes of landscape maintenance will be fully operational across the town and reflected in the contract.
  - c) New performance management processes will be integrated with those of the Council.

- d) A new, performance and cost-based approach to the delivery of the Council's contract with HTS with much clearer expectations of performance and service standards.
  - e) A new, clearly defined 2024/25 Business Plan for HTS will be in place.
  - f) A new permanent Managing Director will have been appointed.
  - g) A balanced budget for this financial year will have been achieved for the company.
  - h) A workforce review will have concluded with further transformation of the workforce and internal practices integrated throughout the company.
  - i) HTS internal systems and IT will be integrated with Council internal systems and IT for more efficient service delivery.
  - j) All recommendations in the action plans will have been achieved.
  - k) The HTS Group will no longer exist and instead all focus will be given to HTS Property and Environment Ltd as the sole company.
  - l) Changes to the governance of the company and service delivery will have been made.
11. The proposals relating to governance have been the subject of other reports to the August Shareholder Sub Committee meeting. However, in summary, they will deliver a re-structured company with a single HTS Property and Environment Ltd (with all other companies currently in the HTS Group being wound up) in contract to Harlow Council and a re-structured Board that provides a wider range of professional expertise into the company. If these proposals are agreed by the Shareholder Sub Committee, the Council's legal advisers, Browne Jacobson, will be instructed to draw up the amended Articles of Association for agreement by both the HTS Board and the Shareholder Sub Committee.

## **Implications**

### **Equalities and Diversity**

None

### **Climate Change**

None

### **Finance**

There are no direct financial implications arising from this report. Financial implications will continue to be monitored alongside the agreed actions established; and with the formulation of

a new Business plan for HTS and new contractual arrangements with HTS and HDC by the agreed timelines set out in the recommendations.

Author: Jacqui Van Mellaerts, Assistant Director – Finance

### **Governance and Corporate Services**

Amendments to the company Articles referenced in the report will facilitate continued adherence to both Companies Act 2016 and procurement regulations whilst supporting and improving business efficacy for both the Council and its trading divisions. Any agreed amendments to the Articles must be correctly filed with the Registrar of Companies.

Author: Julie Galvin, Legal Services Manager

### **Housing**

We have started to implement improvements as outlined in the action plan and report. Over the course of the financial year, we should begin to see these improvements materialise and accelerate across the delivery of the key priorities. This will increase performance for our residents and improve the environment on our estates. The contract changes will create a client/contractor relationship which will allow closer working arrangements and transparency of the HTS performance and costs.

Author: Neil Euesden, Interim Director of Housing

### **Appendices**

Appendix A – Plan B Environment Services Action Plan

Appendix B – Plan B Housing Repairs Action Plan

### **Background Papers**

Plan B - Grounds Maintenance Service Review

Plan B - Housing Repairs Service Review

Pennington Choices – Value for Money Review

Rujoja – Business Plan and Governance Review

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

None.



Customer	Business Process	Governance	Efficiency	Ref	Theme	Appendix A Recommendation	Time	Priority	Resource	Score A	Score B	x = req s = started c = complete		Section PS= Parks summer PW = Parks winter S = Streets	Timelines	Comments	Owner
							1-6 Months	1 - Urgent	1 - Light			HTS	HDC				
							6-12 Months	2 - Important	2 - Medium								
							12-18 months	3 - Long term	3 - Intensive								
				2	Governance	Client and contractor roles - review and clarify	5	2	1	8	10	X	X	PS, PW	HDC		
				3	Governance	Service review meetings - set up Annually for continuous improvement	6	2	1	9	12		X	PS, PW	Dec-23		
				4	Governance	Review mechanisms and tools in place to intervean with HTS if not performing				0	0		X	PS	HDC		
				5	Governance	Implementation of a Change log and annual review	6	2	1	9	12	X	X	PS	Dec-23		
				6	Governance	Tree policy and strategy required	6	1	2	9	12		S	PW	Sep-23		
				7	Governance	Landscape policy and strategy required	10	1	2	13	20		X	PW	Jan-24		
				8	Governance	ECC - clear agreement needed on land, trees and landscape - giving clear direction for maintenance	5	2	1	8	10		S	PW	Sep-23		
				9	Governance	Procedures developed for service request, complaints and enquiries , to reduce the heavy drain on service	6	2	2	10	24	X	X	PS, PW	Nov-23		
				10	Specification	New specification of work to be developed for Parks. Plan B can assist. Include MUGAs, sports fields, allotments etc	14	2	1	17	28	X	X	PS, PW	HDC		
				11	Specification	Establish requirements and common understanding				0	0	X	X	PS, PW			
				12	Specification	Clear, improved specification for key areas such as Latton Bush centre, Memorials etc to give agreed required standard	4	2	1	7	8	X	X	PW	Aug-23		
				13	Specification	Develop a longer term weed control strategy - assuming the need to reduce the use of herbicides	18	3	1	22	54	X	X	PW, S	Aug-24		
				14	Specification	MUGAs, including tennis courts - agree specification requirement, 3 year plan, and suitable funding for these works	14	2	1	17	28	X	X	PW	Sep-24		
				15	GIS Mapping	Full review and update required	6	1	3	10	18	S		PS	Nov-23	Started on the summer Parks programme. Need winter programme. Some work also completed on bins, street furniture, gritting etc	
				17	GIS Mapping	Updated maps required throughout the town - desktop review	6	1	3	10	18	S		PS	Sep-23	2nd set of pilot maps being produced currently	
				18	GIS Mapping	Updated maps required throughout the town - physical review	6	1	3	10	18	X		PS	Oct-23	To follow from #17	
				19	GIS Mapping	Mapping data availability to HTS, inc training	6	2	1	9	12	X	X	PS			
				20	Metrics	Visibility for HTS	6	1	3	10	18	X		PS			
				21	Metrics	Training for HTS	6	2	1	9	12	X		PS			
				22	Metrics	Consider KPIs suggested by Plan B - review and sign off as required				0	0		X	PS	HDC	Need HDC to lead on this	
				23	Metrics	Pilot for new KPIs				0	0		X	PS	HDC	Follows #26	
				24	Physical features	Feature analysis to be completed, reviewing current shrubs, grass and hedges and understanding need, suitability, investment etc	10	2	3	15	60	X	X	PS			
				25	Physical features	Investment in a planned yearly replanting scheme to link to the feature analysis				0	0		X	PS	HDC		
				26	Physical features	Invest in new planting, removal and rejuvenation programme				0	0		X	PW	HDC		
				27	Physical features	Consider how some areas could be made less attractive / convenient for anti-social behaviour - including reducing access to known hotspots (town centre)	8	2	2	12	32	X	X	S			
				28	Physical features	Town centre planters - rejuvenate and set up future planting / maintenance plan	8	2	2	12	32	X	X	S			

				30	Finance and HR	Apprentice scheme to be developed for the service - Parks and Trees	4	1	1	6	4	X	X	PS, PW			
				31	Finance and HR	Increase levels of young people in workforce	4	1	1	6	4	X		PS			
				32	Finance and HR	Improve absence levels	3	1	2	6	6	S		PS			
				33	Finance and HR	Client 'thin' - review model, particularly around HTS verification				0	0		X	PS	HDC	I believe they are appointing someone	
				34	Finance and HR	Culture change programme	1	2	3	6	6	S		PS, PW, S		This is our change management work. Started June 23 and ongoing, aiming for major changes in place by the new software from 19th September 23	
				35	Finance and HR	ETF - review the resource further to develop and give progression	1	1	2	4	2	S		PW		Review starting July 23.	
				36	Finance and HR	Provide horticultural training and refreshers to operatives	12	2	2	16	48	S		PW		Started with pruning course w/c 10/7/23	
				37	Finance and HR	Review process of separating covid from general sickness reporting	1	1	1	3	1	X		PW		Need to check - think completed	
				39	Finance and HR	Administration - review level of administration carried out by managers / supervisors	4	1	2	7	8	S		PW			
				40	Finance and HR	Review Staff structure - high level of direct reports for supervisors	1	1	2	4	2	S		PW		New structure being approved currently	
				43	Finance and HR	Review all street cleansing roles - align roles and remuneration suitably	5	2	2	9	20	X		S			
				44	Finance and HR	Introduce stronger succession planning	6	2	2	10	24	S		S		Significant work completed on this now. Learning and development via HR hopefully to develop further with apprentices and young people.	
				45	Perform'ce & Quality	Control reactive works	8	2	2	12	32	X		PS			
				46	Perform'ce & Quality	Introduce an IT management solution with live data	5	1	3	9	15	S		PS, PW, S	Sep-23	Currently out to tender	
				47	Perform'ce & Quality	Introduce IT dashboard for management and client visibility	10	2	1	13	20	S		PS, PW, S	Dec-23		
				48	Perform'ce & Quality	Review of resources and current operations aiming for efficiencies (SIP)	3	2	3	8	18	S		PS			
				49	Perform'ce & Quality	Improve quality controls - including a formal inspection regime to be put in place by HTS and HDC	5	2	2	9	20	S	X	PS			
				51	Perform'ce & Quality	Innovations and keep up to date - seminars, external meetings etc	18	3	1	22	54	X	X	PS			
				52	Perform'ce & Quality	Weed control - develop a robust weed treatment schedule, including brambles	8	2	1	11	16	X	X	PW			
				53	Perform'ce & Quality	Consider different approach to street weed management	5	2	2	9	20	X	X	S			
				54	Perform'ce & Quality	Customer involvement - parks, trees, allotments - maybe reintroduce SIT meetings	14	3	2	19	84	X	X	PW			
				55	Perform'ce & Quality	Introduce pest control plan for town centre planters and key areas	8	3	1	12	24	X		S			
				57	Perform'ce & Quality	Resolve issue of dumping around bin stores - see Plan B recommendations in the report, inc resident engagement	8	2	2	12	32	X	X	S			
				58	Perform'ce & Quality	Provide waste management details in each residential block - including waste separation and dealing with bulk waste	6	2	1	9	12	X	X	S			
				59	Perform'ce & Quality	Use of enforcement to deal with dumped rubbish, including around bin stores	6	2	1	9	12	X	X	S			
				60	Perform'ce & Quality	Consider changing how wave / street services work - make smaller wave teams, supported by bins and hatches personnel - giving more ownership	3	2	2	7	12	S		S			
				64	Pilot events	Winter programme - future solution	5	1	3	9	15	X	X	PW		Currently in discussions about this	
				65	Pilot events	Increased shrub bed maintenance in summer programme	10	2	2	14	40	S		PW			
				66	Pilot events	Green waste - look at methods for mulch / compost / soil conditioner	10	3	2	15	60	X		PW			
				67	Buildings, Fleet & Equipt	Full fleet and equipment audit	3	2	1	6	6	S		PW, S			
				68	Buildings, Fleet & Equipt	Fleet / asset replacement programme to be established and costed	3	2	1	6	6	X		PW, S			
				69	Buildings, Fleet & Equipt	Property - provide a suitable location for housing mowers and equipment at the South of the town, reducing travelling time	6	2	2	10	24	X	X	PW			
				70	Buildings, Fleet & Equipt	Property - undertake a property survey to find if more suitable town centre location available for street cleansing operations	3	2	2	7	12	X	X	S			
				71	Buildings, Fleet & Equipt	Town storage waste - find better solution to large bin - perhaps use of a cart	3	2	1	6	6	X	X	S			
				72	Buildings, Fleet & Equipt	Recycle bins - introduce throughout the town	8	2	2	12	32		S	S			
				73	Buildings, Fleet & Equipt	Introduce recycling in litter picking in the town centre via cart use	5	2	1	8	10	X		S			
				75	Buildings, Fleet & Equipt	Better litter beat equipment - use of a cart to enable wipes, broom, recycling etc	3	2	1	6	6	S		S			

				77	Winter work impact	Brief specification for winter work to be issued					0	0		X	PW	Issued via HTS - provided at SOP meeting and Env portfolio mtg	
				78	Winter work impact	Specification and changes to be publicised					0	0		X	PW	Discussions started and HTS proposed some wording. Await update from HDC	
				80	Winter work impact	ETF development and involvement in winter programme	3	2	2		7	12	X		PW	HTS to ask ETF to take on a couple of projects, easing pressure on the Parks team. Further development for the future as per #35	
				81	Winter work impact	Metrics and GIS system updates	5	1	3		9	15	X	X	PW	HTS to provide support to this, but agreement needed on resourcing as per #15, 17 and 18 and see #64	
				82	Winter work impact	Reduce reactive works over the winter to allow strong focus on the winter programme. HDC to communicate clearly to all Cllrs and the contact centre	4	2	2		8	16	X	X	PW	See also #45	
				84	Winter work impact	Cllr enquiries - J Greer and J Phillips to be clear and ensure that all Cllr enquiries goes through the correct route to enable smarter, more efficient working	2	2	1		5	4	X	X	PW	Now both left, but current leaders need same direction	

**Appendix B**  
**HTS Service Improvement Plan**

**1 Customer Feedback**

Responsibility	Target Date	Expected Date	Measure / Evidence	Tracking Status	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Progress Update 28th March 2023	HTS Update 2nd June 2023	Progress Update 16th June 2023					
1.1	Provide operatives with feedback forms & prepaid envelopes to leave at property on job completion	29	Shakeel Khan	30-Jun-23	31-Jul-23																											HTS require internal discussion as this feels like going backwards to the system we currently use. Would be something to address with the new system - Electronic	On going	Expect to start in April. Feedback in July with 3 months data.	Forms have been distributed to operatives. Returned numbers are low. 7 to date. Suggest we revert back to postal system in the interim	HTS suggest using a call response through Call Centre due to low postal response. Use same question format. Initially a 1 months trial
1.2	Reinstate tenants meetings - undertaken jointly with HDC	63	Steve Ward Shakeel Khan	31-Mar-23	16-Jun-23																											Meetings are Leaseholder Panel & Housing Repairs. PLEASE PROVIDE SCHEDULE OF MEETING DATES AS EVIDENCE	Complete	HDC arrange meetings so will have schedule. Meetings are minuted - SW will send minutes of most recent meetings. Client led. Steve W goes to leaseholder meetings, tenants meeting Gina (call centre) and Debbie Hardy (performance attend)	Completed. Evidence previously sent	Complete
1.3	Use plaudits for an employee reward and recognition scheme. HTS need to agree baseline then produce a recognition scheme on this basis. Ongoing, long-term goal rewarding for above and beyond	61	HTS SMT	31-Dec-23	31-Dec-23																											Included in joint monthly ops report. Reward not only for plaudits but productivity, CS etc which is part of the incentive scheme currently being reviewed/considered	On going	HTS want to introduce a productivity based incentive scheme - likely to link to new IT system to manage. Speaking to neighbour authority on their productivity based system - will feedback once met with them. Have Plan B helped introduce a similar arrangement anywhere?	Being discussed along with performance and incentives	working on baseline in order to calculate incentive scheme targets and Dec 23 deadline

**2 Inspections**

2.1	Move to an 'on the day' inspection regime rather than weeks after. Rather than relying on dedicated Inspectors, include supervisors / team leaders within inspection regime	31	Gavin Jackson	30-May-23	31-Jul-23																											Inspections being carried out daily by supervisors. Need to record data onto tracking system. To be provided at ASC mmeeting	On going	Start supervisors to do inspections (started) and will report at ASC meetings - discussing with Bob to agree format for reporting. In addition, one Inspector is now back at work	Ongoing and reported at ASC. Examples attached	6 team leaders and 1 inspector. Report failures and rectification solution. Also shown on monthly report to ASC
2.1.1	In order to better follow up works, Inspector should attend same day as work completed	59	Gavin Jackson	30-May-23	31-Jul-23																											As above	On going	As above - H&S and quality inspections	As above	6 team leaders and 1 inspector. Report failures and rectification solution. Also shown on monthly report to ASC
2.2	Target for 10% of jobs to be inspected - start at 5%, and increase annually until 10% is reached	60	Gavin Jackson	30-Jun-23	31/09/23																											Inspections being carried out by supervisors and Damien. Monthly targets set and report monthly at ASC. Reviewed in 3 months	On going	Aim initially for a 5% target, increasing to 10% over time. Current level of inspections are around 5% - will be able to see rate in ASC report	April 23 Data: 6.3% inspected (2039 jobs - 128 Inspected) May 23 data: 8.5% Inspected (2048 Jobs - 174 Inspected) April data attached. May Team leader data attached. Post Inspection data being collated	on target aiming for 10% in September 23
2.3	Review how inspection results are fed into improving service	58	Gavin Jackson	30-May-23	31-Jul-23																											To be reviewed by Team Leaders & Ops Manager in monthly meeting for trends & improvements. Data to be supplied & reviewed at ASC meeting	On going	Report in ASC - aim to help identify trends and taking responsibility - Gavin to agree improvement plan with Team Leaders / support officers.	Ongoing. Reported at ASC and discussed monthly meetings with team leaders. Minutes examples attached.	On going

**3 Operational IT System**

3.1	Customer feedback - Move to a process that uses text questionnaires. New system requirement (is there a shorter term workaround?)	30	Chris Reed	01-Aug-24	01-Aug-24																											To be addressed by new system. Workaround is currently in progress - paper version	On going	New system - plan laid out for ITT - ITT being prepared, found a framework to use to ensure its suitable, HTS team talking to HDC to help develop spec for new system.	ITT due to go out shortly	ITT due out on 19th June. 2 stage tender. Reduce to 6 companies in stage 2. stage 1 deadline expected to be September 23	
3.2	Comments entered in Callsys not always visible in Orchard. In short term speak to Callsys. Longer term new system requirement.	1	Michael Filmer Chris Honor HDC IT	31-Dec-23	31-Dec-23																												Timeline dependant on IT answer. Discuss with Callsys	On going	Steve W contacted Callsys to see if changes possible. They are in contact with Daryl Clucas to see how Orchard set up.	Awaiting feedback HDC Callsys	awaiting feedback both sides. HTS push for response as short term fix
3.3	If job description is updated in Callsys this should be visible in Orchard. In short term speak to Callsys. Longer term new system requirement.	2	Michael Filmer Chris Honor HDC IT	31-Dec-23	31-Dec-23																												As above	On going	As above	As above	awaiting feedback both sides. HTS push for response as short term fix
3.3.1	Ensure that there is a standard approach to writing job descriptions to ensure that all the information needed is there, both by the operative and for any needed follow up. System led job descriptions but limited - better training for call handlers needed	20	Gavin Jackson	31-May-23	16-Jun-23																												External training to be scheduled - GJ	Complete	External - cover customer service as well, and provide a greater understanding of what jobs entail. Orchard 'script based' - but need to ask the 'right' questions.	Internal training has been carried out. Repairs Policy reinforced by front line team. Record attached	complete course and repairs policy. Team updated

3.4	If job priority is changed in Callsys this should be visible in Orchard. (Orchard not set up correctly?). Call centre to include notes when priority is changed. HDC should authorise change of priority.	3	Michael Filmer Chris Honor HDC IT	31-Dec-23	31-Dec-23	Timeline dependant on IT answer. Discuss with Callsys	On going		As above 3.2 - need to understand what is need to adjust Callsys to make this change - currently provide a report retrospectively	As per item 3.2	awaiting feedback both sides. HTS push for response as short term fix
3.4.1	Ensure job priority changes state that there has been a change and a reason for the change in the job description. Ensure a consistent process for all jobs - see 3.4	13	Michael Filmer Chris Honor HDC IT	30-Jun-23	31-Dec-23	Timeline dependant on IT answer. Discuss with Callsys	On going		As above 3.2 - need to understand what is need to adjust Callsys to make this change - currently provide a report retrospectively	As per item 3.2	awaiting feedback both sides. HTS push for response as short term fix
3.4.2	Create a process for keeping track of all jobs where the priority has changed	14	Michael Filmer Chris Honor HDC IT	31-Dec-23	31-Dec-23	We currently have a manual spreadsheet process, with results being shared monthly to HDC. Timeline dependant on IT answer. Discuss with Callsys	On going		Reported following month via a spreadsheet - included within joint report (very manual process) - looking at whether its possible to improve process via Callsys - see above.	As per item 3.2. Workaround copy attached	manual process provides report. Report to be sent to wendy to review and comment
3.4.3	In instances where a job needs to change priority create a process where permission must be gained from HDC	17	Michael Filmer Chris Honor HDC IT	31-Dec-23	31-Dec-23	To be addressed by new system.	On going		Had some discussions about potentially suspended jobs (e.g. awaiting materials) - need to come to agreed approach. Should HDC approve changes to priority (without created onerous workloads)? Appears that some of the base assumptions in Orchard are incorrect (e.g. counts calendar days rather than working days). Raise with HDC	Ongoing	Wendy to pick up as part of review
3.5	No access details not flowing from Callsys into Orchard. In short term speak to Callsys. Longer term new system requirement.	4	Michael Filmer Chris Honor HDC IT	31-Dec-23	31-Dec-23	Short term: Timeline dependant on IT answer. Discuss with Callsys L/Term: To be address ed by new system	On going		As above, 3.2. Need to understand how Orchard - part of the discussions between Callsys and Orchard via Daryl Clucas - possibly need changes in Orchard. If Orchard updated it doesn't automatically update in Callsys	As per item 3.2	awaiting feedback both sides. HTS push for response as short term fix
3.5.1	Review and revise the No Access plan to ensure better response in a timely manner	62	Gavin Jackson HDC	31-Jul-23	31-Jul-23	x2 No access to be recorded onto Callsys and report provided to ASC monthly. No further appt made after 4 weeks, order to be closed.	On going		Further joint discussions needed with HDC. Need to agree number of return visits that is acceptable. Need to agree no access protocol.Potential disrepair claim where jobs not completed due to not being able to gain access - need to agree with HDC.	Initial discussions held with HDC on 1.6.23 in order to agree standard process that meets the requirements of all parties and standardises through all the business	1 meeting held with HDC. Follow up in July to agree process. Better process than post needed. All attempts need to be evidence based
3.6	Provide training on Callsys app to ensure start and finish times are accurately recorded against jobs	11	Gavin Jackson	30-Jun-23	30-Sep-23	Training booked for ..... Attendance to be recorded onto T100 Training metrix and attendance register sent to HDC	Not started		Gavin working on a training plan which will also set out why - smaller, focussed groups planned rather than one big session	Slightly behind where we anticipated in being but in progress with all teams. Due to strike action	no training held yet. Operatives to sign a disclaimer following training. HTS to provide training dates within 2 weeks
3.7	Ensure all operatives are trained / retrained to use handheld devices to the same standard, and that information on how to use them is readily available to all	9	Gavin Jackson	30-Jun-23	30-Sep-23	As per 3.6	Not started		As above 3.6	As per item 3.6	no training held yet. Operatives to sign a disclaimer following training. HTS to provide training dates within 2 weeks
3.8	Refresher training to include providing comments on jobs becoming a mandatory HTS requirement. Training needed to ensure information is informative and appropriate	10	Gavin Jackson	30-Jun-23	30-Sep-23	As per 3.6	Not started		As above 3.6	As per item 3.6	no training held yet. Operatives to sign a disclaimer following training. HTS to provide training dates within 2 weeks
3.9	Amend systems so operatives can schedule their own follow-up jobs if needed and appropriate to do so. New system requirement, but is there a short term workaround - training requirement?	12	Gavin Jackson	01-Jul-24	01-Jul-24	Short Term: Manual process to be reminded to operatives at training refresher course. L/Term:To be addressed by new system	Not started		Short term - will be covered within training plan for 3.6 - longer term looking at new system to make easier. Follow up at monthly meeting with Support staff.	Short per item 3 6	long term
3.10	Keep hard copy of job priorities on Orchard to assist call centre staff and ensure job priorities are consistent and appropriate (lengthy document). Provide training on use	23	Gina Patten HDC	31-May-23	16-Jun-23	Hard copy to be available to all call centre staff. Latest edition to be supplied by HDC. Signed receipt confirmation by all call centre to be supplied to HDC	Complete		Got list - and will ensure that they are available to all call centre - job priorities are on the Harlow Council website.	Completed. As per item 3.3	Complete

3.1.1 Current ASC report not fit for purpose. Need transparency around job costs - job costing system / process needed (see also Process Design 8.1.1)

33	HTS & HDC	31-Dec-23	31-Dec-23	Requires work from HTS & HDC	On going
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Got meeting with HDC in April to look at that report as doesn't provide anyone with the information they need. Meeting scheduled for 9th April. (Neil, Steve, Gavin + finance) - led by Rebecca from HDC  
 Initial meeting held on 9.5.23. Proposals sent to HDC for comment. Copy attached  
 strategy day with HDC to be planned for July to look at way forward

**4 Work Planning & Dispatch**

4.1 Regular analysis of job requests to track trends to enable better planning of works (carried out by exception currently). New system should help make this more visible

32	Gavin Jackson	31-May-23	16-Jun-23	Manual until new IT system in place. Analysis to be reviewed at monthly meeting	Complete
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Part of monthly meeting and taken to ASC meeting. (e.g. flat blocks) Complete complete

4.2 Scheduling should be set up by Call Centre, especially with emergency and urgent jobs and appointments given within appropriate time window

51	Gavin Jackson	31-Aug-23	30-Sep-23	Call centre has started within Craft team on S1 and will look to increase to all teams and introduce further codes in 4 months	On going
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Starting process with Call Centre - craft team first (confirm dates and plan for other service areas) Ongoing on going, aiming for Aug could be Sept due to holidays. New column to show slippage to programme

4.2.1 Appropriate training should be provided to call centre staff to enable them to make appropriate and informed decisions

52	Gavin Jackson	19-May-23	16-Jun-23	Training booked for ..... Attendance to be recorded onto T100 Training matrix and attendance register sent to HDC	Complete
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Starting process with Call Centre - craft team first (confirm dates and plan for other service areas) See also above call centre training related Ongoing complete

4.3 Change listed priority within Callsys / Orchard so smoke detector installation or repair jobs can no longer be raised in Planned category (Landlord has 28 days to make these repairs)

24	HDC	30-Sep-23	16-Jun-23	Require HDC confirmation that priority changed in Orchard	Complete
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This has been dealt with, new system coming into place. Plan to start fitting next year - part on long term plan. (require evidence and plan details to close item). **CONFIRM WITH HDC THAT CHANGE HAS BEEN MADE IN ORCHARD** Complete complete

4.3.1 Complete all outstanding smoke and carbon monoxide detector jobs

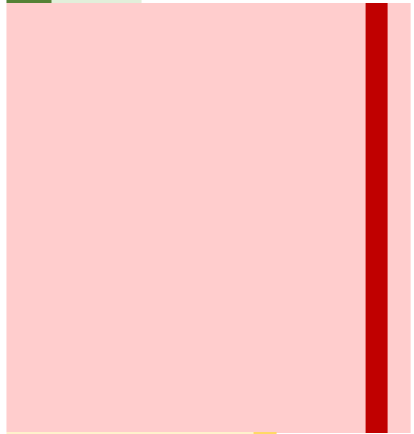
25	Jackie Kennedy	30-Apr-23	16-Jun-23	Confirm with Jackie	Complete
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This work is ongoing. (require evidence of work undertaken, details of outstanding work and a means for tracking progress in order to close item) - Gavin to check / confirm that all been done Complete complete

4.4 There is an issue with productivity. Staff morale will be a contributor to this, but start / end of day routines, time collecting materials, on job inspections etc can all help improve productivity. (HTS recognise wider need for organisational culture change)

44	HTS & HDC	01-Aug-24	01-Aug-24	In hand with monthly joint op meetings. Visibility into productivity, discussions on inspections, trends, training, resource etc.	On going
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Links to reviewing trends, and productivity incentive schemes. Number of related activities and linked to new systems, but shorter term improvements can be made (e.g. collecting materials etc.) Ongoing. See monthly meeting minutes on going, operatives aware that productivity is discussed and monitored

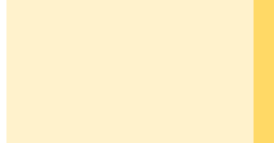
4.5 Introduction of Work Planning Hub - with aim to have greater visibility over work and status of jobs, getting supervisors / team leaders out from behind desk with more time on site. Will link to the broader redefining of key processes

45	HTS & HDC	01-Aug-24	01-Aug-24	To be addressed by new system.	Not started
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New system and dashboards should assist with this Long term long term

4.6 Remove the Planned Works category and produce a new category reduced time period and acceptable Kpi's

37, 38, 48	HTS & HDC	31-Mar-24	31-Mar-24	New category in place and being programmed. KPI's set up to monitor performance	not started
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WM requested Requirement added in as instruction from HDC that planned works category to be removed and replaced by a more suitable and measureable work priority

**5 Organisational Culture Change**

5.1 Culture change is something HTS recognises is needed as part of modernising the organisation. Whilst this was not an area specifically covered by the service review and the recommendations therein, it is acknowledged that Cultural change would support the delivery of the Service Improvement Plan.

5.1.1 Reward & Recognition - become an employer of choice; recruit and retain the right calibre of staff; employee wellbeing, welfare

5.1.2 Corporate Vision & Value - walk the walk, not just talk the talk; an organisation people are proud to represent

5.1.3 Training & development - giving people the skills and tools to do a great job

5.1.4 Engagement - employee involvement in decisions; empowered staff, trust, responsibility and accountability, collaborative, inclusive, personal reviews and development plans, succession planning, staff engagement surveys - and act on findings, greater sense of team

5.1.5 Communication

5.1.6 Open, honest & transparent

5.1.7 Modern service - use of technology, data driven, flexible working arrangements, demand led, responsive to change, effective and efficient services that continuously improve, best value, innovative, agile, consistency, transparent, measure & optimise performance - performance dashboards

5.1.8 Customer at the heart of service design - great customer service, trusted, reliable, right first time, excellent basics - does what it says on the tin

5.1.9 Climate / carbon friendly - smarter operations reducing mileage and vehicle movements, driver behaviours, reduced emissions

5.1.10 Safety first / zero harm - standard operating procedures, staff representatives and working groups, audit & inspection, behavioural change, IOSH training team leaders, supervisors, managers, near miss reporting

5.1.11 Financials - offer excellent value for money, competitive, tight control of costs, predictable, sustainable, disciplined

5.1.12 Community engagement - use of local supply chain, CSR, community champions, eyes and ears

**6 Business Systems**

6.1 It is recognised that current operational systems are not fit for purpose. HTS are in the process of selecting and procuring a new system(s)

6.1.1 Procurement

6.1.2 System design & configuration

6.1.3 Testing & implementation

6.1.4 Go Live



# HTS Governance Arrangements



**Report to:** Shareholder Sub Committee

**Date:** 23 August 2023

**Portfolio Holder:** Councillor Dan Swords, Leader of the Council

**Lead Officer:** Andrew Bramidge, Chief Executive (01279) 446000

**Contributing Officer:** Simon Hill, Director of Governance and Corporate Services (01279) 446099

**Corporate Priorities:** Fix council housing  
Restore pride in Harlow  
Improve council services

## Recommended that:

- A** Approval be given, in principle and subject to further legal advice, to:
- i) Simplify the HTS Group and company structure to achieve one delivery company named HTS Property and Environment with the winding up of all other companies within the HTS Group and associated necessary actions;
  - ii) Amend the company's Articles of Association to allow the ability to restructure the board by appointing external non-executive directors, portfolio holders and/or senior council officers to the board of the company.
- B** The Delegation be made to the Chief Executive, in consultation with the Leader of the Council, to:
- i) Commence recruitment processes, as required, to future board membership, except those appointed by Cabinet (Councillor Directors);
  - ii) Bring forward the required changes to the company articles as required by law to the next meeting of the Sub Committee.
- C** The Delegation be made to the Chief Executive, in consultation with the Leader of the Council, to:



- i) Scope options for future governance arrangements within the council of the company, including considering the role of the Shareholder Sub Committee, with options to be presented to the next meeting of the committee.

### **Reason for decision**

- A** In line with recommendations made in other reports to the committee at this meeting, the shareholder wishes to wind up all other companies, focus on improvement of core services, replace the 2022-27 HTS Business Plan and change the structure of the HTS Group, HTS Property and Environment and its articles and board memberships. These are matters for the Shareholder Sub Committee to determine.

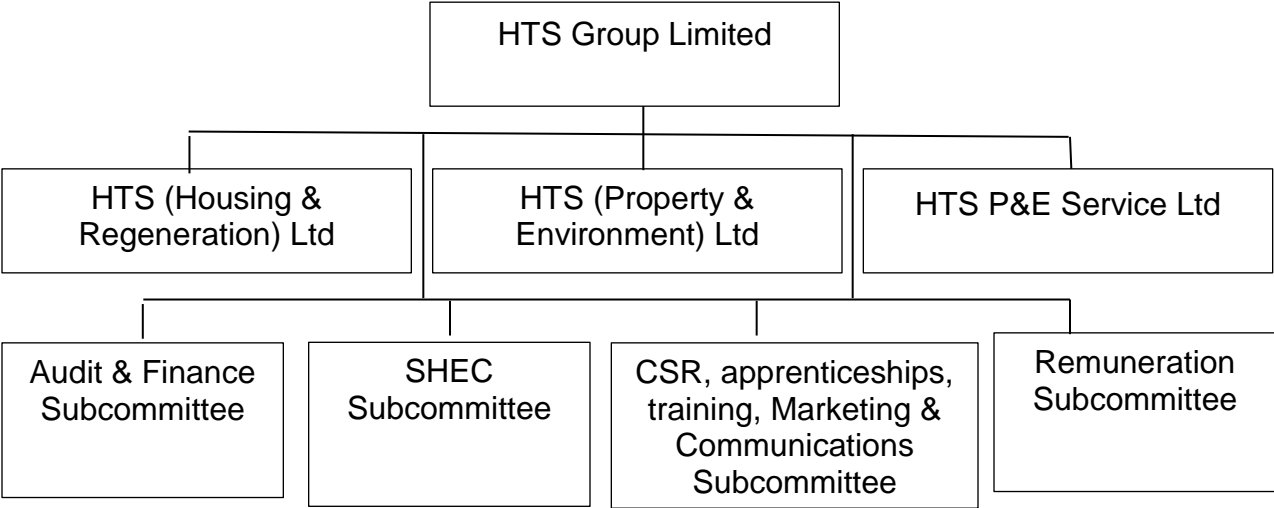
### **Other Options**

- A** Retain current structure of the Group, company and governance arrangements – This is the ‘do nothing’ option. This is not advised as the council and HTS are focusing on improvements of core service delivery and not of expansion of service delivery. Changing the board structure will help facilitate that change and amendments to the group structure so as to only retain HTS Property and Environment Ltd will facilitate the change.
- B** Not to appoint further specialist non-executive directors (NEDs) – This is not advised as the appointment of specialist NEDs has been identified as being a way of strengthening the Board’s expertise, if the Council do not pursue this, change will not be achievable.
- C** Seek an alternative Board structure – The changes that will be brought forward in formal legal resolution will not restrict future changes but will give flexibility, increase knowledge, and better resilience during the post-election period.

### **Background**

1. In 2022, Harlow Council and HTS commissioned a number of reviews of the performance and governance of the company and of Harlow Council’s role as both client and shareholder. These were designed to identify issues, offer recommendations as to how to increase performance and create an appropriate governance structure that would support this. These reports included two from Plan B on Housing Repairs and Landscape Maintenance respectively, from Pennington Choices on Value for Money and from Rujoja on Business Plan and Governance review.
2. The reports highlighted a number of challenges and areas of poor performance as well as offering a significant number of recommendations on how to improve the delivery of core services. The reviews advised that, given the substantial issues in performance and governance of the company, HTS should not be expanded in line with the 2022-27 HTS Business Plan and that instead, all focus should be on improving core services.

- 3. Considerable progress has been made to implement the action plans which flowed from the reports, as referenced in other reports to this meeting. The council now wishes to take the necessary action to ensure that all business efforts and council efforts are focussed on improving delivery of core services.
- 4. This was started in part at the Shareholder Sub Committee meeting in April 2023, at which the decision was taken not to create a Construction Company and not to expand the Housing and Regeneration Company as proposed in the HTS Business Plan 2022-27. It was agreed that options would be considered as to what best to do with the five properties within the Housing and Regeneration Company. It has subsequently been decided that the Housing and Regeneration company will be closed. The most tax efficient way of dealing with those five properties is currently being explored with tax advisers and therefore, a decision as to whether the properties are transferred to the Harlow Council Housing Revenue Account or as to whether the properties are disposed of will be taken at the next meeting of the Shareholder Sub Committee.
- 5. However, also agreed at the Shareholder Sub Committee meeting in April 2023, was the creation of a Property and Environment Services company for growth opportunities outside of the contractual relationship with the council.
- 6. The current governance structure is as below:

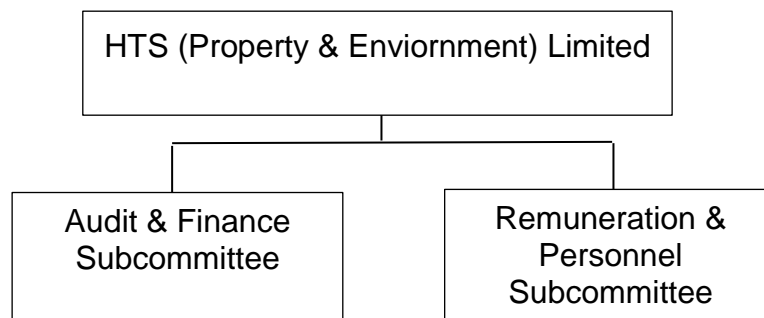


- 7. Recommendations were also made to strengthen the HTS Board with external non-executive directors, portfolio holders and/or senior council officers.

## Issues/Proposals

### HTS Governance Arrangements

8. As is referenced in other reports to the committee at this meeting, the council and HTS are seeking to replace the HTS Business Plan 2022-27 and focus on improvement of core services. Therefore, it is proposed that the HTS Housing and Regeneration company and the HTS Property and Environment Services company be closed so as to leave the HTS Property and Environment company. Subject to future decisions on an existing external contract in the HTS Property and Environment Services company, there is opportunity to incorporate the functions of the company into the main Property and Environment company.
9. As such, a revised governance structure would need to reflect these changes. In line with this aspiration, the HTS Group Board have further reviewed the governance structure and believe that there is an opportunity to streamline the governance, increase company efficiency with a particular focus on simplifying the delivery of the company's services, the auditing and the financial reporting requirements of multiple companies annually. There is also, currently, a duplication of business at HTS Group and P&E Board meetings.
10. The proposed new board structure to reflect these changes is below:



11. Should the council and HTS, in the future when core service performance is excellent, identify the need to create additional vehicles for activity, this can be considered at the time.

### Amendments to the Articles of Association and recruitment of new Directors

12. The council and HTS wish to strengthen the HTS Board with the appointment of external non-executive directors, portfolio holders and/or senior council officers. At present, the articles of association (Articles) of HTS Group Limited, as currently adopted on 10 November 2016, are written on the basis that the board of directors will be made up of at least three Councillor Directors (Article 21) and the quorum for any directors' meetings being two (2) Councillor Directors. The Articles of HTS P&E as adopted on 10 November 2016, are written on the basis that the board of directors will be made up of one MD (who

has now exited the business) at least three councillor directors and one non-executive director.

13. Therefore, amendments to these articles are required to facilitate further non-executive appointments. It is also suggested that further amendments be made to the articles to clarify the status of any Councillor Director that either retires, resigns, or fails to be re-elected. In this situation, having a wider pool of Directors would allow Board business to continue without concern over quorum.
14. It is thus proposed that the Shareholder Sub Committee agree in principle to these changes to allow external legal advice to be sought to take the necessary steps to amend the Articles of Association in the manner described. An update on progress would be brought to the next meeting of the Shareholder Sub Committee for formal agreement to the changes.
15. In order to move forward quickly with the recruitment of further Director appointments, delegation is also sought for the Chief Executive, in consultation with the Leader of the Council, to commence the necessary recruitment process ahead of the next Shareholder Sub Committee when formal changes to the Articles of Association will be brought forward.

### **Future governance of HTS within the council**

16. Given the findings of the reports referenced above and the proposed changes to the governance of HTS within HTS, consideration should be given to modernising the governance of the company by the shareholder (the council).
17. It is therefore proposed that the committee give delegation to the Chief Executive, in consultation with the Leader of the Council, to develop proposals for future governance arrangements within the council of the company, including considering the role of the Shareholder Sub Committee, with options to be presented to the next meeting of the committee.

### **Implications**

#### **Equalities and Diversity**

There will be no direct Equalities impacts to this proposal as standard equal opportunity recruitment will be used.

#### **Climate Change**

There are no Climate Change implications directly related to this proposal.

#### **Finance**

There are no direct financial implications arising from this report. However, it is expected that the recommendations will create efficiencies and give greater resilience for the company.

Legal advice is being sort for the most financially advantage way of simplifying the company structure to one deliver company.

Author: Jacqui Van Mellaerts, Assistant Director – Finance

### **Governance and Corporate Services**

This is an in-principle report and will require further formal resolution by the Committee and HTS Boards to bring forward. Legal advice will be brought to a subsequent Committee meeting. Proper and up to date filings with Companies House is a legal requirement.

Author: Simon Hill, Director of Governance and Corporate Services

### **Housing**

The simplification of the Governance Structure will allow a more streamlined operating model and decision-making process, which reflects the changes in the operating environment over the last five years. It is vital that HTS has a Board of independent NED's and Directors that have the experience and business acumen to take the organisation forward. These revisions will allow these improvements to take place and are supported.

Author: Neil Euesden, Interim Director of Housing

### **Strategic Growth and Regeneration**

The focussing of HTS business on the core work of housing and landscape maintenance is consistent with the decision taken by Cabinet to pursue a joint venture arrangement for regeneration programme delivery, rather than attempting to do this through HTS.

Author: Andrew Bramidge, Chief Executive

### **Appendices**

None

### **Background Papers**

None

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

CSR – Corporate Social Responsibility

NED – Non Executive Director

SHEC – Safety, Health, Environment & Compliance