

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

18 October 2017

7.30 - 8.24 pm

**PRESENT**

**Sub Committee Members**

Councillor Jon Clempner (Chair)  
Councillor Joel Charles  
Councillor Danny Purton  
Councillor Mark Wilkinson

**Officers**

Simon Freeman, Head of Finance  
Andrew Murray, Head of Housing  
Jo Maskell, Governance Support Officer

**Additional Attendees**

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

**APOLOGIES**

Councillor Andrew Johnson

10. **DECLARATIONS OF INTEREST**

None.

11. **MINUTES**

**RESOLVED** that the minutes of the meeting held on 15 June 2017  
are agreed as a correct record and signed by the Chair.

12. **MATTERS ARISING**

None.

13. **SUB-COMMITTEE WORK PLAN**

Further to Minute 5 (15/6/17), the Sub-Committee considered items for  
inclusion in its work plan for the current municipal year.

**RESOLVED** that the following be incorporated into the work plan:

- (a) Regular updates on the progression of HTS (eg. development and improvement of the service, business plan and budget);
- (b) Review the appropriateness of key performance indicators;
- (c) Implementation timetables giving key milestones for the Business and Environmental Plans.

14. **OPERATIONAL AND PERFORMANCE REPORTS**

(a) **HTS (Property and Environment) Ltd Performance Report and Balanced Scorecard**

The Sub-Committee received the second report of its kind, which set out HTS' operation and performance statistics as at August 2017; together with the update report for September 2017 which had been separately circulated prior to the meeting.

The report summarised the results of the monitoring, which highlighted how each service area was performing; drew comparisons between Key Performance Indicators (KPIs) against Year 1 targets; and also summarised the management accounts, which were on track for a retained profit of £854,000 for 2017/18.

Whilst acknowledging the progress made in addressing under-performing KPIs, the Sub-Committee suggested that a more in depth analysis of KPIs might better inform responses.

HTS were committed to providing an excellent service to meet the aspirations of Harlow residents, and were open to eventually exploring other opportunities in the future.

The Sub-Committee noted that since its last meeting HTS had been recommended for British Standards Institute accreditation in three areas; six apprentices had been appointed; Jewsons had moved into the depot and would be fully operational by November 2017; and Cabinet had approved the award of contracts to HTS for certain Phase 2 Business Cases.

**RESOLVED** that the performance and financial position set out in paragraphs 3 to 10 of the report is acknowledged as follows:

- (i) HTS (Property and Environment) Ltd's achievement of 98.21% against the suite of major and minor Key Performance Indicators which govern the contract;

- (ii) A favourable forward forecast of retained profit totalling £845,000 forecast for the year to 31 March 2018.

(b) HTS (Property and Environment) Ltd Risk Register

The Sub-Committee received a report which outlined the overall management of the risks relating to HTS and included appendices of risk analysis and mitigation recorded by both the Council and HTS.

Work would continue to ensure that risk reporting from the Council and HTS coalesced.

Strategic risks were reported quarterly to the HTS Board and the Council's Joint Performance Review Meeting (JPRM). They were also incorporated in the Council's Corporate Risk Register, whilst financial implications relating to HTS were managed under a separate Corporate Financial Risk Register.

It was noted that, as requested at the last meeting, the risks relating to HTS had been set out to align with the Council's approach to risk management. As such, they would be included in the regular risk management report to each Audit & Standards Committee from where, if necessary, they could be referred on for further scrutiny by the Cabinet.

**RESOLVED** that the strategic risks as relating to HTS (Property and Environment) Ltd, together with their analysis and mitigation, are noted.

15. **REFERENCES FROM THE HTS BOARD**

None.

16. **MATTERS OF URGENT BUSINESS**

None.

17. **DATE OF NEXT MEETING**

16 January 2018.

CHAIR OF THE SUB-COMMITTEE