

REPORT TO: SHAREHOLDER SUB-COMMITTEE

DATE: 25 JULY 2018

TITLE: REFERENCE FROM CABINET – BUSINESS PLAN AMENDMENT

LEAD OFFICER: ANDREW MURRAY, HEAD OF HOUSING
(01279) 446676

CONTRIBUTING OFFICERS: REBECCA FARRANT, OPERATIONS MANAGER
(01279) 446844

JULIE GALVIN, SOLICITOR (01279) 446045

RECOMMENDED that the Sub-Committee:

- A** Approves the Board's proposed amendment to the current Business Plan, in line with the Cabinet decision on 14 June 2018.
- B** Notes the revised Business Plan (2018/22) timetable.

BACKGROUND

1. Activity 2 of the Delegation Matrix approved by the Sub-Committee reserves the approval and adoption of the HTS (Property and Environment) Ltd Business Plan and material amendments thereto to the Shareholder.
2. At its meeting on 14 June 2018, the Cabinet received a report on the future priorities for HTS Group Ltd and HTS (Property & Environment) Limited (HTS). The Cabinet approved this report and is attached in Appendix A.
3. The current approved HTS Business Plan for the period 2017-2020 expressly refers to the HTS Board supporting the delivery of the Council's Corporate Values, which include 'More and Better Housing'. Under the current Services Agreement between the Council and HTS, HTS may be used as a vehicle to deliver these important Council priorities over and above core services delivered.
4. HTS is a vehicle created and operated within the 'Teckal' exemption. The governance of HTS includes Articles of Association, a scheme of delegation, and a Business Plan. All three of these documents are subject to Sub-Committee approval.
5. The additional house building activities, approved by the Cabinet in June 2018, could be delivered by HTS subject to the governance and best value principles being applied and met.

6. The existing HTS Business Plan 2017- 2020 focussed primarily on ensuring the successful mobilisation of core business activities following the transition from Kier Harlow Ltd. It also outlines other key ambitions relating to third party business growth, and further realising efficiencies. Performance reporting on delivery of progress is reported through the Balanced Scorecard as part of the wider suite of performance reports.

ISSUES/PROPOSALS

7. Following the approval from Cabinet for HTS to commence a programme of Council house building, an immediate amendment needs to be made to their current Business Plan for 2017-20 to facilitate the house building activities.
8. The Articles of Association for HTS do not require amendment to deliver these house building schemes. However, the aims and objectives for their current Business Plan must be amended immediately to include a wider scope for the 'construction, remodelling and refurbishment of Council owned property situated on Council land' to facilitate commencement of housing building activities.
9. It is proposed that the revised Business Plan be reported to Sub-Committee later in the year.

IMPLICATIONS

Implications of the recommended decision are outlined in the 'Implications' section of the original report, which is attached as Appendix A.

Appendices

Appendix A – Original report to Cabinet, 'HTS Group 2018-2020'

Background Papers

HTS (Property & Environment) Ltd Business Plan 2017 – 2020

Glossary of terms/abbreviations used

HTS – HTS (Property and Environment) Ltd