

**REPORT TO:** **SHAREHOLDER SUB COMMITTEE**  
**DATE:** **23 MARCH 2022**  
**TITLE:** **HTS GROUP LTD BUSINESS PLAN (2022-2027)**  
**REPORT OF:** **CHIEF EXECUTIVE AND SENIOR MANAGEMENT BOARD**

**RECOMMENDED that:**

- A** The Shareholder Sub Committee approves recommendation of the HTS Board that the proposed Business Plan, as set out in Appendix A to the report, be agreed.
- B** The Shareholder Sub Committee requires that an evaluation of the proposals to acquire properties for rent as part of the expansion of the Housing and Regeneration subsidiary be carried out no later than June 2022 and that the results of the evaluation will be reported back to the Shareholder Sub Committee.
- C** The Shareholder Sub Committee requires further work to be undertaken to fully evaluate the option to create a Construction subsidiary of the Group, as set out in the Business Plan, such that an options appraisal is submitted to the Shareholder Sub Committee no later than October 2022.

**REASON FOR DECISION**

- A** The Shareholder Sub Committee is required to approve the HTS Business Plan as a formal update on the Council's Corporate Strategy Delivery Plans over the next five years.

**BACKGROUND**

1. The new HTS Business Plan is presented in response to the new Corporate Strategy outlined in the Council's short, medium and long term ambitions.
2. The HTS Business Plan, as set out in Appendix A of the report, is influenced by the scoping document approved by the Shareholder Sub-Committee in September 2021. The plan outlines the Council's ambition for its Local Authority Trading Company (LATC) and reflects the new vision.
3. The proposed expansion of the group set out within the Business Plan represents significant ambition, growth and investment in the LATC. As such the recommendations set out in this report provide for additional information in respect of the Construction and Housing and Regeneration subsidiaries to be prepared in the form of feasibility and options appraisals and reported back to the committee within the defined timescales.

4. The proposed development and expansion of the Construction and Housing and Regeneration subsidiaries will not be progressed until such reports have been considered and agreed by the committee.
5. The document will be graphically designed once approved.

## **IMPLICATIONS**

### **Strategic Growth and Regeneration**

It will be important to assess fully the viability of proposals to acquire residential properties to rent, and also to establish a significant construction arm of the business, before financial assumptions are made regarding the impact on the HTS Group beyond 2022-23. Therefore, Recommendations B and C in the report are supported to enable the Business Plan to proceed as set out in the report and accompanying attachment.

**Author: Andrew Bramidge, Director of Strategic Growth and Regeneration**

### **Finance**

As set out in the report and appendix.

**Author: Simon Freeman, Deputy to the Chief Executive and Director of Finance**

### **Housing**

As outlined in the report.

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

### **Communities and Environment**

As outlined in the report.

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

### **Governance and Corporate Services**

The draft business plan seeks to address recommendations made as part of the Best Value Review published in 2019 and associated action plan on those recommendations. The business plan has governance implications which will be addressed individually as they occur including suggested additional companies and further board appointments.

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

### **Appendices**

Appendix A – HTS Group Ltd Business Plan (2022-2027)

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

HTS – HTS (Property and Environment) Ltd

LATC - Local Authority Trading Company