



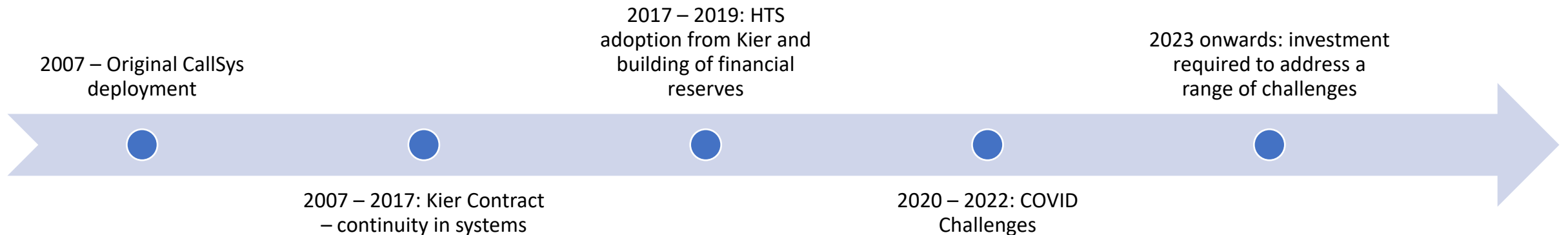
## HTS – IT Transformation

Leveraging IT to create a customer centric service organisation

01/02/2023

## A brief history:

- HTS are using legacy systems (and processes where no systems exist) that are over 15 years old and no longer fit for purpose
- Original plans to invest in IT were delayed due to
  - Handover – the transition from Kier to HTS left no capacity to adopt new IT systems
  - Prohibitive Cost – it was agreed to invest once reserves had been built up
  - COVID – implementing during this 2 year vacuum would have been impossible
- Investment in IT systems has long been an agreed requirement and forms part of the current Business Plan



HTS need to invest in modern IT systems and an associated change management program to:

- deliver a resident focused set of goals, business values and performance measures
- realise an uplift in productivity / reduce costs / drive efficiencies
- address the economic challenges of an increasing cost base against static income
- provide more comprehensive, transparent, and timely information to key stakeholders
- improve employee motivation, morale and well being
- make the Company more data centric, with a (near) real time view on the entire operations of the business, thereby empowering better decision making at all levels of management
- effect a change in culture
- provide a platform to support the Business Plan and strategy for growth

Our consultants (Plan B and TGG) review supports these changes and we now have support from the HTS Board and the HDC SMB

# Current Position (SWOT)

## Strengths

- Highly experienced workforce
- Track record of delivering services
- High proportion of staff are Harlow residents
- Collaborative & inclusive work culture
- Safety track record
- Employee familiarity with existing systems

## Opportunities

- KPIs mapped to resident satisfaction
- MOPs to monitor & evaluate performance
- Platform for introducing Rewards / Incentives Scheme
- Succession planning
- Schedule / Route Optimisation based upon (near) real time resource availability
- Digital Single Piece Flow of Work
- Data centric provision of information to key stakeholders
- Supporting Business Growth

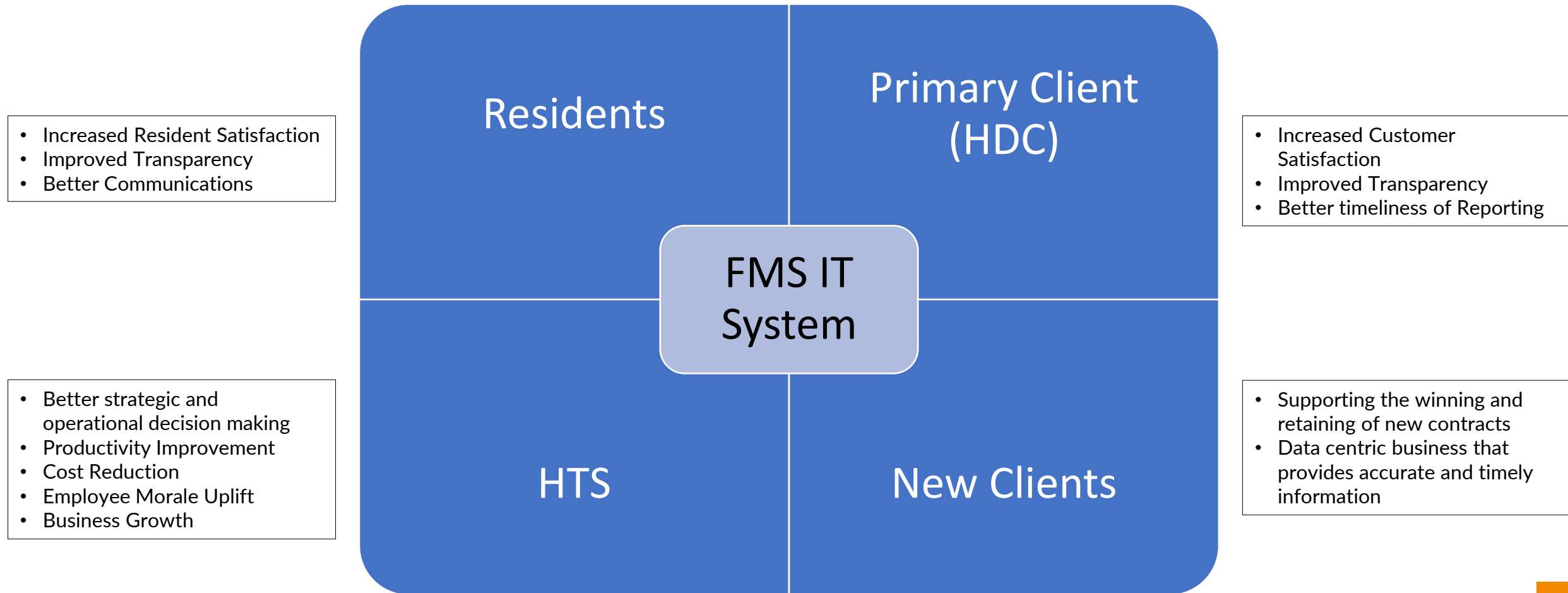
## Weaknesses

- Siloed Systems across the business
- Legacy systems from Kier (and beyond!)
- Paper based systems / processes
- Poor visibility and accountability of teams
- Timeliness of Reporting / Data Integrity
- Transparency of Management Information
- Reactive culture
- Stakeholder dissatisfaction

## Threats

- Current IT system's ability to support Business Plan / Growth
- Ageing workforce
- Challenging economic environment
- Ability to recruit
- Reliance on subcontractors (eg, roofing)
- Workforce adoption of new technology

# Key Stakeholders and Objectives



# IT solution - Features

## Planning & Scheduling

- Planned, unplanned, repetitive jobs, calendars, daily timeslots, maps, addresses

## Work order management

- Creation & completion, tracking, pre-work safety checks & risk assessments, monitoring, live reporting, subcontractor assignment

## Inventory & Equipment

- Logistics, availability, quantities, locations, requisition to stores, van stock management, input for planning, equipment availability & utilization

## Data & records storage

- Completion records, certification records, custom forms, photo submissions, reporting & analysis, procedure storage & retrieval

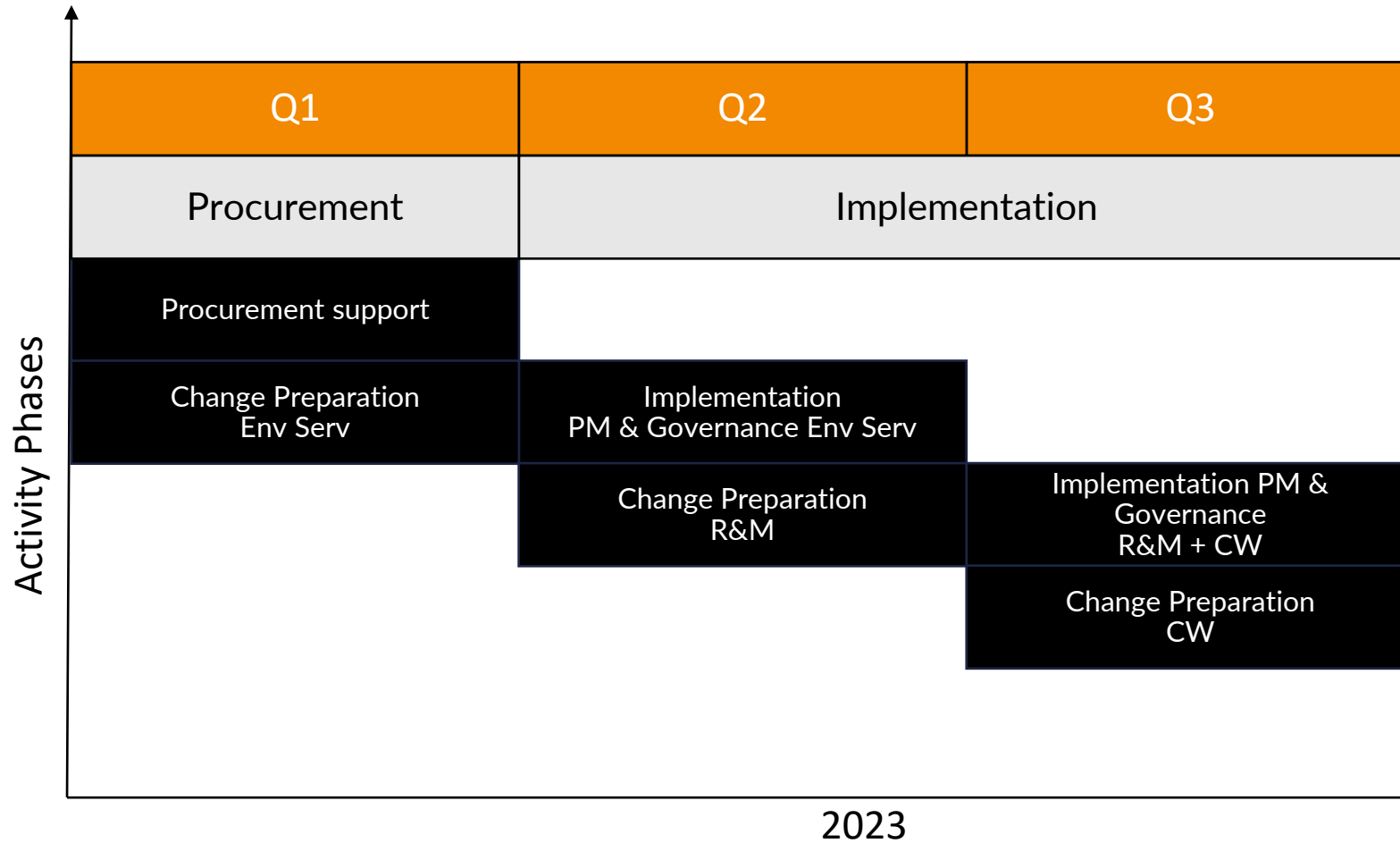
## Integration & Compatibility

- HR, Finance, Council systems( GIS, orchard, Granicus), Stores, Transport, Business Intelligence platform

## Customer Engagement

- Customer interactions (bookings, notification, job completion confirmation), Customer feedback

# Implementation Timeline



## Activity Key

**Procurement Support:**  
Procurement process delivers suitable FSM software vendor within timeline expected

**Change Preparation:**  
Organisation is more capable of meeting customer needs and is prepared for software integration, maximising the IT investment

**Implementation PM & Governance:**  
Implementation meets business requirements within timeline & budget, teams trained on software and utilise it to facilitate the management & completion of their daily work activities.

# Change management stages

	Activity	Outcome
Stage 1	1. Leadership renewal workshops	1. Simple & easy to communicate Compelling Business Need, High level goals & Business Values
Stage 2	2. Value stream mapping of resident needs to business activities	2. Clearly defined processes with KPIs(MOPs) that are directly linked to customer satisfaction
Stage 3	3. Organisational behaviour change program	3. PDCA/Daily Direction Setting/Communication cycles deployed across organisation



## Improved Performance

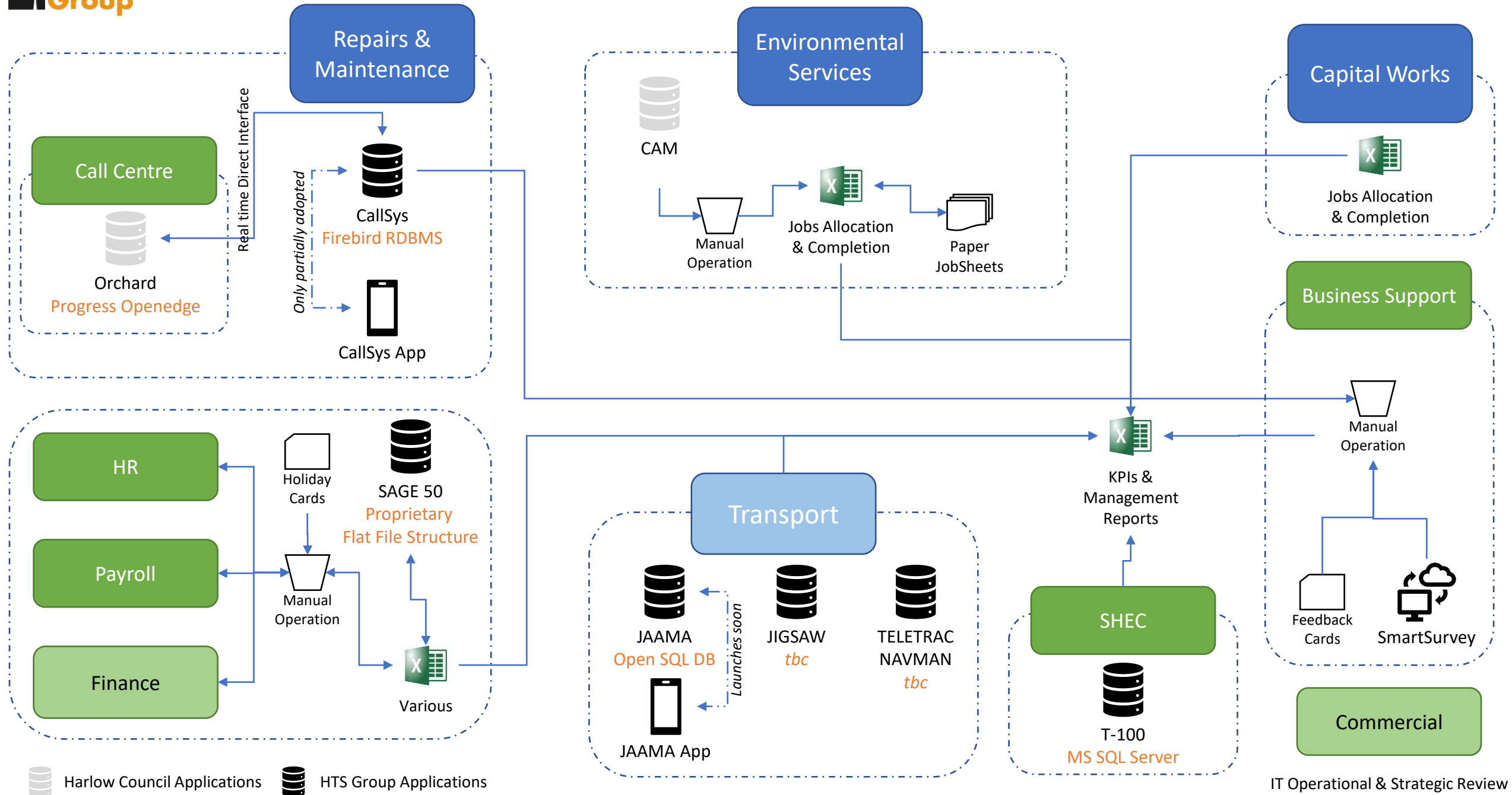
- Better planning & scheduling of tasks
- Real time tracking of job completion providing increased visibility
- Improved communication with field workforce allowing smoother deployment to work, and quicker response

## Improved customer satisfaction

- Customer satisfaction surveys/feedback
- Ability to view planned works date & time
- More responsive service experience

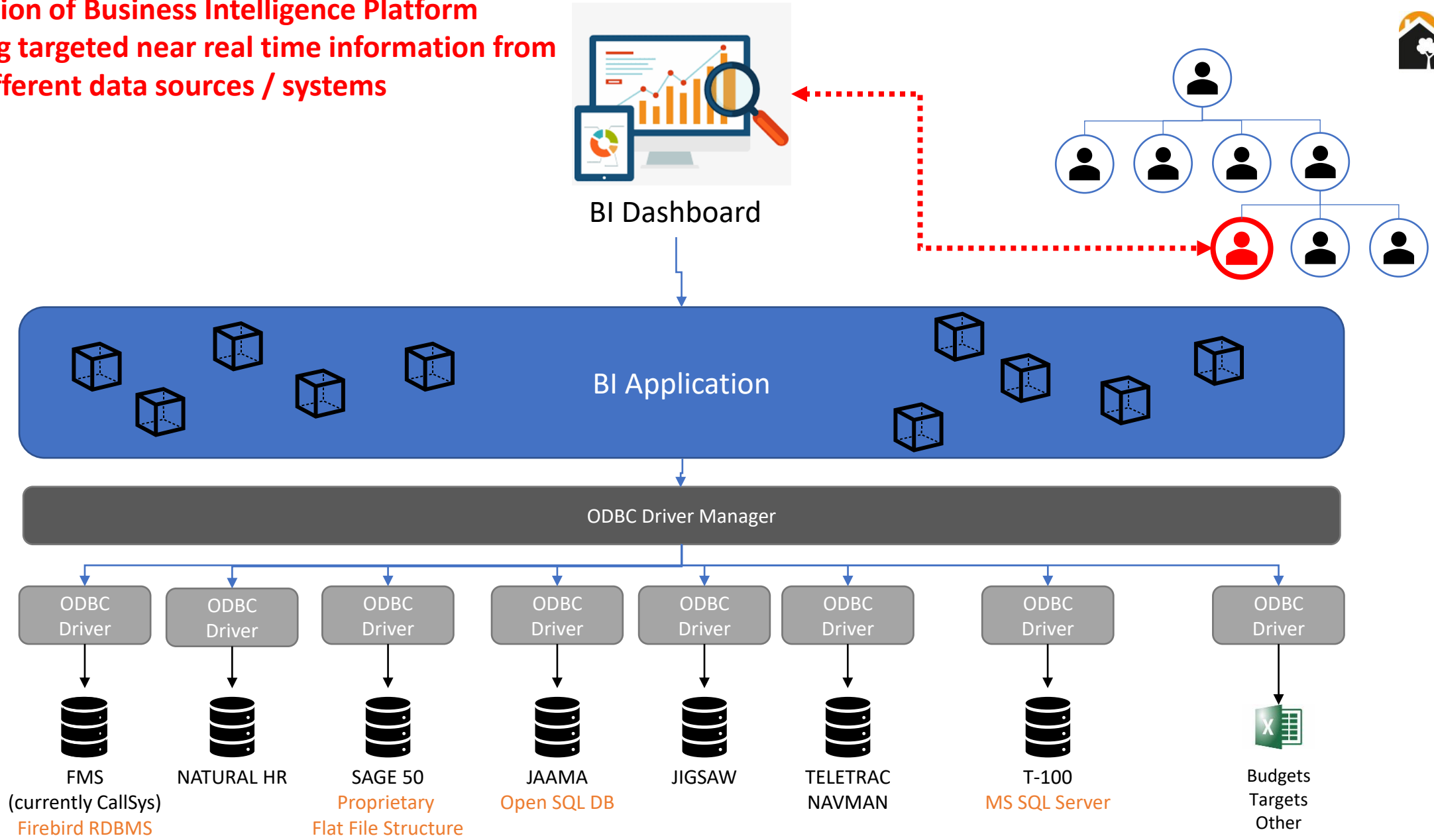
## Business Development Readiness

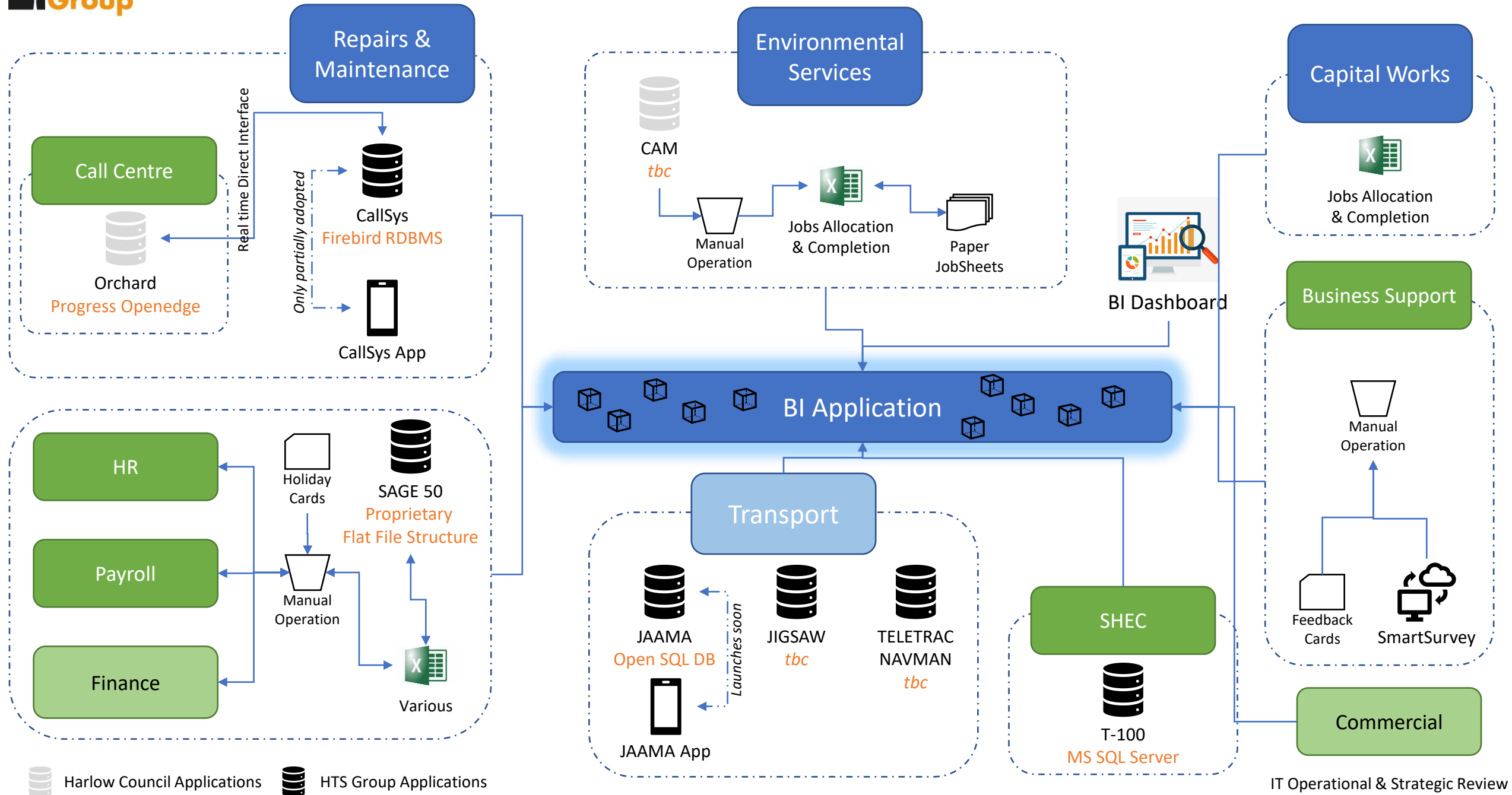
- Scalable IT system implemented
- Management systems improved
- Improved management response times
- Increased efficiency



# Introduction of Business Intelligence Platform

Delivering targeted near real time information from across different data sources / systems





**Current Issues:**

- Line Managers rely upon operatives when sick to call in (current policy is by 10am on the working day)
- Daily scheduling is impacted and line managers spend unproportionate time making phone calls to establish the availability of alternative operatives and rescheduling the day's work
- Feedback from jobs during the day that require follow up or further arrangements also inevitably involve a round robin of phone calls / messages

**Improvements:**

- The new HR system allows operatives to log they are sick via their smartphone with an instant notification going to the line manager (a new policy as part of the change management program introduces the need to report sick 30 mins ahead of due starting time)
- The sick record notification will be fed to the FMS so that available resources for the working day can be adjusted
- The FMS provides optimised rescheduling to deal with the reduction of resources available, taking into account the type of resources required to perform the type of jobs in the schedule
- The FMS provides real time information on jobs completed throughout the working day including any instances of follow up work / realignment of work needed – significantly reducing the current amount of time line managers spend calling / messaging operatives as well as uplifting productivity of operatives
- The BI Platform combines data from the HR system alongside scheduled / completed work from the FMS system in a dashboard that provides real time analysis and monitoring of performance based upon available resource, allowing managers at all levels to review and improve productivity



## Key issues:

- Heavily paper based
- Lack of clear targets
- Lack of visibility
- Heavily reliant on supervisors
- Lack of customer feedback
- Low staff moral due to high levels of criticism and reactive jobs
- Achieving KPIs but general dissatisfaction

## Improvements:

- Clear daily requirements
- Ability to recognise missed work and re-programme
- Management visibility and feedback
- Good feedback for teams
- Ability to easily monitor and understand strengths and weaknesses
- Ability to deal with issues and reward success
- Easy ability to deal with queries and customer need
- Reduced complaints, reactive work and staff criticism
- Improved reporting to management, the board, the client and beyond



- Gavin Jackson – New Operations Manager
- Fresh eyes to drive Improvements
- Experience with introducing new IT systems and processes within existing team
- Increased productivity for trades will result in more efficiency / better customer satisfaction and reduce overhead and prelims
- Improved WIP management
- Improve the planning of works from the front end
- Increased overview of performance / Drill down etc
- Improved transparency for Harlow
- Improved reporting

# Examples of opportunities for Productivity Uplift



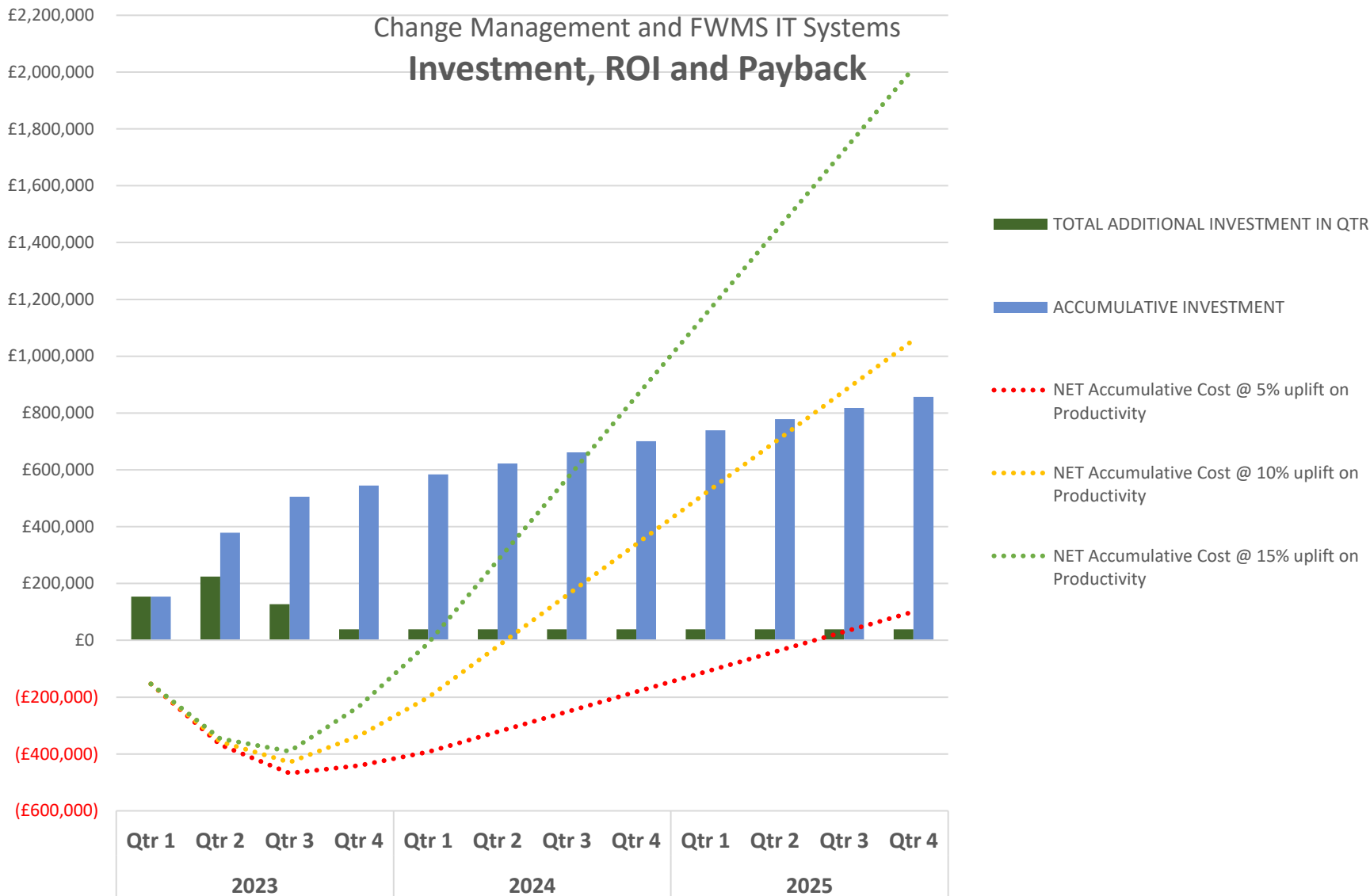
Dept / Area of Work	Current Baseline	Opportunity	Productivity Uplift
Grass Cutting – Cutting Time	4.2 Hours per day	6 hours per day (industry standard - ref Plan B )	<b>42%</b>
Grass Cutting – Cycle of works	17 days pre pilot	14 days post pilot (realised)	<b>21%</b>
ALL Services – Daily Timekeeping / Scheduling	Departure from depot / return to depot varies significantly	30 minute saving on a working day	<b>7%</b>
Carpentry	2 jobs per day (assumed current)	3 jobs per day	<b>50%</b>
Environmental Services	Heavy reliance on admin resources for daily scheduling and update of jobs	Pushing the completion of jobs to field based operatives via handheld technology removes the current ‘paper push’	<b>&lt;30%*</b>
Business Support Services	Preparation of reports relies heavily on data extraction and compilation from multiple siloed systems	Business Intelligence Platform that pulls data from multiple systems in near real time to provide stakeholder orientated dashboards	<b>&lt;30%*</b>

\*detailed analysis of potential time savings yet to be completed. Figures provided based upon key observations during business process mapping exercise completed over Q4 of 2022



# IT Investment & ROI

Change Management and FWMS IT Systems  
Investment, ROI and Payback



## Takeaway:

Investing £800k over 3 years and achieving a 10% productivity uplift would result in payback on investment within 1.5 years



The future looks challenging with price increases here to stay for some time. Our efficiency review will help us secure savings and service improvements over the next five years, including focusing on maximising operational productivity and investing in new technology.



Michael Harrowven JP  
Non-Executive Director and Chair HTS Group Ltd

## A Phased Rollout Approach

- The previous page shows 3 different possible line based upon a productivity uplift of 5%, 10% and 15% respectively, which are all pessimistic levels of productivity uplift based upon the findings of external consultants Plan B and TGG to date
- The forecasts feature a ‘rollout curve’ in terms of how quickly target productivity uplift can be achieved which has been applied as follows

	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 5	Qtr 6	Qtr 7	Qtr 8	Qtr 9	Qtr 10	Qtr 11	Qtr 12
Operational Savings Rollout Curve	0%	10%	25%	60%	80%	100%	100%	100%	100%	100%	100%	100%

- This means that productivity savings will only begin to be realised from Qtr2 after the initial phased rollout of the change management program and IT installation has begun. 100% of the 5%, 10% or 15% uplift examples would only be achieved by Qtr 6 – again this is a pessimistic forecast to allow for the cultural change elements of the change program become embedded
- Note that the more expensive suppliers have been used as the basis for the costs of the IT system in the forecasts and so the procurement process could realise potential savings and therefore a greater return on ROI
- The Change Management Program and IT systems implementation will follow an **agile** methodology which moves through the organisation, one team at a time, beginning with Environmental Services. This will contribute to a gradual uplift in productivity reflected in the rollout curve numbers above
- The plan is to begin with Environmental Services as they have no IT systems to migrate from (they currently use spreadsheets / paper workflows)
- There will be different levels of productivity uplift across different teams and new workflows and related KPIs will be team specific