

Blackpool Council

19 July 2018

To: Councillors Clapham, Critchley, Matthews, I Taylor

The above Members are requested to attend the:

SHAREHOLDER'S ADVISORY BOARD

Tuesday, 24 July 2018 at 3.00 pm
in Committee Room B, Town Hall, Blackpool, FY1 1AD

A G E N D A

ADMISSION OF THE PUBLIC TO COMMITTEE MEETINGS

The Head of Democratic Governance has marked with an asterisk (*) those items where the Committee may need to consider whether the public should be excluded from the meeting as the items are likely to disclose exempt information.

The nature of the exempt information is shown in brackets after the item.

This information is provided for the purpose of this meeting only and must be securely destroyed after the meeting.

1 DECLARATIONS OF INTEREST

Members are asked to declare any interests in the items under consideration and in doing so state:

(1) the type of interest concerned either a

- (a) personal interest
- (b) prejudicial interest
- (c) disclosable pecuniary interest (DPI)

and

(2) the nature of the interest concerned

If any member requires advice on declarations of interests, they are advised to contact the Head of Democratic Governance in advance of the meeting.

2 * MINUTES OF THE LAST MEETING HELD ON 17 MAY 2018 (Pages 1 - 12)

To agree the public and restricted minutes of the last meeting held on 17 May 2018 as a true and correct record.

(This item contains commercially sensitive information which is exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)

3 * BLACKPOOL OPERATING COMPANY LIMITED - FUTURE OBJECTIVES (Pages 13 - 68)

To outline the options for the future objectives of Blackpool Operating Company Limited.

(This item contains commercially sensitive information which is exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)

4 * CORPORATION TAX

To receive information relating to Corporation Tax from Mr Steve Thompson, Director of Resources.

(This item contains commercially sensitive information which is exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)

5 * COMPANY PERFORMANCE INDICATORS (Pages 69 - 82)

To provide an end of year update for 2017/2018 and to agree 2018/2019 targets for the suite of Key Performance Indicators (KPIs).

(This item contains commercially sensitive information which is exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.)

6 DATE AND TIME OF NEXT MEETING

To note the date and time of the next meeting as Tuesday 18 September 2018, commencing at 3.00pm.

Venue information:

First floor meeting room (lift available), accessible toilets (ground floor), no-smoking building.

Other information:

For queries regarding this agenda please contact Sharon Davis, Scrutiny Manager, Tel: 01253 477213, e-mail Sharon.Davis@blackpool.gov.uk

Copies of agendas and minutes of Council and committee meetings are available on the Council's website at www.blackpool.gov.uk.

Public Document Pack Agenda Item 2

MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - THURSDAY, 17 MAY 2018

Present:

Councillor I Taylor (in the Chair)

Councillors

Critchley Matthews

In Attendance:

Mr Antony Lockley, Director of Strategy and Assistant Chief Executive, Blackpool Council

Mrs Lorraine Hurst, on behalf of Company Secretary (Item 4 only)

Mr Andrew Foot, Head of Housing, Blackpool Council (Item 5 only)

Mrs Ruth Henshaw, Delivery Development Officer, Blackpool Council

Mrs Sharon Davis, Scrutiny Manager, Blackpool Council

Councillor Mrs Christine Wright, Cabinet Member for Housing (Item 5 only)

Mr Michael Williams, Managing Director, Blackpool Entertainment Company Limited
(Item 4 only)

Councillor Amy Cross, Chair, Blackpool Entertainment Company Limited (Item 4 only)

Ms Maggie Cornall, Director of Operations, Blackpool Coastal Housing (Item 5 only)

1 DECLARATIONS OF INTEREST

There were no declarations of interest on this occasion.

2 EXCLUSION OF THE PRESS AND PUBLIC

The Advisory Board resolved that under Section 100 (A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the restricted minute within Item 3 'Minutes of the last meeting held on 5 April 2018', part of Item 4 'Blackpool Entertainment Company Limited' during consideration of the financial projections and draft performance indicator data and part of Item 6 'Performance Indicators' during consideration of the draft performance indicator data on the grounds that they would involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

3 MINUTES OF THE LAST MEETING HELD ON 5 APRIL 2018

The Advisory Board considered the minutes of the last meeting held on 5 April 2018, noting that there was a public and restricted version.

The Advisory Board agreed that the minutes be signed by the Chairman as a true and correct record.

4 BLACKPOOL ENTERTAINMENT COMPANY LIMITED

(The press and public were excluded prior to the consideration of exempt information in this item as defined in paragraph 3 of Part 1 of Schedule 12A of the Act).

The Advisory Board discussed the progress of the development of the Conference Centre at the Winter Gardens in detail noting that the building work had started. Mr Williams, Managing Director, Blackpool Entertainment Company Limited (BECL) highlighted that there had been a number of delays to the work. It was noted that a meeting would be held in the week commencing 21 May 2018 between the Council, Company, Architect and Contractor in order to set a target date for completion of the building works.

Members considered that the building work was only one aspect of concern with regards to the Conference Centre and also discussed the marketing of the Centre in detail.

In response to questions, Mr Williams advised that he was confident the Centre would open in 2019 and that BECL was working jointly with Visit Blackpool to promote the Centre and the general Blackpool offer. It was noted that organisations set dates for conferences a number of years in advance and therefore the Centre must be advertised before it was completed in order to attract future business.

Members noted the importance of having high quality hotels and restaurants in order to attract large conferences and noted the new developments including the proposed on-site conference hotel. Mr Williams advised that BECL would work with hotels in order to provide offers to conference attendees.

Mr Antony Lockley, Director of Strategy and Assistant Chief Executive highlighted the achievement of winning the Government funding for the Conference Centre and the speed in which the building work had commenced. He advised that some delays to building work had been anticipated and that focus must turn to how to approach the marketing of the Centre. Members requested that a full presentation be provided by BECL to a future meeting demonstrating how the Centre would be marketed.

Mr Williams provided an overview of the work of the Company to the Advisory Board. He highlighted the history of the Winter Gardens and noted the recent expansion of the Company to include the running of 'The Hop' Public House and two 'Tower Coffee Company' coffee shops.

It was noted that the Winter Gardens hosted a number of external events and also hosted its own events including the Blackpool Dance Festival, which had grown to a large, 13 day, international dance event.

Mr Williams outlined the management team of the company and advised that BECL employed 140 full time, whole year members of staff. He added that the vision of the Company was to operate a year round, world class venue that was accessible to residents and visitors and that the mission of the Company was to increase visitor numbers to the resort, create a positive experience for clients and to deliver an agreed financial return.

The Advisory Board was informed that the Company faced a number of key challenges including reviewing the operation of the Tower Coffee Company, the establishment of the

MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - THURSDAY, 17 MAY 2018

Conference Centre, the lack of quality entertainment product and the high maintenance costs of the Grade 2 listed building.

Councillor Cross, Chair of BECL advised that she had been recently appointed to the Company Board. She reported that a Business Planning meeting had been held and key performance indicators for the company would be developed. She also reported that a skills audit would be undertaken of all non-Executive Directors in order to identify any gaps so that new appointments could be sought to fill the gaps.

Mr Williams presented the key financial data to the Advisory Board. Members considered that they required further information relating to Corporation Tax and requested that Mr Steve Thompson, Director of Resources be invited to a future meeting of the Advisory Board to provide detailed information on the subject.

Members went on to consider the key performance indicator data. Mrs Ruth Henshaw, Delivery Development Officer highlighted that a number of figures were provisional and that the collection of some data and the methodology required further consideration, in particular, how the footfall of visitors to the Winter Gardens was calculated. Members also requested clarification of the number of people surveyed by Infusion to provide data for some of the indicators.

It was noted that the performance indicator information would be updated and resubmitted to the next meeting of the Advisory Board alongside targets agreed with the Company.

The Advisory Board agreed:

1. To receive a presentation by BECL on the marketing of the Conference Centre to a future meeting.
2. To receive information from Mr Steve Thompson, Director of Resources relating to Corporation Tax at a future meeting.

5 RE-DEVELOPMENT OF FLATS AT 19-29 TROUTBECK CRESCENT

Mr Andrew Foot, Head of Housing reported that Blackpool Coastal Housing (BCH) had highlighted that the flats at Troutbeck Crescent had become increasing difficult to let and action was required to improve the quality of the housing on offer on the site. As a result, an options appraisal exercise had been undertaken to consider the costs and benefits relating to demolition and redevelopment of the site and, alternatively, refurbishment of the existing housing on the site.

The options analysis had demonstrated that demolition and redevelopment was the least costly option and that it would better meet the needs of future residents. Ms Maggie Cornall, Director of Operations, BCH added that consultation had taken place with existing residents and a largely positive response had been received to the proposal.

In response to questions, Ms Cornall advised that the project could be financed and would likely be funded by grant or through the Housing Revenue Account over a 30 year period.

The Advisory Board agreed to note the **Page 3** proposal to demolish and re-develop 81 flats at

MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - THURSDAY, 17 MAY 2018

19-29 Troutbeck Crescent, Mereside, and the role of BCH in identifying the need for action, re-locating residents, and informing proposals for new development.

6 PERFORMANCE INDICATORS

(The press and public were excluded prior to the consideration of exempt information in this item as defined in paragraph 3 of Part 1 of Schedule 12A of the Act).

Mrs Ruth Henshaw, Delivery Development Officer presented an overview of the performance indicator data provided by the companies.

Members discussed the performance indicators pertaining to each company and the data received to date. The following key points were noted:

- More detail was required regarding the Infusion Rolling Survey used to provide the data for some of the performance indicators and would be included in the next report to the Board.
- Further probing was required by the Corporate Delivery Unit to determine if the data submitted by the companies was robust and accurate.
- Future reporting would include commentary from both Companies and the Corporate Delivery Unit to explain performance.
- The performance indicators determined by the Shareholder's Advisory Board should also be important to the companies.

The Advisory Board requested that the data collected regarding customer satisfaction of Blackpool Housing Company be extended to include residents living in close proximity to the transformed properties in order to find out the impact made on the area as a whole. It was agreed that Mrs Henshaw contact Blackpool Housing Company to determine if such data could be collected.

The Advisory Board agreed:

1. The performance indicators and requested that they be re-submitted to the next meeting of the Board alongside targets for the indicators, as agreed with the companies.
2. That Mrs Henshaw contact Blackpool Housing Company (BHC) to determine if a further performance indicator could be added to reflect the perceived value to residents added to areas by re-development of dilapidated buildings by BHC.

7 DATE AND TIME OF NEXT MEETING

The Advisory Board noted the date and time of the next meeting as Tuesday, 24 July 2018, commencing at 3.00pm.

Chairman

(The meeting ended at 4.15 pm)

MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - THURSDAY, 17 MAY 2018

Any queries regarding these minutes, please contact:

Sharon Davis, Scrutiny Manager

Tel: 01253 477213

E-mail: Sharon.Davis@blackpool.gov.uk

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|--------------------------|--|
| Report to: | SHAREHOLDER'S ADVISORY BOARD |
| Relevant Officer: | Antony Lockley, Director of Strategy and Assistant Chief Executive |
| Date of Meeting: | 24 July 2018 |

WHOLLY OWNED COMPANIES PERFORMANCE FRAMEWORK

1.0 Purpose of the report:

1.1 To provide an end of year update for 2017/2018 and to agree 2018/2019 targets for the suite of Key Performance Indicators (KPIs).

2.0 Recommendation(s):

2.1 The Board is asked to:

- Consider the end of year update for 2017/2018.
- Consider and agree the targets for 2018/2019.

3.0 Reasons for recommendation(s):

3.1 To consider the views of the Advisory Board prior to implementing the framework for 2018/2019.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered: None

4.0 Council Priorities:

4.1 This contributes to both Council priorities:

- Economy – maximise growth and opportunity across Blackpool
- Communities – create stronger communities and increase resilience

5.0 Performance Update

5.1 In May 2018 the Advisory Board was presented with the initial Key Performance Indicator (KPI) dashboards for each of the wholly owned companies including the latest data available for the suite of KPIs. This report provides an updated position on performance for 2017/2018 (please see Appendices 5(a)-5(e)).

5.2 There has been a small number of revisions to the suite of performance indicators, in particular:

- Satisfaction with repairs will be used as a proxy measure for overall customer satisfaction of Blackpool Coastal Housing tenants as this survey is only undertaken every two to three years.
- Due to the complexities of reporting total profit for the individual companies, the potential to develop an economic benefit indicator is being explored.

5.3 The updated KPI dashboards also include the performance targets for 2018/2019. However, we are still awaiting confirmation of the performance targets for Blackpool Entertainment Company Ltd as these are to be agreed at their next board meeting in September 2018.

6.0 Reporting Timetable

6.1 Performance will be reported to the Advisory Board in line with the schedule below:

| Meeting | What will be reported? |
|-------------|--|
| 6 Nov 2018 | Blackpool Entertainment Company - six monthly performance Blackpool Operating Company - six monthly performance |
| 22 Jan 2019 | Blackpool Coastal Housing - six monthly performance Blackpool Housing Company - 6 monthly performance |
| 12 Feb 2019 | Blackpool Transport Services - six monthly performance |
| 2 Jul 2019 | All companies - annual review |

6.2 Managing Directors will be asked to provide a brief commentary on performance and the Performance, Delivery and Commissioning Team will make observations on data quality (where necessary) for inclusion in performance reports.

6.3 Please note that the six month performance review for Blackpool Transport has been moved to 12 February 2019. The paper deadline for the meeting on 9th October 2018 is before the end of Quarter 2 and therefore data for Quarter 2 would not have been available for this meeting.

6.4 List of Appendices:

- Appendix 5(a) – Blackpool Coastal Housing KPI Dashboard
- Appendix 5(b) – Blackpool Entertainment Company Ltd KPI Dashboard
- Appendix 5(c) – Blackpool Housing Company KPI Dashboard
- Appendix 5(d) – Blackpool Operating Company Ltd KPI Dashboard

Appendix 5(e) – Blackpool Transport KPI Dashboard

Note: Appendices are exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

7.0 Legal considerations:

7.1 None

8.0 Human Resources considerations:

8.1 None

9.0 Equalities considerations:

9.1 The framework makes provision for monitoring access to services by people with disabilities.

10.0 Financial considerations:

10.1 None

11.0 Risk management considerations:

11.1 None

12.0 Ethical considerations:

12.1 None

13.0 Internal/ External Consultation undertaken:

13.1 Not applicable

14.0 Background papers:

14.1 None

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