

# Blackpool Council

13 September 2018

To: Councillors Clapham, Critchley, Matthews, I Taylor

The above members are requested to attend the:

## **SHAREHOLDER'S ADVISORY BOARD**

Tuesday, 18 September 2018 at 3.00 pm  
in Committee Room B, Blackpool Town Hall, 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 purposes 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 24 JULY 2018**

(Pages 1 - 8)

To agree the public and restricted minutes of the last meeting held on 24 July 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 COASTAL HOUSING LTD**

(Pages 9 - 16)

To provide an update on the recent work of Blackpool Coasting Housing (BCH) including a summary of Quarter 1 performance for the period 1 April – 30 June 2018.

**4 \* BLACKPOOL HOUSING COMPANY LTD**

(Pages 17 - 22)

To provide an update on the recent work of Blackpool Housing Company (BHC) including a summary of Quarter 1 performance for the period 1 April – 30 June 2018.

(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 DATE AND TIME OF NEXT MEETING**

To note the date and time of the next meeting as Tuesday 9 October 2018, commencing at 3pm.

**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](mailto: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](http://www.blackpool.gov.uk).

# Public Document Pack Agenda Item 2

MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - TUESDAY, 24 JULY 2018

## Present:

Councillor I Taylor (in the Chair)

Councillors

Clapham

Critchley

Matthews

## In Attendance:

Mr Alan Cavill, Director of Communications and Regeneration, Blackpool Council

Mr Steve Thompson, Director of Resources, Blackpool Council

Ms Kate Aldridge, Head of Delivery and Performance, Blackpool Council

Mr Scott Butterfield, Transformation Manager

Mrs Sharon Davis, Scrutiny Manager, Blackpool Council

Councillor Graham Cain, Chairman, Blackpool Operating Company Limited

Mr John Child, Managing Director, Blackpool Operating Company Limited

Mrs Lorraine Hurst, on behalf of Company Secretary

## 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 17 May 2018', the whole of Item 4 'Blackpool Operating Company Limited – Future Objectives', the whole of Item 5 'Corporation Tax' and part of Item 6 'Company 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 17 MAY 2018

The Advisory Board considered the minutes of the last meeting held on 17 May 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 OPERATING COMPANY LIMITED - FUTURE OBJECTIVES

The Advisory Board considered the options for the future objectives of Blackpool Operating Company Limited. Councillor Graham Cain, Chairman, Blackpool Operating Company Limited highlighted additional details on the preferred option.

## **MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - TUESDAY, 24 JULY 2018**

The Advisory Board recommended, as the representative of the Shareholder, that the Council and Blackpool Operating Company Limited actively pursue the preferred option.

### **5 CORPORATION TAX**

Mr Steve Thompson, Director of Resources had been invited to attend the Advisory Board following a request made at the previous meeting by Members to further their understanding of Corporation Tax. Mr Thompson advised of the requirements and responsibilities of companies with regards to Corporation Tax. He added that financial planning was very important and that he met regularly with the Finance Directors of each company.

He also highlighted other key funds and taxes including Capital Allowances, Stamp Duty Land Tax, the Bus Service Operators Grant, Land Remediation Relief and VAT Cultural Exemption.

### **6 COMPANY PERFORMANCE INDICATORS**

The Advisory Board considered the end of year update of the Company Performance Indicators for 2017/2018 and the targets for the indicators for 2018/2019. Members discussed the indicators and targets for each company in detail.

Councillor Graham Cain, Chairman, Blackpool Operating Company Limited (BOCL) highlighted the recent award won by the Sandcastle Waterpark, 'Most Popular Changing Places Toilet Facility in the UK'. Members commended the achievement and it was agreed that a request be made through the Director of Community and Environmental Services to Danfo, who were building a new toilet facility opposite the Sandcastle, to install a plaque to highlight that a Changing Places Toilet Facility was available for use in the waterpark building.

The Advisory Board also noted the defibrillators that were being installed along the promenade, a project instigated by BOCL in partnership with North West Ambulance Service. The maintenance and support of the defibrillators would be an excellent example of joint working with a number of organisations and services involved.

Mr John Child, Managing Director, BOCL, Councillor Graham Cain, Chairman, BOCL and Mrs Lorraine Hurst, on behalf of Company Secretary left the meeting following the conclusion of consideration of the BOCL performance indicators.

The Advisory Board agreed the targets for the indicators for 2018/2019.

### **7 DATE AND TIME OF NEXT MEETING**

The Advisory Board noted the date and time of the next meeting as Tuesday 18 September 2018, commencing at 3pm.

## MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - TUESDAY, 24 JULY 2018

### Chairman

(The meeting ended at 4.25 pm)

Any queries regarding these minutes, please contact:

Sharon Davis, Scrutiny Manager

Tel: 01253 477213

E-mail: [Sharon.Davis@blackpool.gov.uk](mailto:Sharon.Davis@blackpool.gov.uk)

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<b>Report to:</b>	<b>SHAREHOLDER'S ADVISORY BOARD</b>
<b>Relevant Officer:</b>	John Donnellon, Chief Executive, Blackpool Coastal Housing Ltd
<b>Date of Meeting:</b>	18 September 2018

## BLACKPOOL COASTAL HOUSING LTD

### 1.0 Purpose of the report:

1.1 To provide an update on the recent work of Blackpool Coasting Housing (BCH) including a summary of Quarter 1 performance for the period 1 April – 30 June 2018.

### 2.0 Recommendation(s):

2.1 The Board is asked to:

- Consider and challenge performance for Quarter 1 2018/2019.
- Consider and review the update provided by Blackpool Coastal Housing.

### 3.0 Reasons for recommendation(s):

3.1 To monitor performance of the wholly owned companies and their contribution to the Council's strategic priorities.

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? N/A

3.3 Other alternative options to be considered:

### 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 Q1 2018/2019

5.1 Performance against the suite of key performance indicators for Blackpool Coastal Housing can be found in Appendix 3(a) – BCH KPI Dashboard (Q1 2018-19). Where appropriate, a RAG rating has been used to denote whether performance is improving or deteriorating when compared with previous performance. Additional commentary to support performance

during Quarter 1 2018/2019 and update the Board on the current financial position and recent activity can also be found in Appendix 3(b) – BCH Commentary (Q1 2018/2019).

5.2 Performance for Quarter 2 2018/2019 for Blackpool Coastal Housing will be presented to the Shareholder’s Advisory Board at the meeting on 22 January 2019. If possible, performance will also be reported for Quarter 3 2018/2019 where data is available.

**6.0 List of Appendices:**

Appendix 3(a) – BCH KPI Dashboard (Q1 2018-19)

Appendix 3(b) – BCH Commentary (Q1 2018-19)

**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

## Blackpool Coastal Housing - Key Performance Indicator Dashboard

Outcome	Indicators	2017/18	Q1 2018/19	Target 2018/19	Commentary / Questions
<b>Provide quality affordable homes for Blackpool residents</b>	Satisfaction with repairs	97.77%	<b>99.4%</b>	94%	This is a transactional satisfaction survey that is completed after a repair and completed monthly. There is a further proxy measure for overall satisfaction of tenants which is collected every 2-3 years. Satisfaction with repairs is usually a good indicator of how well customers think we are performing.
	Emergency repairs completed on time	99.97%	<b>99.88%</b>	99.8%	Emergency repairs continue to perform well. 1 repair out of 841 completed was out of target.
	Turnover - proportion of housing stock re-let in the previous 12 months	9.12%	<b>8.88%</b>	10.5%	This can be completed on a rolling 12 month basis. As at 01/07/2018 this was 8.88%
	Disabled Facility Grant (pilot scheme) – average number of days to complete	328 days	<b>330 days</b>	365 days	Proportion is variable month to month.
<b>Improved community stability</b>	Number of residents supported into jobs through the More Positive Together project	7 (Mar 2018)	7 (30 June 2018)	135 (Dec 2019)	A further 7 customers have secured employment in July.

Key:  Positive  Negative  Neutral  No Data

Outcome	Indicators	2017/18	Q1 2018/19	Target 2018/19	Commentary / Questions
Company financial indicator	Percentage of homes which are empty but not available for letting	1.49%	1.7%	1.5%	Council decisions on redevelopment are impacting on this particularly the Troutbeck scheme.
	Current tenant arrears as % of collectable rent	1.84%	2.09%	1.8%	Rent arrears will always be higher in quarter 1 as none of the rent free weeks have been. This means that those paying by direct debit equally over the year will increase this figure but are not technically in arrears.
	Working balance <sup>#</sup>	£1,150,000 (31st Mar 2018)	Annual	Balanced budget	

**Data Notes:**

<sup>#</sup> For monitoring purposes only – 2017/18 figure is projected outturn as at Quarter 3 2017/18. Actual outturn not available at time of data collection.

**Key:**  Positive  Negative  Neutral  No Data

## Blackpool Coastal Housing (BCH) Commentary

### KPI Performance:

The KPI's selected by the panel have been circulated and may prompt questions. In terms of additional commentary it is worth noting that;

- A monthly update has been provided on repairs satisfaction rather than the annual figure so the Board can follow trends and the annual performance will be reported after year end.
- Commentary has been included on the More Positive Together jobs programme, including how many participants have been placed in employment in the last month to give the Board an idea of progress towards the project target that is due in 2019.
- The percentage of empty homes is above target as properties are being held vacant in a number of areas in advance of demolition and redevelopment most notably at Troutbeck which was a scheme highlighted at a previous Board. At the end of July there were 120 voids of which 51 were being held in advance of redevelopment.
- The rent arrears figure does not show a smooth profile as a number of rent free weeks were operated throughout the year which means those paying by direct debit evenly throughout the year will create a mismatch between collectable rent and arrears. Of greater concern is the underlying economic position coupled with universal credit which is beginning to impact on arrears particularly among working tenants whose income is a mix of wages and in work benefits.

### Key Issues:

#### Finance:

The budget performance of BCH has remained strong. £500k was available to transfer to the general fund as part of the current year's budget process despite operating on a frozen fee. Price and wage inflation was dealt with through a value for money approach and performance has been maintained or improved in all areas. The Housing Revenue Account (HRA) has sustained some lost rental income as a result of the delays in completing Queens Park, the latest projected completion date is November this year. The necessary legal and contractual steps have been taken that will allow the Council to pursue liquidated damages which would be rental loss in the main. At present the focus is ensuring Lovell's complete all units to the required standard. Once BCH is assured of a final handover date a decision will be made on liquidated damages.

#### Development:

Following the Councils' decision to demolish and redevelop Troutbeck work has taken place to relocate existing tenants and deal with leaseholders. Those affected are being given priority when bidding for properties and the company is ahead of programme with just short of two thirds of the units vacant. BCH is still aiming to complete all the decant programme by agreement and will only resort to legal powers to compel people to leave if there is no other option. Architects will be

appointed by October 2018 to produce plans for the site prior to the Council making a decision about the overall scheme and housing mix.

The final piece of demolition at Grange Park, the Chepstow Road shops and flats should now be demolished; work had begun at the time of writing this report. A masterplan has been consulted on with local people and scheme appraisal is under way as is an evaluation of delivery options. Again a final option will need to be agreed by the Council. Depending on final scheme designs Troutbeck and Grange together will provide somewhere between 200 and 250 new homes.

## Core Services:

Performance has remained strong on all housing services; both the Anti-Social Behaviour service and lettings have had their external accreditation renewed following inspections which sit alongside the rents service's existing accreditation. A review of the Operations Service is nearly complete which is designed to make the in house delivery of repairs and capital works as efficient as possible. The review will deliver a smaller more productive workforce. Job losses have all been achieved by voluntary means and repairs performance has been maintained throughout the process. The review will produce significant savings which will allow the company board to reinvest in services and provision that furthers the business plan objectives which are aligned to the Council plan.

## New Service Areas:

Positive Transitions, which is a service that is provided for Children's Services and targets the provision of stable accommodation and support for care leavers moving into independent living. Feedback from Children's Services and care leavers themselves has been positive and the early engagement with care leavers coupled with the collaborative approach to selecting a property and the subsequent support is resulting in much improved stability. The service is continuing to develop and a proposal to extend a time limited support offer to those who have missed out on the current programme but still fall under the care of the Council (18 to 25yr olds) will be the subject of a funding bid this autumn. The only concern with the future development of the programme is the lack of specialist and mental health support for the small number of young people in the programme that have needs that cannot be met by the universal service.

## More Positive Together:

This scheme is funded jointly by BCH and European Structural and Investment Funds and provides for a team to support tenants across Blackpool with the aim of getting people closer to work and into jobs and/or training. BCH is leading the Fylde Coast cluster of social landlords and making significant progress with customers who are a distance from the labour market. The programme is set to run to December 2019 but given the progress and impact discussions are being entered into to extend the programme and bid for additional funds.

## Other Issues:

The long awaited government Green Paper on social housing has been launched for consultation. The paper was preceded by the Grenfell tragedy and understandably reflects the concerns that have emerged in the aftermath of the fire and throughout the ongoing inquiry. The Green Paper was

being heralded as a significant re launching of social housing as a key element of market change and meeting housing need. While the paper has some warm words about the role of Councils and social housing providers it is short on substantial measures beyond the creation of league tables for providers and the strengthening of complaints procedures and consumer regulation. It is a missed opportunity to reposition Council housing as tenure of choice and to start to develop substantial numbers of new social houses. There is no new money other than the additional borrowing powers that have already been made available for areas of high demand; Blackpool is not an eligible area. There remains a significant lobby to raise the HRA borrowing cap to allow more new development but as yet there has been no move to accommodate this lobby.

Two areas of concern that were being promoted but have been dropped in the green paper are the potential to force the sale of high value council homes by levying a charge on Councils based on a formula and the forced removal of lifetime tenancies. The problems around right to buy receipts have been acknowledged and there is a promise to consult further.

BCH will work with the Council to produce a response to the consultation but it is likely given the content and tone of the Green Paper and the ongoing pressure from Brexit that any housing solutions for Blackpool are going to have to be driven locally rather than rely on legislative change from the government.

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<b>Report to:</b>	<b>SHAREHOLDER'S ADVISORY BOARD</b>
<b>Relevant Officer:</b>	David Galvin, Managing Director, Blackpool Housing Company Ltd
<b>Date of Meeting:</b>	18 September 2018

## BLACKPOOL HOUSING COMPANY LTD

### 1.0 Purpose of the report:

1.1 To provide an update on the recent work of Blackpool Housing Company (BHC) including a summary of Quarter 1 performance for the period 1 April – 30 June 2018.

### 2.0 Recommendation(s):

2.1 The Board is asked to:

- Consider and challenge performance for Quarter 1 2018/2019.
- Consider and review the financial position statement provided by the company.

### 3.0 Reasons for recommendation(s):

3.1 To monitor performance of the wholly owned companies and their contribution to the Council's strategic priorities.

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? N/A

3.3 Other alternative options to be considered:

### 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 Q1 2018/2019

5.1 Performance against the suite of key performance indicators for Blackpool Housing Company can be found in Appendix 4(a) – BHC KPI Dashboard (Q1 2018/2019) (exempt from publication). Where appropriate, a RAG rating has been used to denote whether performance is improving or deteriorating when compared with previous performance.

5.2 Performance for Quarter 2 2018/2019 for Blackpool Housing Company will be presented to the Shareholder's Advisory Board at the meeting on 22 January 2019. If possible, performance will also be reported for Quarter 3 2018/2019 where data is available.

**6.0 Finance**

6.1 The company has provided a current financial position statement for the Board's consideration, attached at Appendix 4(b).

6.2 The appendices contain commercially sensitive information and are exempt from publication by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

**6.3 List of Appendices:**

Appendix 4(a) – BHC KPI Dashboard (Q1 2018/2019) (exempt from publication.)

Appendix 4(b) – Financial Statement (exempt from publication.)

**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