

**LEADER OF THE COUNCIL –‘CORPORATE’ PORTFOLIO AREA**  
**COUNCILLOR SIMON BLACKBURN**

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The Corporate area covers my portfolio and those of:

- Councillor Ivan Taylor (Cabinet Member for Projects and Partnerships)

The full details of the portfolio areas can be found on the Council’s website at <https://www.blackpool.gov.uk/Your-Council/Your-councillors/Executive-members.aspx>

### **Corporate Issues**

#### **Financial Monitoring 2017/ 2018 and Budget 2018/ 2019**

I can report to Members that as at month 7, the Council was forecasting an overspend by year-end of £4.0m. The principal financial pressures are presenting in Children’s Social Care, Strategic Leisure Assets, Business Loans Fund and Parking Services. However, in the context of £34m of Earmarked Revenue Reserves and with five months of the financial year remaining, officers are working diligently and expeditiously to improve the position such that working balances of at least £3.0m are reached by year-end. Revised service and financial plans are underway, including the review of non-essential spend and delays to filling non-front line vacancies.

The Council’s Provisional Settlement for 2018/ 2019 was published on 19 December 2017. The specific details and implications of this announcement will be contained within the Council’s Revenue Budget 2018/ 2019 report.

#### **Treasury Management**

As at the end of November 2017, I can confirm that Council Tax collection was 68.3% compared to 68.1% at the same month in 2016/ 2017. The total amount collected has risen by £1.8m, mainly due to increases in both the Council Tax rate and base.

I am pleased to report that Business Rates collection is improving, standing at 68.0% at the end of November, compared to 66.2% the previous year. This increase in collection of 1.8% equates to £1.3m, a not inconsiderable amount.

Although the amount borrowed over the last five years has increased by nearly 52%, total interest payable has reduced by 6.6%. This reflects prudent financial management, borrowing when appropriate to do so and reviewing the restructuring of debt whenever the opportunity becomes available.

In addition to our prudent borrowing approach, we also ensure that experts manage any business and activities in which we have a significant interest. For example, experienced operators such as Merlin Attractions continue to successfully develop Blackpool Tower's offer, while the team running Blackpool Transport Services Limited has already delivered better buses and a much improved service offer to users. These operators also provide financial dividends to the Council that are used to fund and invest in front-line services.

I have received a number of queries recently about the approach the Council takes to making loans and investments. I continue to be clear on this, potential loans and investments made by the Council are always considered carefully and in great detail. We approach these matters in much the same way as any serious commercial lender or investor. Indeed, if there is not a strong business case, proposals are rejected.

## **Policy Issues**

### **Universal Credit**

The Autumn Budget announced a number of changes to Universal Credit delivery. The main changes affecting Blackpool residents are:

- Full service rollout for Blackpool Job Centre Plus has been moved back from September 2018 to December 2018;
- In the meantime, there will be no new claims to Universal Credit in Blackpool with effect from 31 December 2017. This means that customers will continue to claim Housing Benefit from 1 January 2018 to December 2018; and
- Existing Universal Credit customers will still continue to receive this benefit.

## **Strategic Issues**

### **Blackpool Museum Project**

As I detailed in my previous report, in July 2017 Blackpool Council, very reluctantly, made the decision not to proceed with the scheme to develop a museum within the Pavilion and Horseshoe at the Winter Gardens. Since this decision, the Blackpool Museum Team has been working hard to create a new scheme, which would retain the key benefits, whilst reducing overall capital costs, thereby assisting with the overall viability of the project.

The new proposed site for the museum is the Palatine site (currently known as the Sands Venue). The site is the subject of a major redevelopment into a five-star hotel and spa complex. The museum would occupy the first floor of the site, with its own dedicated entrance and on-street presence. It is an ideal location on the Promenade in terms of visibility and visitor footfall, at the same time, its position on the famous Golden Mile fits perfectly with the museum's popular entertainment theme.

Funding applications to the Heritage Lottery Fund and the Northern Cultural Regeneration Fund were submitted for this new scheme in December 2017. Decisions for both these funds are expected in March/ April 2018.

### **Blackpool Airport Enterprise Zone**

The Enterprise Zone Masterplan public consultation closed on 21 December. Officers are currently assessing responses, which are likely to result in minor revisions to the Masterplan. The Masterplan will then be presented to Blackpool and Fylde Councils for adoption in February 2018.

We are formally required by the Government to produce a delivery plan for the Enterprise Zone, based upon the Masterplan. The delivery plan will identify the increased potential for retained business rates growth funding on the site. This retained business rates growth will be used to deliver enabling infrastructure to create development sites and the consequent employment generation, which we now believe is likely to exceed the original projections of 3,000 jobs over the 25-year life of the Enterprise Zone. We will be submitting the delivery plan to Government later this year for approval.

I can confirm that an independent report has been commissioned to consider the future operational strategy for Blackpool Airport and identify new business opportunities to maximise its potential. It is pleasing that we continue to receive an encouraging level of business enquiries because of the airport purchase and the appropriate teams follow these up.

## **Working with Partners**

### **Blackpool Housing Company Progress and Raising the Profile of our Unique Housing Challenges**

As Members will be aware, the Council established the Blackpool Housing Company (now My Blackpool Home) in 2015/ 2016 to begin to acquire a foothold within our problematic private rented sector in inner Blackpool. This is a bold intervention, in tune with our entrepreneurial approach. We are almost unique as a local authority in using local housing companies in such an innovative way to address market failure, the vast majority of local housing companies set up by Councils in recent years are designed to deliver new homes on surplus public sector land, a necessary, but much less complicated exercise than the task here.

Blackpool Housing Company has been pushing forward with a wide range of refurbishment schemes across inner Blackpool. The programme in 2017/ 2018 has exceeded original targets and is set to deliver 125 new homes in the year to the end of March 2018, with a total of over 200 homes owned and managed by the Housing Company overall. Recent highlights include the recent completion of the Company's largest project to date of 20 flats in the former Malibu and Astoria Hotels on Albert Road. All new homes are high quality and rented to local people. The Company also provides a growing management service for good quality properties owned by other landlords. This intervention, alongside other measures such as our licensing schemes, is making a positive difference to the quality of homes and lives in inner Blackpool.

Notwithstanding our wide range of activity, we know need to go much further if we are to create the housing offer in inner Blackpool necessary to stabilise lives, grow healthy communities and support the continued regeneration of the town. It is for this reason that I took the opportunity to discuss Blackpool's unique housing challenges and our long-held ambition to exercise some control over housing benefit, when I met Sajid Javid MP, Secretary of State for the Department for Communities and Local Government, toward the end of last year in Whitehall. The Secretary of State took an interest in our challenges and I agreed to submit evidence to him directly on the extent of housing failure in inner Blackpool and our core case for reform of the operation of housing benefit.

Members may be aware that there is an ongoing Department of Communities and Local Government Select Committee Inquiry into standards in the private rented sector. The Council made a strong written submission to this inquiry at the end of last year, alongside submissions from many other local authorities and interested parties. I am pleased to advise Members that the Council has been invited to present oral evidence to the committee on Monday 29 January, alongside the London Borough of Newham and the Local Government Association. Given the importance of the challenges we face in our private rented sector, I have opted to present our evidence to the inquiry in person.

In addition to the above, I am pleased to confirm that thanks to Baroness Valentine (Business in the Community) we have secured a visit from Sir Edward Lister, Chair of Homes England, formerly the Homes and Community Agency, in February. The focus of this visit will again be the unique housing challenges we face here in Blackpool, what we want to achieve and what we need from Government and its agencies to enable us to do it.