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MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - TUESDAY, 22 JANUARY
2019

Present:

Councillor I Taylor (in the Chair)

Councillors

Clapham

Critchley

Matthews

In Attendance:

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

Mr John Blackledge, Director of Community and Environmental Services, Blackpool Council (Item 4 only)

Mr Trevor Rayner, Head of Procurement and Projects, Blackpool Council (Item 4 only)

Mr Scott Butterfield, Transformation Manager, Blackpool Council

Mrs Sharon Davis, Scrutiny Manager, Blackpool Council

Mr Mark Towers, Company Secretary (Item 4 only)

Mr John Donnellon, Chief Executive, Blackpool Coastal Housing Limited (Item 5 only)

Councillor Adrian Hutton, Chairman, Blackpool Coastal Housing Limited Board (Item 5 only)

Mr David Galvin, Managing Director, Blackpool Housing Company Limited (Item 6 only)

Councillor Jim Hobson, Chairman, Blackpool Housing Company Limited Board (Item 6 only)

Ms Jane Cole, Managing Director, Blackpool Transport Services Limited (Item 7 only)

Mr James Carney, Finance and Commercial Director, Blackpool Transport Services Limited (Item 7 only)

Councillor Mrs Christine Wright, Chairman, Blackpool Transport Services Limited Board (Item 7 only)

1 DECLARATIONS OF INTEREST

There were no declarations of interest on this occasion.

2 EXCLUSION OF THE PRESS AND PUBLIC

The Advisory Board agreed that under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the restricted set of minutes within Item 3 'Minutes of the last meeting held on 12 December 2018', the whole of Item 5 'Blackpool Housing Company Limited', and part of Item 6 'Blackpool Transport Services Limited', 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 12 DECEMBER 2018

The Advisory Board considered the minutes of the last meeting held on 12 December

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2018, noting that there was a public and restricted version.

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

4 BLACKPOOL WASTE SERVICES LIMITED

Mr John Blackledge, Director of Community and Environmental Services advised that the decision had been taken by the Council's Executive to set up an arms-length company to undertake domestic waste collection for a number of reasons including increased flexibility and ability to respond quickly to changes in collection requirements. He added that operating waste collections services through an arms-length company would also result in a budgetary saving of £750,000 for the Council.

Mr Mark Towers, Director of Governance and Partnerships reported that the new company had been incorporated at Companies House in October 2018 as a private company limited by shares with Mr Neil Jack, Chief Executive and Mr Towers named as directors on an interim basis. The company would remain dormant until 1 July 2019 when services would commence and a Board would be appointed in the lead up to that date.

The Advisory Board was informed that the project plan for ensuring the smooth continuation of services focussed on four key areas. Mr Trevor Rayner, Head of Procurement and Projects highlighted that a procurement exercise for new vehicles had been undertaken and 17 new vehicles were scheduled to be delivered throughout May 2019. He reported that work on required improvements to Layton Depot, where the new company would be based, including new bays for vehicle maintenance and improved security.

A further key area of the project plan focussed on ICT Software. A tender exercise to acquire a new software system had been undertaken and it was noted that a specialist company had been appointed to supply and install the new software. An implementation plan to install, test and train users, manage data integration and build interfaces that linked to existing customer service systems was ongoing. The new software would allow for real-time updates to be provided directly to the vehicles. The final key area was staffing and the Council's Human Resources Service had been engaging early with Veolia and it was expected that 45 members of staff would transfer to the new company.

In response to questions, it was reported that the company had been set up as a private company limited by shares in order to allow for greater flexibility in potential future joint working with other local authorities in the delivery of waste collection services. Should an opportunity present itself in the future, full liaison with the Shareholder and the Company Board would be undertaken.

Members raised questions regarding the potential impact on residents and were advised that a successful transition process should result in no obvious change in service. Reports of levels of satisfaction with the current service provider were mixed and it was noted that the additional control offered by the provision of services by an arms-length company would ensure that additional responsibilities could be undertaken which addressed areas of existing complaints such as litter picking resulting from split bin bags.

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It was reported that a series of key performance indicators would be developed in order to measure the performance of the company.

(Mr John Blackledge, Mr Mark Towers and Mr Trevor Rayner left the meeting following the conclusion of this item).

5 BLACKPOOL COASTAL HOUSING LIMITED

Mr John Donnellon, Chief Executive, Blackpool Coastal Housing (BCH) Limited, provided an update on the recent work of the company, highlighting that the accounts of both the Company and the Housing Revenue Account (HRA) were performing well. He reported that efficiency savings achieved by the company had resulted in a £500,000 transfer from the company's reserves to the Council's General Fund.

Mr Donnellon highlighted the ways in which BCH was increasing the level of services provided including the provision of the Sanctuary Service, a handyman service for victims of domestic abuse. He also reported that the project to provide support to care leavers was proving to be successful. The Company was considering how it could extend its role as a corporate parent and also investigating whether similar support could be provided to other vulnerable groups.

The Advisory Board was informed of the Government's decision to remove the cap on borrowing against the Housing Revenue Account, which would potentially allow additional borrowing for new social housing developments and renovation of properties. It was also noted that the Government had indicated that it would be reviewing the decent homes standard, which could have potential implications on future work.

Members noted that the Business Plan of the Company had been drafted and queried the future role of the Shareholder's Advisory Board as a consultee on the Plan. It was noted that the Business Plan must be owned and approved by the Company Board. The Company ensured that the Business Plan reflected the overall ambition of the Council and was cognisant with Council objectives, however, it was agreed that in future years Members of the Advisory Board would be consulted. The overall themes of the Business Plan 2020/2021 would be presented to a future meeting of the Advisory Board.

The Advisory Board went on to consider the key performance indicators and noted that the majority were meeting targets. It was agreed that the performance against the indicator 'turnover – proportion of housing stock re-let in the previous 12 months' would be checked following the meeting and re-circulated to Members.

The potential impact of Universal Credit on tenant arrears was questioned, and it was noted that the number of new claimants in receipt of Universal Credit in Blackpool was currently very low. Mr Donnellon reported that it was a future risk, however, the Company had processes in place for supporting tenants when the level of rent arrears became too high. There would always be some circumstances where it was necessary to seek possession.

The Advisory Board agreed to exclude the press and public under Section 100(A) of the Local Government Act 1972 for the remainder of the item, as it would involve the

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disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

(Mr John Donnellon and Councillor Adrian Hutton, Chairman of the BCH Board left the meeting following the conclusion of this item.)

6 BLACKPOOL HOUSING COMPANY LIMITED

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

Mr David Galvin, Managing Director, Blackpool Housing Company Limited (BHC) and Councillor Jim Hobson, Chairman, BHC provided an update on the recent work of the company including a summary of performance up to 31 December 2018.

The Advisory Board discussed the information provided in detail and agreed to note the update.

(Mr David Galvin and Councillor Jim Hobson left the meeting following the conclusion of this item).

7 BLACKPOOL TRANSPORT SERVICES LIMITED

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

Ms Jane Cole, Managing Director, Blackpool Transport Services Limited (BTS), Mr James Carney, Finance and Commercial Director and Councillor Mrs Christine Wright, Chairman, BTS provided an update on the recent work of the company including a summary of performance up to 31 December 2018.

The Advisory Board was informed that the Business Plan 2019/2024 was due to be considered by the Company Board at its next meeting. Members discussed in detail how the view of the Shareholder had influenced the business plan of the company and it was noted that a full away day with the Company Board had started the business planning process and it was ensured that the Plan reflected the vision and ambition of the Council. Ms Cole advised that input from the Shareholder could be increased in future years and that she would present the key themes from the Business Plan at the next meeting of the Advisory Board.

The positives for the Company were highlighted as the success of the tramway, the continued modernisation of assets including repairs to the facility at Rigby Road resulting in improved working conditions and the substantial number of buses within the fleet that were under two years old.

Ms Cole reported that performance of bus patronage and income was poor. Nationally, bus patronage had decreased by 1.4%, in Blackpool there had been a decrease of 3%. It was considered that the decrease was due to inaccessibility of the town centre and an inability to deliver a consistent product. It was hoped that by 2021, the bus patronage

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would be back on target due to the completion of town centre works and an increase in visitor numbers entering the town by public transport underpinned by the quality of the buses.

Members considered the key performance indicators of the Company and noted that all targets were being met. In response to a question, Mr Carney advised that patronage by journey could be reviewed and it was noted that it was currently more difficult for patrons to travel south from the town centre than north due to the current roadworks.

8 DATE AND TIME OF NEXT MEETING

The date and time of the next meeting was noted as Tuesday, 26 February 2019, commencing at 3.00pm.

Chairman

(The meeting ended at 5.37 pm)

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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