

Public Document Pack



14 September 2020

To: Councillors Clapham, Critchley, I Taylor

The above Members are requested to attend the:

SHAREHOLDER'S ADVISORY BOARD

Wednesday, 23 September 2020 at 2.00 pm
via Zoom meeting

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.

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 10 MARCH 2020

(Pages 1 - 10)

To agree the minutes of the last meeting held on 10 March 2020 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

(Pages 11 - 58)

To update the Shareholder Advisory Board on the current status of the business and to provide information on Blackpool Operating Company Limited's recovery plan and budget forecasts.

(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 * BLACKPOOL ENTERTAINMENT COMPANY LIMITED

(Pages 59 - 82)

To update the Shareholder's Advisory Board on the current status of the business and to provide information on Blackpool Entertainment Company Limited's recovery plan and budget forecasts to 2024/2025.

(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).

Other information:

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

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Public Document Pack Agenda Item 2

MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - TUESDAY, 10 MARCH 2020

Present:

Councillor I Taylor (in the Chair)

Councillors

Clapham Critchley

In Attendance:

Councillor Gillian Campbell, Deputy Leader of the Council, Tourism and Place (Items 4, 5 and 6 only)

Mr Glynn Wright, Deputy Airport Manager (Item 4 only)

Mr Alan Cavill, Director of Communications and Regeneration (Item 6 only)

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

Mr James Carney, Finance Director, Blackpool Transport Services Ltd (Item 7 only)

Ms Sally Shaw, Director of People and Stakeholders, Blackpool Transport Services Ltd (Item 7 only)

Councillor Paul Galley, Chairman, Blackpool Transport Services Ltd (Item 7 only)

Mr John Hawkin, Managing Director, Blackpool Waste Services Ltd (Item 8 only)

Councillor Adrian Hutton, Chairman, Blackpool Waste Services Ltd (Item 8 only)

Mr Antony Lockley, Director of Strategy and Assistant Chief Executive

Mrs Ruth Henshaw, Delivery Development Officer

Mr Mark Towers, Company Secretary

Mrs Sharon Davis, Scrutiny Manager

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 28 January 2020', the whole of Items 4 'Blackpool Airport', 5 'Charges to Companies', 6 'Blackpool Airport Strategy Development Procurement' and part of Item 7 'Blackpool Transport Services', namely the whole of Appendix 6(b) and 6(c) and part of Appendix 6(a).

3 MINUTES OF THE LAST MEETING HELD ON 28 JANUARY 2020

The Advisory Board considered the minutes of the last meeting held on 28 January 2020, 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 true and correct record.

MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - TUESDAY, 10 MARCH 2020

4 BLACKPOOL AIRPORT

(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 Glynn Wright, Deputy Airport Manager provided an update on the recent work undertaken by the company including a summary of performance for Quarters 1, 2 and 3, 2019/2020.

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

(Mr Glynn Wright left the meeting following the conclusion of this item).

5 CHARGES TO COMPANIES

(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 Antony Lockley, Assistant Chief Executive and Director of Strategy presented a report on Charges to Companies to the Advisory Board.

The Shareholder's Advisory Board agreed:

1. To endorse the Council's intention to streamline the fees and charges for the services it provides and report to the forthcoming Board meetings of the companies and seek their approval.
2. To endorse the Council's intention to provide services to companies which may already be provided by outside organisations, especially where the Council believes a minimum level of assurance is required for that service (this may not happen immediately but over a period of time when current contracts are approaching review).
3. To achieve the above, that the Shareholder Lead Officer and the relevant Heads of Service in the Council work together with Managing Directors and the Company Secretary, in bringing in these changes and in turn where there will be significant impact on budgets, then the Council will support this transition.

6 BLACKPOOL AIRPORT STRATEGY DEVELOPMENT PROCUREMENT

(Mr Alan Cavill, Director of Communication and Regeneration arrived at the meeting).

(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 Alan Cavill, Director of Communication and Regeneration provided the Advisory Board with an overview of the Blackpool Airport Strategy Development Procurement.

The Advisory Board noted the update **Page 2**

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(Mr Cavill and Councillor Campbell left the meeting following the conclusion of this item).

7 BLACKPOOL TRANSPORT SERVICES LIMITED

(Councillor Paul Galley, Chair of the Blackpool Transport Services Board, Ms Jane Cole, Managing Director, BTS, Mr James Carney, Finance and Commercial Director, BTS and Ms Sally Shaw, Director of People and Stakeholders, BTS arrived at the meeting).

(The press and public were excluded prior to the consideration of part of Appendix 7(a) and the whole of Appendices 7(b) and 7(c) to this item as defined in paragraph 3 of Part 1 of Schedule 12A of the Act).

Ms Jane Cole, Managing Director, Blackpool Transport Services (BTS) provided an overview of the recent work of the company, highlighting the continued growth of the app and the change to ticket machines, which was ensuring that the number of bus users was recorded correctly leading to the increase in passenger numbers without the corresponding increase to revenue. Councillor Paul Galley, Chair of the BTS Board added that a piece of work was being undertaken to review the bus routes and provide each route with its own marketing plan.

The Advisory Board discussed the financial position of the company in detail and requested that an informal meeting be held between the Shareholder and the company to discuss options further.

(Councillor Galley, Ms Cole, Mr Carney and Ms Shaw left the meeting following conclusion of the item).

8 BLACKPOOL WASTE SERVICES LIMITED

(Councillor Adrian Hutton, Chair, Blackpool Waste Services Limited (BWS) and Mr John Hawkin, Managing Director, BWS attended the meeting for this item).

Mr John Hawkin, Managing Director, Blackpool Waste Services Limited (BWS) reported that the Household Waste and Recycling Survey had been completed, which had indicated that satisfaction with household waste collection services had increased from 73.8% in 2017 to 83.6%. He also advised that work was being carried out to reduce waste tonnage, in order to achieve a reduction in the total amount future strategic action was required to apply pressure to producers to use less packaging. In addition, the number of recycling opportunities needed to be increased such as the ability to return white goods to manufacturers for repair or parts recycling.

The Advisory Board was informed that there were no significant variations to the projected financial plan and that BWS had projected a year end position of break even. In regards to the health and safety audit, it was reported that the audit had indicated that controls were adequate and there had been no Priority 1 issues identified and it was also noted that there had been nine vehicle accidents up to January 2020. Of these, one accident was no fault and the remainder were low speed manoeuvring incidents in restricted areas.

MINUTES OF SHAREHOLDER'S ADVISORY BOARD MEETING - TUESDAY, 10 MARCH 2020

Mr Hawkin also reported that the Council had requested that the company take on two additional contracts for wheeled bin and waste container management and the waste paper and cardboard recycling collection service.

In response to questions, it was noted that the number of assisted collections missed was not meeting target. The reason being that crews had varied over the Christmas period and therefore the good relationships between regular crews and residents which ensured crews knew where and how to obtain the household waste had not been maintained. In addition, the in-cab software did not prompt the crews to sign off individual properties as completed, only whole streets, an issue which had since been remedied.

It was also reported that the financial indicator of 'cost per household of the domestic collection service' was based on 2018/2019 figures when Veolia was delivering the contract and that the cost of BWS delivering the service would not be available until the new financial year.

9 DATE AND TIME OF NEXT MEETING

The date and time of the next meeting was agreed as Tuesday, 5 May 2020, commencing at 2.00pm.

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

Agenda Item 3

SHAREHOLDER'S ADVISORY BOARD	
Report to:	
Relevant Officer:	John Child, Managing Director, Blackpool Operating Company Ltd
Date of Meeting:	23 September 2020

BLACKPOOL OPERATING COMPANY LTD

1.0 Purpose of the report:

- 1.1 To update the Shareholder Advisory Board on the current status of the business and to provide information on Blackpool Operating Company Limited's recovery plan and budget forecasts.

2.0 Recommendation(s):

- 2.1 The Board is asked to:

- Consider BOCL's recovery plan and BOCL's budget forecasts; and
- Consider year end performance for 2019/2020.

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 the Council priority:

- Economy – maximise growth and opportunity across Blackpool

5.0 Background information

The Managing Director has provided a report to the Advisory Board and series of

appendices to demonstrate the company's recovery plan, budget for future years and previous performance. All the attachments to this report contain 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.

List of Appendices:

Appendix 3(a): Management Accounts Report (exempt from publication)
Appendix 3(a)i: Management Accounts Summary page (exempt from publication)
Appendix 3(a)ii: Cash flow forecast (exempt from publication)
Appendix 3(b): Audited Accounts Report (exempt from publication)
Appendix 3(b)i: Limited Company accounts (exempt from publication)
Appendix 3(c): Annual KPI Report (exempt from publication)
Appendix 3(c)i: KPI Dashboard (exempt from publication)
Appendix 3(d): Strategic Business Plan report (exempt from publication)
Appendix 3(d)ii: Flexed optimistic budget (exempt from publication)
Appendix 3(d)iii: Flexed pessimistic budget (exempt from publication)
Appendix 3(e): Strategic Marketing report (exempt from publication)

6.0 Legal considerations:

6.1 None

7.0 Human Resources considerations:

7.1 See Strategic Business Plan 2020 – 2025. (exempt from publication)

8.0 Equalities considerations:

8.1 None

9.0 Financial considerations:

9.1 See Financial Accounts and Strategic Business Plan 2020 - 2025. (exempt from publication)

10.0 Risk management considerations:

10.1 See Financial Accounts and Strategic Business Plan 2020 - 2025. (exempt from publication)

11.0 Ethical considerations:

11.1 None

12.0 Internal/ External Consultation undertaken:

12.1 Continuous consultation has been taking place with BOCL's management team and Blackpool Council's corporate finance team to plan a 5 year financial strategy.

13.0 Background papers:

13.1 None

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Agenda Item 4

SHAREHOLDER'S ADVISORY BOARD	
Report to:	Michael Williams, Managing Director, Blackpool Entertainment Company Ltd
Relevant Officer:	
Date of Meeting:	23 September 2020

BLACKPOOL ENTERTAINMENT COMPANY LTD

1.0 Purpose of the report:

- 1.1 To update the Shareholder's Advisory Board on the current status of the business and to provide information on Blackpool Entertainment Company Limited's recovery plan and budget forecasts to 2024/2025.

2.0 Recommendation(s):

- 2.1 The Board is asked to:

- Consider BECL's recovery plan and BECL's budget forecasts for 2020/2021 to 2024/2025; and
- Consider year end performance for 2019/2020.

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 the Council priority:

- Economy – maximise growth and opportunity across Blackpool

5.0 Background information

The Managing Director has provided a report to the Advisory Board and series of appendices to demonstrate the company's recovery plan, budget for future years and previous performance. All

the attachments to this report contain 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.

List of Appendices:

Appendix 4(a): BECL Supporting Commentary September 2020 (exempt from publication)
Appendix 4(b): BECL Recovery Plan Sept 2020 (exempt from publication)
Appendix 4(c): BECL Budget Notes 2020 and beyond (exempt from publication)
Appendix 4(d): Winter Gardens Budget to 2023-24 (exempt from publication)
Appendix 4(e): BECL KPI Dashboard 2019-20 (exempt from publication)

6.0 Legal considerations:

6.1 None

7.0 Human Resources considerations:

7.1 See Appendix 4(b) section 7.0.

8.0 Equalities considerations:

8.1 None

9.0 Financial considerations:

9.1 See Appendix 4(c) and 4(d).

10.0 Risk management considerations:

10.1 See Appendix 1 section 8.0.

11.0 Ethical considerations:

11.1 None

12.0 Internal/ External Consultation undertaken:

12.1 The Council's relationship management team and finance officers have been consulted on the budget.

13.0 Background papers:

13.1 None