

## **MINUTES OF SHAREHOLDER COMMITTEE MEETING - FRIDAY, 19 NOVEMBER 2021**

### **Present:**

Councillor Taylor (in the Chair)

Councillors

Clapham (Co-optee)     L Williams

### **In Attendance:**

Mr Alan Cavill, Director of Communications and Regeneration

Mr Steve Thompson, Director of Resources

Mrs Sharon Davis, Scrutiny Manager

Mr Michael Williams, Managing Director, Blackpool Entertainment Company Limited (BECL) (Items 8-13 only)

Ms Karen Dunmore, Finance Director, BECL (Items 8-13 only)

Councillor Amy Cross, Chair, BECL Board (Items 8-13 only)

Mrs Lorraine Hurst, Company Secretary, BECL (Items 8-13 only)

### **1 DECLARATIONS OF INTEREST**

There were no declarations of interest on this occasion.

### **2 EXCLUSION OF THE PRESS AND PUBLIC**

The Shareholder Committee agreed that under Section 100A of the Local Government Act 1972, the public be excluded from the meeting during consideration of Item 3 'Minutes of the last meeting held on 8 October 2021' (restricted minutes only), Item 4 'Wholly-Owned Companies Financial Performance as at Month 5 (2021/2022)', Item 5 'Shareholder Update', Item 6 'Blackpool Operating Company Limited Financial Performance and Provisional Outturn Report', Item 7 Blackpool Operating Company Limited Key Performance Indicators', Item 8 Blackpool Entertainment Company Limited Financial Performance and Provisional Outturn Report, Item 9 'Blackpool Entertainment Company Limited Key Performance Indicators', Item 10 'Blackpool Entertainment Company Limited Business Recovery Plan', Item 11 'Blackpool Entertainment Company Limited Levelling Up Bid Progress Report', Item 12 'Blackpool Entertainment Company Limited Winter Gardens Lease and Operating Agreement' and Item 13 'Blackpool Entertainment Company Limited Conference Centre Update' 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 8 OCTOBER 2021**

The Committee considered the minutes of the meeting held on 8 October 2021, noting that there was a public and restricted version.

The Committee approved the minutes as a true and correct record.

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### **4 WHOLLY-OWNED COMPANY FINANCIAL PERFORMANCE AS AT MONTH 5 2021/2022**

(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 Local Government Act 1972)

Mr Steve Thompson, Director of Resources provided an overview of the financial performance of the Council's Wholly-Owned Companies as at Month 5 2021/2022.

The Committee discussed the financial information in detail and noted the report.

### **5 SHAREHOLDER UPDATE**

(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 Local Government Act 1972).

Mr Steve Thompson, Director of Resources and Mr Alan Cavill, Director of Communications and Regeneration were invited to provide an update on the Council Wholly-Owned Companies on behalf of the Shareholder.

The Committee noted the update provided.

### **6 BLACKPOOL OPERATING COMPANY LIMITED FINANCIAL PERFORMANCE AND PROVISIONAL OUTTURN REPORT**

(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 Local Government Act 1972).

The Committee agreed to defer consideration of Blackpool Operating Company Limited Financial Performance and Provisional Outturn Report to a future meeting.

### **7 BLACKPOOL OPERATING COMPANY LIMITED KEY PERFORMANCE INDICATORS**

(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 Local Government Act 1972).

The Committee agreed to defer consideration of Blackpool Operating Company Limited Key Performance Indicators to a future meeting.

### **8 BLACKPOOL ENTERTAINMENT COMPANY LIMITED FINANCIAL PERFORMANCE AND PROVISIONAL OUTTURN REPORT**

(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 Local Government Act 1972).

Mr Michael Williams, Managing Director, Blackpool Entertainment Company Limited (BECL), Ms Karen Dunmore, Finance Director, BECL, Councillor Amy Cross, Chair, BECL Board and Mrs Lorraine Hurst, Company Secretary, BECL joined the meeting from this item onwards.

Ms Karen Dunmore, Finance Director, Blackpool Entertainment Company Limited (BECL)

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presented the report to the Committee and highlighted the key issues for discussion.

The Committee discussed the recommendation of the report to endorse the increase the Repair and Maintenance budget by £200k to cover some of the additional costs resulting from work due to making good the interface with the Conference Centre building and water ingress due to leaking roofs. It was noted that during lockdown the opportunity had been taken to remove some asbestos from the building and refurbish the ballroom floor. Following the reopening of the building, further general remedial work had been required. The BECL Board would be considering the proposed increase to the budget at its meeting on 9 December 2021.

### **Shareholder Committee decision:**

1. To note the update report.
2. To endorse the increase the Repair and Maintenance budget by £200k to cover some of the additional costs resulting from work due to making good the interface with the Conference Centre building and water ingress due to leaking roofs.

### **Reason for decision:**

The forecast outturn Income and Net Loss were both expected to be an improvement on budgeted amounts with the additional £200k Property Maintenance Spend included. The works were necessary to protect the structure of the building.

### **Other options considered:**

To hold Property Maintenance Spend to previous budget levels, however the continued deterioration of the building would impact the quality of guest experience and at worst could result in closure or injury.

### **Date of decision:**

19 November 2021.

## **9 BLACKPOOL ENTERTAINMENT COMPANY LIMITED KEY PERFORMANCE INDICATORS**

(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 Local Government Act 1972)

Ms Karen Dunmore, Finance Director, Blackpool Entertainment Company Limited (BECL) presented the Company's performance against the identified key performance indicators.

### **Shareholder Committee decision:**

1. To note the update report.
2. To receive a report to a future meeting on the operation of a conference destination bureau.

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### **Reason for decision:**

To enable the Committee to formally consider the establishment of a conference destination bureau.

### **Other options considered:**

To not receive a further report, however, this would not be appropriate with the establishment of a conference destination bureau requiring decision by the Shareholder Committee and oversight of the operating and governance arrangements.

### **Date of decision:**

19 November 2021.

## **10 BLACKPOOL ENTERTAINMENT COMPANY LIMITED BUSINESS RECOVERY PLAN**

(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 Local Government Act 1972).

Councillor Amy Cross, Chair, Blackpool Entertainment Company Limited (BECL) Board presented the BECL Business Recovery Plan to the Committee.

### **Shareholder Committee decision:**

1. To note the update report.
2. To receive a report to a future meeting on the financial model and updated Business Recovery Plan agreed.

### **Reason for decision:**

To enable the Committee to formally consider the approach agreed between the Director of Resources and Blackpool Entertainment Company Limited.

### **Other options considered:**

To not receive a further report, however, this would not allow the Shareholder Committee to be fully informed of the agreed approach.

### **Date of decision:**

19 November 2021.

## **11 BLACKPOOL ENTERTAINMENT COMPANY LIMITED LEVELLING UP BID PROGRESS REPORT**

(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 Local Government Act 1972).

The Shareholder Committee considered the outcome of the recent bid made to the

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Levelling Up fund and discussed next steps for the Winter Gardens following the bid in detail.

The Committee agreed to note the report.

### **12 BLACKPOOL ENTERTAINMENT COMPANY LIMITED WINTER GARDENS LEASE AND OPERATING AGREEMENT**

(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 Local Government Act 1972).

Mr Michael Williams, Managing Director, Blackpool Entertainment Company Limited (BECL) presented the report on the Winter Gardens Lease and Operating Agreement to the Shareholder Committee.

#### **Shareholder Committee decision:**

1. To note the update report including the outstanding matters in relation to the building.
2. To note that a revised lease agreement would be issued to BECL, to include the conference centre, in due course.
3. To note that an operating agreement would be considered with a report provided back to the Shareholder Committee in due course.

#### **Reason for decision:**

To ensure that the necessary venue arrangements were in place and that the relationship between the Council and BECL was based on good governance practice with detailed responsibilities and expectations for both parties.

#### **Other options considered:**

To continue without agreements in place. However, this would potentially lead to ambiguity and potential confusion and disputes.

#### **Date of decision:**

19 November 2021.

### **13 BLACKPOOL ENTERTAINMENT COMPANY LIMITED CONFERENCE CENTRE UPDATE**

(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 Local Government Act 1972).

Councillor Amy Cross, Chair, Blackpool Entertainment Company Limited (BECL) Board presented an update on the Conference Centre and noted the plans for the handover of the building to BECL and its scheduled opening.

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### **Shareholder Committee decision:**

1. To note the report.
2. To review the Key Performance Indicators (KPIs) for the Conference and Exhibition Centre (CEC) and provide an update at a future meeting.

### **Reason for decision:**

The Shareholder Committee's responsibilities include setting out success measures for the Company and/or an expected return on investment in each of the companies. These measures will inform the Company's strategic planning going forward.

### **Other options considered:**

Not having an agreed set of strategic KPIs for the Conference Centre although this would be a lack of strategic direction for the Company from the Shareholder perspective.

### **Date of decision:**

19 November 2021.

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

The Committee noted the date and time of the next meeting as Friday, 26 November 2021, commencing at 10am.

### **Chairman**

(The meeting ended at 11.46 am)

Any queries regarding these minutes, please contact:

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