

MINUTES OF SHAREHOLDER COMMITTEE MEETING - FRIDAY, 21 JANUARY 2022

Present:

Councillor Taylor (in the Chair)

Councillors

Clapham (Co-optee) L Williams

In Attendance:

Alan Cavill, Director of Communications and Regeneration

Steve Thompson, Director of Resources

Sharon Davis, Scrutiny Manager

Mark Towers, Group Company Secretary

Lorraine Hurst, Company Secretary

Katie Rourke, Company Secretariat Manager

Louise Cobain, Executive Director of Assurance, MIAA (via video link, Items 1 – 5 only)

Paula Davies, Commercial Director, Blackpool Entertainment Company Limited (BECL)
(Item 8 only)

Peter Evans, Operations Director, BECL (Item 8 only)

Councillor Amy Cross, Chair, BECL Board (Item 8 only)

Glynn Wright, Acting Airport Manager, Blackpool Airport Operations Limited (BAOL) (Item 9 only)

Councillor Gillian Campbell, Chair, BAOL Board (Item 9 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 meetings held on 19 and 26 November 2021' (restricted minutes only), Item 5 'Wholly Owned Subsidiaries Governance Review Assignment Report 2021/2022', Item 6 'Wholly-Owned Company Financial Performance as at Month 8 2021/2022', Item 7 'Shareholder Update', Item 8 'Blackpool Entertainment Company Limited – Meet Blackpool' and Item 9 'Blackpool Airport Operations Limited – Update Report' 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.

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3 MINUTES OF THE MEETINGS HELD ON 19 AND 26 NOVEMBER 2021

The Committee considered the minutes of the meetings held on 19 and 26 November 2021, noting that there was a public and restricted version of each set of minutes.

The Committee agreed the minutes of the meetings be signed by the Chair as a true and correct record.

4 LOCAL AUTHORITY COMPANY REVIEW GUIDANCE

Mr Mark Towers, Group Company Secretary and Mrs Lorraine Hurst, Company Secretary presented the Local Authority Company Review Guidance to the Committee and highlighted its importance. The guidance set out to help Councils carry out effective review of wholly-owned companies. The good governance practices that the Council already had in place were noted as were the areas for improvement. The key areas identified for consideration from within the guidance also overlapped with some of those identified by the Wholly-Owned Subsidiaries Governance Review Assignment Report 2021/2022 to be considered by the Committee in the following item on the agenda.

The Committee was advised of the key areas covered in the guidance and how these related to the role of the Shareholder Committee in having oversight of major decisions, setting strategic objectives, evaluation of performance and regular review of whether the Company continued to be the most effective way to deliver outcomes. The assurance and evidence that the Council should have in place to demonstrate good governance of its commercial entities was also highlighted.

Members recognised the importance of the companies understanding the role and vision of the Shareholder and discussed in detail their views on conflict resolution and the relationship between the Shareholder Committee and company boards. The importance of acknowledging risk was also noted and, linking to a recommendation in the Governance Review Assignment Report, the relationship between the Shareholder Committee and Council's Audit Committee was explored. The need for commercial agreements and appropriate contract management arrangements was also highlighted.

In relation to appointments to Company Boards, it was reported that the process had been altered to ensure that there was a focus on skills, experience and diversity and in ensuring that non-executive directors appointed to the Board, including councillors, had the right knowledge and training. Board Member appraisals were completed on an annual basis, with development needs identified through this process.

The Local Authority Company Review Guidance was welcomed by the Shareholder Committee and officer representatives and it was noted that the Company Governance Framework was being reviewed to reflect the guidance and would be submitted to a future meeting of the Shareholder Committee for consideration.

Shareholder Committee decision:

To endorse the Local Authority Company Review Guidance for use to inform the review of the governance framework for the Council's company group.

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Reason for decision:

The Shareholder Committee's role includes to provide oversight of risk and performance of Council companies and ensure that the structures and processes in place are sufficiently robust. The document provides a framework to assist the Council in avoiding risks involved in running commercial endeavours.

Other options considered:

The Committee could have determined to not approve the approach, which would be against best practice and Government guidance.

Date of decision:

21 January 2022.

5 WHOLLY OWNED SUBSIDIARIES GOVERNANCE REVIEW ASSIGNMENT REPORT 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).

Ms Louise Cobain, Executive Director of Assurance, MIAA presented the Wholly Owned Subsidiaries Governance Review Assignment Report 2021/2022 to the Committee and outlined the key recommendations made by the review.

The Committee discussed the report and its recommendations in detail.

Shareholder Committee decision:

To endorse the recommendations as outlined in the Wholly Owned Subsidiaries Governance Review 2021/2022 and receive an action plan for the implementation of the recommendations to a future meeting.

Reason for decision:

To ensure the governance of the Council's wholly-owned companies is kept under timely review by Members.

Other options considered:

To not endorse the recommendations.

Date of decision:

21 January 2022.

Ms Louise Cobain, Executive Director of Assurance, MIAA left the meeting following the conclusion of the item.

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6 WHOLLY-OWNED COMPANY FINANCIAL PERFORMANCE AS AT MONTH 8 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 8 2021/2022.

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

7 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, Mr Alan Cavill, Director of Communications and Regeneration and Mr Mark Towers, Group Company Secretary were invited to provide and update on the Council Wholly-Owned Companies on behalf of the Shareholder.

The Committee noted the update provided.

8 BLACKPOOL ENTERTAINMENT COMPANY LIMITED - MEET BLACKPOOL

(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 Peter Evans, Operations Director, Blackpool Entertainment Company Limited (BECL), Ms Paula Davies, Commercial Director, BECL and Councillor Amy Cross, Chair, BECL Board joined the meeting for this item only.

Ms Paula Davies, Commercial Director, Blackpool Entertainment Company Limited (BECL) presented the report to the Committee and highlighted the key issues for discussion.

The Committee sought clarification on the level of resource being committed to the initiative by all parties and the way in which BECL would ensure independence in providing the service on behalf of the whole town, noting the introduction of a new Steering Group.

Shareholder Committee decision:

To approve the forming of MEET Blackpool and its management by Blackpool Entertainment Company Limited.

Reason for decision:

To ensure that there was a dedicated resource to attract conference and exhibitions to Blackpool.

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Other options considered:

The Committee could have determined to not approve the approach.

Date of decision:

21 January 2022.

Mr Peter Evans, Operations Director, Blackpool Entertainment Company Limited (BECL), Ms Paula Davies, Commercial Director, BECL and Councillor Amy Cross, Chair, BECL Board left the meeting following the conclusion of the item.

9 BLACKPOOL AIRPORT OPERATIONS LIMITED - UPDATE 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 Glynn Wright, Acting Airport Manager, Blackpool Airport Operations Limited (BAOL) and Councillor Gillian Campbell, Chair, BAOL Board joined the meeting for this item only.

Mr Glynn Wright, Acting Airport Manager, Blackpool Airport Operations Limited presented the report to the Committee and highlighted the key issues for discussion including the financial position of the Company and the performance against the identified key performance indicators.

The Committee agreed to note the update.

10 DATE AND TIME OF THE NEXT MEETING

The Committee noted the date and time of the next meeting as 11 February 2022, commencing at 10am.

Chairman

(The meeting ended at 12.28 pm)

Any queries regarding these minutes, please contact:

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