

MINUTES OF SHAREHOLDER COMMITTEE MEETING - THURSDAY, 18 JANUARY 2024

Present:

Councillor Taylor (in the Chair)

Councillors

Mrs Scott (Co-opted Member) Williams

In Attendance:

Alan Cavill, Director of Communications and Regeneration

Sharon Davis, Scrutiny Manager

Tracy Greenhalgh, Head of Audit and Risk (Items 1 - 9 only)

Steve Thompson, Director of Resources

Kirsten Whyatt, Finance Manager, Subsidiary and Partnership Finance

Lorraine Hurst, Company Secretary

Mark Towers, Group Company Secretary

Andy Morgan, Interim Finance Director, Blackpool Entertainment Company Limited (Items 10 and 11 only)

Councillor Jo Farrell, Chair, Blackpool Entertainment Company Limited (Items 10 and 11 only)

Kate Shane, Regional Director, Merlin Entertainments Blackpool (Item 12 only)

Kenny Mew, Operations Director, Merlin Entertainments Blackpool (Item 12 only)

Councillor Mark Smith, Chair, Blackpool Operating Company Limited (Item 12 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 9 November 2023' (restricted minutes only), Item 4 'Shareholder Committee Action Tracker and Workplan', Item 5 'Shareholder Update', Item 6, 'Procurement of Electric Bus Fleet and Depot Electrical Infrastructure', Item 7 'Wholly-Owned Company Financial Performance as at Month 6 2023/24', Item 8 'Wholly-Owned Company Strategic Risk Register', Item 10 'Blackpool Entertainment Services Limited Managing Director's Report', Item 11 'Blackpool Entertainment Company Limited Finance Update' and Item 12 'Blackpool Operating Company Limited 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.

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3 MINUTES OF THE LAST MEETING HELD ON 9 NOVEMBER 2023

(The press and public were excluded from the consideration of the restricted minute part of this item as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

The Committee considered the minutes of the last meeting held on 9 November 2023, noting that there was a public and restricted version.

The Committee agreed the minutes of the meeting as a true and correct record.

4 SHAREHOLDER COMMITTEE ACTION TRACKER AND WORKPLAN

(The press and public were excluded from the consideration of this item as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

Mr Mark Towers, Group Company Secretary presented the updated action tracker and workplan to the Committee. It was noted that the Strategic Risk Register would form part of the report presented to the Audit Committee from the Shareholder Committee.

The Committee noted the action tracker and workplan.

5 SHAREHOLDER UPDATE

(The press and public were excluded from the consideration of this item as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

Mr Alan Cavill, Director of Communications and Regeneration provided an update on the Council's Wholly-Owned Companies on behalf of the Shareholder.

The Committee noted the updates provided.

6 # PROCUREMENT OF ELECTRIC BUS FLEET AND DEPOT ELECTRICAL INFRASTRUCTURE

(The press and public were excluded from the consideration of this item as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

Mr Alan Cavill, Director of Communications and Regeneration presented the report to the Committee confirming that it was a Council decision to award both tenders and it was imperative that there was no ambiguity in the process. The decision of the Shareholder Committee would clearly set out the process to be followed.

Shareholder Committee decision:

To approve that the Head of Procurement and Head of Legal Services be given authority to enter into formal agreements for new electric bus fleet vehicles and for works to install and maintain electrical infrastructure at Rigby Road Depot.

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Reason for decision:

On 8 December 2022 Shareholder Committee formally endorsed the ZEBRA programme and agreed the procurement of electric vehicles and charging points.

The Council has been progressing a tender exercise for the electric buses and a process is currently underway to purchase 90 electric buses.

Work is underway to compile pre-construction information in order to provide technical data which will allow a tender to be conducted for the installation of electrical infrastructure to support service delivery of the electric fleet.

Formal contracts will be entered into following both tenders.

Other options considered:

None – the option identified is in line with the approvals received by Shareholder Committee.

Date of decision:

18 January 2024.

7 WHOLLY OWNED COMPANIES FINANCIAL PERFORMANCE

(The press and public were excluded from 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 update on the financial performance of the Wholly-Owned Companies as at Month 8.

The Committee noted the update.

8 WHOLLY OWNED COMPANY STRATEGIC RISK REGISTER 2023/2024

(The press and public were excluded from the consideration of this item as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

Ms Tracy Greenhalgh, Head of Audit and Risk presented the wholly-owned company strategic risk register 2023/2024 to the Committee. An internal audit report on the governance of the Council's wholly-owned companies had identified a need for an oversight of risk management by the Shareholder. Work had been undertaken with each Company to develop individual risk registers which had then been combined into a strategic risk register to ensure clear oversight.

Members noted a need to understand the high risk areas and Ms Greenhalgh advised that an annual review would be carried out on the register with deep dives undertaken into significant risks. It was agreed that further reporting on company risks to the Shareholder Committee would be developed to assure Members of the robust controls and mitigations in place.

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The Committee noted the Strategic Risk Register.

9 # UPDATED LOCAL AUTHORITY COMPANY REVIEW GUIDANCE

Mrs Lorraine Hurst, Company Secretary presented the updated Local Authority Company Review Guidance to the Committee. She highlighted the main principles of the guidance and the key changes made to the guidance including a new checklist that had been developed for all Elected Members involved in Wholly-Owned Companies. A key principle within the guidance was for the regular review of companies to determine whether they were still fit for purpose and remained the correct delivery model. Such reviews had recently been carried out on Blackpool Housing Company Limited and to an extent Blackpool Operating Company Limited and Blackpool Airport Operations Limited through the ongoing York review.

Shareholder Committee decision:

To note the contents of the revised guidance published in 2023.

To endorse that the model governance framework for the Council's company group is updated in line with the 2023 Local Partnerships Guidance with any significant changes to be agreed by Cabinet Member decision.

Reason for decision:

The Shareholder Committee's role is to provide oversight of risk and performance of Council companies and ensure that structures and processes that are 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:

None. It would not be recommended to move away from Government guidance.

Date of decision:

18 January 2024.

Ms Tracy Greenhalgh, Head of Audit and Risk left the meeting following the conclusion of this item.

10 BLACKPOOL ENTERTAINMENT COMPANY LIMITED MANAGING DIRECTOR'S REPORT

(The press and public were excluded from the consideration of this item as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

Mr Andy Morgan, Interim Finance Director, Blackpool Entertainment Company Limited and Councillor Jo Farrell, Chair, Blackpool Entertainment Company Limited joined the meeting from this item.

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Mr Andy Morgan, Interim Finance Director, Blackpool Entertainment Company Limited presented the Managing Director's Report to the Committee.

The Committee noted the update.

11 BLACKPOOL ENTERTAINMENT COMPANY LIMITED FINANCIAL REPORT

(The press and public were excluded from the consideration of this item as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

Mr Andy Morgan, Interim Finance Director, Blackpool Entertainment Company Limited presented the Financial Report to the Committee.

The Committee noted the update.

Mr Andy Morgan, Interim Finance Director, Blackpool Entertainment Company Limited and Councillor Jo Farrell, Chair, Blackpool Entertainment Company Limited left the meeting following the conclusion of this item.

12 BLACKPOOL OPERATING COMPANY LIMITED UPDATE

(The press and public were excluded from the consideration of this item as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972).

Ms Kate Shane, Regional Director, Merlin Entertainments Blackpool, Mr Kenny Mew, Operations Director, Merlin Entertainments Blackpool and Councillor Mark Smith, Chair, Blackpool Operating Company Limited joined the meeting for this item.

Ms Kate Shane, Regional Director, Merlin Entertainments Blackpool provided an update on the work of Blackpool Operating Company Limited to the Committee.

Councillor Lynn Williams left the meeting during the course of this item only. The Committee noted that it was therefore inquorate and the remainder of the item was for information only.

The Committee noted the update provided.

Ms Kate Shane, Regional Director, Merlin Entertainments Blackpool, Mr Kenny Mew, Operations Director, Merline Entertainments Blackpool and Councillor Mark Smith, Chair, Blackpool Operating Company Limited left the meeting following the conclusion of this item.

13 DATE AND TIME OF NEXT MEETING

The Committee noted the date and time of the next meeting as Thursday 22 February 2024, commencing at 10am.

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Chairman

(The meeting ended at 12.03 pm)

Any queries regarding these minutes, please contact:

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Items marked with a # are subject to call-in as per the Overview and Scrutiny Procedure Rules.