



BLACKPOOL COASTAL HOUSING LIMITED

**MINUTES OF THE BOARD MEETING
HELD ON WEDNESDAY 9th JUNE 2010
AT 6.00 PM, CONFERENCE ROOM 1 & 2 PROGRESS HOUSE**

PRESENT:

Cllr Ron Bell
Diane Bellinger
Cllr Simon Blackburn
Caroline Cook
Cllr Tim Cox
Cllr Jim Houldsworth
Cllr Fred Jackson
Bill Rogers
Alison Stringer
Paul Whitehead
Doreen Wightman (Chair)

NOT PRESENT:

Alan Marsh

IN ATTENDANCE:

Peter Jefferson (Chief Executive)
Cyril Holland (Director of Property Services)
Neil Jack (Director of Finance & Resources)
Peter Whittaker (Company Secretary)

Habiba Adam (Client Manager, Blackpool Council)

PART A – OPEN SESSION

1.	<p><u>Apologies</u></p> <p>Carol Hall, Judith Mills, Janet Stirling, Maggie Cornall</p>
2.	<p><u>Declarations of Interest</u></p> <p>None.</p>
3.	<p><u>Minutes of Board Meeting 12th May 2010</u></p> <p>It was noted that the minutes did not record the fact that Cllr Fred Jackson was present at the meeting.</p> <p>Agreed: That subject to them being amended to record Cllr Jackson's attendance at the meeting the Minutes be approved.</p>
4.	<p><u>Matters Arising</u></p> <p>There were no matters arising.</p>



5.	<p><u>BCH Business Plan - 2010 Update Final Version for Approval</u></p> <p>Peter Whittaker presented the report. There had been no comments received from the Tenants Liaison Forum (TLF) but a range of questions had been received from the Council Client only the previous week and to which an immediate response had been given. Habiba Adam, Council Client Representative, explained that there were still some queries outstanding and a meeting has been arranged for early in the following week to discuss them. Cyril Holland stated that the queries focused on the decent homes programme and he was confident that they would be easily resolved.</p> <p>Peter Whittaker explained that this could delay formal approval of the Business Plan if it had to be brought back to the Board in July. The Chair asked the Board to approve the Business Plan subject to the Council Client's queries being resolved at the meeting to be held in the following week and no amendments being made to the plan.</p> <p>Agreed that:</p> <ul style="list-style-type: none"> A. The Business Plan be approved subject to the Council Client queries being resolved and without amendment to the Business Plan. B. As requested by Tim Cox following his abstention in the vote on A above, the questions raised by the Council Client and the answers provided by BCH be circulated to the Board and also a copy of the finally approved Business Plan.
6.	<p><u>Consultation Response – Reform of Council Housing Finance</u></p> <p>Neil Jack reminded the Board that at its previous meeting it had reviewed the Prospectus on the reform of council housing finance issued by Communities and Local Government (CLG) for purposes of consultation. He explained that it is proposed that a joint response with Blackpool Council be made by the closing date of 6th July.</p> <p>This means it will not be possible to bring the final response to the Board before it is sent off and it was proposed that Simon Blackburn, as Chair of the Finance & Audit Committee should approve both the final response and the financial model on behalf of the Board.</p> <p>The consultation document posed six questions and these were set out in the report together with draft responses, which the Board was asked to consider. BCH is carrying out financial modelling on the effects of the proposals for Blackpool in conjunction with the Council and further meetings are to be held in June to finalise the model. Subject to this process the response generally welcomes the Government proposals.</p> <p>During debate a number of points were raised, including:</p> <ul style="list-style-type: none"> • The effect of the recent change in government was queried and it was noted that the Minister for Housing has confirmed that the Government wishes to continue with the current consultation process but are not committing themselves • The proposals could produce a windfall for the Government which should lead them to continue but it is possible that they may want to increase that by not fully funding Decent Homes for 30 years or by withdrawing funding not yet actually allocated. • The fact that the Government wishes to continue with the consultation is encouraging and could represent a good deal for Blackpool. • Annual subsidy would cease and be replaced by a “one-off” settlement that should then allow for future self funding from rental income. <p>The Chair expressed thanks to Neil Jack for his work on this issue.</p>



	<p>Agreed that:</p> <p>A. The draft response be approved</p> <p>B. The Chair of the Finance & Audit Committee and Paul Whitehead be given delegated authority to:</p> <ol style="list-style-type: none"> 1. Approve on behalf of BCH the final version of the joint response prior to submission. 2. Work with the Director of Finance & Resources in reviewing the financial models produced in joint discussions with the Council.
<p>7.</p>	<p><u>Financial Performance</u></p> <p><u>A. Q4 (Full Year) 2009-10 BCH Budget Monitoring</u></p> <p>Neil Jack presented the report of the Blackpool Coastal Housing draft financial position as at 31 March 2010</p> <p>For 2009/10 it was expected that BCH would have an operating surplus of £728,000, as compared to a budgeted deficit of £10,000. This would increase balances to £1,316,000.</p> <p>The main area where savings had been made is the Maintenance Trading Account, which was showing a £71,000 surplus in 2009/10. The main reason for this was the reduced use of sub-contractors following the introduction of new mobile technology and a new work scheduling system, which had resulted in greater productivity from the Trades Workforce. In the last quarter of the year there had been a reduction in the use of sub-contractors worth over £20,000 per month.</p> <p>Changes in project timings and their related expenditure patterns had also played a part in generating the surplus, with spending planned for 2009-10 now taking place in 2010-11. Acquisition and implementation of the new Housing Computer system and introduction of the Tenants Project Fund were major examples of this.</p> <p>Simon Blackburn commented that the BCH financial position was impressive given the current economic situation and asked that Neil and his team be congratulated by the Board for their performance.</p> <p>Agreed that:</p> <p>A. The BCH draft financial position for 2009-10 be noted pending submission of audited final accounts later in the year</p> <p>B. The budget elements listed, totalling £127,000, be carried forward into 2010-11.</p> <p>C. The Director of Finance & Resources and his staff be congratulated on their input to the successful financial management of BCH.</p> <p><u>B. Q4 (Full Year) 2009-10 HRA Budget Monitoring</u></p> <p>Neil Jack presented the report of the Housing Revenue Account (HRA) draft financial position as at 31 March 2010.</p> <p>For 2009/10 it was expected that there would be an operating deficit on the HRA of £223,000, compared to the budgeted deficit of £359,000. HRA balances were projected to be £1,316,000 at the end of the year.</p> <p>Agreed: That the HRA draft financial position for 2009-10 be noted.</p>



8. Operational Performance

A. Q4 (Full Year) 2009-10 Balanced Scorecard

Peter Jefferson presented the Balanced Scorecard for 2009-10 performance. A number of points were made.

HEH03 – Relet Times for Void Dwellings – It was noted that in future this PI will be split into three separate components to highlight how quickly a property is turned around:

1. Following minor work (i.e. a “normal” void)
2. Following decent homes work and/or other major work.
3. Following work of any type (i.e. the overall average)

ORG01 and ORG02 – Employee Sickness Absence - The performance of BCH in 2008/09 was third best nationally compared to other ALMO's, and also compared well with the private sector. In 2009/10, particularly in the second half of the year, the level of sickness had increased to 12.5 days per full time equivalent employee.

BUS10 – Percentage of Empty Homes Awaiting Letting After Minor Repairs - Tim Cox asked whether this would be affected by Streetlife taking over management of the Buchanan Street Hostel following the Council's decision to decommission it for its own use. It was confirmed that the figure did include hostel voids and the decommissioning would reduce the future level of empty homes.

FIN16 – Rent Lost To Void Dwellings - Jim Houldsworth commented that this PI did not give a true picture because of the intentional voids arising from dwellings being held empty pending redevelopment. Neil Jack confirmed that all empty dwellings are included in this figures and the figure for “normal” voids would be lower.

Simon Blackburn stated that inside the front cover of Viewpoint are various key indicators chosen by TLF. Where there are negative results and/or the targets are not being met he suggested that commentary similar to that provided for the Board should be included to provide a fuller picture by showing what action is being taken.

Agreed that:

- A. That the report be noted.
- B. Explanatory text be included when necessary in the Viewpoint performance report

B. Q4 (Full Year) 2009-10 Decent Homes Programme

Cyril Holland presented the report on progress made against Decent Homes Programme targets during 2009-10.

He explained that the spending profile was slightly under target because of the design issues that had created delays in the installation of new heating at the Queens Park high rise flats but there is capacity with contractor partners to pick up the shortfall in 2010-11.

It was noted that Customer Satisfaction information is collected by BCH once the work is complete on each property. Although there had been some issues with Mears, which have been addressed, the partnerships had achieved an overall satisfaction level of 94.31%. Alan Marsh stated that targets had been considered at the Asset Management Committee and the target for satisfaction had been revised to 95% following advice received from the Audit Commission that a 99% level was unrealistic.

Simon Blackburn expressed concern about Mears' performance and asked how these



<p>C.</p>	<p>issues are generally addressed through project management. Cyril Holland confirmed that on-site management had been increased, that we had reduced the allocated workload for Mears and their performance will be considered when allocating the next year's work. Doreen Wightman asked how often partner performance is monitored and it was confirmed that this is done on a monthly basis.</p> <p>Caroline Cook asked whether the partners will retain the staff currently employed when the decent homes work is completed. Cyril Holland confirmed that improvement works will continue beyond the Decent Homes work but continuing employment prospects will depend upon the type and size of programmes. It was noted, however, that employees will have gained skills to better enable them to transfer to other organisations if necessary, a strategic socio-economic benefit of the programme that Simon Blackburn welcomed.</p> <p>Ron Bell asked the Board to congratulate Cyril and his team for exceeding the target set for employment of local labour on the programme.</p> <p>Agreed that:</p> <ul style="list-style-type: none"> A. The report be noted B. The Property Services Directorate be congratulated on their success in bringing about the levels of local labour achieved in the programmes. <p><u>Decent Homes Programme Satisfaction Report</u></p> <p>Cyril Holland presented the report on Customer Satisfaction with the Decent Homes Programme during 2009-10.</p> <p>He stated that some of the issues highlighted will be taken to the relevant Service Improvement Panels and action plans will be devised. He also confirmed that some of the questions would be changed for 2010-11 to make them easier to understand. Further incentives will be offered to encourage tenants to return them.</p> <p>Agreed: That the report be noted</p>
<p>9.</p>	<p><u>Board 360 Degree Appraisal Update</u></p> <p>Peter Whittaker presented the revised format for the 360 Degree Appraisal and explained that it would now be carried out as a paper rather than web-based process. There was general agreement with the revised proposals and the Chair made clear the importance of full participation in the appraisal.</p> <p>Agreed that:</p> <ul style="list-style-type: none"> A. The revised format for the 360 Appraisal of the Board be approved. B. All Directors will participate fully in the appraisal process
<p>10</p>	<p><u>Office Accommodation – Progress Report</u></p> <p>Cyril Holland reported that demolition work was complete and fit out underway, with handover of the building to the Council scheduled for the middle of August. Consultation with staff had taken place regarding colour schemes and related matters and would shortly be finalised. He confirmed that discussions with the Council were currently underway with regards to some cost issues.</p>



	<p>Jim Houldsworth asked if it had been decided who would share the building with BCH and Cyril Holland stated that the Council were still in discussion with potential occupants.</p> <p>It was anticipated that BCH should obtain possession of their part of the building during the middle of September with October identified for occupation and use to begin.</p> <p>Agreed:</p> <p>That the position be noted.</p>
<p>11.</p>	<p><u>New Council House Building – Progress Report</u></p> <p>Peter Jefferson confirmed that planning permission had been received for the Gateside Drive development and work will be underway very soon.</p> <p>Agreed:</p> <p>That the position be noted.</p>
<p>12.</p>	<p><u>Minutes of Committees and Matters Arising</u></p> <p>A. <u>Asset Management – 25th May 2010</u></p> <p>In the absence of the Chair, Cyril Holland presented the Minutes.</p> <p>Agreed:</p> <p>That the Minutes be accepted</p> <p>B. <u>Human Resources – 5th May 2010</u></p> <p>In the absence of the Chair, Diane Bellinger gave an update on the Equal Pay Review. It was noted that two members of staff had been successful at Stage 2 of the appeals process and that so far only two members of staff who had been unsuccessful at Stage 2 had opted to move forward to Stage 3, which is an independent review by Hays. Bill Rogers asked whether there were cost implications for the appeals and Neil Jack confirmed that there had been no cost so far, but as the Stage 3 appeals must be conducted externally there will be some cost.</p> <p>A number of Directors expressed concern at the levels of sickness reported in the Balanced Scorecard for the full year 2009-10 and commented that performance in this area had declined significantly since 2008-09. Neil Jack outlined the main reasons for sickness absence, noting the overall impact upon the figures of a relatively small number of cases of long term sickness. He also drew attention to the distinction in the case of stress related absence between work related and non-work related stress. He also outlined the processes used to monitor and manage sickness absence.</p> <p>Simon Blackburn commented upon the figures comparing diversity within the workforce and asked whether there were any criteria against which the Board could be measured. He also felt that there may be action that BCH could take to make the Board more representative of the Blackpool area in general and its customers in particular.</p> <p>Agreed that:</p>



	<p>A. The Minutes be accepted</p> <p>B. Every effort must be made to reduce the levels of staff sickness absence</p>
13.	<p><u>Any Other Business</u></p> <p>Peter Whittaker explained that the calendar of meetings for the new 2010-11 municipal year had been published in May; some months after BCH had set its own cycle of meetings for the year. There was now a clash of meetings on 22nd September between Full Council and the BCH Annual General meeting and Board Meeting. It had always been BCH policy to avoid such clashes and it would therefore be necessary to change the date of the September meetings</p> <p>Agreed that:</p> <p>A. The Company Secretary will email all Directors to ask them urgently for their availability to attend meetings on alternative dates in September.</p>
14.	<p><u>Date & Time of Next Meeting</u></p> <p>Wednesday 28th July 2010 at 6pm, Conference Rooms 1 & 2, Progress House</p>
	<p>The Meeting closed at 7.50pm</p>