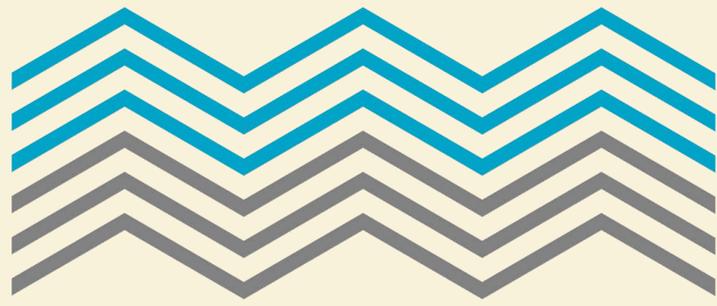


2020
2021



Blackpool Coastal
Housing

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BOARD MINUTES

30.04.2020



**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
BLACKPOOL COASTAL HOUSING LIMITED
HELD VIA SKYPE MEETING
ON THURSDAY 30th APRIL 2020 AT 1.00PM**

Present: Councillor L Williams, Non-Executive Director (Chairman)
Councillor J Hobson, Non-Executive Director
Councillor D Robertson BEM, Non-Executive Director
Mr N Herring, Non-Executive Director
Mrs V O'Shea, Non-Executive Director
Mr A Disley, Non-Executive Director
Mr Szatkowski, Non-Executive Director
Mrs M Thompson, Non-Executive Director
Ms E Upton, Non-Executive Director

In attendance: Mrs M Cornall, Director of Operations
Mr J Donnellon, Chief Executive
Mr S Dunstan, Director of Resources
Mr A Lockley, Assistant Chief Executive/ Director of Strategy, Blackpool Council and shareholder lead officer
Mrs S Fowler, Chief Executive's PA
Mr M Towers, Company Secretary
Miss K Rourke, Company Secretary Support

		Actions
1.	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were submitted on behalf of Non-Executive Director Ms L Derby.</p>	
2.	<p>DECLARATIONS OF INTEREST</p> <p>There were no declarations of interest made at this meeting.</p>	
3.	<p>MINUTES OF THE LAST MEETING OF THE BOARD HELD ON 5 FEBRUARY 2020</p> <p>The Board agreed: To approve the minutes of the Board meeting held on 5 February as a correct record.</p>	
4.	<p>MATTERS ARISING FROM THE MINUTES OF THE BOARD MEETING</p> <p>5 February 2020 Board Meeting</p> <p><u>Minute 7</u></p>	

	Actions
<p>Mr Towers, Company Secretary informed the Board that the information portal originally identified as part of the Modern-Gov package, was in practice not fit for purpose. It was recommended that Microsoft Teams be used for that function, it was also suggested that the next board meeting be held on that platform.</p> <p>The Companies Day that was proposed, involving by Mr Lockley had been put on hold due to current events and feedback would be given to the Board when a new arrangement had been made.</p> <p><u>Minute 9</u></p> <p>Mr Donnellon informed Board members that the National ALMO Conference had been postponed due to COVID-19 and that Mr Szatkowski would now attend the re-arranged conference next year.</p> <p>5. BLACKPOOL COUNCIL COVID-19 POSITION</p> <p>Mr Lockley, Assistant Chief Executive/ Director of Strategy of Blackpool Council and Shareholder lead officer provided a short overview to the Board of the response Blackpool Council had taken over the past 6 weeks in relation to Covid-19. He expressed how proud and grateful the Council was towards its partners and that the companies, including Blackpool Coastal Housing, had been a core part of the Council's response to Covid-19.</p> <p>The Council and partners focus had been on emergency and localised response to Covid-19, although discussions were now focused on looking at the long-term impact and new ways of working going forward. He highlighted some key items which had aided the Council in its response, which included:</p> <ul style="list-style-type: none"> • regular dialogue with the companies managing directors' • response to national narrative • monitoring of measures taken nationally in care settings • the set-up of community hubs • monitoring risk • the ordering and sourcing of PPE • housing the homeless <p>My Lockley informed the Board that April had seen a significant rise in patients being admitted to hospital with Covid-19 symptoms nationally, which had now subdued, although that progress had not been mirrored in care home settings. The Council and partners efforts to contain and subdue Covid-19 in care settings had stablished the spread, however he expressed that Blackpool had not come across the same challenges as other parts of the country.</p>	

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<p>The Board was informed that Mr Neil Jack, Chief Executive of Blackpool Council was leading the emergency procedures of Lancashire Resilience Forum in relation to the humanitarian cell, whilst other members of the Council's Corporate Leadership Team were leading the local responses. Key community hubs had been set up across Blackpool to support the community and provide food to people, which included the 500 people on the Blackpool sheltered list, these efforts were supported by Blackpool Coastal Housing. Mr Lockley extended his thanks to the incredible staff of Blackpool Coastal Housing who had assisted in connecting and organising the food response to the community and that the assistance of the Company, along with the Council's other subsidiaries, had resulted in the successful distribution of 230,000 thousand meals at the end of March, which had exceeded the national food effort.</p> <p>Mr Lockley notified the Board of the risks the Council had and continued to face, he highlighted that the media had focused not only on the hospitals' but also on adult social care, which had been recognised as a fragile sector, the workforces were vulnerable and more support would be required. The Council had made efforts to mitigate the risks by sourcing and purchasing relevant PPE and had recognised that providers required financial support to stay on their feet. The Council had given out £35million to small businesses from the small business relief grants and had teams working continuously that provided business support. He further informed the Board that Blackpool was ahead of the government target in regards to housing the homeless, the government guidance advised that housing for homelessness should have been achieved by the end of March and with the support of Blackpool Coastal Housing, 160 people had been given temporary accommodation and thanks were given to the staff. Key workers in schools were praised, although it was highlighted that communication with vulnerable children had been difficult due to Covid-19 but work would be ongoing to keep in contact.</p> <p>He informed the Board that the Council had received some financial assistance from the government, which included £6.1million as a down payment and a further payment of just under £4million. The finances would be stretched and the Council had been hit hard as a unitary authority with the lack of funding, compared to the spend in that area.</p> <p>Cllr Williams, Chairman and other Board members, expressed their thanks to the partnerships the Council had and the Blackpool Coastal Housing staff. Cllr Williams informed the Board that she had sent a thank you to the Blackpool Coastal Housing staff for their impressive work during the pandemic.</p> <p>Mr Disley questioned whether any progress had been made in establishing how the Council and its companies would move forward in the future. Mr</p>	

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<p>Lockley commented that emergency response meetings were taking place and that time had been set aside to establish a new way of working going forward, two areas had been highlighted for the first work streams, which included:</p> <ol style="list-style-type: none"> 1. working on the economic recovery 2. working on service delivery and the operations of working with companies in the future <p>The Board agreed: To note Mr Lockley's update and expressed thanks to him.</p> <p>6. CHARGES TO COMPANIES</p> <p>Mr Lockley, Assistant Chief Executive/ Director of Strategy of Blackpool Council and Shareholder lead officer presented to the Board a report outlining the proposal of fees charged to the company for the services the Council provided. It was noted that where a local authority provided services to its company, it was obliged under the Local Government (Best Value Authorities) (Power to Trade) England Order 2009 to recover the full costs of the services it supplied to companies which it had created for the purposes of trading</p> <p>He highlighted to the Board that the Council had provided a number of support and operational services to its wholly owned companies for many years. These arrangements had developed over time as new companies had been purchased or incorporated and only certain companies had a written management/ service level agreement in place with the Council. The Council was also aware that the basis of charging between Council departments (to the companies) was different and that in some cases the charge, for the same service, made to the companies was different. In addition to the Council's support, he explained that the Council had an unusually large suite of wholly owned companies that through the Boards benefitted from a consistent governance framework that ensured assurance and compliance.</p> <p>Mr Lockley explained that the Council was able to provide services to the wholly owned companies under the Local Government Act 2003, which provided the Council with a general power to charge and trade with individuals and private bodies. Council owned companies were classified as private bodies regardless of the fact they were wholly owned by the Council. The law enabled a Council to charge for providing any services for which it had the power to provide.</p> <p>The Board was informed that another matter requiring consideration was the question of State Aid. Where the Council granted aid to one of its companies it would, prime facie be aid granted from state resources. It would fall within the</p>	

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<p>State Aid rules if it conferred a selective advantage on an undertaking which was carrying out an economic activity, which distorted competition or which had a potential to do so and which effected trade between member states or had the potential to do so.</p> <p>In order to avoid State Aid, the aid which had been granted from the Council had to be on commercial terms, in terms of the market operator principle, therefore any proposed fees and charges must also be commensurate with those available on the market, subject to cost recovery. In some of the services provided to Council owned companies, the current charges did not reflect the true cost of providing the service and in this sense, public funds were being used to supplement the companies. Mr Lockley highlighted the necessity to correct this position in line with State Aid rules and best value legislation as the Council had concluded that charges currently were too low.</p> <p>He informed the Board that charges to the company would be in phases, with phase one covering the key areas the Council provided services i.e. legal, audit, company secretarial and human resources. The charges to the company had been discussed previously with the Chief Executive and he explained that there would be no material effect on the company or consequences on services the company provided due to the increase of charges.</p> <p>It was proposed that a Management Services Agreement be drawn up to include the fees and charges (on a cost recovery basis), the annual increase (based on the annual local government pay award) and the service level agreement (SLA) which would define the level of service to be delivered and that these be set for a 5-year period. It was recommended to the Board to delegate authority for Mr Donnellon to work with Mr Lockley to produce the SLA and that the further areas that required cost recovery would be looked at next year.</p> <p>The Board discussed the charges to the company, Mrs Upton extended her thanks for the clear and factual report but queried whether the development of the service level agreement would include quality, response times and how they would be met. Mr Lockley commented that the service level agreement would be drafted to incorporate the accountability of the Council for providing a service, the remit of the accountability and how the Council would be held to account for failing to uphold the terms in the service level agreement. Mrs O'Shea questioned whether the Council's other wholly owned subsidiaries received a management fee. Mr Lockley informed the Board that each company varied and different forms of agreement were in place.</p> <p>The Chairman opened up discussion for further questions and Mr Szatkowski queried how the charge would be absorbed in 2020 and if the audit and risk</p>	

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<p>service level agreement would be presented to the audit committee. Mr Lockley responded that the uplift would be an additional cost that would be covered by a re-negotiated fee to match the amount of the increase, Mr Towers added that Mrs Greenhalgh, the audit advisor to the Board, would be discussing the audit plan with Mr Szatkowski.</p> <p>The Board agreed:</p> <ol style="list-style-type: none"> 1. To the basis of full cost recovery of services provided by the Council to the company and delegated to the Chief Executive to develop and sign these off by way of a Management Services Agreement with the Shareholder Lead Officer initially for internal audit, legal, company secretarial support and human resources; 2. That the remaining services provided by the Council to Blackpool Coastal Housing be dealt with in a similar manner and incorporated into the agreement to be effective from 2021/ 2022 financial year; 3. To support the Council's intention to provide services to companies which may already be provided by outside organisations, especially where the Council believed a minimum level of assurance was required for that service and the expertise and capacity was available within the Council. <p>7. CHIEF EXECUTIVE'S REPORT INCLUDING COVID-19</p> <p>Mr Donnellon, Chief Executive presented a report outlining the company's response to the Covid-19 pandemic, business impact and recovery planning and interim fees.</p> <p>The Board was informed that due to the impact of Covid-19, the company was required to alter, for an undefined period, the whole business model to focus on vulnerable and homeless people. As a wholly owned company of the Council, the company also focused on Blackpool's response to the pandemic, which had seen further alterations to services that included:</p> <ul style="list-style-type: none"> • resources to be on emergency repairs only • contacting and supporting the most vulnerable clients • backing up the Council's "Corona Kindness Hubs" that had delivered food and medical supplies to those that had isolated • providing emergency housing to the customers already in the hostels and the street homeless <p>The alteration of services and delivery of the company was predicted to have had an impact on the plans set out for 2020/2021 and Mr Donnellon advised that discussions had taken place to track and monitor the impact whilst mitigating the effects on the business. A KPI dashboard had been produced which outlined the key indicators that would aid the recovery phase and would</p>	

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<p>be discussed further in the Director of Resource report.</p> <p>In terms of a recovery plan, the company had been assessing the existing plans and targets, identifying areas of stress and how to get back on track. Due to the uncertainty of the current situation and how the government reintroduced measures, it had been recommended that a new business plan was developed and produced at the next board meeting for consideration.</p> <p>The Board members discussed the renew of the business plan and how Board members should continue to meet going forward. Cllr Williams recommend that the business plan should be presented at the next meeting and inputs from Board members would be taken.</p> <p>It was queried whether there was a backlog in demand on requests for repairs, Mr Donnellon explained repairs calls had reduced as some customers were wary of workers entering their homes despite sage working practices being in place. Mrs Thompson extended her thanks to Mr Donnellon for the report and questioned whether staff at Blackpool Coastal Housing had been engaged and whether plans had been considered to manage expectations of work backlogged with tenants. Mr Donnellon commented that the staff had been extremely adaptable under the circumstances but managers were aware of the risk over time that working from home could take a toll on workers wellbeing and mental health and that the company was working hard to engage staff and communicate with tenants.</p> <p>Board members were informed of interim fees that included the charges to companies and budget pressures around Left Coast funding. In addition to the fees related to the service level agreement, the Council had asked Blackpool Coastal Housing to take on the Council contribution towards the Left Coast project, which amounted to £30,000 per annum for the next three years. It was proposed that the management fee would be increased to cover the Left Coast project fee and that delegated authority be given to the Chief Executive to agree a new level of management fee with the Council.</p> <p>The Board agreed:</p> <ol style="list-style-type: none"> 1. That the company's revised business plan be brought to the next board meeting for consideration 2. That delegated authority be given to the Chief Executive to agree a new level of management fee with the Council to encompass the increase in central charges and the Lefty Coast project fee. <p>8. DIRECTOR OF RESOURCES' REPORT</p>	<p>JD</p>

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<p>Mr Dunstan, Director of Resources presented a report outlining the recent activity in the Resources directorate, including the emergency response to the Coronavirus outbreak.</p> <p>As part of the Council's Corona Kindness initiative an emergency food parcel distribution arrangement had been set up for residents unable to leave their homes and receive other deliveries. It was agreed that the Resources directorate would lead the external resilience and support was provided in the three wards with Blackpool Coastal Housing's biggest stock, Clifton (Mereside), Ingthorpe (Kincaig) and Park (Grange). Mr Dunstan informed the Board that work was progressing well and that some hubs had been stood down due to the lack of demand.</p> <p>The directorate had also focused on the vulnerable tenants in which the team had contacted all tenants over 70 who were required to self-isolate or shield which was followed by door knocking to identify if the vulnerable tenants had the support they needed. Cllr Hobson queried whether they were satisfied that all vulnerable tenants over 70 had been identified, Mr Dunstan advised that there was a small proportion who were difficult to make contact with but work had been undertaken with the housing teams to identify all vulnerable tenants and with further help from the Council he was confident that the majority had been contacted or were to be contacted. Mr Donnellon added that the client group in temporary accommodation had been the hardest to contact due to the lack of communication and details.</p> <p>Further services had been implemented including regular contact arrangement for tenants, supported rent payments and facilitating the new lettings which were still going through to address coronavirus related social distancing. Going forward the service would fulfil the commitments to the hubs whilst also bringing other services back on stream where possible and beneficial to do so.</p> <p>Mr Dunstan informed the Board than an annual review was conducted prior to the outbreak that had made putting measures in place simpler and quicker. Business continuity had also been progressing well, the company had moved relatively early on closing receptions and the decision was taken to segregate the Coastal House and Grange Park offices to reduce the risk of cross-contamination.</p> <p>An update was provided on the finances which included the year-end outturn and the additional spending related to coronavirus. Mr Herring queried when the audit would be undertaken and if a revised budget was to be considered, Mr Dunstan advised that a virtual meeting had taken place to discuss the timelines and it was apparent that the original timescale may not be met and that they would need to develop a new business case for a new budget. Mr</p>	

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<p>Dunstan agreed to produce a revised report.</p> <p>In terms of the ICT strategy, it was intended that an updated strategy would be brought to the Board, although due to the pandemic IT staff had been focused on servicing priority areas in the lockdown. It was proposed that that ICT strategy was deferred until a corporate lessons learned exercise had occurred as the company would need to work in new ways going forward and would need to be factored into the strategy for the medium term.</p> <p>Clarification was sought around the KPI measures going forward, Mr Dunstan explained that proposed measures were being received from Housemark, the current phase had been reported in appendix 7(a) with further scorecards being included in the business plan.</p> <p>The Board agreed: To note the Director of Resources' report.</p> <p>9. DIRECTOR OF OPERATIONS' REPORT</p> <p>Mrs Cornall, Director of Operations presented a report outlining the actions that had been taken since the outbreak of the pandemic and how this had affected the service provided within the operations department.</p> <p>Mrs Cornall explained that regulators had not relaxed compliance for gas and electric testing but there were difficulties with access to properties where people are shielding. Continued efforts were being made to complete all statutory checks. Operations work had been focused on emergency repairs and void refurbishment to assist with homelessness demand which had seen a major increase. The prioritisation of repairs work had resulted in a backlog of routine repairs and planned non-emergency asset improvement work.</p> <p>Challenges had occurred due to the sourcing of building supplies to enable repair and void work to continue, with just 24 hours' notice the company's main building supplier, Fylde Coast Builders Supplies, closed down. Worked had continued and new suppliers had been established. Mrs Upton queried whether the 24 hours' notice would constitute a breach of contract, Mr Donnellon added that alternate suppliers were in place and that in current circumstances a breach of contract would have been to difficult to prove. Forming new supplier relationship was positive for our materials supply post Covid.</p>	<p>SD</p>

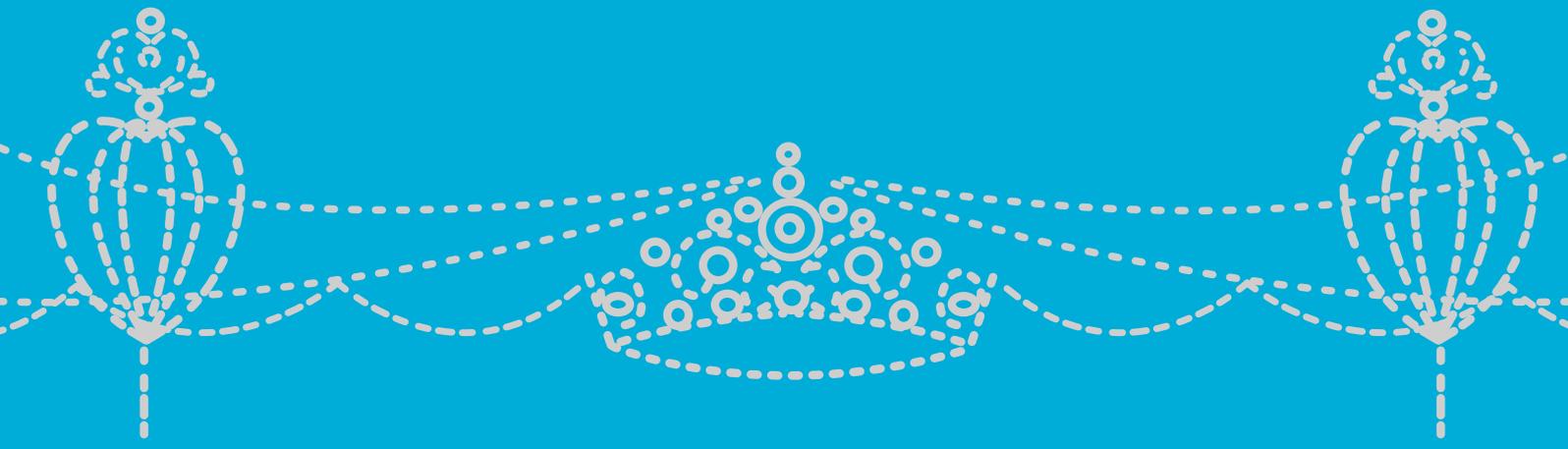
	Actions
<p>It was noted that lettings had been focused on the homeless with social distancing measures in place. Self-isolation and social distancing had proved difficult in hostel situations not designed for self-isolation due to the level of shared facilities, Gorton Street Hostel in particular had shared facilities and a chaotic client group. Capacity had been temporarily reduced to reduce the risk to clients while still supporting the homelessness demand. Mrs Cornall informed the Board of recent negotiations with Great Places and noted that a former hostel had been purchased through the HRA specifically for the homeless and refurbishments had been scheduled for the upcoming weeks.</p> <p>The Board was informed that most of the company's vulnerable elderly client group were situated within the Sheltered Housing Service, the warden call system had moved to a telephone service backed up with an emergency response in person if needed. The Clare Street young person's accommodation and Positive Transitions Service had continued to operate whilst ensuring measures were in place to abide by social distancing.</p> <p>Mrs Cornall explained to the Board that the internal audit of the Fire Risk Assessments had been implemented and that the service remained adequate, but further recommendations were made which were to be presented at the next Audit Committee meeting. She further explained that the planned restructures had been in formal consultation and although the consultation period had been extended, the structures had now been finalised and work had begun to re-deploy staff and update job descriptions.</p> <p>The Board agreed: To note the Director of Operations' report.</p>	
<p>10. ANY OTHER BUSINESS</p> <p>There was no other business.</p>	
<p>11. Date of Next Meeting</p> <p>The Board agreed: To note the date of the next meeting as Wednesday 22 July 2020.</p>	



The meeting ended at 2.50pm

Signed by the Chairman

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Councillor L Williams



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