

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
BLACKPOOL COASTAL HOUSING LIMITED
HELD AT COASTAL HOUSE
ON THURSDAY 9 FEBRUARY 2023 AT 5.00PM**

Present: Councillor N Brookes, Non-Executive Director (Chair)
Councillor J Hobson, Non-Executive Director
Councillor D Robertson, Non-Executive Director
Mr N Herring, Tenant Non-Executive Director
Ms M Cameron, Tenant Non-Executive Director
Mrs M Thompson, Independent Non-Executive Director
Ms M Gilkes, Independent Non-Executive Director

In attendance: Mr J Donnellon, Chief Executive
Mrs M Cornall, Director of Operations
Mr R Jones, Performance Manager [Items 1-7 only]
Mr A Walker, Head of Housing Services [Item 8 only]
Ms S O’Grady, Customer Involvement Officer [Item 6 only]
Members of the TOWER Scrutiny Panel [Item 6 only]
Mrs S Fowler, Chief Executive’s PA
Mr M Towers, Company Secretary
Mrs S Chadwick, Assistant Company Secretary

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1.	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were received from Mr A Szatkowski, Independent Non-Executive Director, Ms T Johnson, Independent Non-Executive Director and Mr S Dunstan, Director of Resources.</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 7 DECEMBER 2022</p> <p>The Board agreed: To approve the minutes of the Board meeting held on 7 December 2022 as a true and correct record.</p>	
4.	<p>MATTERS ARISING</p> <p><u>Minute 8 – Director of Operations report</u> Mr J Donnellon, Chief Executive, advised that a KPI had not yet been developed around issues relating to damp and mould but that he would work with Mr Richard Jones, Performance Manager, to develop an appropriate indicator in</p>	JD

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<p>the coming weeks.</p> <p>All other matters arising from the previous minutes had been completed or were covered elsewhere on the agenda.</p> <p>5. MINUTES OF THE AUDIT COMMITTEE HELD ON 25 JANUARY 2023</p> <p>Board members considered the minutes of the Audit Committee meeting held on 25 January 2023. In relation to Item 11: Internal Audit Report – Review of Resettlement Service, Ms M Gilkes, Audit Committee member, highlighted the potential shortfall that had been identified in resources related to Children’s Services activity and asked if there was any update. Mrs M Cornall, Director of Operations, advised that since that meeting discussions had taken place with Blackpool Council’s Children’s Services Team who had agreed to make up the shortfall.</p> <p>The Board agreed: To note the minutes of the Audit Committee meeting held on 25 January 2023.</p>	
<p>6. TOWER SCRUTINY REPORT – REPAIRS SERVICE</p> <p>[Ms Sandy O’Grady, Customer Involvement Officer and TOWER Scrutiny Panel joined the meeting at the start of this item.]</p> <p>Ms O’Grady introduced six members of the TOWER Scrutiny Panel which had been involved in undertaking a review of BCH’s Day to Day Repairs Service. Mrs M Cornall, Director of Operations, presented the report’s findings which had gathered evidence over a three month period via benchmarking exercises, staff interviews and reviews of a range of service related documents. Work had taken place with the Repairs Service to identify issues and a number of recommendations had been made which had been accepted by the management team with all either completed or underway.</p> <p>In relation to the recommendation to have QR codes on appointment letters, Mr N Herring, Non-Executive Director queried what would happen in the event that the software failed or a customer did not have the technology to scan the code. In response, Mrs Cornall advised that that recommendation was still under consideration and that the existing online reporting mechanism would remain in place as an alternative or a backup if required.</p> <p>Panel members explained that the process had been useful, particularly the interviews with contractors and tenants in regards to communication and feedback issues which Mrs Cornall advised had been addressed by recommendation number five.</p>	

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7.	<p>The Chair praised the positive outcome of the review and its recommendations and thanked the Panel for its efforts.</p> <p>The Board agreed: To note the report.</p> <p>[Ms O’Grady and the TOWER Scrutiny Panel left the meeting at the conclusion of this item.]</p> <p>TENANT SATISFACTION MEASURES</p> <p>Mr J Donnellon, Chief Executive, presented the report and reminded the Board of its previous discussions regarding the STAR tenant satisfaction survey and alternative options which should be considered in preparation for the requirements implemented by the Social Housing White Paper. Questions had been raised as to the resilience of a system that only relied on one major customer survey in any one year and the risk of reporting results to Government without the opportunity to take remedial action in order to improve results in any subsequent survey.</p> <p>Mr R Jones, Performance Manager, reminded the Board that Blackpool Council was ultimately responsible for Tenant Satisfaction Measures (TSMs) and a project Board had been set up with the Council to ensure delivery. Currently there were two sets of measures – KPI reporting and the STAR satisfaction survey. By the end of March 2023 it was expected that the STAR survey would be completed to give a baseline figure for the tenant participation indicators.</p> <p>Mr Jones presented two alternative TSM survey options for consideration going forwards:</p> <p><u>Option 1</u> Two STAR surveys to be completed each financial year by a research company: the first including Tenant Satisfaction Measures to be completed within the first two quarters, with further analysis carried out by the Performance Team, followed by a second STAR survey carried out in the fourth quarter at an overall cost of £40,500.</p> <p>The pros of that approach included having up-to-date data, demonstrating transparency and that tenants’ views were being listened to, with cons including the short turnaround time between surveys which would prevent “deep dive” analysis at neighbourhood level and the high cost.</p>	

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<p><u>Option 2</u> One STAR survey including Tenant Satisfaction Measures to be carried out by a research company within the first two quarters, with further analysis carried out by the Performance Team, followed by mini STAR surveys derived from the analysis targeting neighbourhoods with issues identified by the Board and/or Senior Management Team at an overall cost of approximately £22,500.</p> <p>The pros included that it was a more tenant-led neighbourhood approach which would therefore be more targeted and that the option would cost less with more information available, with cons including that it would be resource intensive for the company.</p> <p>In response to questions Mr Jones confirmed that the cost of the current STAR survey for comparative purposes was £24,500 per annum via an external company. Surveys were currently conducted by both post and email with an achieved response rate of 38% against a target rate of 40%. Mr Donnellon added that the regulator specified how surveys were to be undertaken so that the approach was consistent across all housing organisations.</p> <p>The Board agreed: To approve the approach outlined in Option 2 at a cost of £22,500 for future tenant satisfaction surveys.</p> <p>[Mr Jones left the meeting at the conclusion of this item.]</p> <p>8. FURNISHED TENANCIES</p> <p>[Mr A Walker, Head of Housing Services, joined the meeting at the start of this item.]</p> <p>Mr Walker presented the report which outlined the work undertaken on producing a business case to commence offering furnished tenancies. Discussions had taken place with social housing providers in Liverpool and Stockport which already offered similar schemes to understand how they worked in practice and a visit had been made to a major supplier of furnished tenancies, Furniture Resource Centre (FRC), who could offer a service to provide furniture to BCH.</p> <p>The Board considered the findings of the report such as the demand for stock and the recommendation that an initial twelve month pilot took place for those requiring furnished one bedroom properties. The scheme would operate on a buy-to-rent service with an estimated first year cost of £100,000 and would only be offered to new tenants, such as the homeless, by invitation at the outset.</p>	

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<p>Discussion took place around the supply of new or used furniture and white goods and whether there would be policy of replacing or repairing in the event of damage or malfunction. Mrs Cornall advised that the preferred business model would be to supply new branded white goods on the advice of other organisations who had not experienced any problems and that although there was an initial cost outlay, there was potential for return on the investment over time. Tenants would also be able to choose which products they required in addition to standard items such as a cooker and fridge, for example a washing machine.</p> <p>Ms M Gilkes, Independent Non-Executive Director, suggested that there was likely to be a higher turnover of tenancies for one bedroom properties than for family homes and therefore suggested that consideration was given to recycling goods when a tenant left. Board members reminded the management team of the importance of the company maintaining its green credentials and suggested that white goods should be reused or recycled rather than replaced once a tenant left, particularly if an item was still under warranty.</p> <p>Mr Walker noted the comments and confirmed that the company was still learning about the scheme and the best way to operate it. The Board was reassured that other providers already offered similar schemes successfully elsewhere and therefore agreed in principle to seek approval from Blackpool Council to run a furnished tenancy service on a trial basis.</p> <p>The Board agreed:</p> <ol style="list-style-type: none"> 1. To give approval for permission to be sought from Blackpool Council to run a furnished tenancy service. 2. That for the first twelve months the service was run as a proof of concept by offering furnished tenancies to those requiring furnished one bedroom accommodation. 3. That the scheme was operated on a buy to rent service with an estimated first year cost of £100,000 which included purchasing the furniture and recruiting a member of staff to operate the service. 4. That the service was only offered to new tenants at the outset. <p>[Mr Walker left the meeting at the conclusion of this item.]</p> <p>9. 2023/24 BUSINESS PLAN AND DRAFT BUDGET</p> <p>Mr J Donnellon, Chief Executive, presented the revised draft Business Plan which had been updated to include the comments received from Board members. A revised Key Performance Indicator scorecard was also presented</p>	

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<p>which incorporated the new Tenant Satisfaction Measure indicators alongside the draft revenue and capital budgets for 2023/24 which would be included as an appendix to the Business Plan once approved.</p> <p>A detailed breakdown of the budget was included in the Director of Resources' report. A projected 2% pay increase, equating to an additional £122,000 for the year, had been excluded from the draft budget in line with the Council's policy and had been treated as an efficiency target. Should the agreed pay settlement be higher than 2%, the Board was advised that the use of reserves could be considered to cover any unmanageable cost pressures or alternatively the HRA fee could be renegotiated in-year, however Mr Donnellon was confident that the proposed budget could handle most inflationary pressures without a reduction in service levels.</p> <p>In response to a question from Mrs M Thompson, Independent Non-Executive Director regarding tracking vacancy factors, Mr Donnellon explained that vacancies occurred naturally and, whilst they were not monitored individually, they were monitored by the Head of Finance. Ms Gilkes suggested it would be useful to see stock condition data which Mr Donnellon explained could be provided upon request and which was also included within the 30 year plan. Going forwards he therefore agreed to report vacancies to future Board meetings and would devise a way to present longer term stock condition data to Board members when requested.</p> <p>The Board agreed:</p> <ol style="list-style-type: none"> 1. To approve the draft Business Plan text and revised KPI scorecard for 2023/24 2. To note the draft revenue and capital budgets for 2023/24 subject to final approval by the Council at its budget setting meeting on 22 February 2023. <p>10. CHIEF EXECUTIVE'S REPORT</p> <p>Mr J Donnellon, Chief Executive, updated the Board on the significant developments that had arisen since the last Board meeting.</p> <p>Board members were reminded that the Government had committed to capping social rent rises at 7% for 2023/24 as part of its budget statement. Mr Donnellon advised that Blackpool Council had proposed a rise of 5%, subject to approval at its Budget setting meeting on 22 February 2023, which had been agreed following discussions with the Council as to how to balance the maintenance of a viable Housing Revenue Account against cost of living pressures. Mr N Herring, Tenant Non-Executive Director, queried whether the rise would push those tenants in receipt of housing benefit into poverty. In</p>	<p>JD</p>

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<p>11.</p>	<p>response, Mr Donnellon acknowledged the pressures faced by residents and explained that funding had been made available from the Council for tenants who needed particular help towards bills such as energy vouchers. Mrs Cornall added that BCH's rents were lower than others nationally and below the housing benefit rate therefore the rent rise alone should not directly impact upon those in receipt of housing benefit.</p> <p>Due to the timing of the meeting and the receipt of quarter 3 performance data it had not been possible to provide a performance report for the agenda. Mr Donnellon therefore agreed to circulate the data and report separately after the meeting.</p> <p>Work on the Levelling Up agenda was ongoing with an outline Business Case due to be presented to Homes England and DLUHC by the end of March for a significant amount of capital funding to begin investment in the inner areas of the town. Mr Donnellon concluded his update by praising the emergency response of staff and contractors to an incident at Aysgarth Court when a car had crashed into the building, which the Chair reiterated.</p> <p>The Board agreed: To note the update.</p> <p>DIRECTOR OF RESOURCES' REPORT</p> <p>Mr J Donnellon, Chief Executive, presented the Director of Resources' report on behalf of Mr Dunstan who was unable to attend the meeting due to him attending the Housing Digital Innovation Awards where he was representing the company.</p> <p>As at Quarter 3 a surplus of £53,000 was projected at year end, as against a break-even budget. In response to a question from Ms M Gilkes, Independent Non-Executive Director, as to the increased expenditure on Care and Repair, Mrs M Cornall, Director of Operations explained that additional resources had been made available and the company therefore had the income to cover any extra expenditure.</p> <p>An update was provided in regards to the ongoing failure of the air conditioning system in Coastal House with a consultant due to visit in the coming weeks to investigate the fault. Mr Donnellon concluded the update by asking Board members to consider the approval of the 2023/24 draft budget as presented.</p>	<p>JD</p>

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<p>The Board agreed:</p> <ol style="list-style-type: none"> 1. To note the update. 2. To approve the 2023/24 BCH budget. <p>12. DIRECTOR OF OPERATIONS' REPORT</p> <p>Mrs M Cornall, Director of Operations, presented her report and highlighted the significant developments since the last Board meeting.</p> <p>The Responsive Repairs and Empty Homes Service had been subject to a full HQN Accreditation review process and, although it was yet to be completed, Mrs Cornall was hopeful that the service would maintain its accreditation.</p> <p>An update was provided in regards to Damp and Mould with the Board presented with a copy of Blackpool Council's Damp and Mould Position Statement to the Secretary of State and BCH's Self-Assessment against the Housing Ombudsman's recommendations on the management of Damp and Mould. The company had received a greater number of damp and mould enquiries following the publicity surrounding the social housing sector after the death of a young boy in Rochdale however Mrs Cornall stated that she was confident that the company was responding well to such enquiries. Training had recently been arranged for non-technical staff on how to identify issues and information would be sent out to all tenants alongside the rent increase letters to raise awareness and provide advice on how to reduce instances of damp and mould and how to report concerns.</p> <p>Work had begun on the Argosy former Children's Home which it was hoped would be complete by the end of the financial year. The Bispham Master Planning was still in its early stages with proposed costings yet to be obtained. A T-Level student had commenced working with BCH, spending two days under the supervision of the Head of Asset Management, to help draw up plans to return the former Mereside library into residential accommodation.</p> <p>Mrs Cornall referred to the Repairs Policy and the Gas Repairs Policy which had been reviewed and made available to Board members on the company's SharePoint site for information. Two new policies were presented for consideration and approval in regards to Legionella Control and Electrical Installation and Maintenance.</p> <p>The Board agreed:</p> <ol style="list-style-type: none"> 1. To note the report. 2. To approve the new Legionella Control Policy. 3. To approve the new Electrical Installation and Maintenance Policy. 	

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13.	<p>MEMBER RELATIONS</p> <p>Board members considered the extracted minutes of the company's last attendance at the Shareholder Committee meeting on 19 December 2022.</p> <p>The Board agreed: To note the extracted minutes of the Shareholder Committee meeting held on 19 December 2022.</p>	
14.	<p>WORK PROGRAMME</p> <p>The Board agreed: To note the 2023 work programme.</p>	
15.	<p>ANY OTHER BUSINESS</p> <p>There was no other business.</p>	
16.	<p>DATE OF NEXT MEETING – 29 MARCH 2023</p> <p>The Board agreed: To note that the next meeting would take place at 5pm on Wednesday 29 March 2023 at Coastal House.</p>	

The meeting ended at 6.43pm

Signed by the Chair

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Councillor Neal Brookes