

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
BLACKPOOL COASTAL HOUSING LIMITED
HELD VIA MICROSOFT TEAMS
ON WEDNESDAY 2 FEBRUARY 2022 AT 6.00PM**

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
Mr A Szatkowski, Independent Non-Executive Director
Mrs M Thompson, Independent Non-Executive Director

In attendance: Mr J Donnellon, Chief Executive
Mrs M Cornall, Director of Operations
Mr S Dunstan, Director of Resources
Mrs S Fowler, Chief Executive's PA
Mr R Jones, Performance Manager
Mr G Gupta, Data Operations Manager, Housemark
Mr M Towers, Company Secretary
Mrs S Chadwick, Assistant Company Secretary

		Actions
1.	<p>APOLOGIES FOR ABSENCE</p> <p>There were no apologies for absence.</p>	
2.	<p>DECLARATIONS OF INTEREST</p> <p>There were no declarations of interest made at the meeting.</p>	
3.	<p>HOUSEMARK PRESENTATION AND PERFORMANCE REPORT</p> <p><u>Housemark Benchmarking report</u></p> <p>Housemark had recently completed its annual benchmarking exercise which compared the performance of Blackpool Coastal Housing against other similar social housing companies. Mr Gitendra Gupta, Data Operations Manager at Housemark, attended the meeting to present the key findings from Housemark's comprehensive report to the Board.</p> <p>The data presented related to the 2020-21 financial year and provided cost, performance and customer satisfaction information which could be used to support future strategic decision making. Comparisons were presented against the previous year's data so that performance could be monitored to identify areas which had improved or required attention.</p>	

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<p>Mr Gupta highlighted areas such as Responsive Repairs, Rent Arrears Collection and Customer Services which were performing well, however in contrast, Voids and Neighbourhood/ASB management were shown to have a relatively poor performance with high cost to the company in comparison to the peer group. This was partly due to the transient nature of Blackpool's population which resulted in a higher than average turnover of tenants, although that figure had reduced significantly over the years.</p> <p>Data was presented on the company's overheads as a percentage of turnover which were slightly above the median of other companies in the peer group but were not considered to be an area of concern due to BCH's relative turnover and rental income compared to other providers. The overhead cost per property however was very favourable at £385 compared with the peer median of £715, which placed BCH in the top quartile when benchmarked against other similar organisations.</p> <p>Mr Gupta suggested that resources allocated to areas that the data had identified as performing well could instead be shifted towards areas that required improvement to allow for the effective management of the business. For example, although rent arrears collections were generally performing well, collection of former tenants' arrears was in the bottom quartile compared to the peer group and Mr Gupta remarked that having staff dedicated to former tenants' arrears collection was an approach other providers had adopted.</p> <p>The year-on-year Voids cost was relatively high in comparison to the peer group. Performance for average re-let times, tenancy turnover, void loss and the percentage of vacant properties were all below the median and were highlighted as an area which required attention.</p> <p>Mr Gupta informed the Board that Housemark was currently consulting on a new Building Safety module which it intended to launch in April to cover gas, electrical, fire, asbestos, water and lifting equipment. He therefore recommended that BCH collected data relating to those areas in anticipation of the launch.</p> <p>In concluding his report, Mr Gupta summarised that BCH's overheads and turnover were aligned to those of its peers however the cost per property was favourable to the peer median as were the direct housing management costs. Average re-let times and tenancy turnover figures were slightly adverse to the peer median and although responsive repairs were favourable in comparison to its peers, voids costs were adverse and required action.</p>	

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<p>In response to a question from Councillor Jim Hobson, Non-Executive Director, regarding how the company intended to address those areas highlighted as requiring improvement, Mr John Donnellon, Chief Executive explained that work was ongoing in relation to Voids which were a key issue for the company. Neighbourhood management and Anti-Social Behaviour was acknowledged as a wider Blackpool societal problem although Mr Donnellon considered that the company dealt with any such issues efficiently as evidenced by the service's accreditation.</p> <p>Mrs Maggie Cornall, Director of Operations, added that although tenancy turnover rates were relatively high compared to those of BCH's peers, they had been significantly reduced from historic rates of 17-18% which were attributed to the transient nature of Blackpool's population, therefore overall the figures were moving in the right direction.</p> <p>The Chair thanked Mr Gupta for his efforts in producing the report and the detailed presentation, noting that the recommendations from the benchmarking exercise would form the basis of the company's work for the forthcoming year.</p> <p>[Mr Gupta and Mr R Jones, Performance Manager, left the meeting following the conclusion of Mr Gupta's report].</p> <p><u>Performance report</u></p> <p>Mr John Donnellon, Chief Executive, presented the latest performance indicators report and explained that there had been little movement since the last report with no new areas of concern, the main focus for improvement being the Voids.</p> <p>Mrs Marie Thompson, Independent Non-Executive Director, queried the staff turnover rate which she had previously highlighted and enquired if any changes had been made to address that figure being higher than the target rate. In response, Mr Donnellon explained that he did not consider that there were any concerns that needed to be strategically addressed. There had been some staff turnover due to lifestyle changes as a result of the pandemic but overall the turnover of staff had remained fairly stable and previous concerns in regard to low numbers of applicants for vacant posts had been alleviated with an increased number of quality applications being received for recent positions.</p> <p>With regards to the Electrical Safety Inspection performance indicator, Mrs Thompson expressed concern that no data had been presented. Whilst acknowledging that recent access to properties had been difficult during the</p>	

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	<p>pandemic, Mr Donnellon accepted that historic data should have been included in the report and he therefore agreed to circulate that information to Board members following the meeting.</p> <p>In relation to the overall performance picture, Mr Andrei Szatkowski, Independent Non-Executive Director, noted that six out of the nine indicators were currently red. Mr Donnellon was confident that the financial indicators would correct themselves by the final quarter of the financial year and explained that any downwards trends identified in the report had been small movements and he assured the Board there was no cause for alarm.</p> <p>The Board agreed: To note the update.</p>	JD
4.	<p>MINUTES OF THE LAST MEETING OF THE BOARD HELD ON 8 DECEMBER 2021</p> <p>The Board agreed: To approve the minutes of the Board meeting held on 8 December 2021 as a true and correct record.</p>	
5.	<p>MATTERS ARISING</p> <p>In relation to a query raised by the Chair at the previous meeting Mr John Donnellon, Chief Executive, confirmed that the financial cost of rent lost due to empty properties was around £195,000 per percentage point, which equated to approximately £700,000 for the current rate of 3.81% of properties.</p> <p>Mr Mark Towers, Company Secretary, updated members on progress with the recruitment of new Tenant and Independent Non-Executive Directors. Interviews were scheduled to take place in the next week following which the successful candidates would be introduced to the Board.</p> <p>A BCH SharePoint group had been created by Mrs Sarah Chadwick, Assistant Company Secretary, and site access invitations had been sent to all members. The site currently included the minutes and agendas from the previous two years and it was suggested that in future, any documents that were to be shared in advance of meetings could be uploaded to that site. Mrs Chadwick advised that she would circulate a user guide to assist members in viewing documents via the portal and agreed to add the Housemark presentation to the site.</p> <p>Mr Donnellon informed the Board that there were currently 12 properties which had failed to have their gas safety inspection on time. Mrs Maggie Cornall, Director of Operations, accepted that the figure was high but</p>	Ass. Co. Sec

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<p>explained that access had been difficult due to tenants shielding or isolating during the pandemic and it was hoped that as restrictions eased access would improve and the figures would revert to target.</p> <p>The latest reported vaccination rates for staff were 76% although Mr Donnellon believed that the true figure was higher and that not all staff had reported their vaccination status.</p> <p>All other matters arising from the previous minutes had been completed or were covered elsewhere on the agenda.</p> <p>6. MINUTES OF THE AUDIT COMMITTEE HELD ON 19 JANUARY 2022</p> <p>Mr Andrei Szatkowski, Independent Non-Executive Director and Chair of the Audit Committee, provided a brief overview of the items discussed at the last Audit Committee meeting on 19 January.</p> <p>The Strategic Risk Register was to be reviewed and condensed to ensure that it remained strategic and did not include risks that should instead sit within an operational level risk register. Such an approach would be consistent with the Risk Registers of all the Council's wholly owned companies and Mr Stephen Dunstan, Director of Resources, was liaising with Mrs Tracy Greenhalgh, Audit Advisor, to make the necessary revisions following which it would be presented to the Board and monitored by the Audit Committee.</p> <p>Mr Szatkowski reported that he had recently met with the Audit Chairs of all the Council's companies to consider governance arrangements and practices with the intention of having a standardised approach across all companies at both Audit and Board level. A draft governance framework was currently being consulted upon following which it would be taken to the Council's Shareholder Committee and then to each company's Board for formal adoption.</p> <p>The Board agreed: To note the minutes of the Audit Committee meeting on 19 January 2022.</p>	
<p>7. CHIEF EXECUTIVE'S REPORT</p> <p>Mr John Donnellon, Chief Executive, updated the Board on the significant developments that had arisen since the last Board meeting and presented the draft 2022-23 Business Plan for consideration.</p> <p>The company was currently taking a slightly more cautious stance than the government advised in relation to Covid precautions due to the continuing high levels of the Omicron variant in circulation in Blackpool. Office attendance</p>	

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<p>continued to be done on a “booking in” system and staff were still required to wear masks, take a lateral flow test before attending the office and were reminded of the importance of hand hygiene. Those arrangements were due to be reviewed in mid-February when further guidance to staff would be issued.</p> <p>The draft Business Plan was presented for endorsement by the Board prior to its submission to the Council’s Shareholder Committee for approval. Mr Donnellon explained that budget and fee discussions had been positive and a report on proposed rents and service charges in connection with the Housing Revenue Account was due to go to Council for approval at its meeting the following week.</p> <p>Mrs Marie Thompson, Independent Non-Executive Director, recommended that information should be included in the Business Plan around the company’s work as a partner within an integrated care system alongside social services and health providers. She noted the positive resilience work that BCH undertook within the community and suggested that more detail should be provided in the Plan to explain the company’s contribution to that system. In response, Mr Donnellon reported that he had been invited to sit on the Health Commission which looked at health inequality and that there was an increasing recognition of the importance of quality housing in preventing ill health. He therefore agreed to amend the Business Plan to reflect such issues and to circulate BCH’s submission to the Health Commission to Board members for their information.</p> <p>Mr Neil Herring, Tenant Non-Executive Director, enquired whether Blackpool’s housing sector was likely to receive any government funding as part of the “Levelling Up” plan. Mr Donnellon was hopeful that Blackpool would receive some funding but indicated that if successful it would more likely be targeted at the private rented sector rather than social housing as that area required the most investment. Blackpool Housing Company, as a private sector landlord, therefore hoped to benefit from any such investment rather than BCH.</p> <p>The Board agreed:</p> <ol style="list-style-type: none"> 1. To note the report 2. That Mr Donnellon amend the draft Business Plan as agreed and to circulate the amended version to members for endorsement by way of Written Resolution. <p>8. DIRECTOR OF RESOURCES’ REPORT</p> <p>Mr Stephen Dunstan, Director of Resources, highlighted the key points from his report and presented the updated Anti-Social Behaviour (ASB) and Neighbourhood Strategy to the Board for approval.</p>	<p></p> <p>JD</p> <p>JD / Ass. Co. Sec.</p>

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<p>The ASB and Neighbourhood Strategy was presented in draft format and was currently undergoing a period of tenant consultation. Mr Dunstan advised that ASB was a high cost service, in part due to the severity of issues within Blackpool, but that BCH's approach to dealing with cases had been upheld by the Ombudsman and it was an area the company took very seriously. Cases were increasing and becoming more difficult to deal with which Mr Dunstan suggested could be an effect of the pandemic but also as a result of a reduction in services provided by other support agencies.</p> <p>The Board was advised that Mark Midgley, Health and Safety Advisor, had recently moved into a new role within the organisation as Compliance Manager in the Operations Directorate. Mr Dunstan paid tribute to Mr Midgley for his work and dedication, particularly during the pandemic when he had put the needs of the company before his own.</p> <p>BCH's Quarter 3 financial outturn figures forecasted a small surplus on the budget. The 2022/23 Budget was due to be presented to the Audit Committee ahead of the new financial year and initial discussions with the Council in regards to the management fee had been positive which had enabled the company to move forward with its business planning. The Housing Revenue Account was expected to have a negative variance as previously forecast. This was primarily as a result of losses due to voids and delays on the completion of new build properties caused by the pandemic and Mr Dunstan agreed to circulate those figures as soon as they were available.</p> <p>Mr Neil Herring, Tenant Non-Executive Director, enquired why the Trading Account External Income was approximately 15% adverse to budget in Quarter 3 but was projected to have a positive variance by year end. The figures related to the capital works programme and Mrs Maggie Cornall, Director of Operations, advised that the current adverse figures were as a result of the way the company invoiced for external works with some payments received via the HRA and others through the Council but that the figures were expected to correct themselves by year end. In response to a further question from Mr Herring, Mrs Cornall confirmed that the increasing cost of voids and repairs would be maintained in accordance with the budget as forecast.</p> <p>Councillor Jim Hobson, Non-Executive Director, asked for clarification as to which actions had been achieved to date from the Climate Action Plan. Mr Dunstan advised that he had produced a summary document detailing progress from the Action Plan which he agreed to share with the Board after the meeting. There was a management commitment to take the issue seriously and an audit exercise was currently being undertaken which would provide a useful steer to the company going forwards.</p>	<p></p> <p>SD</p> <p>SD</p>

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<p>In response to a query from Mr Andrei Szatkowski, Independent Non-Executive Director, in relation to how domestic abuse fitted into the ASB and Neighbourhood Strategy, Mr Dunstan agreed to circulate the Domestic Abuse Policy, which existed as a stand-alone document, to members after the meeting.</p> <p>The Board agreed:</p> <ol style="list-style-type: none"> 1. To note the update. 2. To approve the Anti-Social Behaviour and Neighbourhood Strategy subject to a period of tenant consultation. <p>9. DIRECTOR OF OPERATIONS' REPORT</p> <p>Mrs M Cornall, Director of Operations, provided an update on the significant developments since the last Board meeting.</p> <p>The Repairs Service had undergone its annual HQN re-accreditation inspection which confirmed that the service had continued to meet its required standards, subject to a full inspection later in the year when issues around the costs of voids would be looked into in more detail.</p> <p>Mrs Cornall updated the Board on statistics relating to the nature of repairs which had not been completed within the target timeframe. In December there had been an increase in the number of customers requesting repairs and 20 jobs had failed to be completed on target due to a number of reasons including service capacity issues and difficulty in obtaining materials.</p> <p>The restructure of the Assets and Repairs Service was progressing well. A period of consultation had been completed and the new roles were currently being filled with the new structure due to be in place by the start of the new financial year.</p> <p>BCH had been working with Cadent's charitable arm who had provided a grant for warm home funding. That good working relationship had opened the door to further opportunities and a meeting was due to take place in the next week with BCH, Cadent and the Council's Head of Property Services to discuss the possibilities of hydrogen fuel in the town. Discussions were also ongoing in relation to the development of new skills and roles within the hydrogen industry to help people into employment.</p> <p>Mrs Cornall concluded her update by reporting on a visit undertaken recently to a housing estate in the Lancaster area to look at energy efficient homes known as "passive housing". The visit was considered useful with ideas being</p>	<p>SD</p>

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<p>gathered as to how similar measures could be incorporated in Blackpool.</p> <p>In response to a question from Mr Andrei Szatkowski, Independent Non-Executive Director, Mrs Cornall advised that the HQN accreditation cost approximately £4,000-£5,000 for three years which included the annual re-accreditation checks within that period. Mr Dunstan added that the Housemark accreditation cost an additional £7,500 annually but that he considered it a worthwhile investment due to the comprehensive benchmarking exercise it undertook.</p> <p>Mr Szatkowski praised the analytics provided by the RepairSense technology but queried the cost of the scheme. Mrs Cornall reported that the scheme was still in the pilot stage and Mobysoft, the software provider, had been informed that the company expected a return on its investment and if the cost of the scheme became prohibitive the company could abandon the pilot.</p> <p>Mrs Marie Thompson, Independent Non-Executive Director, referred to the semi-independent living service at Bispham House and asked for more detail around the challenges relating to young people returning to Blackpool from out of area placements, specifically what risks and responsibilities lay with the company. Mrs Cornall explained that although BCH provided accommodation and therapy services, those young people received support from the social care system and therefore the main risk was with Children’s Services who had a corporate parenting responsibility. She added that standard operating procedures were in place and each partner was aware of their own areas of responsibility.</p> <p>In response to a query from Mr Neil Herring, Tenant Non-Executive Director, Mrs Cornall clarified that BCH was not looking to increase its semi-independent living service for looked after children but that it was hoping to relocate the Clare Street facility which was deemed unsuitable. Discussions were ongoing with the Council in regards to temporary accommodation provision for the homeless and Clare Street, once vacated, could be used for that purpose.</p> <p>The Board agreed: To note the update.</p> <p>10. MEMBER RELATIONS</p> <p>Mr Mark Towers, Company Secretary, asked the Board to consider any items it wished to take to the next meeting of Blackpool Council’s Shareholder Committee. The meeting was scheduled to be held on 18 March although Mr Towers advised that date was subject to change due to a clash with the</p>	

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	<p>Conservative Party Spring Conference which was taking place at the Winter Gardens and officers being involved in parts of that event.</p> <p>It was agreed that Mr Donnellon and Mr Dunstan would attend to provide standard financial and performance updates and feedback would be provided to the Board at its next meeting.</p> <p>The Board agreed: That financial and performance reports would be presented to the Shareholder Committee at its next meeting on a date to be confirmed in March.</p>	
11.	<p>ANY OTHER BUSINESS</p> <p>There was no other business.</p>	
12.	<p>DATE OF NEXT MEETING – 4 MAY 2022</p> <p>The Board agreed: To note the date of the next meeting as 4 May 2022, which it was hoped would be held in-person if restrictions allowed.</p>	

The meeting ended at 7.44pm

Signed by the Chair

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Councillor Neal Brookes