

# **DERBY HOMES LIMITED**

## **MINUTES OF THE BOARD MEETING**

**Held on Thursday 27 October 2011**

The meeting started at 4.03 pm

### **Board Members Present:**

Mike Ainsley, Tony Holme, Iain MacDonald, Mark Menzies, Tabani Ndlovu, Bob Osler, Brian Perry, Margaret Redfern, Dennis Rees, Bob Troup, Roy Webb, Ken Whitehead

### **Officers Present:**

Shaun Bennett, Phil Davies, David Enticott, Susan Hill, Jackie Mitchell, Maria Murphy.

### **11/147 Apologies**

Apologies for absence were received from Paul Bayliss, John Bloxsom, John Keith, Patrick Molson.

### **11/148 Admission of Late Items**

There were no late items.

### **11/149 Declarations of Interests**

The Council Board Members were noted as declaring their interest in matters relating to Derby City Council.

The Tenant and Leaseholder Board Members declared their interests as tenants (as defined in the Memorandum and Articles of Association) of Derby City Council.

### **11/150 Election of Chair of Derby Homes 2011/12**

The Board was advised that only one nomination had been received from Bob Osler for the position of Chair during 2011/12.

### **Agreed**

The Board noted that Bob Osler is elected, uncontested, as Chair of Derby Homes for the year 2011/12.

**11/151 Election of Vice Chairs of Derby Homes 2011/12**

The Board was advised that two nominations had been received from Paul Bayliss (Councillor Board Member) and Dennis Rees (Tenant Board Member) for the two positions of Vice-Chair of the Board during 2011/12.

**Agreed**

The Board noted, in accordance with Minute 2/18, that Paul Bayliss and Dennis Rees is elected uncontested as the Vice Chairs of Derby Homes for the year 2011/12.

**11/152 Minutes of Previous Meeting on 29 September 2011**

The minutes of the meeting held on 29 September 2011 were accepted as a true and accurate record.

**11/153 Matters Arising**

The Chair informed the Board any matters arising in the confidential minutes should be raised at the next meeting.

**11/154 Announcements from the Chair**

There were no announcements from the Chair.

**11/155 Statements from members of the Board**

There were no statements from members of the Board.

**11/156 Appointments to Committees 2011/12**

The Board received a report recommending the appointment of Board Members to its various Committees for the year 2011/12.

The Director and Company Secretary informed the Board that Mike Ainsley and Mark Menzies, the two new Board Members, had both been allocated to Audit Committee and Resources, Remuneration and Regeneration Committee.

**Agreed**

The Board approved the appointment of Board Members to Derby Homes Committees for 2011/12.

**11/157 Derby Homes Meetings 2011/12**

The Board received a proposed schedule of dates of meetings of the Board and Committees during 2011/12.

Bob Troup stated that the proposed City Board meeting on 15 December 2011 will clash with an extra Council meeting called to discuss the budgets and therefore Councillor Board Members will struggle to attend the City Board meeting, unless the date is changed. He also added that the proposed date of the Audit Committee meeting on 7 October falls on a Sunday. The Director and Company Secretary replied that this was an error and should be 8 October and is an optional meeting date. He said the December City Board meeting will be looked at.

**Agreed**

The Board approved the schedule of dates of meetings of the Board and Committees during 2011/12.

**Date of next meeting**

**The next meeting will be held on Thursday 24 November 2011 at 6.00 pm at Cardinal Square.**

The meeting ended at 4.10 pm.

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CHAIR

Signed as true and accurate record of the meeting held on 27 October 2011.

# DERBY HOMES LIMITED

## MINUTES OF THE BOARD MEETING

Held on Thursday 24 November 2011

The meeting started at 6.00 pm

### Board Members Present:

Mike Ainsley, Paul Bayliss, Tony Holme, Tabani Ndlovu (arrived 6.50 pm), Bob Osler (Chair), Brian Perry, Margaret Redfern, Dennis Rees, Bob Troup, Roy Webb, Ken Whitehead

### Officers Present:

Shaun Bennett, Phil Davies, David Enticott, Susan Hill, Andrew McNeil (left at 7.15 pm), Jackie Mitchell, Maria Murphy.

### Others Present:

Ita Cooke, Board Development Agency - Observer

### 11/158 Apologies

Apologies for absence were received from Mark Menzies, Iain MacDonald, John Keith, Patrick Molson, Cath Roff, Derby City Council Strategic Director for Adults, Health and Housing.

### 11/159 Admission of Late Items

There were no late items.

### 11/160 Declarations of Interests

The Council Board Members were noted as declaring their interest in matters relating to Derby City Council.

The Tenant and Leaseholder Board Members declared their interests as tenants (as defined in the Memorandum and Articles of Association) of Derby City Council.

### 11/161 Minutes of Previous Meeting on 27 October 2011

The minutes of the meeting held on 27 October 2011 were accepted as a true and accurate record.

## **11/162 Matters Arising on 27 October 2011**

### **Minute 11/157 Derby Homes Meetings 2011/12**

The Director and Company Secretary informed the Board that the City Board meeting in December has been put back a week and will now be held on 22 December and not 15 December. Paul Bayliss gave his apology for this meeting.

## **11/163 Matters Arising on 29 September 2011**

### **Minute 11/71 Chief Executive's Update**

Roy Webb informed the Board that he had raised the question with the Council on their ability to move travellers on; their answer was the same as in the Derby Homes report.

### **Minute 11/92 Statements from members of the Board**

The Director of Housing and Customer Service informed the Board that she and Margaret Redfern had spoken regarding the joint tenancy and the matter had now been resolved. Dennis Rees had been kept informed.

### **Minute 11/131 Presentation by Phil Holmes, Head of Integrated Commissioning, Adults, Health and Housing, Derby City Council**

Roy Webb commented that there was nothing mentioned about the health authority extra care scheme in the Chief Executive's Update report. The Chief Executive replied that he had spoken to Cath Roff, Strategic Director for Adults, Health and Housing, who was still very interested in this scheme and it will be looked at in the New Year. The Director and Company Secretary added that he has a meeting with Phil Holmes to advance the extra care scheme model. The Chair asked him to keep the Board informed of any progress.

### **Minute 11/134 Chief Executive's Update**

The Chair informed the Board that he had a meeting with Councillor Evonne Williams but has not yet received any feedback to date. The Director of Housing and Customer Service added that she had a meeting with Jacqui Jensen, Director of Early Intervention and Integrated Safeguarding, and as a result, will put a proposal to the next Chair's meeting of a new way of working with the Family Intervention Project, children and young people.

### **Minute 11/138 Governance Arrangements Review**

The Chair referred to point 4 on page 10 where the Board Members' Service Agreements will be looked at, at the Governance training on 8 December 2011 with Simon Ramshaw, from Anthony Collins Solicitors.

The Chair asked what the time period would be to incorporate the changes to the Memorandum and Articles of Association, which was approved by the Board, subject to the Council's approval, and its future review. The Director and Company Secretary replied that he would discuss this with the Council's Director of Legal Services.

**Minute 11/140 Update on Rent Arrears**

Tony Holme asked about the investigation into why people were cancelling Direct Debit. The Director of Housing and Customer Service replied that in the number of people cancelling or declining Direct Debit was a small fairly static number. A lot of work had gone into better working arrangement with Rental Control and Arrears Teams.

**11/164 Announcements from the Chair**

There were no announcements from the Chair.

**11/165 Statements from members of the Board**

Dennis Rees suggested using Derby Homes' computers at sheltered housing schemes to encourage more tenants to use the internet. The Chief Executive replied that was a very good idea and he will ask the IT team to look into this.

**11/166 Questions to Derby Homes Board From Members of the Public**

There were no statements from members of the public.

**11/167 Questions from Derby City Council**

There were no questions from Derby City Council.

**11/168 Committee Chairs' Feedback**

Dennis Rees, Chair of City Board, provided highlights from its meeting on 13 October 2011:

- Estates Pride Quick Fix Bids
- Dog Fouling on Estates
- Review of Community Rooms
- Tenant Review Panel
- Resident Involvement Strategy
- Repairs Update
- Review of Non Core Activity – Tenants Contents Insurance
- Governance and City Board Review

- Two confidential Petition reports.

It was agreed that in future, in the absence of the Chair of a City Board or Committee meeting another member of this meeting could report its highlights back to the Board.

#### **11/169 Confidential Business**

The Board agreed to exclude members of the public during consideration of the following item on grounds that it involved the likely disclosure of confidential information as defined in Standing Order 20.2 (g, h & j) of Part IV of Derby Homes Governance Arrangements.

#### **11/170 Chief Executive's Update**

The Board received a report which included updates on:

- Oakvale House, Rosehill
- Extra Care
- Empty Homes Bid
- Localism Bill
- Reform of social housing regulation
- Preparing for move back into Council House and other moves.

#### **Agreed**

The Board noted the report.

#### **11/171 Industrial Action**

The Board received a report of possible industrial action on 30 November 2011.

#### **Agreed**

The Board noted the report.

#### **11/172 Solar Panels Feed in Tariff**

The Board received a report advising that the Government has announced a consultation on changes to the solar panel Feed-in-Tariff, which is being reduced substantially. Derby Homes and the Council will have to review the financing of the scheme for future installations. The closing date for the consultation is 23 December, although the reduction is set to happen by 12 December.

## **Agreed**

The Board delegated to the Chief Executive in consultation with the Chair and Vice Chairs, and the Chair of Resources, Remuneration and Regeneration Committee, - and the Council's Director of Finance with respect to item 2 below -

1. the writing of a response to the Government consultation, either separately or preferably together with the Council
2. a decision on the future of the solar panel programme post 12 December 2011 to utilise (or not) any or all of the additional £2m.

## **End of Confidential Business**

### **11/173 To agree any items from Part C to be discussed**

The Board agreed to discuss Items  
C2 Performance Monitoring Information Quarter 2 2011  
C3 Tenancy Fraud Initiative Update  
C4 Management Agreement 2012-22  
C6 Asset Management Consultation Response.

The rest of the items in Part C were noted but not discussed.

### **11/174 Health and Safety Update**

The Board received details of recent health and safety performance and current issues.

## **Agreed**

The Board noted the report.

### **11/175 Delivery Plan 2012/13**

The Board received the draft Delivery Plan which had been reviewed by the Senior Management Team and contained the proposed initiatives and targets for 2012/13, shown against the three strategic objectives.

The Chair commented that the Delivery Plan was an excellent document. The Chief Executive informed the Board that the Delivery Plan will be finalised with the Council in January 2012.

Paul Bayliss referred to page 28, Council scrutiny of Derby Homes'

performance, and suggested including Questions from the Council to the Chief Executive, on the performance framework list as it provides Councillors an opportunity to ask him a question on Derby Homes work or performance and hold him to account.

Bob Troup referred to target 3.3.1 on page 24, Energy Efficient Homes and Services, and suggested adding 'measure our energy consumption and carbon footprint year by year'.

### **Agreed**

The Board recommended that, subject to amendment by Derby City Council, the proposed initiatives and targets are agreed.

## **11/176 Update on Rent Arrears**

The Board received a report setting out current performance on rent arrears and advised the Board of the ongoing management actions and analysis undertaken since the last report.

The Director of Housing and Customer Service informed the Board that she and the Chief Executive had a meeting with John Massey, Head of Benefits and Exchequer Services, Derby City Council, yesterday. She felt he was open and honest with their problems of processing claims but it appeared the problem has been stabilised. The Council has the difficulty of training staff to deal with the backlog of claims. Our agency worker at Derby Benefits has been processing long outstanding claims relating to our tenancies. This person has processed £53,000 worth of credit over a ten week period. The agency worker will continue with the long outstanding cases until 8 January 2012.

The Director explained why there was a large amount of outstanding Direct Debit. Last year in September we administered a change to the dates credits were posted to rent accounts. The change had the effect of showing accounts a week in arrears. This added around £130,000 to the arrears figure which would not have been there last year. There will also be an improvement after the two rent free weeks, which will enable Direct Debit payments to catch up by two weeks. At the next meeting this position will improve.

Bob Troup said the Council had changed the Direct Debit date for paying Council Tax a few years ago from the end, to the beginning of the month and this caused complaints. He suggested if more payment dates for Direct Debit payments are provided, the better the response would be.

The Director replied that there were five options previously; different payment dates were looked at and the 28<sup>th</sup> had now been withdrawn and tenants will be encouraged to opt for the 1<sup>st</sup> of the month.

Paul Bayliss was pleased to hear the good results by the agency worker and felt the contract should continue after 8 January, with two agency workers. The Director replied that there has been discussion on this to extend the contract for another three months but it will be looked at nearer the time. The agency worker is working on a set number of cases.

Roy Webb commented the fluctuating performance of Council Housing Benefits over the years where claims backlogs go down to a minimum then increase again. The Council will make more voluntary redundancies and voluntary early retirement next April and the backlogs could arise again. He was also concerned about how we treated all debts as arrears. He did not think that money owed by Direct Debit payers should be treated as an arrear as the money would be paid in due course.

The Chief Executive replied that currently we have around 2,000 tenants on Direct Debit and hopefully this could increase to 5,000. He explained the timing of Direct Debit which creates artificial arrears. The Director and Company Secretary and Director of Housing and Customer Service would look into whether we could compartmentalize Direct Debit figures so that they did not artificially inflate arrears figures.

### **Agreed**

The Board noted the content of the report and approved the actions being taken.

## **11/177 Board Away Day 2012**

The Board received a report proposing to hold the Board Away Day in March 2012, setting out a possible itinerary for consideration.

The Chief Executive asked the Board if they would like to have a dinner on the Friday night as well as the Away Day on Saturday morning.

Dennis Rees commented that having a dinner was an informal way of getting to know other Board Members and would prefer to continue with this and suggested the cost of the facilitator is looked at. The

Chair felt that having a successful Away Day was important and that paying for a facilitator was worthwhile.

**Agreed**

The Board agreed

1. the itinerary for the Board Away Day on 3 March 2012
2. to hold a dinner on the evening of Friday 2 March 2012.

**11/178 Draft Minutes of Committees and City Board**

The Board received the draft minutes of the recent City Board meeting on 13 October 2011.

**Agreed**

The Board noted but did not discuss the minutes.

**11/179 Performance Monitoring Information Quarter 2 2011**

The Board received a report of Quarter 2 performance against targets contained in the Monthly Indicator link.

Tony Holme referred to paragraph 3.6 and asked why there was a large difference in rent lost on passive voids for demolitions.

The Director of Housing and Customer Service replied that these properties had already been approved for demolition such as Oakvale House and Britannia Court.

Tony referred to Appendix 1 which showed Achievement Against Plans targets as red and asked if the targets will be progressed by the year end. The Chief Executive replied that they may not be as these targets are by partners who do not always cooperate as anticipated, and by problems and delays in IT.

**Agreed**

The Board noted and commented on the content of the report.

**11/180 Tenancy Fraud Initiative Update**

The Board received an update report of the current position of reducing tenancy fraud within the City.

Tony Holme asked if the Council has agreed allocation of some the budget to allow work with the credit checking agencies. The Director of Housing and Customer Service replied that they have not. There was a meeting yesterday with James Beale who is the liaison officer at the Council and he explained that the Council was tied up with procurement issues at the moment. However, Derby Homes should be entitled to have a share of this funding.

**Agreed**

The Board noted the report.

**11/181 Management Agreement 2012-22**

The Board received a report summarizing the main obligations placed on Derby Homes within the new Management Agreement.

Tony Holme referred to Value for Money (VFM) in the report. He asked if the Council would do a VFM audit. The Director and Company Secretary replied that the Council could do this.

**Agreed**

The Board noted the contents of the report.

**11/182 The Local Government Group Guide: Fire Safety Purpose Built Blocks of Flats**

The Board received a report providing a brief overview of the recently published Local Government Group guide "Fire Safety in Purpose Built Blocks of Flats."

**Agreed**

The report was noted but not discussed.

**11/183 Asset Management Consultation Response**

The Board received a report containing Derby Homes' response to the Communities and Local Government consultation paper on asset management issues after HRA subsidy reform in 2012.

Tony Holme asked if there was an update on the figure from the HRA. The Director and Company Secretary replied that the final debt could be £237.933m. There will be a payment from the Council on 28 March 2012 to central government of approximately £29.5m. In terms of

value for money, this was a good deal as under the current system the Council would have had to pay £5m subsidy a year over to central government and that would have rose by £1m a year.

The debt cap has been calculated by the Government as £248m. Unfortunately, this figure is not correct. The eventual debt cap is likely to be just under £240m.

**Agreed**

The Board noted the response of Derby Homes to the consultation.

**11/184 Forward Plan of Agenda Items**

The Board received a forward plan of agenda items for a six month period from December 2011.

**Agreed**

The report was noted but not discussed.

**11/185 Board Diary Planner**

The Board received a diary planner of events taking place for the six months from December 2011.

**Agreed**

The report was noted but not discussed.

**Date of next meeting**

**The next meeting will be held on Thursday 19 January 2012 at 6.00 pm at Cardinal Square.**

The meeting ended at 8.00 pm.

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CHAIR

Signed as true and accurate record of the meeting held on 24 November 2011.