

## GOVERNANCE SERVICES COMMITTEE REVIEW UPDATE

### 1. Meeting held on 2 April 2007

#### 1.1 Resources & Remuneration Committee Delegations

As part of the review of delegations from the Board, the Committee considered delegations to the Resources & Remuneration Committee.

**Agreed:** the delegations to the Resources & Remuneration Committee are satisfactory.

#### 1.2 Board Appraisal Scheme

The Committee considered alternative options to the current scheme for the appraisal of the Board and Board Members. It was felt that a new approach to appraisals may be beneficial. Using an experienced external organisation would bring a more objective view to the process, encouraging Board Members to be more open about their views on the performance of the Board and their colleagues on the Board. The scope of the proposed appraisal would be more comprehensive than what we have done in the past and we would work closely with the organisation to identify our requirements and objectives.

Three external companies had been asked to provide details of their methods and costs. One company did not have experience of conducting Board appraisals and the second company's costs were higher than the third.

The third organisation – the Board Development Agency specialises in Governance and has over 20 years collective experience of working with boards in the public and private sectors, including other ALMOs and Housing Associations. **An example of their proposal can be emailed to Board Members on request from Jackie Mitchell, Governance Services Manager.**

**Agreed:** to recommend to the Board

1. the appointment of the Board Development Agency to carry out appraisals of the Board and Board Members for 2007
2. an evaluation of the success of the appraisals is carried out by the Governance Services at the end of the process and recommendations made to the Board for appraisals in 2008.

#### 1.3 Executive Membership of the Board

Membership of the Board for executive staff was an issue flagged up at the Governance Training Day facilitated by the consultant, Marion Turner, in

October last year, resulting in an action in the Governance Action Plan.

The Committee was provided with legal comments from Anthony Collins Solicitors to assist in their consideration of the issue.

**Agreed:** As there appeared to be no clear advantages at this particular time, the Committee agreed to reconsider the issue in 12 months time.

#### **1.4 Sheffield Homes Board Meeting**

The Committee noted a report on a visit by Board Members and staff to Sheffield Homes Board Meeting. (Note a report was on this visit was also included in the Chief Executive's report to the Board on 29 March 2007.)

#### **1.5 Terms of Reference for other meetings**

The Committee discussed terms of reference for the HRA Strategic Working Party, Budget Scrutiny Group and Chair's meeting with Executive.

**Agreed:**

1. HRA Strategic Working Party terms of reference to be reviewed at a future meeting of the group
2. Budget Scrutiny and Chair's meetings terms of reference to be prepared for the next round of meetings.

### **2. Meeting held on 1 May 2007**

#### **2.1 Chair and Executive Meetings Terms of Reference**

As agreed at the last meeting, terms of reference for the Chair & Executive meeting had been prepared and brought to the meeting for comments.

**Agreed:** the terms of reference were noted and it was agreed that Vice-Chairs of the Board be included in the distribution of minutes for these meetings.

#### **2.2 Membership and Size of Board**

An action within the Governance Action Plan is to review the size and composition of the main Board. The Committee discussed various options, including increasing the number of tenant representatives, requiring a reduction in independents and councillors.

**Agreed:** the Chief Executive to informally approach Council officers to gauge reaction to the principle of reducing council membership and to bring a further report back to the next meeting.

#### **2.3 Resident Led Self Regulation: Potential and Prospects**

This paper, published by the Chartered Institute of Housing, was circulated for discussion and information.

**Agreed:** to circulate to all Board Members. (Note – the paper was circulated by email on the 16 May. Please contact Jackie Mitchell if you would like another copy.)

## **2.4 Delegations to Staff**

As part of its review of delegations from the Board, the Committee looked at the list of responsibilities delegated to senior staff. It was noted the delegations are being reviewed as part of the Governance Arrangements review.

**Agreed:**

1. the delegations to staff were noted
2. the revised Governance Arrangements be brought to the July meeting, prior to consideration by the Board at the end of July, and that Board Members be invited to attend.

## **2.5 Strategic Board Meeting**

The Committee had previously recommended to the Board that two Board meetings a year are used for discussion of strategic items only. The draft agenda for the first of these was brought to the Committee for comments.

**Agreed:** the draft agenda was noted and an update on the Business Plan and Strategic Objectives was added to the agenda.

## **2.6 Trent & Dove Board Peer Review**

We have been approached by Trent & Dove Housing to assist them in appraising the performance of their Chair and the whole Board. Trent & Dove Housing is a not for profit company limited by guarantee. It was set up specifically for the purpose of accepting the transfer of around 5700 properties from the East Staffordshire Borough Council. They have a Board of 10, 5 tenants and 5 independents, their Chair is an independent.

A brief outline of Trent & Dove's proposal is attached at Appendix 2. The proposal would require the formation of a peer review team, made up of the Chair of Derby Homes and a small group of Board Members. Jenny Bradley has already indicated her wish to join the peer review team.

If this proposal is approved, one further Board Member will be required to join the team and they will need to be available to attend Trent & Dove's Board meeting on the 10 September at 5.30 pm. Further information will be provided by Trent and Dove nearer the time.

**Agreed:** to recommend to the Board that Derby Homes participates in the Trent & Dove Board peer review and that the team comprises of Dennis Rees, Jenny Bradley and one other Board Member.

### **3. Meeting held on 12 July 2007**

#### **3.1 Review of Governance Arrangements**

The Committee and other Board Members received a presentation from Nick MacKenzie of Anthony Collins Solicitors on the revised Governance Arrangements, excluding Part 7 Financial Regulations and Part 8 Contract Procedure Rules. The document will be considered for approval at the July Board meeting. It was noted that Parts 7 and 8 and a new Code of Conduct for Board Members will be brought to the September Board meeting in order that the Governance Arrangements can be agreed and published for the beginning of the new constitutional year in October.

#### **3.2 Membership and Size of the Board**

The Committee considered a further report, following the Chief Executive's informal discussion with the Council's Director of Corporate & Adult Services, whose reaction was that the Council may be willing to consider a reduction in the size of the Board but they would want to see an equal representation from Councillors, alongside Independents and Tenant representatives.

The Committee had concerns about reducing the size of the Board at this time and the impact this may have bearing in mind the high quality of skills and experience that currently makes up the Board.

**Agreed:** to reconsider this issue in twelve months time.

#### **3.3 Increasing the Board's Profile**

The Committee received a report identifying action taken and proposed to improve the Board and Local Housing Board profiles within Derby Homes and externally.

In recent months a number of activities have been carried out including

- publishing information about Board Members, meetings and other events on the Derby Homes website and in Derby Homes News
- events such as the AGM, Local Board Open Day, annual staff conferences.
- the tremendous national recognition achieved by Dennis Rees by his work with TAROE, the national tenants federation, and the NFA.
- Board Member Champions – Bob Troup for Environmental issues, Tabani Ndlovu for Equalities and Phil Kay for Health & Safety – linking the Board with staff and tenants.

We will be continuing and expanding the current range of activities to promote the Boards and their members and future initiatives may include

- enhancing website information
- regular features in Derby Homes News
- active promotion through Derby Homes Marketing & Communications

- Team
- Board Members attending meetings with Councillors, Council Chief Officers and MPs
- the Midlands NFA is proposing to arrange meetings specifically for Board Members across the region providing an opportunity for Board Members to meet other ALMO Board Members.

### **3.4 Getting to grips with new duties**

Anthony Collins Solicitors is running workshops to consider the changes to directors' duties brought about by the Companies Act 2006 which are due to come into effect in October 2007.

**Agreed:** to hold the workshop for Board Members in early October and invite Board Members from other Midlands ALMOs.

### **3.5 Governance Action Plan**

The Action Plan was reviewed and it was agreed that all tasks had been completed with exception of No 18 to annually benchmark collective Board performance and aim for top quartile. This task will be included in the Governance Training Day later in the year.