

DERBY HOMES LIMITED

MINUTES OF THE GOVERNANCE COMMITTEE MEETING

Held on Thursday 4 November 2021

The meeting started at 5.30 pm

Board Members Present:

Mike Ainsley, Lucy Care, Alan Graves, Shiraz Khan, Iain MacDonald, Bob MacDonald, Jsan Shepherd (Chair)

Officers Present:

David Enticott, Finance Director & Company Secretary
Jackie Mitchell, Governance Services Manager

21/15 Apologies

Apologies were received for absence from Charlene Bhurton, Taran Lalria.

21/16 Admission of Late Items

There were no late items.

21/17 Declarations of Interests

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

The Tenant Board Member declared their interest as a tenant (as defined in the Memorandum and Articles of Association) of Derby City Council.

David Enticott declared an interest in Item 4 Minutes of the previous meeting.

All Board Members present declared an interest in Item 6 Remuneration of Board Members.

21/18 Minutes of Previous Meeting

The minutes of the meeting held on the 31 August 2021 were accepted as a correct record.

21/19 Matters Arising

There were no matters arising.

21/20 Remuneration of Board Members

The Committee considered a report proposing options for Board Members' allowances.

Allowances for Board Members in 'office' positions – that is Chair, Vice Chair, Chairs of Operational Board, Audit Committee and Governance Committee – were last reviewed at this Committee in April 2019 and at that time continued to be frozen in line with the Council's policy at the time.

In July 2021 the Council approved an increase in allowances for Councillors. It was therefore felt timely to consider this matter further.

The current rates paid to Board Members have remained the same in cash terms since 2011.

The options considered by the Committee were

Option A – freeze at current rates

Option B - bring in line with current NFA reported averages

Option C – follow DCC level of increases and increase allowances by 16.6% in line with Local government pay since that date

Option D – increase in line with CPI inflation since 2011

In all cases, it was recommended that the option chosen should be linked to local government pay awards until the next review in three years' time.

Options B, C and D would need to be approved by the Council.

The Committee identified and considered a further option to link to the increase under Option C for 3 years but not to include the 16.6% backdated amount.

Some Board Members were in favour of a freeze because they felt it wasn't the right thing to do in the current climate when some tenants are struggling financially and benefits are being cut.

Other Board Members felt the increase was reasonable and justified since allowances had not been increased since their introduction in 2011.

After some debate on Options A and C, the Committee voted:

2 against Option C
3 in favour of Option C
2 abstained

Agreed

The Committee recommended to the Council the adoption of Option C for future remuneration of Board Members, with a link to local government pay awards. This award to be backdated to April 2021 once the pay award for this year is settled.

21/21 Board Member Code of Conduct

The Committee considered the 3 year review of the Board Member Code of Conduct.

The Committee was advised the Code does not require any material changes but proposed the following:

Clause	Change
5.1 Conflicts of Interest	Remove "his/her" and insert "their" to ensure the document is gender neutral/inclusive to non-binary pronouns.
23.3 Disciplinary Procedure	Ditto.

The following amendments were suggested:

Paragraph 5.6 – insert 'to' after 'fails'

Paragraph 18.2 – need to broaden 'paperwork' to include other electronic copies of such

Paragraph 23.2 – change 'complaints panel' to 'disciplinary panel' for consistency with paragraph 23.3.

Agreed

The Committee recommended the Board approves the revised Code of Conduct, subject to the amendments above.

21/22 Board Member Services Agreement

The Committee considered the 3 year review of the Board Member Service Agreement.

Minor changes to the Board Member Profile are proposed to reflect the NHF Code of Governance 2020 edition, adopted by the Board at its meeting in September.

Clause	Change
Term of Office & Conditions of Service:	Change “2015” Code to “2020”
	Change 9 years to 6 years but add: This can be extended further with the approval of the Board.
Role Profiles CHAIR OF GOVERNANCE	Insert “4. To receive serious concerns via Whistleblowing in conjunction with the Company Secretary”.

No changes have been made to the Board Member Agreement for Services.

An amendment to the Chair of Derby Homes’ role description (points 16 and 17) was agreed to change to ‘themselves’ from ‘him/himself’.

Agreed

The Committee agreed to recommend, subject to the amendments above.

1. the Board re-approves the Board Member Agreement for Services
2. the Board approves the revised Board Member Profile and the profile of the Chair of Governance.

21/23 Rule of 85 Declined Applications

At the Governance Committee meeting on 21 September 2020 it was suggested that a report should be brought back every six months of cases where applications had been declined.

The Committee was advised that no applications had been received since the meeting in April.

Include in future reports how many have been approved.

Agreed

The Committee

1. noted the report
2. requested that future reports should include the number of applications that have been approved.

Date and time of next meeting: Thursday 28 April 2022 at 5.30 pm

The meeting ended at 6.07 pm

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CHAIR

Signed as true and accurate record of the meeting held on 4 November 2021