

## **DERBY HOMES LIMITED**

### **MINUTES OF THE BOARD MEETING**

**Held on Thursday 26 January 2023**

The meeting started at 6.10 pm

#### **Board Members Present:**

Mike Ainsley, Bob MacDonald, Charlene Bhurton, Jenn Layton Annable, Councillor Shiraz Khan, Iain MacDonald, and Jsan Shepherd, Councillor Lucy Care and Councillor Jerry Pearce.

#### **Officers Present:**

Maria Murphy, Managing Director  
Michael Kirk, Finance Director & Company Secretary  
Shaun Bennett, Director of Property,  
Clare Mehrbani, Director of Housing Services  
Taranjit Lalria, Head of Corporate Services and Company Solicitor  
Helen Samuel, Head of Finance and Income  
Jane Haywood, Governance Services Manager  
Louise Paget, Corporate Support Officer  
Andrew Grover Lead Procurement Officer  
Paul Cole, Customer Communications Manager

#### **Others Present:**

Councillor Roy Webb, Cabinet Member for Adults, Health & Housing  
Ian Fullagar, Head of Strategic Housing

#### **23/1 Apologies**

Apologies for absence were received from Rachel North, Strategic Director for Communities & Place

#### **23/2 Admission of Late Items**

There was late verbal report which will be discussed in the confidential section of the meeting.

#### **23/3 Declarations of Interests**

The Council Board Members were noted as declaring their interest in matters

relating to Derby City Council.

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

**23/4 Announcements from the Chair**

The Chair announced that Dennis Rees is retiring as an Operational Board Member and presented Dennis with an award of reognition for his service to Derby Homes and social housing.

The Chairs and Vice chairs met on 19 December to review the Managing Directors targets and agreed that substantial progress has been made. The document will be circulated to all board members.

**23/5 Statements from Members of the Board**

There were no statements from the Board.

**23/6 Questions from members of the public**

There were no questions from the public.

**23/7 Items from Part C for discussion**

**Agreed**

The Board noted Part C items.

**23/8 Committee Feedback**

The Committee Chairs provided feedback from recent meetings:

- Operational Board – 8 December 2022

**Agreed**

The Board noted the feedback from recent Committee meetings.

**23/9 Minutes of Previous Meeting**

The minutes of the meeting held on 24 November 2022 6pm were accepted as a correct record.

The minutes of the meeting held on 24 November 2022 5pm were accepted as a correct record

## **23/10 Matters Arising**

The Board requested for Minute 22/139 to be amended from “A review will be presented at the Operational Board in February” to “A review will be presented at the Operational Board in March”.

### **Action Monitoring**

The Board considered outstanding actions arising from previous meetings.

### **Agreed**

The Board noted the outstanding actions from the previous meeting.

## **23/11 Managing Director's Report**

The Board considered a report from the Managing Director which details progress against the Delivery Plan 2022/23 at the end of quarter three, a summary of the outcome of the recent Coroner's enquiry into two deaths in 2010 and the response to issues raised in Derby News article of 8 January 2023.

The Board requested for language in the Delivery Plan to be changed from tenant based to customer based to align with Customer First.

The Board suggested to produce a Derby Homes tone of voice/ language use document for suitable language in publications for customers. Derby Homes agreed to take this forward as part of work around culture.

The Board queried the amount of the legal costs and the reason that these costs were shared. Derby City Council and Derby Homes agreed to share legal representation as at the time the management of the housing register was with the Council and Derby Homes were responsible for allocations and management. The Managing Director could not comment on the amount at this time but agreed to share with Board members as soon as this information is available.

The Board queried if there is a strategy/policy in place to address customer comments which are made online. Derby Homes confirmed that there is a strategy in place.

The Board suggested to provide information/updates in the form of posters on building sites. Derby Homes confirmed that all sites are protected by open mesh hoardings and considered the Board's suggestion for updates to be included on sites.

The Board felt reassured regarding the amount of information which they receive regarding new build sites. The chair raised that the author was unaware of verbal updates which are given to Board members outside of meetings.

### **Agreed**

The Board noted:

- Overall, the targets for 2022-23 in the Delivery Plan are on course for being met.
- The outcome of the Inquest held in December 2022.
- The response to the media article of 8 January 2023 concerning new-build activity.

Derby Homes Agreed:

- Hold discussions for producing a guidance on appropriate language in publications.
- To confirm legal costs for the Coroner's enquiry with Board Members.

## **23/12 Finance Update**

The Board considered a report from the Finance Director & Company Secretary which updated the Board on a number of finance related issues, including:

- Projections at Quarter 3 for 2022/23 are forecasting for a breakeven position (£0.5m deficit at Quarter 2) compared to a planned deficit of £0.63m approved by the Board on 27 January 2022.
- Minor budget virements made in 2022/23 which will be made permanent within the 2023/24 base budget.
- A proposed revision to part of the Treasury Management Policy – in relation to increasing the maximum notice period allowed for investment accounts.
- Rents and service charges on Derby Homes owned properties from August 2023.

- An update on the Derby Homes pension scheme, following the March 2022 triennial valuation by the actuary.

The Board queried the reason for the Rents and service charges change taking place from August rather than from April. Derby Homes confirmed as a registered provider, it is only permitted to increase rents once per year and this has historically taken place in the month of August as properties were acquired by the company.

### **Agreed**

The Board noted:

- The 2022/23 Quarter 3 forecast of a breakeven outturn compared to a budgeted deficit of £0.63m and the reasons for the changes.
- A number of budget virements made in 2022/23, approved by the Managing Director.
- The key figures in the updated Derby Homes pension scheme valuation.

The Board approved:

- To amend the Treasury Management Policy and approve the increase in the maximum length of time cash holdings can be held in investment accounts from 30 days to 1 year, with effect from 1st February 2023.
- Up to £7.5m can be invested in accounts with up to 1 year's notice, with effect from 1st February 2023.
- To an increase to Derby Homes rents by 7% and service charges by 10% from 1 August 2023.

## **23/13 Property Update**

The Board considered the report of the Director of Property which provided an update on current issues within the Property Directorate.

The Board raised that Derby Homes should have contacted to the residents at Chesapeake to give them an update on the progress of the site. Derby Homes accepted this and that there is improvement to be made forming relationships between site managers and residents of the surrounding area.

The Board raised that there are no reported implications specifically regarding the environment on reports. Derby Homes accepted that this was an error and should have been included.

The Board queried if there is any information on the number of staff who take home electric vans and if they have charging facilities. Derby Homes confirmed the majority of vans are driven back to home addresses at the end of the working day but do not have information as to whether there are electronic charging points at employee's home addresses. There will be further discussions with employees and the Trade Unions in the future regarding the use of electric vans.

### **Agreed**

The Board noted the update on current issues within the property directorate.

Derby Homes to ensure that environmental implications are included in future Board reports.

### **Compliance Update**

The Board considered the report by the Director of Property which provided an update on the top six items of compliance.

Derby Homes clarified that the external wall survey has been arranged.

### **Agreed**

The Board noted the update on the top six items of compliance.

### **Health and Safety Update**

The Board considered the report of the Managing Director which gave details of recent health and safety performance and current issues.

The Board queried the source of information regarding the Milestone House news article. Derby homes confirmed the source of information is the [Board report dated 24 November titled managing challenging and complex customers](#).

### **Agreed**

The Board noted the report and are aware of relevant health and safety matters.

## **Operational Budget 2023-24**

The Board considered a report from the Finance Director & Company Secretary which presented the operational budget for Derby Homes for 2023/24 and outlined forecasts for 2024/25 and 2025/26.

The Board queried if the management fee reduction figure of 199 is for a reduction in properties and the figure of 365 is due to the 1million adjustment over the next 3 years adjustment. Derby Homes confirmed that this is correct.

The Board queried the reason behind the legal cost pressure in relation to increasing disrepair claims. Derby Homes confirmed over the last year there has been a large increase in damp disrepair claims, 2/3 of the costs are relating to legal and 1/3 are related to compensation to the claimant. Therefore the increase legal budget is to align with the increase in activity in this area. Derby Homes confirmed this is the position nationally and is not isolated to Derby Homes. Claims are at a much lower rate at Derby Homes than most parts of the country.

The Board queried the quantity of work completed in house in comparison to sub-contracting to the Council. Derby Homes confirmed the delivery of the service is provided by the Street Pride Team however the capital equipment used is owned by Derby Homes.

The Board queried considering there are green city objectives what the rational is for buying petrol equipment which is polluting the environment. The Board suggested reducing the capital revenue and be more environmentally friendly by strimming areas by hand. Derby Homes conformed that there are areas which are being considered for rewilding in a managed way.

The Board queried if the Council are aware of the recharging as outlined in the report. Derby Homes confirmed that the Council are aware of this and has been discussed at the HRA Capital Board.

## **Agreed**

The Board approved:

- The budget for 2023/24 as detailed in Appendix 1, along with the 2023/24 pressures and savings.
- In principle the budgets for 2024/25 and 2025/26.
- The updated capital programme.
- In principle the planned use of cash reserves.

The Board noted the review of a £3m over 3 years “stress test” on the budgets and that in the event of sustained unplanned losses, reserve funding is available in the short-term enabling time for remedial action to be made to budgets.

### **Procurement Strategy and Policy 2023**

The Procurement Policy and Strategy were last reviewed in 2020, as a key policy this document requires review and updating every 3 years.

The Procurement Policy and Strategy have been separated and was presented to the Board for approval.

The Board suggested to reword the bullet point in the strategy: “national buying consortia” to “buying consortia” (to include local and regional).

The Board raised that in the policy document refers to head of service /mangers could cause confusion. Derby Homes agreed to review this as there are Heads of Service and service managers who are not always the same people.

### **Agreed**

The Board approved the Procurement Strategy and Procurement Policy with suggested amendments.

### **Digital Strategy 2023-2026**

The Digital Strategy 2023-2026 (Appendix 1) sets out Derby Homes’ overall purpose and approach to digital services and also defines our key areas for action linked to the core themes within the Delivery Plan. The policy sought the Board’s for approval for the revised Digital Strategy.

The Board queried the removal of the one off budget for the implementation of webchat and if this compliments what Derby Homes wish to achieve in the digital Strategy. Derby Homes confirmed this is the case, in 2023/24 there is £50,000 set aside for the implementation of the webchat software which is an invest to save initiative.

The Board suggested for the wording to be changed from “this strategy will be reviewed every 3 years” to “this strategy will be reviewed at least every 3 years” for accuracy.

The Board raised that the Digital Strategy does not state how this will be evaluated. Digital moves quickly and Derby Homes must set KPIs before



digital services are started to be rolled out.

The Board also recommended that the progress of the strategy should be reviewed at least every 12 months

The Board suggested for the action plan to include colour ratings against outcomes to measure progress. Derby Homes assured the Board that the action plan for the digital strategy will have clear outcomes and objectives which can be colour rated with reported exceptions as suggested by the Board.

The Board raised that the policy does not address the carbon footprint of digital in terms of hardware and software or that Derby Homes seeks to minimise these without reducing the practical effectiveness of the services. The Board recommended for this to be included in the policy. Derby Homes confirmed there is detailed action plan which addresses the long-term disposal aspect of the hardware. However, Derby Homes have not considered the impact of the electricity usage in the servers.

The Board recommended for targets around energy efficiency to be included in the action plan. Derby Homes agreed that this can be included however raised Derby Homes will have very limited control over the servers energy usage.

The Board raised that Derby Homes must ensure that customers who cannot use online services are not forgotten.

The Board praised the equalities impact statement which was included in the report.

A Board Member expressed their thanks to Derby Homes for a positive experience when being involved with the Digital Strategy discussions.

### **Agreed**

The Board approved:

- The Digital Strategy 2023-2026 in replacement of the Digital Strategy 2021-2024 presented to Board in July 2021.
- To pledge to the Digital Declaration from the Department of Levelling up, Housing and Communities

Derby Homes considered the Boards valuable comments and recommendations regarding electricity usage and agreed to build this into the digital strategy at the appropriate time due to current limited resources.

Derby Homes agreed to include energy efficiency targets within the action plan and to apply best practice on how the website is delivered to customers in terms of data usage and energy.

Derby Homes agreed to provide an annual update on “what we will work towards” aspirations but advised the Board Derby Homes will be guided by Derby City Council on digital projects.

### **Tenancy Policy**

Derby Homes’s Tenancy Policy was reviewed by the Operational Board on 10 March 2022 and approved at the Main Board in March 2022 and sought approval for amendments which were reviewed at the Operational Board on 8 December 2022.

The Board recommended for section 11.1 to be rewording from “Under certain circumstances, when a tenant dies” to “Under certain circumstances, when a tenant is deceased”.

### **Agreed**

The Board approved minor amendments to the Derby Homes Tenancy Policy with the additional suggested amendment.

### **Board Member Appraisals 2022**

The Board considered the report of the Chair of Derby Homes which provided an overview of discussions, during this year’s Board Member Chairs’ appraisals.

### **Agreed**

The Board noted the over view of the Board Member Chairs’ appraisals.

### **Forward Plan of Agenda Items**

The Board noted the forward plan of agenda items.

### **Disclosure Under the Insurance Act 2015**

Under the Insurance Act 2015, Derby Homes is obliged to disclose to insurers “relevant information” at both the insurance tender/renewal time (April) and within the year if relevant issues occur.

### **Agreed**

The Board agreed there is no new relevant information that should be disclosed to our insurers, as required under the Insurance Act 2015.

### **Draft Minutes of Committees of the Board**

The Board received the draft minutes of

- Operational Board – 8 December 2022

### **Agreed**

The Board noted the draft minutes.

### **Board Members Attendance at Meetings**

The Board received details of Board Members attendance at meetings for the period

### **Agreed**

The Board noted Board Members attendance.

### **Date of next meeting**

**The next meeting will be held on Thursday**

The meeting ended at 20:30

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CHAIR

Signed as true and accurate record of the meeting held on 24 November 2022.