

DERBY HOMES LIMITED

MINUTES OF THE GOVERNANCE SERVICES COMMITTEE MEETING

Held on Thursday 10 February 2011

The meeting started at 2.05 pm

Board Members Present:

Mick Barker, Patrick Molson, Bob Osler (Chair), Dennis Rees (arrived at 2.10 pm),

Officers Present:

Phil Davies, David Enticott, Susan Hill, Jackie Mitchell

11/01 Apologies

Apologies for absence were received from Alison Brown.

11/02 Admission of Late Items

There were no late items.

11/03 Declarations of Interests

The Council Board Member was 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.

11/04 Minutes of Previous Meeting on 23 September 2010

The minutes of the meeting held on 23 September were accepted as a true and accurate record.

11/05 Matters Arising

Minute 20/30 Matters Arising

Minute 10/22 Training for Committee Members

The Governance Services Manager informed the meeting that the date to attend Derwent Living's Board meeting had changed to 8 March 2011.

The Chief Executive added that training needed to be more strategic. The Chair commented that the last two training courses on Health and Safety and Risk Management worked very well.

Minute 10/32 Review of Board Reports

The Chair commented that following the review, the level of detailed information distributed via Board reports and Committee Chairs Feedback was working well.

Minute 10/34 Review the Format and Role of the Chair's Group

The Chair advised that Dennis and he talked about inviting more guests to the Chair's Group. The Chair suggested inviting other Chairs of Committees to the meeting. The Chief Executive replied that this will be looked at, at the Chair's Group meeting.

Mick Barker suggested Cabinet Members' names should not be included in the minutes in future because the role could be replaced with someone else, He asked that the title is used only to keep it neutral. The Committee agreed.

11/06 Training for Committee Members

The Governance Services Manager informed Committee that the Training for Committee Members was a standard item.

The Chair commented that the Governance Training in December went very well.

11/07 Confidential Business

The Committee 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 (h) of Part IV of Derby Homes Governance Arrangements.

11/08 Changes to Derby Homes Memorandum and Articles of Association

The Committee received a report that Derby Homes had successfully applied for registration with the Tenant Services Authority (TSA) to become a full Registered Provider. This had been done with the intention of opening up future investment opportunities with the Homes and Communities Agency (HCA) as well as to resolve issues around being treated as a private landlord under the Benefit legislation for the purposes of Derby Homes' own properties. To achieve compliance

with the requirements of Registration, Derby Homes needs to amend its Memorandum and Articles of Association. The Board noted and approved the changes on 27 January 2011 and had recommended the changes be approved by the Council.

The Director and Company Secretary commented that he had not received any feedback as yet from the Council but there should be no issues. The Council's lawyers will be looking at the Memorandum and Articles of Association and then it will be presented at the March Council Cabinet meeting.

Mick Barker commented that he had worked in a legal environment and did not like the word 'probably' being used in the report in item 5.4 because it was not definite. The Chief Executive understood his comment and questioned who could challenge it. The Director and Company Secretary replied only the Council or the Tenant Services Authority (TSA) would be likely to challenge this.

The Chief Executive added that future investment opportunities with the Homes and Communities Agency (HCA) will be over a four year programme and serious consideration on an extra subsidiary will be needed. Governance will be important and there could be a separate structure with new Board Members.

Dennis Rees explained that Derby Homes' registration has not been mentioned in the TSA's March Board papers so therefore our registration has not been officially recognised by the TSA. The Director and Company Secretary replied that he would want to know by end of March in order to be clear in the year's accounts. If there were to be a delay, the report would be presented at the Council Cabinet meeting in April.

The Director & Company Secretary replied that formal confirmation would be given after the revised Memorandum & Articles have been approved by the Council.

Agreed

The Committee noted the changes to the Memorandum and Articles of Association, and the process for approval by the Council.

End of Confidential Business

11/09 Derwent Living Board Peer Review

The Committee was reminded that Derwent Living has invited Board Members to their Board meeting on 8 March 2011. Board Members due to attend the meeting are Bob Osler, Iain MacDonald and Tabani Ndlovu. Jackie Mitchell, Governance Services Manager, will also attend.

The Chief Executive asked the Governance Services Manager to prepare a questionnaire based on the information in the report for each attendee to complete.

The Director and Company Secretary informed the Committee that he may attend, depending what the maximum number of people invited was to attend the meeting.

Agreed

The Committee agreed the approach to be adopted for the Board peer review at Derwent Living.

11/10 Review of Governance Arrangements

The Committee received an update report on work to review the Governance Arrangements. The Governance Services Manager updated Committee of the proposed review of the Governance Arrangements and the particular issues that will be addressed by Anthony Collins Solicitors (ACS).

The Chief Executive commented that this Committee had already looked at the NHF Excellence in governance code and did not want to spend any further time on that.

The Chief Executive referred to the Financial Regulations because there are issues relating to Loss of Earnings and Expenses. The Governance Services Manager added that the Loss of Earnings Policy is due to be reviewed and brought to the Resources, Remuneration and Regeneration Committee in April. The Chief Executive commented that the Loss of Earnings Policy should be dealt with independently; the Council itself has a standards committee for remuneration issues. The Chair highlighted a couple of issues that had been mentioned previously: transparency and publication of the scheme and clarification on whether Board Members can claim less than £45 per hour, if their earnings were less than this.

Agreed

The Committee noted the report.

11/11 Management Agreement

The Director and Company Secretary informed the Committee that he has held discussions with the Council on the details of the Management Agreement and hoped to have it presented to the April Council Cabinet meeting. He explained the Management Agreement has been reduced and new key points have been inserted.

The Chief Executive informed Committee that the final draft will be sent to Board Members two weeks before the Board Away Day. Simon Ramshaw, Anthony Collins Solicitors, will be attending the away day and will highlight relevant areas of the Management Agreement. He also added the Council 'owns' the Management Agreement and it could therefore change. If the Board is not content with the Management Agreement, it could request an extraordinary meeting with the Council.

Agreed

The Committee noted the update.

Date of next meeting

The next meeting will be held on Thursday 15 September 2011 at 2.00 pm at Cardinal Square.

The meeting ended at 2.55 pm.

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CHAIR

Signed as true and accurate record of the meeting held on Thursday 10 February 2011.