

## **DERBY HOMES LIMITED**

### **MINUTES OF THE RESOURCES & REMUNERATION COMMITTEE**

**Held on Thursday 26 April 2007**

The meeting started at 6.00 pm

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

Phil Kay, Iain MacDonald (Chair), Bob Osler, Bob Troup

#### **Derby Homes Staff Present:**

Phil Davies, Lorraine Watson, Christine Hill, Jackie Mitchell

#### **07/23 Apologies**

Apologies for absence were received from Sue Glithero, Fareed Hussain and Dennis Rees.

#### **07/24 Admission of Late Items**

There were no late items. The Chair agreed to bring forward the items on Part C of the agenda and discuss before Part A.

#### **07/25 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.

Phil Davies, Lorraine Watson and Christine Hill declared an interest in Item C3 Performance Pay.

#### **07/26 Minutes of the Previous Meeting**

The minutes of the meeting held on the 8 February 2007 were accepted as a true and accurate record.

## **07/27 Matters and Actions Arising**

### **07/12 Findings of the Employee Survey**

The Committee was advised the Employee Survey working group had been formed and a report will be brought back to the next meeting on feedback on the action plan.

Committee requested in future a definite date be provided when items are to be brought back for discussion or decision.

### **07/14 External Funding for Derby Homes**

The Committee was advised an External Funding Working Party had been formed and met recently. Bob Osler had been unable to attend the meeting.

It was agreed the minutes of the External Funding Working Party meetings are circulated to Committee members.

## **07/28 Confidential Business (Minute 07/29 – 07/32)**

Under Part IV of the Derby Homes Governance Arrangements, members of the public were excluded from the meeting during discussion of the following items on grounds that it involves the likely disclosure of confidential information as defined in Standing Order 18.2(ii, viii and x).

## **07/29 Job Evaluation**

The Committee received a report providing feedback on the work undertaken on the job evaluation process.

### **Agreed**

The Committee accepted the recommendations of the consultant employed to review the job evaluation implications for Derby Homes.

## **07/30 Performance Pay Procedure**

Employees left the room whilst the Committee considered a report produced by Tribal, following a meeting between the Chair and Vice Chairs of the Board and the Tribal consultant.

### **Agreed**

The Committee agreed to discontinue the performance pay scheme from 2007/8 and delegated to the Chief Executive, in consultation with the Chair and Vice Chairs of the Board, proposals affecting the third tier employees arising from the end of the performance pay scheme and the development of a process for the continuation of performance interviews and target setting for senior management team,

#### **07/31 Voluntary Early Retirement**

The Committee received a report advising of urgent action taken under delegated powers relating to a request for voluntary early retirement.

### **Agreed**

The Committee noted the urgent decision made by the Chair and a Vice Chair of the Board to approve a request for voluntary early retirement.

#### **07/32 Financial Strategy for Derby Homes 2007/8 – 2011/12**

The Committee considered a draft Financial Strategy, setting out the current and future financial process facing Derby Homes.

### **Agreed**

The Committee commended the Director & Company Secretary on the strategy and agreed

1. to note the financial strategy in Appendix A, and recommend the Board approve the strategy and the report recommendations set out in paragraph 11.1 (page 13) of Appendix A at its meeting on 31 May 2007
2. that the Director & Company prepare a report to the Board containing a summary of the key issues contained in the strategy and highlighting any areas of concern
3. to recommend the Board delegate to the Chief Executive the implementation of the strategy, in consultation with the Chair and Vice Chairs of Derby Homes, and Chair of Resources and Remuneration Committee.
4. a fundamental rewrite of the financial model supporting the strategy for 2008-9.

### **07/33 Timetable for 2006/7 Year End Accounts**

The Committee received details of the proposed publication dates for year end accounts for 2006/7.

#### **Agreed**

The Committee noted the dates when the year end accounts for 2006/7 will be available.

### **07/34 Derby Homes Cash Flow 2007/8**

The Committee considered a report advising of Derby Homes draft initial cash flow. The report set out the cash flow position following the live operation of the new Oracle Financials accounting system, which included the introduction of a Council 'Derby Homes' separate bank account. The Committee was advised that the cash flow would be monitored by the Executive Team and presented to Committee.

#### **Agreed**

The Committee noted the introduction of a separate Council bank account for Derby Homes and the introduction of cash flow monitoring.

### **07/35 Benchmarking Update**

The Committee received a report on the progress made on consolidated action plan number A37 'Increase level and quality of benchmarking to assess value for money'. The action is a shared target for the Executive and third tier performance pay scheme for 2006/7.

The report outlined activities undertaken throughout the past 12 months, including events organised by Housemark and participating in a 3 star ALMOs benchmarking club with Kirkees, Ashfield and Bolton.

#### **Agreed**

The Committee noted the report.

### **07/36 Additional Insurance Cover**

Following approval of insurance renewal for 2007/8 at the last Board meeting, the Chief Executive, Director & Company Secretary and Personnel Manager met with Farr plc and Profit Focus Group to

consider whether or not a number of insurance policies not included in the current portfolio were appropriate for Derby Homes.

The review team decided not to recommend take up of any of the policies. The decision for each of the policies was explained in the report.

**Agreed**

The Committee noted the proposal not to increase insurance cover for 2007/8.

**07/37 Performance Monitoring**

The Committee received a report submitted by the Performance Management Committee highlighting performance against key indicators up to the end of February 2007.

The report provided information on current rent arrears with a city wide year end figure of £760,852 and a breakdown for the North and South areas.

**Agreed**

The Committee noted the report and that year end out turn figures will be available mid April and will be reported in full to the Performance Management Committee at its meeting on 8 May 2007. Following the Performance Management Committee meeting a highlight report will be issued to Resources and Remuneration Committee on 12 July 2007.

**07/38 Date of next meeting**

The next meeting will be held on Thursday 12 July 2007 at 6.00 pm at Cardinal Square.

The meeting ended at 7.15 pm.

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CHAIR

Signed as true and accurate record of the meeting held on 26 April 2007.