

# DERBY HOMES LIMITED

## MINUTES OF THE BOARD MEETING

Held on 28 July 2011

The meeting started at 6.00 pm

### Board Members Present:

Paul Bayliss, John Bloxsom, Tony Holme, John Keith, Iain MacDonald, Patrick Molson (left at 7.30 pm), Bob Osler (Chair), Brian Perry, Margaret Redfern, Dennis Rees, Bob Troup, Roy Webb, Ken Whitehead.

### Officers Present:

Shaun Bennett, Phil Davies, David Enticott, Susan Hill, Jackie Mitchell, Maria Murphy

### Others Present:

- Ita Cooke, Board Development Agency, left after the Board Member Payment
- Janeene Streather, The Arboretum Community Project
- Angie Poole, The Arboretum Community Project
- Mike Ainsley, Observer

### 11/85 Apologies

Apologies for absence were received from Cath Roff, Brian Frisby and Councillor Philip Ingall.

### 11/86 Admission of Late Items

There were no late items.

### 11/87 Declarations of Interests

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

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

Roy Webb declared an interest in Item B13 Derbyshire Children's Holiday Centre 2010.

David Enticott, Director & Company Secretary, declared an interest in Item A4 Review of Secondment Arrangements – Director and Company Secretary.

The Chair agreed to bring forward item C5 National Federation of ALMOs' Awards to the beginning of the agenda in order to make a presentation to representatives of the Project.

The Chair welcomed John Keith, new Board Member, to his first meeting and Mike Ainsley, who will become a Board Member in September.

#### **11/88 National Federation of ALMOs' Awards**

The Board received a report of the recent successes, winning two national awards from the National Federation of AMLOs (NFA).

The Director of Housing and Customer Service introduced Angie and Janeene who both work with Nikki Johnson at the Arboretum Community Project. Nikki worked with Carl Willis, Derby Homes' Community Initiatives Officer and 15 part-time volunteers, to work out how to address the barriers faced by hearing impaired job candidates.

The Director of Housing and Customer Service congratulated Nikki and the project team for their achievement of winning the NFA Best Community Initiative Award. The Chair presented the award to Angie and Janeene.

The Director of Housing and Customer Service also informed the Board that Derby Homes had won the Best Use of Communication – 'It's Not Good Enough' DVD, which was performed by the Neighbourhood Safety Team, and Liz Wilcox's achievement being shortlisted as a finalist in the ALMO employee of the year award for her work with our Junior Wardens.

Iain MacDonald explained that he was present at the NFA Conference and AGM but he had only found out on the day that Derby Homes was up for the awards. He asked that in future Board Members are informed before the event.

## **Agreed**

The Board noted these achievements and congratulated the staff members involved.

### **11/89 Minutes of Previous Meeting on 26 May 2011**

The minutes of the meeting held on 26 May 2011 were accepted as a true and accurate record.

### **11/90 Matters Arising**

#### **Minute 11/42 Insurance Renewal 2011/12 – Urgent Decision**

Tony Holme informed the Board that the review of insurance claims was discussed at the last Value For Money meeting. He informed the Board that FARR insurance company attended the meeting and explained the frequency of claims was actually reducing. The costs look high because they are still showing how much Derby Homes was being potentially liable for and not the actual approved claims.

#### **Minute 11/47 Business Disaster Recovery Plan Review**

Dennis Rees asked if there had been a mock situation at a Local Housing Office (LHO) since the last Board meeting. The Chief Executive replied that there had been no need to do a mock situation because there was a fire near to Brook Street housing office which affected the office's electricity and computers. The Performance Team interviewed the staff there the following day, and have passed on lessons learnt to other managers.

#### **Minute 11/20 Corporate Responsibility Strategy**

The Chief Executive provided feedback from his visit to Nottingham City Homes with Carl Willis and Jim Joyce from the Resource Centre. They met staff from the Library Service and the Neighbourhood Management Team. They had used a Big Lottery fund to refurbish the Meadows library in Nottingham. Their current structure has about 9 Locality Managers who oversee ward based staff who liaise with Councillors and deal with local issues and partnership working. The Chief Executive said he had taken 2 key messages away from the session, firstly a need for Derby Homes to work closely with our Neighbourhood Management Boards on major projects we are completing and secondly the need for staff to be skilled in community engagement work.

#### **Minute 11/64 Questions to Derby Homes Board From Members of the Public**

The Director of Investment and Regeneration informed the Board that

following Mr Ellis' attendance at the last Board meeting, he had visited him and provided feedback to all Board Members (copies of the email were tabled at the meeting).

Tony Holme queried Mr Ellis' concerns when ringing Derby Homes and speaking to different people at the Enquiry Centre regarding ongoing complaints. The Director of Housing and Customer Service replied that she had spoken to the two Enquiry Centre supervisors and this case did not 'ring any bells'. She advised the Board that Derby Homes is setting up a feedback system through text messages to measure satisfaction with repairs. This will be a live-time feedback and will enable us to capture and resolve dissatisfaction in a timely way.

#### **Minute 11/71 Chief Executive's Update**

Roy Webb had asked if the travellers' site on Russell Street was a permanent site. The Chair replied that this was discussed at the Housing Tour. Roy said there appeared to be no final answer on this but an assumption that it would be a permanent site. He queried if Russell Street is a permanent site could the Council move the travellers on from other illegal sites within 24 hours? The Director of Housing and Customer Service replied that the Council had fulfilled its role to provide a travellers site in the City. If there are travellers staying illegally, the Council should now exercise their power to move them on. Roy asked if the Council has the power to do this. The Chair said he will speak to Cath Roff tomorrow and will contact him with her response.

#### **Minute 11/74 Health and Safety Update**

The Director of Housing and Customer Service advised that the owner occupier had been served an injunction for the ASB to a Derby Homes' employee. There were no further issues on this incident.

#### **11/91 Announcements from the Chair**

There were no announcements from the Chair.

#### **11/92 Statements from members of the Board**

Margaret Redfern raised concern of a joint tenancy where the couple are now divorced but the ex-husband is refusing to be removed from the tenancy. She asked if there was any way to remove the person in question. The Director of Housing and Customer Service replied that Mary Holmes, Customer Services Manager, was looking into this and will get back her.

### **11/93 Questions to Derby Homes Board From Members of the Public**

There were no statements from members of the public.

### **11/94 Questions from Derby City Council**

There were no questions from Derby City Council.

### **11/95 Committee Chairs' Feedback**

Chairs of Derby Homes' Committees provided highlights from previous meetings.

Dennis Rees, Chair of City Board – 30 June 2011

- Petition from Residents at Alwards Court
- Items from Contractor Partners
- Review of Opening Hours – Co-located Offices
- Community Room Review
- Review of Tenancy Conditions
- Mobility Scooter Service Charges
- Tender for Grounds Maintenance and Cleaning
- Derby Homes Website – Update
- Wendy Jessop was co-opted onto the City Board.

Tony Holme, Chair of Audit Committee – 4 July 2011. Tony reminded the Director of Housing and Customer Service that she would provide an update to the Board on Tenancy Fraud. The Director of Housing and Customer Service that she would provide a verbal update later in the meeting.

- Implementation of Internal Audit Recommendations
- Risk Register – Summary Report
- Statutory Accounts 2010/11 and the Audit Feedback report for the year - item on this agenda
- Internal Audit – Update
- Control Self Certification and Internal Reporting – item on this agenda

Iain MacDonald, Chair of Resources, Remuneration and Regeneration Committee – 7 July 2011

- Review of Board Member Payment – item on this agenda
- Terms and Conditions of Employment
- Review of Secondment Arrangements

- Risk Register Exception Report
- New Business, Extra Care, Development & Regeneration Update
- Draft Annual Report and Financial Statements 2010-11 – item on this agenda
- Derby Homes Medium Term Finance Strategy – item on this agenda
- Derby Homes Management Accounts 2010/11 Period 2
- Procurement Strategy Savings
- Professional and Consultancy Fees 2010/11
- ICT Strategy 2011-14
- Information Security Policy Review
- Bright Ideas Procedure Review
- Performance Monitoring
- Procurement Waivers.

#### **11/96 Confidential Business**

The Board 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 (b, h & j) of Part IV of Derby Homes Governance Arrangements.

The Chair agreed to discuss Item A3 Board Member Payment first.

#### **11/97 Board Member Payment**

The Board received a report on Board Member Payment which was discussed at the last Resources, Remuneration and Regeneration Committee (RRR) in July and produced by Ita Cooke, consultant with the Board Development Agency. RRR had recommended to the Board that the existing Board remuneration system be updated and reviewed, and had suggested a possible outcome for the Board to determine. The cost of the proposals could exceed the current available budget, and the RRR suggested that a report be drafted to set out for the Board some options along with their likely cost in order that the Board could make an informed decision on the possible options. Ita Cook was present to answer any questions.

The Director and Company Secretary advised that as a registered provider with the TSA, Derby Homes will need to adopt a code of governance which will require publication of the remuneration policy and amounts paid to individual Board Members.

The Board discussed whether to pay all Board Members but this would affect those in receipt of benefits and discourage some future Board Members from applying. Another option could be to restrict payment

to the Chair, Vice Chairs and Committee Chairs; the options of payment were shown in the appendix to the report. The current budget stands at £20,000 a year.

The Board voted on the option to pay the Chair, Vice Chairs and Committee Chairs. Seven Board Members voted for and six against. Paul Bayliss requested that his vote against the proposal was recorded.

The Board then discussed the Board payment options.

The Board put Option 4 to the vote. Nine Board Members voted in favour.

### **Agreed**

The Board agreed

1. to pay the Chair of the Board, Vice Chairs and Committee Chairs at the rate shown in Option 4 of the report.
2. to publish details of the new scheme in the Annual Report, along with details of individual payments in order that regulatory expectations are fully met and the Board acts in the most transparent manner possible
3. to review the provision of support to Board Members – in particular IT support and asks that the RRR receives a further report with recommendations on the issue.

## **11/98 Chief Executive's Update**

The Board received a report which included updates on:

- Oakvale House, Rosehill
- Modernisation of public services
- Ordinary housing for people with disability.

### **Agreed**

The Board noted the report.

## **11/99 Review of Secondment Arrangements – Director & Company Secretary**

(David Enticott, Shaun Bennett and Maria Murphy left the meeting during the discussion of this item).

The Board received a report to consider recommendation from Resources, Remuneration and Regeneration Committee on 7 July 2011, on the position of the current Director and Company Secretary, who was employed on a secondment basis from the Council.

### **Agreed**

The Board approved the recruitment of the permanent position of Director and Company Secretary, by internal advertisement to employees of Derby Homes and the Council and with the added responsibility for IT and Performance.

(Shaun Bennett, David Enticott, and Maria Murphy re-joined the meeting).

### **11/100 Derby Homes Medium Term Finance Strategy**

The Board received a report setting out the medium term finance strategy (MTFS) for Derby Homes and a budget framework for the next three years. It incorporated the budget process within the MTFS. The Resources, Remuneration and Regeneration Committee considered these issues at its meeting on 7 July and had recommended the strategy be adopted by the Board.

The Director and Company Secretary advised the Board of the £600,000 savings that had been achieved and the areas being considered to deliver future savings of over £1m, as stated in paragraph 3.13 of the report. Reductions in costs are expected over the next four years amounting to £1m reduction in the management fee. Family Intervention Project (FIP) will be reduced again unless further funding can be agreed.

Roy Webb requested a further report on FIP because he was getting different signals that FIP was funded by Derby Homes and Derby City Council saying it will be reviewed.

The Director of investment and Regeneration advised the Board that the Council has extended the current contract for public buildings for one year to Derby Homes, who will continue to provide the service.



## **Agreed**

The Board

1. noted the report and appendices
2. approved the medium term finance strategy
3. agreed to a further report on FIP.

## **End of Confidential Business**

### **11/101 To agree any items from Part C to be discussed**

The Board agreed to discuss Item C8 Board Compass – 26 May 2011.  
The rest of the items in Part C were noted but not discussed.

### **11/102 Health and Safety Update**

The Board received details of recent health and safety performance and current issues.

## **Agreed**

The Board noted the report.

### **11/103 Annual Report of Audit Committee: Internal Controls**

The Board received a report discharging Audit Committee's responsibility to report to the Board on the effectiveness of internal control systems during the year to 31 March 2011. Attached to the report was a copy of the Statement on Control Self Certification and Internal Reporting, which was included in the Directors' Report in the Year End Accounts.

## **Agreed**

The Board

1. noted the report, and approved the statement on internal controls assurance within the Report of the Directors on the financial statements for the year to 31 March 2011
2. authorised the Chair of Derby Homes to sign the Control Self Certification and Internal Reporting statement.

## **11/104 Annual Report and Financial Statements 2010-11**

The Board received the draft annual report and financial statements for Derby Homes for the year ended 31 March 2011.

The report explained the changes made to the accounts since the period 11 forecast out-turn were presented to the Resources, Remuneration and Regeneration Committee meeting on 21 April 2011.

Attached to the report was a copy of the External Audit Management Letter prepared by PKF (UK) LLP, a representation letter from Derby City Council to PKF enabling PKF to give an audit opinion that the financial statements give a true and fair view of the state of the Company's affairs at 31 March 2011, and a management representation letter from Derby Homes to PKF to be signed by the Chair, following Board approval of the accounts.

The Director and Company Secretary informed the Board that the key points were in paragraph 3.4 and the accounts showed an operating surplus before tax of £1,800,000.

### **Agreed**

The Board

1. accepted the draft annual report and financial statements as a true and fair view of the Company's financial affairs as at 31 March 2011 as a going concern
2. noted the explanation of the changes made to the accounts since the forecast out-turn was presented to the Resources, Remuneration and Regeneration Committee meeting on 21 April 2011.
3. authorised the Chair and Company Secretary to sign the accounts at this Board meeting.
4. authorised the Chair, Chief Executive and Director and Company Secretary to sign a letter of representation requested by PKF (UK) LLP at this Board meeting
5. approved the change in depreciation policy applied in the drafting of the financial statements.
6. approved the carry forward of IT revenue and capital expenditure in respect of work that is ongoing or planned but was not completed at 31 March 2011 (In accordance with governance regulations).

#### **11/105 Revised Maintenance Budget 2011/12**

The Board received a report setting out the revised budget for the maintenance team for 2011/12 following the HRA budget being set at a higher level by the Council, and the restructuring of the maintenance team.

##### **Agreed**

The Board

1. noted the report and appendices
2. approved the revised maintenance budget for 2011/12.

#### **11/106 Anti Bribery Policy**

The Board received a report to adopt a formal Anti Bribery policy and to make it known to all employees. The Anti Bribery Act 2010 came into force on 1 July.

##### **Agreed**

The Board formally adopted the Anti Bribery Policy.

#### **11/107 Corporate Health and Safety Policy**

The Board received a revised Derby Homes Health and Safety Policy. It is a legal requirement to produce a health and safety policy statement under the Health and Safety at Work (etc) Act 1974. The policy was subject to significant revision in 2010 and the Senior Health & Safety Advisor recommended that it is still current and does not require any changes at this time.

Iain MacDonald referred to the Board's responsibilities in the policy and asked that issues of Board responsibility are covered in the Health and Safety Update report. The Chief Executive replied that this will be incorporated.

##### **Agreed**

The Board approved the policy.

#### **11/108 Equalities Scheme and Action Plan 2011 – 2014**

The Board received a report providing details of the new Equalities Scheme 2011-14. The three year document had been reviewed to

reflect changes to the law following implementation of the Equality Act 2010. The scheme provided a commitment to delivering equalities through a set of promises which form the Equalities Scheme Action Plan.

**Agreed**

The Board

1. noted the content and detail of the Equalities Scheme 2011-14
2. approved the document.

**11/109 Partnership Risk Management Policy**

The Board received a report on the development of a policy for managing the risks inherent in partnership working.

Bob Troup asked if financial viability should be included in the 'Evaluating the viability of your partner' on page 5 of the policy. The Director of Housing and Customer Service replied that the policy was for a non contractual partnership and therefore not required.

**Agreed**

The Board approved the Partnership Risk Management Policy.

**11/110 Complaints Procedure Proposed Changes**

The Board received a report on the proposal to amend the complaints and vexatious complainant policies.

Iain MacDonald queried the Right of Appeal on vexatious complaints being presented directly to Board Members at the appeal stage. The Chief Executive replied that the Right of Appeal to Board members was the last stage of the complaint procedure and the proposal was to be consistent with vexatious complainants review process. However, the vexatious complaint review process could be considered by a Director and then the Chief Executive or another Director could consider the Appeal.

**Agreed**

The Board approved the revised Complaints Procedure, subject to amendments to Right of Appeal for vexatious complaints being heard by the Chief Executive or another Director.

**11/111 Standing Order 12**

The Board agreed to waive Standing Order 12 to allow the meeting to continue after 8.00 pm.

**11/112 Scrutiny Panel Name Change and Statement of Objectives**

The Board received a report proposing a name change for Derby Homes Scrutiny Panel to Review Panel and update on the objectives of the group as agreed by the panel.

**Agreed**

The Board noted

1. and agreed the change of name from Scrutiny Panel to Review Panel
2. the objectives of the panel.

**11/113 Derbyshire Children's Holiday Centre 2010**

(Roy Webb left the meeting during the discussion of this item).

The Board received a report setting out the outcome of Derby Homes funding of the Skegness Children's Holiday Centre in 2010 and to consider whether or not to continue funding of the Centre for 2011.

Paul Bayliss proposed to fund the Centre again for 2011. Iain MacDonald commented that Derby Homes funded the Centre last year; it was a worthy course but he had concerns with the financial constraints on the organisation as to what Derby Homes should fund.

Dennis Rees responded that the Centre had helped many vulnerable children on our estates and it was a very worthy course.

The Board voted on the option to continue funding of the Centre for 2011 only. Six Board Members voted for and five against.

**Agreed**

The Board agreed to fund the Centre for 2011 only.

Roy Webb rejoined the meeting.

**11/114 Derby Homes AGM – 27 October 2011**

The Board received a report setting out the proposed itinerary for the AGM on Thursday 27 October 2011.

Paul Bayliss gave his apology for this meeting.

**Agreed**

The Board approved the proposed itinerary for the AGM on 27 October 2011.

**11/115 Draft Minutes of Committees and City Board**

The Board received the draft minutes of recent Committee meetings:

- a Audit – 4 July 2011
- b Resources, Remuneration & Regeneration – 7 July 2011
- c City Board – 30 June 2011

**Agreed**

The Board noted but did not discuss the minutes.

**11/116 Performance Monitoring Quarter 1 2011**

The Board received a report detailing Quarter 1 performance against targets contained in the Monthly Indicator link.

**Agreed**

The report was noted but not discussed.

**11/117 Appointment of Independent Board Members**

The Board received an urgent decision report which sought approval requesting the Council to approve the appointment of two Independent Board Members.

The urgent approval of the Chair and Vice Chair of the Board was obtained on 21 June in order to meet the Council's deadline for the matter to be considered at its meeting on 13 July.

The Council was required to approve the appointment of two Independent Board Members: Mike Ainsley's to commence on 29 September 2011 until 25 October 2012 and Mark Menzies on 27

October 2011 until 30 October 2014.

**Agreed**

The report was noted but not discussed.

**11/118 Supported Services Update**

The Board received a report about progress in all four areas of Derby Homes Supported Services which covered Quarter 4, the period between 1 January and 31 March 2011.

**Agreed**

The report was noted but not discussed.

**11/119 Forward Plan of Agenda Items**

The Board received a forward plan of agenda items for a six month period from August 2011.

**Agreed**

The report was noted but not discussed.

**11/120 Board Diary Planner**

The Board received a diary planner of events taking place for the six months from August 2011.

**Agreed**

The report was noted but not discussed.

**11/121 Board Compass – 26 May 2011**

The Board received the Board Compass scores from the last meeting which showed the Board's achievement of its 4 key objectives.

The Chair asked the Board for volunteers to spearhead each key area.

The 'Fit for Purpose Governance' key objective had a score of 8 therefore no Board Member was allocated for this area.

## **Agreed**

The Board agreed the following Board Members to lead on each of the 3 key objectives:

Dennis Rees - Getting the Basics Right and Putting Tenants First  
Tony Holme - Effective 30 year HRA Business Plan  
Bob Osler – A High Performing Partner to the Council.

## **Date of next meeting**

**The next meeting will be held on Thursday 29 September 2011 at 6.00 pm at Cardinal Square.**

The meeting ended at 8.17 pm.

.....

CHAIR

Signed as true and accurate record of the meeting held on 28 July 2011.