

DERBY HOMES LIMITED

MINUTES OF THE BOARD MEETING

Held on 29 September 2011

The meeting started at 6.00 pm

Board Members Present:

Mike Ainsley, Paul Bayliss, John Bloxsom, Tony Holme, John Keith, Iain MacDonald, Patrick Molson, Tabani Ndlovu, Bob Osler (Chair), Brian Perry, Dennis Rees, Bob Troup (left at 6.40 pm), Roy Webb.

Officers Present:

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

Others Present:

Phil Holmes, Head of Integrated Commissioning, Derby City Council
Ray Theobald, Observer

11/122 Apologies

The Board introduced themselves to Phil Holmes, Head of Integrated Commissioning, Derby City Council.

Apologies for absence were received from John Bloxsom, Margaret Redfern, Ken Whitehead.

11/123 Admission of Late Items

The Chair admitted one late item, Efficiency East Midlands, which was discussed later in the meeting.

11/124 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.

11/125 Minutes of Previous Meeting on 28 July 2011

The minutes of the meeting held on 28 July 2011 were accepted as a true and accurate record.

11/126 Matters Arising

Minute 11/71 Chief Executive's Update

Roy Webb asked for further update on the current position on the traveller's sites. The Director of Housing and Customer Service replied that the travellers co-operated moving smoothly from Glossop Street to the permanent site on Russell Street on 20 September. The 17 pitches on Russell Street were now occupied.

She had received advice from the Council's Legal team clarifying that the Council's powers on how to handle any future illegal travellers within the City have not changed because the Council has provided a permanent encampment within the City. The law has always allowed local authorities or any land owners to go to court to make an application to move travellers on, so long as they show they own the land.

The difficulty faced in the situation with Glossop Street was the length of time the travellers had stayed on the land. As they had been there for so long, the court determined the travellers had established a local connection with the area.

The local authorities' position on future illegal travellers will be to seek a court application to serve an eviction notice. This had happened already with a recent illegal occupier on Glossop Street where the Council successfully evicted them.

Roy Webb commented that he had always questioned the travellers site and the assurance that once the Russell Street site was opened that it would give us the power to move travellers on within 24 hours.

Paul Bayliss agreed that he felt he had been given misleading information about the impact of the permanent site on the Council's ability to move travellers on and it should be ascertained exactly what the position is and to make it as widely known as possible. The Chair stated that he felt this issue should be raised directly with the Council's legal officers, as this is a matter for the Council.

Minute 11/92 Statements from members of the Board

Dennis Rees asked about Margaret Redfern's concern with the joint tenancy issue. The Director of Housing and Customer Service replied that as Mary Holmes, Customer Service Manager, was on annual leave and Margaret Redfern was not present at the meeting she will follow this up by email with her tomorrow. The Chair requested that Dennis Rees should also be informed of the response.

Tony Holme commented that he asked for a verbal update on Tenancy Fraud at the last meeting from the Director of Housing and Customer Service but he could not find this in the minutes. The Chief Executive replied a report will be presented at the November meeting.

Minute 11/117 Appointment of Independent Board Members

The Chair welcomed Mike Ainsley, new Board Member, to the Board.

He also welcomed and thanked Ray Theobald for attending as an observer to the meeting. Ray will be standing against Ken Whitehead, for the South East Board Member position.

11/127 Announcements from the Chair

The Chair informed the Board that John Bloxsom had sent his apology for tonight's meeting, and it would have been his last meeting as a Board Member. The Board would like to thank John for his efforts and hard work that he contributed as a Board Member and agreed to send him a thank you letter to reflect this.

11/128 Statements from members of the Board

There were no statements from members of the Board.

11/129 Questions to Derby Homes Board From Members of the Public

There were no statements from members of the public.

11/130 Questions from Derby City Council

There were no questions from Derby City Council.

11/131 Presentation by Phil Holmes, Head of Integrated Commissioning, Adults, Health and Housing, Derby City Council

The Chair welcomed Phil Holmes from Derby City Council. Phil delivered a presentation on the proposed strategic planning on making better use of Extra Care Housing (ECH).

Paul Bayliss had concern that Derby City Council does not recognise Derby Homes as a key partner in delivering extra care services and would hope that the Council will change this as Derby Homes delivers a good quality service in the City.

Phil Holmes replied that the Council was developing its extra care service and understanding the ECH model. Derby Homes could be a big part of the ECH agenda and he agreed there was a need to develop a clearer partnership with the Council and Derby Homes.

Dennis Rees commented there were older tenants living in family houses who would move if there was an attractive alternative. Extra Care could be one example, with good support and care on site, if there was no attractive alternative they would prefer to stay in their own properties. However, he feared with cuts to Supporting People funds there will be no support service at all.

Phil Holmes replied that there have been inadequate resources at the moment with Supporting People funds and its level of consistency; there was no clear rationale for what was being used at the moment, and this would need to be reviewed.

Roy Webb commented there should be other partners involved with ECH and suggested a joint bid with the Health Service and Supporting People funds to help with the extra care service. Phil Holmes replied that engaging with the Health service was not easy as they were under reorganisation and focusing on the hospital system and admissions.

Iain MacDonald agreed with Roy Webb that we should look at using the Health service finance to help with extra care and look at other ALMOs nationally to see how it could be accomplished. A business plan will be required on how to improve the extra care service and unify it with the Health service.

The Chair commented that there should be a partnership approach with other outside bodies working with each other to ensure sufficient extra care provision in the City.

Phil Holmes agreed that we should set clear targets, work with other organisations and be clear about what we need.

The Chief Executive referred to the 98 units Mackworth scheme where Derby Homes could work with the Council to promote the units for elderly tenants moving out of family houses on Mackworth estate to smaller places. The Director and Company Secretary added that it

might be possible to use funding from the HRA business plan towards an extra care scheme, and suggested that discussions for future schemes could be had to link funding between the HRA and the Council's extra care capital fund.

Roy Webb suggested that as the extra care scheme will be ongoing, that the Board has a regular update on its opportunities and development funds available with local health services. The Chief Executive replied that he would provide this in his Chief Executive's Update report.

The Chair thanked Phil Holmes for his presentation. Phil left the meeting.

Agreed

The Board

1. noted the presentation
2. agreed further updates in the Chief Executive's Update report.

11/132 Committee Chairs' Feedback

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

Bob Osler, Chair of Governance Services Committee – 15 September 2011

- Review of Governance Arrangements – item on this agenda.

Dennis Rees, Chair of City Board – 25 August 2011

- Questions from members of the public: problem of dog fouling on communal estate
- Estates Pride Quick Fix Bids
- Review of Local Office Opening Hours
- Charges for the Concierge Service
- Derby Homes Safeguarding Policy
- Volunteering Update

11/133 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 (f & g) of Part IV of Derby Homes Governance Arrangements.

11/134 Chief Executive's Update

The Chair informed Ray Theobald that he could be present for this report but he would have to leave when the HRA Business Plan was discussed.

The Board received a report which included updates on:

- Imari Park (Russell Street travellers' site)
- Supporting Living Service grant
- Riots in August
- Family Intervention Project.

Agreed

The Board noted the report.

11/135 HRA Business Plan 2012

(Ray Theobald left the meeting during the discussion of this item).

The Board received a draft and confidential report that Derby Homes and Derby City Council were in the process of drawing up a new plan for the HRA following reform of the HRA subsidy system in April 2012.

Agreed

The Board considered the draft HRA Business Plan and recommended the middle rental options to the Council.

End of Confidential Business

(Ray Theobald re-joined the meeting).

11/136 To agree any items from Part C to be discussed

The Board agreed to discuss item C2 Preparing for Benefit Changes. The rest of the items in Part C were noted but not discussed.

11/137 Health and Safety Update

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

Agreed

The Board noted the report.

11/138 Governance Arrangements Review

The Board received a report setting out a series of recommendations from the Governance Services Committee, as a consequence of a review of Derby Homes' Governance Arrangements. The report was divided into a number of sections aligning with a report commissioned from Anthony Collins Solicitors:

- overarching issues – General
- overarching issues – Board matters
- Memorandum and Articles
- Standing Orders
- City Board
- Delegation of Responsibilities
- Financial Regulations
- Standing orders for appointment of staff
- wider governance issues for consideration by officers.

The Director and Company Secretary informed the meeting that a majority of Board Members attended the Governance Services Committee meeting on 15 September where the Governance Arrangements Review report was discussed in detail.

The Chair informed the Board that if there were any further queries Board Members should get back to the Governance Services Manager or the Director and Company Secretary.

Agreed

The Board agreed to:

1. formally adopt the NHF Code of Practice 2010.
2. include a statement in the Governance Arrangements setting out the key skills that all Board Members should have and delegated identification of the key skills to the Chair, Chief Executive and/or

Director & Company Secretary

3. adopt a policy statement of the Board's intention to limit the number of Board Members who are the paid staff or Board Members of other housing providers to 50% of the Board
4. introduce Board Members' Services Agreements and with provision for greater requirement of those Board Members who are paid office holders. A draft Service Agreement to be brought to a future Board meeting for approval
5. continue the current practice to take confidential agenda items before public reports.
6. drop the insistence that Board Members cannot abstain in votes and replace it with an expectation that Board Members will not abstain
7. retain the current size of the City Board, of 26 members
8. take a further report to each panel or committee setting out new or revised terms of reference for that panel or committee, and to refer this matter back to the Governance Services Committee and then to the Board. In the case of irregular committees and panels, it is suggested that suitable terms of reference be drafted and brought back to the Governance Services Committee at its next meeting
9. retain public questions to the Board and City Board
10. continue the current level of delegation for the City Board and continue with the ability of main Board Members to refer decisions to the full Board
11. formally delegate decisions on early retirements and redundancy payments to the Resources, Remuneration & Regeneration Committee
12. rename the scheme of delegation to officers as the Officers Authorisation scheme
13. continue to receive a recommendation on the appointment of the Chief Executive from the appointments panel and reserve the appointment to itself
14. approve the updated set of Governance Arrangements at Appendix 2

The Board approved the following changes to the Memorandum & Articles of Association, noting that these changes would have to be incorporated into a future review of the Memorandum & Articles and subject to the Council's approval:

1. to amend the current maximum term of office rules for Independent and Tenant Board members to 9 years, but retain the ability for the Board to agree extensions to this
2. tenants of Derby Homes be given the same rights, in terms of election to Derby Homes Board and City Board, as tenants of the Council
3. change the rules for removing Members from the Board by reducing the number of absences from board meetings to 3 consecutive meetings or 3 in any period of 12 months and that this is included in the proposed Board Members services agreement
4. the Chair of Derby Homes to be appointed for a three year term subject to annual confirmation
5. the election of the Chair and Vice Chairs to take place at the first meeting of the calendar year rather than the meeting following the AGM.

The Board ratified the Governance Services Committee recommendations not to

1. amend the current size of the Board from 15 to 12
2. move to a skills or competency base for recruitment of future Board Members

The Board noted the report by Anthony Collins Solicitors at Appendix 1

11/139 Standing Order 12

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

11/140 Update on Rent Arrears

The Board received a report setting out current performance on rent arrears and advised the management actions being taken.

The Director of Housing and Customer Service informed the Board that there was an increasing trend of rent arrears.

Through discussion with Derby City Council Benefits Team we have been aware of delays and resourcing issues in processing housing benefits claims. As at 19 September 2011, £143,000 was outstanding due to un-processed housing benefit claims. The current arrears were £1,573,252, against a target arrears figure of £1,306,225, as at 19 September 2011, but this week's rent arrears was £1,677,000.

She also had a concern that there had been an increase with tenants cancelling their Direct Debit. The reasons for cancellation of Direct Debit will need to be looked at and this information will be provided to either the City Board or the Board, whichever falls first.

There had been a number of actions agreed to achieve improvement by working together with the Council. One of the actions proposed is to consult with tenants on the current rent free week position and ask if they would prefer to reduce the number of free weeks to two and pay a slightly reduced weekly rent over the 50 week period to reflect this. If tenants support this proposal it was proposed to retain one rent free week over the Christmas and New Year period and one rent free week at the end of March.

Agreed

The Board approved

1. joint working with Derby City Council in relation to managing the outstanding caseload in housing benefit claims
2. a consultation exercise with tenants on rent free weeks and possible change to a 50 week rent year.

11/141 Draft Minutes of Committees and City Board

The Board received the draft minutes of recent Committee meetings:

- a. Governance Services – 15 September 2011
- b. City Board – 25 August 2011

Agreed

The Board noted but did not discuss the minutes.

11/142 Preparing for Benefit Changes

The Board received a report setting out proposals to manage the impact of the changes in housing benefit.

Tony Holme commented that the new benefit changes will have an impact on rent arrears and have resource implications been considered? The Director of Housing and Customer Service replied that there will be some impact on some areas of benefits. This will be closely monitored and it may be necessary to increase staffing resources.

Roy Webb asked with regard to the Universal benefits changes, are we confident of delivering anything at all regarding Housing Benefits and the reduction in delay of claims? The Director of Housing and Customer Service replied that we can only anticipate what the needs will be and react to the guidance accordingly when it arrives from the Department for Work and Pensions.

The Chief Executive referred to the Welfare Benefits training courses arranged for staff and which Board Members may wish to attend. He referred to the Welfare Reform training that could be of interest.

Agreed

The Board supported the way forward as set out in the report.

11/143 Late Item - Efficiency East Midlands (EEM)

The Board received a late item updating the proposed changes to the governance structure of Efficiency East Midlands (EEM).

The Director of Investment and Regeneration informed the Board that Derby Homes would need to be a Member of EEM in order to continue to use its framework contracts. It was necessary to seek delegated authority for the Chair and Chief Executive to sign the Members' agreement and also, subject to that agreement, to nominate himself as a Board Member of EEM.

The Chief Executive advised the Council's permission would be required first.

Agreed

The Board agreed, subject to the approval of the Council,

1. to delegate to the Chair and Chief Executive authorisation to sign the members joining agreement once the final version is available and is acceptable
2. that Shaun Bennett, Director of Investment and Regeneration, be nominated as Derby Homes' representative as an executive Board Member of EEM.

11/144 Board Compass

The Board received the Board Compass which included the four Board Members volunteer names to spearhead each key area.

Agreed

The report was noted but not discussed.

11/145 Forward Plan of Agenda Items

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

Agreed

The report was noted but not discussed.

11/146 Board Diary Planner

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

Agreed

The report was noted but not discussed.

Date of next meeting

The Annual General Meeting and Board meeting will be held on Thursday 27 October 2011 at 3.00 pm at the Spot Conference Centre.

The meeting ended at 8.17 pm.

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CHAIR

Signed as true and accurate record of the meeting held on 29 September 2011.