

GOVERNANCE SERVICES REVIEW UPDATE

Report of the Chief Executive of Derby Homes

1. SUMMARY OF REPORT

This report asks the Board to consider recommendations for improved governance arising from the Governance Services Sub Committee.

2. RECOMMENDATION

That the Board approves

1. Governance Services Sub Committee Terms of Reference
2. Performance Management Committee Terms of Reference
3. membership of Committees should normally be a maximum of 5 Board members
4. the statement of interest to be inserted on all Board and Committee agendas
5. proposals as outlined in paragraph 3.4 for the review and management of the Risk Register.

3. MATTER FOR CONSIDERATION

- 3.1 The Governance Services Sub Committee has met twice, and the minutes are attached at Item B1 on the agenda.
- 3.2 At its meeting on the 6 November, the Sub Committee reviewed the terms of reference for the Performance Management Committee and Risk Management. The Performance Management Committee was consulted at their recent meeting on 7 November and made some amendments which have been incorporated in the terms of reference. The terms of reference for the Performance Management Committee is attached at Appendix B.
- 3.3 In addition, the Sub Committee has recommended the membership of Committees of the Board should normally be a maximum of 5 Board members.
- 3.4 The Sub Committee discussed Risk Management and management of the Risk Register. The Committee agreed to recommend to the Board:
 1. there should be a separation of the risk register between strategic risks and operational risks
 2. the Performance Management Committee should oversee the achievement of the strategic risks, by exception reporting
 3. the strategic risks be based on the 7 strategic aims of Derby Homes

4. the Senior Management Team should review and manage the operational risks, and the day to day operation of the strategic risks, with exception reports of the strategic risks made to the Performance Management Committee
5. the current practice of having named Board members to each risks should be discontinued.

A report on Risk Management and the Risk Register is elsewhere on this agenda.

- 3.5 The Sub Committee has discussed the declaration of interests. They have recommended the Director & Company Secretary introduce an annual process for updating Directors' interest records. This issue was identified in the Statement of Internal Control included in the Annual Accounts for 2005/6 and was discussed at a meeting of the Audit Committee. The Board and Audit Committee will be updated on progress made.

The Sub Committee also recommended that a statement on conflict of interest be inserted at Item 3 of each meeting agenda – the proposed statement is attached at Appendix C.

- 3.6 Further reports will be brought to the Board as items are discussed. Items to be discussed at the next meeting include:

- Local Housing Boards' delegations and terms of reference
- Governance Away Day Action Plan update
- appointment process for Board members.

4. FINANCIAL AND BUSINESS PLAN IMPLICATIONS INCLUDING EFFICIENCY SAVINGS

Good governance is essential for the effective operation of Derby Homes.

5. LEGAL AND CONFIDENTIALITY IMPLICATIONS

Agreeing and or amending terms of reference for Committees, deciding on their composition and making appointments to them is a matter reserved to the Board.

The areas listed below have no implications directly arising from this report

- Consultation
- Personnel
- Environmental
- Equalities Impact Assessment
- Health & Safety

If Board members or others would like to discuss this report ahead of the meeting please contact the author, or the Chief Executive, phil.davies@derbyhomes.org - Tel 01332 711010

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Background Information: None

Supporting Information: None