

DERBY HOMES LIMITED

MINUTES OF THE ANNUAL GENERAL MEETING

Held on Thursday 27 November 2014

The meeting started at 5.05 pm

Derby City Council

Councillor Sarah Russell on behalf of Derby City Council (as the sole member of the Company)

Board Members Present

Mike Ainsley, Bob MacDonald, Iain MacDonald, Margaret Redfern, Dennis Rees, Jsan Shepherd, Fiona Walker, Roy Webb

Others Present

Cheryl Pedley, Lionel Massingham Award
Fiona Skinner and Bill Bentley, Derby College
Leigh Allcock, Gary Woolley, OSCAR Derby
Jim Elks, DACP & Operational Board Member

Officers Present

Derby Homes:
Maria Murphy, Director of Derby Homes
David Enticott, Director & Company Secretary
Shaun Bennett, Director of Investment & Regeneration
Jackie Mitchell, Governance Services Manager
Jackie Westwood, Head of Income Management & Advice
Annabelle Barwick, Change Manager
Charlotte Quigley, Admin Support Officer
Kaye Stirland, Housing Assistant
Mick Stringfellow, Joiner
Anthony Slater, Community Projects Officer

Derby City Council:
Perveez Sadiq, Director of Business Intelligence and Sector Development
Ian Fullagar, Head of Strategic Housing

14/01 Apologies

There were no apologies for absence.

14/02 Presentation of Derby Homes Awards 2014

The Lionel Massingham Partnership Award was awarded to Derby College.

Derby Homes Bright Star of the Year Award

The Derby Homes Bright Star of the Year was awarded to Kaye Stirland and Mick Stringfellow.

14/03 Minutes of Previous Meeting

The minutes of the Annual General Meeting held on the 28 November 2013 were accepted as a true and accurate record.

14/04 Matters Arising

There were no matters arising.

14/05 Appointment of Tenant and Independent Board Members

The Board noted the appointments and terms of office for

1. Fiona Walker, Tenant Board Member for the period 27 November 2014 until the AGM 2016
2. Bob MacDonald, Tenant Board Member for the period 27 November 2014 until the AGM 2017
3. Jsan Shepherd, Independent Board Member for the period 27 November 2014 until the AGM 2017.

14/06 Appointment of External Auditors 2014/15

The Board agreed the reappointment of the current external auditors – BDO LLP for the year 2014/15 and authorised payment of fees as follows:

- Annual audit - £18,500
- Corporation Tax (HMRC filing and advice) - £1,050
- IXBRL (Accounts filing with HMRC) - £900.

14/07 Annual Report of the Board of Directors, Auditor's Report to Members and Financial Statements for the year ended 31 March 2014

The Chair of Derby Homes presented the Annual Report of the Board of Directors, Auditor's Report to Members and Financial Statements, for the year ended 31 March 2014.

A copy of the Chair's speech is attached as Appendix 1 to these minutes.

14/08 Report of the Chair of the Audit Committee to Members

The Board noted the report of the Chair of the Audit Committee on the activity of the Audit Committee.

14/09 Report of the Chair of the Operational Board

The Board noted the report of the Chair of the Operational Board.

A copy of the Operational Board Chair's report is attached at Appendix 2.

14/10 Derby City Council's response to the Annual Report of the Board of Directors, Auditor's Report to Members and Financial Statements for the year ended 31 March 2014

On behalf of the Council, Councillor Sarah Russell, received the Annual Report of the Board of Directors, Auditor's Report to Members and Financial Statements, for the year ended 31 March 2014.

Councillor Sarah Russell advised the Board that Councillor Shanker was disappointed he couldn't attend due to unforeseen circumstances. She read Councillor Shanker's response, a copy of which is attached at Appendix 3.

14/10 Any other competent business

There was no other business.

14/11 Questions from the floor

Anthony Slater referred to Helping Hands scheme run by the DACP, who awarded his daughter a bursary to help pay for her piano lessons. He thanked them for making it possible for her to continue with her lessons and an examination.

Date of next meeting

The next meeting will be held on Thursday 26 November 2015 at 5.00 pm.

The meeting ended at 5.55 pm.

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On behalf of Derby City Council (sole member of the Company)

Signed as true and accurate record of the Annual General Meeting held on 27 November 2014.

Speech by Mike Ainsley, Chair of Derby Homes

It is a privilege to be standing here as the new chair although I didn't expect either to be chair now or certainly in these circumstances. So although I am proud to be chair of Derby Homes it's with more than a touch of sadness. In a year of change, the biggest was the sudden unexpected loss of Bob Osler. When Margaret found herself chairing the board meeting after Bob's death she asked all board members to say something personal about Bob. What came through was not only his commitment to Derby Homes and his hard work in negotiating the new partnership but his sense of humour and an ability to put people at ease, to encourage them to play a full part and to talk on an individual level about our interests whether this was rugby, fishing or beer. Bob will be missed professionally and personally by all of us.

This has been a year of change and getting used to new ways of working for the Board and many staff. The new Board structure with a reduction from 15 to 9, along with a new committee structure has meant a change in responsibilities and faces at board level. As we welcome the new board members and look forward to working together, I would also like to thank retiring members for their contribution to making Derby Homes the organisation it is.

In particular we replaced the old City Board with a new Operational Board, giving tenants real powers to decide the operational issues important to them and all tenants. Although the new board has only met a few times I have already seen commitment and real challenge and I look forward to this developing in the future.

The new partnership model of working with the council is starting to bed in. I am committed to doing my part to make this model work as we can accomplish more together than we can separately. We can help the City Council achieve its strategic objectives, particularly in these very difficult times. Inevitably, as with all new enterprises, there will be some difficulties but goodwill on both sides these can be overcome and both the Council and Derby Homes can move on stronger.

Moving on to our achievements of the year; a major strategic objective of the Council is building new homes. There is a jointly agreed target to build 700 over 4 years. This is a challenging target. I believe that this is more than any other council outside Greater London. When (not if) we do reach this number it will be a major achievement for the partnership providing people and families in Derby with high quality affordable homes. 9 months in I'm proud to say that 117 are already complete, with a further 152 under construction across various sites. Not only will these houses be high quality, but using the skills and resources of Derby Homes' staff they will be built very economically. Also, using small local firms the local economy will be boosted and jobs created for Derby people.

Another initiative very close to Bob's heart was the apprentice scheme. Again this has been a great success. Last year we appointed 20 young apprentices and this year

another 20. This means that almost 10% of the workforce is apprentices. The first cohort, now in their second year, are working alongside our normal staff and making a significant contribution. The quality of their work can be seen in the job they did in the summer at Sinfin. Again I need to thank the partners that made this possible, Derby College for providing the educational element to the scheme and the workforce for their contribution in these young people acquiring skills. Above all I commend the young people themselves for their hard work and commitment.

Returning to new build and partnership, we recently saw the handover of new homes in the Osmaston area achieved with OSCAR, the residents' association. This area was important (if not an obsession) to Phil Davies, the previous Chief Executive, so it was fitting that part of the new development was named Davies Close in his memory and honour.

Another very pleasing partnership starting recently is in the area of procurement. After a lengthy process in which tenants were prominently involved – thanks to Jim and Dennis for the hours of work they put in – we reached an agreement with Buildbase to supply all our materials. Although the contract was only signed last month, early indications show it working well, with a dedicated building, a display for tenants to choose kitchens and bathrooms, specially badged vans and even scooters for getting parts out quickly. The contract started in October for general maintenance supplies, electric supplies happened in November and gas will be phased in later. Again, a successful partnership with a local base, improving our service for tenants.

These are the headline grabbing, exciting events of the year, and very pleasing they are, but even more important is the day job, the reason we exist. Last year Derby Homes collected £52M in rent – money which goes back to providing an excellent service to our tenants. We also fitted 600 kitchens and bathrooms, making life better for 600 families in Derby.

In conclusion, I'd just like to repeat that I am proud to become Chair of the Board and look forward to working to make Derby Homes even better. I am committed to making the partnership model work, committed to ensuring we build at least 700 homes and committed to a future where residents are proud to say they live in a Derby Homes' home.

Dennis Rees – Report of the Chair of Operational Board

For me the last twelve months really have been a year of two halves. I started the year as the Chair of the City Board and at the end of year I am proud to be the Chair of our new Operational Board.

To be honest at the start of the year I was concerned about the proposed changes to the City Board – don't get me wrong I accepted that we needed to move things forward but I was still sceptical about the true level of involvement that tenants and leaseholders would retain.

The City Board met three times before it became the Operational Board in June this year. We have looked at a wide range of issues. In February 2014 we agreed recommendations to change the conditions of tenancy this has brought the agreement up to date and we have moved away from tenancy handbooks to more information being available on line. We also recommended changes to how furnished tenancies are provided; these recommendations are now with the Council to be worked though in more detail.

Throughout the year we have received lots of information on Welfare Reform and tried to promote services which support our tenants through the changes and helped those that wanted to move to smaller homes do so.

In June 2014 the Operational Board met for the first time. We now have increased responsibilities and authority to approve changes to and introduce new services. We have already approved new policies on Domestic Abuse, Discretionary Allocations and a new Customer Service Strategy.

I believe that my new colleagues on the Operational Board are well placed to take things forward and represent the tenants and leaseholders of Derby. Having admitted my initial doubts, I want to be clear that moving forward I now believe that the changes have worked out for the best and that we will go from strength to strength.

We will be able to challenge Derby Homes and Derby City Council policies that come to the Board.

I look forward to working with my fellow Operational Board Members as we go forward into the New Year.

Councillor Sarah Russell on behalf of Councillor Baggy Shanker, Derby City Council - shareholder of Derby Homes Ltd

Good afternoon and thank you for inviting me to your Annual General Meeting. First I would like to congratulate Mike Ainsley on his appointment as Chair of the Derby Homes Board. I have no doubt that Mike will build upon Bob Osler's legacy and take the organisation forward with drive and determination. Bob was completely dedicated to his work with Derby Homes and we were so grateful when he agreed to stay on as chair to help with succession planning, which sadly, he never got to complete. I'm sure we'll all remember Bob for his dedication to apprenticeships and ensuring that Derby Homes helped as many young people as possible learn a trade and get a career, and it's only fitting that Maria is working with his wife Helen on a fitting tribute in his memory. Before focusing on the year's achievements, as has become traditional, I would like to talk about what's been happening in Housing on a national level and how this has presented opportunities and challenges to us.

It has been just over two and half years since the introduction of the Housing Revenue Account self-financing regime. The Council has fared relatively well from its self-funding settlement and this has afforded us opportunities particularly in the arena of new-build and acquisition of empty homes, although with the continuing loss of stock through Right to Buy it is a challenge to maintain stock levels.

Also challenging for us has been the impact of welfare reform and these challenges will undoubtedly increase with the introduction of Universal Credit. The bedroom tax has proved challenging, not only for current tenants who have to find the extra funds to pay their rent, but for families seeking accommodation whose choices are restricted by the tax. It is to your credit that you have been pro-active in working with our tenants to minimise the impact where possible.

You will also be aware of the unprecedented financial difficulties that the public sector is facing nationally and the impact of this on council services in Derby.

Although the Housing Revenue Account is in a relatively healthy position, and somewhat insulated from wider public sector cuts due to its ring-fence, the impact of reduced funding for other public services, including council services, nonetheless has a detrimental impact on the lives of the majority of our tenants. This in turn places increased pressure on our management and rent collection services.

I enjoyed reading the year's Annual Report as I always do. This last year has seen the "Partnership Agreement" between the Council and Derby Homes bedding in and I would like to highlight some of the many achievements of the last year.

Of particular interest to me as ward member, is the achievement of the partnership between OSCAR, Derby Homes and Council. The new homes at the Elton Road Quadrant are an example of how the community can be enabled to take forward

challenging and ambitious developments. Derby Homes has been very supportive and committed to the relationship with OSCAR and the development is the first step in the genuine regeneration of Osmaston. The formal naming ceremony of the bungalows at Davies Close, requested by OSCAR, pays tribute to the legacy of Phil Davies who was instrumental in initiating and supporting work of the community in Osmaston.

The development at Osmaston will contribute towards our ambitious joint target of 700 new affordable homes by March 2019. I am pleased to see that good progress is being made on new homes delivery, The Council and Derby Homes as a bidding consortium have been awarded £2.6m of grant funding over the 2015 to 2018 programme period to resource the delivery of these new homes.

Another step forward has been the way that you have revitalised engagement with our tenants. You have replaced the traditional evening meetings with estate visits a 'Customer Engagement Van' and door to door consultation. This has led to a far more inclusive and accessible engagement process for tenants and leaseholders. It is positive to see Derby Homes reaching out to its customer in some an innovative way. I understand that nearly 1,000 people have engaged over the last year through this approach.

I am also pleased to see the continuing success of the Derby Homes Apprentice Scheme. It is important that we invest in our young people and continue to upskill future generations. This will benefit our city as a whole. It is to your credit that the scheme has been successful and that our young people have become so engaged in the work. Derby City Council is looking forward to continuing our close working relationship with Derby Homes over the next year and we wish you every continued success.