

DERBY HOMES LIMITED

MINUTES OF THE GOVERNANCE SERVICES COMMITTEE MEETING

Held on Thursday 23 February 2012

The meeting started at 2.00 pm

Board Members Present:

Mike Ainsley (Chair), Tony Holme, Tabani Ndlovu (left at 3.20 pm),
Bob Osler, Dennis Rees, Bob Troup

Officers Present:

Phil Davies, David Enticott, Susan Hill, Jackie Mitchell

12/01 Apologies

Apologies for absence were received from Paul Bayliss, Margaret Redfern and Mark Menzies.

The Chair welcomed everyone to the meeting and explained that he will be chairing the meetings as part of his Champion role duties.

12/02 Admission of Late Items

There were no late items.

12/03 Declarations of Interests

The Council Board Member was noted as declaring his 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.

12/04 Minutes of Previous Meeting on 15 September 2012

The minutes of the meeting held on 15 September 2012 were accepted as a true and accurate record.

12/05 Matters Arising

There were no matters arising.

12/06 Training for Committee Members

The Committee did not raise any training requirements.

12/07 Memorandum and Articles of Association Verbal Update

The Director and Company Secretary informed the Committee that he had met with Stuart Leslie, Director of Legal and Democratic Services, Derby City Council, last Monday on the proposed changes to the Memorandum and Articles of Association. Stuart advised that he thought the Council would not have any problems with the proposed changes arising from the Governance review.

With regard to Derby Homes request to widen the geographical limits for undertaking business activities outside of the City boundary, Stuart Leslie had advised we need to be specific on the geographical area for our business proposals.

There was general discussion on widening the geographical limits to districts adjoining Derbyshire and the suggestion that Derby Homes could be permitted to work within the 'D2N2' Local Enterprise Partnership area of Derbyshire and Nottinghamshire, with approval being sought for any new area of work and with differing levels of delegation and approval.

The Director and Company Secretary will inform the Council of the Committee's recommendations and report back to the next Board meeting.

Agreed

The Committee noted the update on the proposed amendments to the Memorandum and Articles of Association.

12/08 Review of Governance Services Committee Terms of Reference

The Committee received a report, in response to a recommendation, arising from the review of the Governance Arrangements, to review the terms of reference of each committee and panel of the Board. The Committee was asked to consider proposed changes to its terms of reference shown in Appendix 1.

With regard to the proposed new function regarding Board succession planning and diversity levels, it is proposed to discuss this at the next meeting in September. It was noted that the Chair of the Board, Chair of this Committee and the Chief Executive will be responsible for the

Board succession plan.

Agreed

The Committee recommended the Governance Services Committee terms of reference to the Board for approval.

12/09 Review of Terms of Reference for Committees and Panels

The Committee received a report in response to a recommendation, arising from the review of the Governance Arrangements, to review the terms of reference of each committee and panel of the Board. These were the terms of reference for Audit and Resources, Remuneration and Regeneration Committees and the City Board.

Agreed

The Committee noted the terms of reference attached at Appendices 1, 2 and 3 and recommended them to the Board for approval.

12/10 Board Member Services Agreement

The Board received a report on Board Member Services Agreement. A review of the Governance Arrangements was carried out in 2011; the Board agreed to adopt the National Housing Federation's Code of Governance (2010) edition and to introduce a Board Member Services Agreement. The report provided details of the proposed Board Member Services Agreement and options for inclusion in the Agreement.

The need to include the time commitment for attending meetings, particularly for new Board Members' information, was discussed. This was referred to in Appendix 2, however, it was agreed to also include a sentence in paragraph 3.1 referring to the time commitment in Appendix 2.

It was agreed to insert in Section 9 Induction ...'and ongoing training processes which you are required to attend.'

The need to give notice of resignation was discussed. It was agreed to include an expectation to give notice, and where appropriate complete a handover.

It was suggested that a separate heading be inserted for Leaseholder Board Member under 'Additional Role & Duties.'

The changes to Appendix 2, Additional Obligations are shown in an appendix attached to these minutes.

Bob Osler informed the Committee that he is considering holding Board meetings during the day instead of the evening as it has been proven that concentration dips after 6.00 pm. The Chair objected to this as it would restrict Board Members who work from attending meetings. There is a need for diversity on the Board and this proposal would only attract retired people and the possibility of having to reintroduce loss of earnings payments for Board Members who work.

Bob Osler asked for an item on "Board agendas" to be added to the agenda of the next Committee meeting.

Agreed

The Committee recommended the Board Member Services Agreement, as amended, to the Board.

12/11 Future of AGM

The Committee received a report proposing we rethink the way the AGM is run, and consider replacing it with one of the options below:

- A. we run the AGM ahead of the November Board meeting and forget about an exhibition and a presentation
- B. as in A, but we run a bespoke half day stakeholders conference in October to get across key messages from the Board
- C. as in A, but we combine the stakeholders conference with the proposed staff and tenants conference in September.

Agreed

The Committee agreed to recommend Option C to the Board, to hold the AGM ahead of the November Board meeting and combine the stakeholders' conference with the proposed staff and tenants' conference in September.

12/12 Board Action Plan 2012

The Committee received a report providing recommendations arising from the Board Performance Reviews 2011 and a proposed action plan to implement the recommendations.

Agreed

The Committee

1. noted the report at Appendix 1
2. agreed to recommend the Action Plan for approval by the Board
3. agreed to receive a progress report on the Action Plan, at the next Committee meeting in September.

Date of next meeting

The next meeting will be held on Thursday 13 September 2012 at 6.00 pm at Cardinal Square.

The meeting ended at 3.55 pm.

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CHAIR

Signed as true and accurate record of the meeting held on 23 February 2012 .