

## **DERBY HOMES LIMITED**

### **MINUTES OF THE BOARD MEETING**

**Held on Thursday 25 July 2019**

The meeting started at 6.00 pm

#### **Board Members Present:**

Mike Ainsley (Chair), Lucy Care, Bob MacDonald, Iain MacDonald,  
Jerry Pearce, Dennis Rees, Sarah Russell, Jsan Shepherd

#### **Officers Present:**

Maria Murphy, Managing Director  
David Enticott, Finance Director & Company Secretary  
Shaun Bennett, Director of Investment & Maintenance  
Clare Mehrbani, Director of Housing Management  
Jackie Mitchell, Governance Services Manager

#### **Others Present:**

Councillor Roy Webb, Council Cabinet Member for Adults, Health & Housing

#### **19/88 Apologies**

Apologies for absence were received from Don McLure

#### **19/89 Confidential Business**

##### **Agreed**

The Board agreed, under Part IV of the Derby Homes Governance Arrangements, members of the public be excluded from the meeting during discussion of the following items on grounds that it involves the likely disclosure of confidential information as defined in Standing Order 20.2 (b).

#### **19/90 Board Member Attendance**

The Board considered a report advising of a breach of the rules governing Board Member absences from Board meetings.

## **Agreed**

The Board agreed not to reinstate the Board Member onto the Board of Derby Homes.

## **End of Confidential Business**

### **19/91 Admission of Late Items**

There were no late items.

### **19/92 Declarations of Interests**

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

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

### **19/93 Minutes of Previous Meeting**

The minutes of the meeting held on the 30 May 2019 were accepted as a correct record, subject to an amendment to Minute 19/65 Managing Director's Report – 100 Years of Council Housing, as follows:

Replace 'energy' light bulbs with 'led' light bulbs.

### **19/94 Matters Arising**

#### **Minute 19/65 Finance Update**

The Board was advised that the government's policy relating to Right to Buy was now expected 'in due course'.

The purchase of empty flats – one has been signed off and the second was in progress.

### **19/95 Announcements from the Chair**

The Cabinet reshuffle has resulted in the following changes:  
Secretary of State Robert Jenrick, MP for Newark and the Housing Minister is Esther McVey.

Royal Visit by the Princess Royal to the War Memorial Village went well and was well organised by Carl Willis particularly, and Derby Homes staff. The

Managing Director presented the Princess Royal with a Crown Derby commemorative plate – its pattern was commissioned for the Queen's wedding.

The visit to St Martin's Church was also a success.

The Chair attended the House of Commons 100<sup>th</sup> Anniversary of the Addison Act celebration in the Members' tea room.

Sarita Rehman-Wall, of Nottingham City Homes, has been appointed Chair of the NFA and Mike Ainsley has been elected Vice Chair.

#### **19/96      Statements from Members of the Board**

There were no statements from Members of the Board.

#### **19/97      Questions from members of the public**

There were no questions from members of the public.

#### **19/98      Appointment of Vice Chair of Derby Homes**

At the last meeting in May, the Board was advised that Councillor Board Members Lucy Care and Sarah Russell were interested in taking up the Vice Chair position left vacant by Fareed Hussain.

Lucy and Sarah provided a brief statement prior to conducting a ballot. Sarah received the highest number of votes.

#### **Agreed**

The Board appointed Sarah Russell as Vice Chair of Derby Homes.

#### **19/99      Committee Chairs' Feedback**

The Committee Chairs provided feedback from recent meetings:

- a) Operational Board – 27 June 2019
  - Change to frequency of meetings  
The Operational Board has recommended to the Derby Homes Board that the frequency of their meetings is changed from six to four a year.
- b) Audit – 8 July 2019

## **Agreed**

The Board

1. noted the Chairs' feedback
2. agreed to change the frequency of Operational Board meetings from six to four meetings a year.

### **19/100 Outstanding Actions**

The Board received an update of actions arising from previous meetings.

## **Agreed**

The Board noted the update.

### **19/101 Confidential Business**

## **Agreed**

The Board agreed, under Part IV of the Derby Homes Governance Arrangements, members of the public be excluded from the meeting during discussion of the following items on grounds that it involves the likely disclosure of confidential information as defined in Standing Order 20.2 (f, g, h & n).

### **19/102 Managing Director's Report**

The Board considered a report providing an update on strategic and key issues.

#### **Senior Management Team Restructure**

The Heads of Service part of the restructure has been completed on time. Michael Kirk and the Accountancy team were TUPE'd to Derby Homes on the 1 July. Michael has taken up the position of Head of Finance & Income.

#### **Update on Council Matters/Chief Officers**

The Managing Director has met with the Conservative Group and discussed the level of demand within the City for affordable housing, the financial capacity within the HRA and Derby Homes and is pushing to double current plans for new homes from 50 up to 100-150 a year.

She said she was pleased with feedback from Council Chief Officers and the Conservative Group and will be meeting with other political groups to keep them up to date with the work of Derby Homes.

Don McLure is working with the Council's Chief Executive to scope the review of Derby Homes and is hoping to get it signed off this week. The Managing Director has provided the Council with information on performance, cost, customer feedback and benchmarking, etc, showing Derby Homes is an asset to the Council. Board Members will be kept up to date on this matter.

Councillor Roy Webb said he believed the relationships between Derby Homes and the Council is better. He advised that details of available sites have been provided by Derby Homes and in the, short term 100-150 units a year would be a good use of the HRA debt cap.

#### **24 Housing – Top 50 Landlords**

Derby Homes has been ranked 9<sup>th</sup> (up from 50<sup>th</sup> in 2018) in 24 Housing's Top 50 Landlords. Six other ALMOs were included in the list with Homes in Sedgemoor coming first.

#### **100 Years of Council Housing**

Progress made on celebrations to mark 100 years of council housing included special edition t-shirts issued to staff to raise awareness, information in Derby Homes News and the Princess Royal's Visit to Derby.

#### **Rivermead House Incident**

An update was provided on actions arising from the incident at Rivermead House, this included improving internal procedures, meeting with the contractors and discussion at the Health & Safety Forum.

#### **New Initiatives to Support Peoples Directorate**

The report outlined proposals to support the Council's Children's Services directorate relating to Transitional Housing for Children in Care, Unaccompanied Asylum Seeker Children and expanding Fostering provision.

#### **Agreed**

The Board noted and approved the recommendations in the report.

#### **19/103 Investment & Maintenance Update**

The Board considered a report on current issues within the Investment & Maintenance Directorate.

#### **Agreed**

The Board noted the content of the report.

#### **19/104 Board Structure Review**

The Governance Committee on 29 April 2019 explored a number of options in response to a request to consider reinstating a leaseholder on the Board of Derby Homes. The Committee's recommendations were subsequently considered by the Board on 30 May. As there were a number of Board Members absent the Board agreed to defer the matter to the July meeting in order for all Board Members to take part in the discussions and for the Managing Director to have discussions with Council officers and the Cabinet Member.

The Chair reminded the Board that any recommendation for change will require the Council's approval.

##### **Agreed**

The Board recommended to the Council a number of the options outlined in the report.

#### **19/105 Business Disaster Continuity & Recovery Plan**

The Board considered a report documenting the review of the Business Disaster Continuity and Recovery Plan (BDRP) and the amendments made.

The BDRP had been updated to take account of the change of practices and new areas of work undertaken by Derby Homes.

##### **Agreed**

The Board approved the Business Disaster Continuity and Recovery Plan subject to the amendments as above.

#### **19/106 Procurement Waivers**

The Board considered an update on the position with regards to procurement standing order waiver requests approved and currently in force.

##### **Agreed**

The Board noted the report.

##### **End of Confidential Business**

**19/107 Items from Part C for discussion**

**Agreed**

The Board did not raise any items from Part C for discussion.

**19/108 Annual Report of Audit Committee - Internal Controls**

The Audit Committee at its meeting of 8 July 2019 considered a report from the Senior Management Team on the internal controls in place across the company. As a result, the Audit Committee reported that it considers the system of internal controls to be adequate in order that the Board can state that internal controls are in its consideration acceptable.

**Agreed**

The Board 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 2019.

**19/109 Modern Slavery Act 2015 Statement**

The Modern Slavery Act 2015 became law in October 2015 and is designed to prevent slavery, servitude, forced or compulsory labour and human trafficking (referred to as 'Modern Slavery') in organisations and their supply chains and to increase transparency as to what steps, if any, any organisation is taking to combat slavery and trafficking.

Organisations are required to provide a slavery and human trafficking statement where certain conditions are met; those conditions are met by Derby Homes.

The Board considered Derby Homes' Modern Slavery statement, which, under the Act, requires approval by the Board of Directors and signed by a Director.

**Agreed**

The Board approved Derby Homes to publish its Modern Slavery Statement in a prominent place on the website and signpost to this in the financial statements.

**19/110 Annual Report & Financial Statements 2018-19**

The Board considered the draft annual report and financial statements for Derby Homes for the year ended 31 March 2019. Attached to the report was a

representation letter signed by Derby City Council and a draft letter of representation from the Board to external audit

The Finance Director & Company Secretary advised the Board that the net pension adjustment has changed from £11m to £12m.

The Board's attention was drawn to the Strategic Report for year ended 31 March 2019 (pages 13-15) which sets out Derby Homes' achievements throughout the year.

A minor error was identified on page 16 within the Strategic Report. The first paragraph under Volunteering should read "...Lunch Clubs **and** Day trips).

Board was pleased to note the number of awards received during the year.

### **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 2019 and as a going concern.
2. Authorised the Chair and the Company Secretary to sign the accounts at this Board meeting.
3. Authorised the Chair to sign a letter of representation, requested by BDO (LLP) Ltd, at this Board meeting.

## **19/111 Health and Safety Annual Report 2018/19**

The Board considered an annual summary of health and safety performance and key points for 2018/19.

The report included details of the RoSPA President's Award and Public Service & Local Government Sector commendation and an independent audit of compliance and application of the CDM regulations.

It was noted there appeared to be no patterns arising from incidents during the year.

### **Agreed**

The Board noted the report.



## **19/112 Health & Safety Update**

The Board considered a report detailing recent health and safety performance and current issues.

The Board received an update from that day's Health & Safety Forum which included Rivermead House, temperature control, ventilation and mice infestation issues at the Council House, and a positive report on Milestone House and partnership working.

### **Agreed**

The Board noted the report.

## **19/113 Housing Services Update**

The Board considered a report on strategic and key issues in relation to Housing Services.

### **Head of Service Appointments**

Matt Palmer has been appointed Head of Housing Options and Lorraine Testro appointed Head of Housing Management.

### **Future Priorities for Housing Management**

These included raising the profile and partnership opportunities of the service with elected members, partners and the wider Neighbourhood Services agenda, and other opportunities around Derby Homes Tenancy Strategy and the Council's Children and Young People objectives.

### **Carelink**

Replacement hardware is now programmed to commence in October.

The Managing Director advised of discussions to be held with the Council regarding Carelink will be brought back to the Board as matters progress.

### **Agreed**

The Board

1. noted the report
2. supported proposals to hold discussions with the Council regarding Carelink.

**19/114 Standing Order 12**

**Agreed**

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

**19/115 Rent Regulation Consultation Paper Response**

The Board considered Derby Homes' response to the Regulator of Social Housing consultation on rents from 2020/21. The Consultation response suggests that local authorities should be freer to set appropriate rents for local circumstances, guided, but not constrained, by government policy.

**Agreed**

The Board approved the Rent Regulation consultation response.

**19/116 Records Management & Document Retention Policy**

The Board considered a new Records Management and Document Retention Policy. The policy had been updated to account for changes in the General Data Protection Regulations 2016 and Data Protection Act 2018.

**Agreed**

The Board approved the Records Management and Document Retention Policy.

**19/117 Operational Board Appointments Panel**

The Board considered a report requesting to fill a vacancy for a Board Member on the Operational Board Appointment Panel.

**Agreed**

The Board appointed Dennis Rees to the Operational Board Appointment Panel.

**19/118 Building a Safer Future – Consultation Paper Response**

On 6 June 2019, the Ministry of Housing, Communities and Local Government published a consultation document which contains proposals for the reform of the building safety regulatory system.

The document, 'Building a Safer Future' details a set of policy proposals to improve the fire and structural safety of high-rise residential buildings. The proposals will help shape changes in the law that will help to make sure high-rise residential buildings are safe to live in and residents are able to have their voices heard.

The Board considered Derby Homes' response to the consultation paper.

As the response was long, the Managing Director suggested Board Members may wish to read the responses in more detail and invited them to send their comment to her before the consultation deadline of 31 July 2019.

Comments made by the Board included:

- need for a change to tenancy agreements that require tenants to comply with their tenancy in line with the consultation paper.
- need for a named responsible person and that should be an officer not a Board Member.
- onus on tenants to be responsible or shared responsibility.

The paper also raises implications for the Council - planning, estates, etc with regard to non-council owned buildings.

A copy of the final response will be circulated to Board Members.

### **Agreed**

The Board noted the draft response and delegated approval of the final document, subject to amendments as discussed and any further received, to the Managing Director and Chair of the Board for submission prior to the deadline of 31 July 2019.

## **19/119 Insurance Act 2015**

Under the Act Derby Homes is obliged to disclose to insurers "relevant information" at both the insurance tender / renewal time and within the year if relevant issues occur.

The Board considered whether there was any new relevant information that should be disclosed to the insurer under the Insurance Act 2015.

### **Agreed**

The Board, having considered whether there is any new relevant information that should be disclosed to insurers, as required under the Insurance Act 2015, agreed it was not aware of any such information.

#### **19/120 Draft Minutes of Committees of the Board**

The Board received the draft minutes of recent Committee meetings:

- a Operational Board – 27 June
- b Audit – 8 July

### **Agreed**

The Board noted the draft minutes of recent Committee meetings.

#### **19/121 Performance Monitoring Q4**

The Board received a report presenting a summary of performance for 2018/19 for key performance measures reported to Derby City Council. Overall year end performance remained positive with a few issues to be addressed where possible.

### **Agreed**

The Board noted the report.

#### **19/122 Forward Plan of Agenda Items**

The Board received the Forward Plan of Agenda Items for the period August – November.

### **Agreed**

The Board noted the Forward Plan.

#### **19/123 Any other business**

Bob MacDonald provided feedback on his recent attendance at a Youth Panel meeting.

**Date of next meeting**

**The next meeting will be held on Thursday 26 September 2019 at 6.00 pm in the Board Room at London Road.**

The meeting ended at 8.40 pm.

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CHAIR

Signed as true and accurate record of the meeting held on 25 July 2019.