

DERBY HOMES LIMITED

MINUTES OF THE GOVERNANCE SERVICES COMMITTEE

Held on Thursday 14 May 2015

The meeting started at 5.30 pm

Board Members Present:

Mike Ainsley (Chair), Bob MacDonald, Dennis Rees

Officers Present:

Sophie Bancroft, PA to Director of Derby Homes
David Enticott, Director & Company Secretary
Taran Lalria, Company Solicitor
Jackie Mitchell, Governance Services Manager

15/01 Apologies

There were no apologies.

15/02 Admission of Late Items

There were no late items.

15/03 Declarations of Interests

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

15/04 Minutes of Previous Meeting

The minutes of the meeting held on the 23 June 2014 were accepted as a true and accurate record.

15/05 Matters Arising

There were no matters arising.

15/06 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 and h).

15/07 National Housing Federation Code of Governance 2015

The Committee received a report explaining that the National Housing Federation (NHF) has published a new, updated version of their Code of Governance for Registered Providers (RPs). Derby Homes currently adopts the NHF 2010 governance Code. The housing regulator will expect most RPs to adopt the new Code.

The report updated the Committee on the Code, and in particular any changes from the previous Code and areas where Derby Homes may not be fully compliant at present. Allowance is made in the Code for non compliance on specific issues as long as it is disclosed by the relevant RP, along with reasons for that non compliance.

The Committee considered the summary of issues raised by the Code, listed in paragraph 3.16 and agreed the following should be recommended to the Board for approval in September:

1. Board skills

To adopt a set of ideal skills required for the Board.

2. Maximum tenure

To adopt the rule of an absolute 9 years maximum tenure.

Mike Ainsley to contact the Shareholder regarding the councillor Board members and hold conversations with members of the Board who are over the 9 years limit. This may result in Councillor Board Members being exempt from this rule if the Council's shareholder so determines.

3. Re-appointment

To adopt a formal reappointment process for Board members (excluding Councillors) at the end of each appointment period.

4. Appraisal

To reintroduce a formal appraisal process through a peer appraisal with another ALMO.

Mike agreed to email Rykneld or possibly Kirklees or Stockport.

5. Payments to board members

Discussion deferred to the later agenda item on Board Members' facilities review.

6. Chief Executive

The content of the chief executive (Managing Director of Derby Homes) contract should be reviewed every three years.

7. Combined Committee

To combine Governance, Remuneration and Appointments Committee, with ideally 3 members and a quorum of 2. Draft terms of reference to be brought back to the next meeting and approval to be sought at the September Board meeting with appointments made at the AGM.

Agreed

The Committee recommended to the Board's September meeting that Derby Homes adopts the 2015 NHF Code of Governance with specific actions as minuted above (1 – 7).

15/08 Regulatory Issues

The Committee received a report detailing progress on discussions with the Homes and Communities Agency (HCA) relating to the grant agreement and general consent.

Agreed

The Committee agreed to recommend to the Board the adoption of the grant agreement proposed by the HCA for ALMOs as amended by agreement.

End of Confidential Business

15/09 Memorandum and Articles

The Committee received a report detailing progress on approval of new Memorandum & Articles for Derby Homes.

David Enticott gave an update on the Council's concerns regarding Derby Homes business with regard to its ability to undertake work on its public buildings in that our Objects restrict activity to matters that are 'connected with or incidental to the provision of housing'. The report should be taken to Cabinet in July, following which the M&As will be submitted to the HCA for approval and registered at Companies House.

Agreed

The Committee noted progress on approvals by the Council and the Homes and Communities Agency (HCA).

15/10 Board Member Code of Conduct

The Committee received a report considering a revised Board Member Code of Conduct. The revised Code of Conduct has taken into consideration the NHF new Code of Governance (2015 edition), legislation and sector good practice.

The refreshed Code of Conduct covers the same principles as the previous version but in a shorter, easier to read document.

The Disciplinary Procedure has been separated from the Code of Conduct and will continue to apply but will be reviewed separately.

The Committee was advised that social media activities are also related to the code of conduct; a social media policy has been created and is going to Board for approval. This will be added to the Board Member Code of Conduct and brought back to this Committee for approval along with the revised Disciplinary Procedure.

Agreed

The Committee recommended the revised Code of Conduct to the Board.

15/11 Board Members Facilities Review

The Committee received a report containing a review of the current arrangements for Board Members' facilities and any payments to them.

It was agreed that the current policy for board member equipment and facilities should be updated.

With regard to Board Member payments the Committee recommended that these should not be reviewed at this time, but it was suggested that the Chair of the new combined committee, if approved by the Board, should be paid in line with the current policy on payment for Committee Chairs. This could be discussed further at the next Committee meeting to decide whether the new role would merit an allowance or not.

Agreed

The Committee agreed to recommend to the Board

1. to update the current policy with regard to equipment
2. not to change Board Member payments.

15/12 Attendance and Questions from Members of the Public at Meetings

The Committee received a report containing a review of the current rules relating to the attendance and raising of questions by members of the public at Board meetings.

Agreed

The Committee agreed to recommend to the Board

1. Publicise more widely the process for attending/raising questions through Derby Homes News, website, social media
2. Ask members of the public to let us know in advance if they are attending a meeting and any questions they intend to raise
3. Reduce seating around board table for only board members and staff
4. Provide separate seating area
5. Revise the agenda item 'Questions from members of the public' to include that questions must be provided in advance by (state date). Include this in publicity for the meeting too.
6. Provide a simple question form for anyone attending the meeting who hasn't raised their question beforehand, which will be replied to after the meeting.
7. Do not allow the circulation of printed documents and restrict to only three minutes to address the board.
8. Members of the public to speak or contribute only on invitation by the Chair
9. Chair to announce rules at beginning of meeting when members of the public are present.

Date of next meeting

The Committee agreed to bring forward the next meeting to Thursday 27 August 2015 at 5.30 pm in the Board Room at London Road.

The meeting ended at 6.42 pm.

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CHAIR

Signed as true and accurate record of the meeting held on 14 May 2015.