

THE MINUTES OF THE MEETING OF THE EXECUTIVE

HELD ON TUESDAY 14 OCTOBER 2008

Present: Councillor A. Napier (Chair)
Councillors R Crute, Mrs A Naylor
and R J Todd

Apologies: Councillor Mrs J Freak, Mrs E Huntington
D Myers, G Patterson, F Shaw and P G Ward

1. **THE MINUTES OF THE LAST MEETING** held on 23 September 2008 a copy of which had been circulated to each Member, were confirmed.

2. **GENERAL FUND/HOUSING REVENUE – 2008/2009 MONITORING STATEMENT**

Consideration was given to the report of the Executive Member for Resources which gave details of the financial position for the period 1 April to 31 August 2008, a copy of which had been circulated to each Member.

Members were advised of the revised forecast on the General Fund and Housing Revenue Account, together with issues related to the Capital Programme and Local Government Review.

RESOLVED that the information contained within the report, be noted.

3. **CORPORATE RISK REVIEW 2008/2009**

Consideration was given to the report of the Executive Member for Improvement which gave details of a draft review, re-profile and update of the Council's Corporate and Local Government Reorganisation (LGR) risks as part of the Corporate Risk Review 2008/09 (CRR), a copy of which had been circulated to each Member.

Members were advised that the Corporate Risk Review was a key element of the Council's corporate governance arrangements to provide an assurance that the Council were effectively managing its risks. It also complied with the Council's adopted Risk Management Strategy and Policy.

It was explained that the Audit Committee would be considering a progress report on the Corporate Risk Review in order to gain assurance that the Council's key risks were being effectively managed, monitored and reviewed.

The purpose of the review was to carry out a re-assessment of the Council's current corporate risks and take account of current changes and emerging risk areas.

The Governance and Risk Manager had collated all the Council's risks identified by Heads of Service in their Service Plans and other risk authors within Service Units as well as considering current issues that could have an adverse impact on the Council or the area. A draft summary of the 2008/09 risks had been produced and re-prioritised through Management Team and the Risk Management Strategy Steering Group and categorised into three separate risk assessments, details of which were outlined in the report.

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The re-profiled Corporate and LGR risks were outlined in Appendix 1 and 2 to the report.

Those risks identified as service specific and not of a significant corporate nature would be dealt with in accordance with the Councils adopted risk strategy outside of the Corporate Risk Review.

The previously identified key risks that had now been effectively managed out of the corporate risk register had been re-profiled and were included for reference and record purposes only.

Whilst the LGR risks were contained within their own risk assessment, the emphasis of these risks was on how LGR would potentially affect the District of Easington and the District Council up until 31 March 2009 and did not act as a risk assessment for the new Unitary Authority.

Once agreed the Council's risks would form the basis of the Council's 2008/09 Corporate Risk Register.

The Council's risks and management action plans would be recorded onto the Council's approved Risk Management software, "Risk Register".

It was suggested that as the Corporate Risk Review may be of interest to all Members that a presentation be given to Full Council.

RESOLVED that;

- (i) the Council's Corporate and Local Government Reorganisation (LGR) risks be approved as part of the Corporate Risk Review 2008/09,
- (ii) a presentation on the Corporate Risk Review be given to a future meeting of the Full Council.

4. ADDITIONAL URGENT ITEM OF BUSINESS

In accordance with the Local Government Act, 1972, as amended by the Local Government (Access to Information) Act 1985, Section 100B(4)(b) the Chair, following consultation with the Proper Officer, agreed that the following item of business, not shown on the Agenda, be considered as a matter of urgency.

5. REVIEW OF EAST DURHAM HOMES ARTICLES OF ASSOCIATION (AOB)

Consideration was given to the report of the Executive Member for Housing which outlined amendments to East Durham Homes (EDH) Articles of Association, a copy of which had been circulated to each Member.

Members were advised that since the establishment of EDH as an Arms Length Management Company (ALMO) for the Council's housing stock in 2004 there had been a number of developments in the ALMO sector as well as operational issues related to the Governance of the EDH Board which had necessitated a review of the Company's Articles of Association to bring them in line with current best practice and ensure that the Governance arrangements for the Company were robust.

In order to progress this matter the EDH Board established a review working group which consisted of 3 Board Members, the EDH Director of Finance & Support Services and Governance Officer. The group had developed the proposed amendments which were summarised in Appendix 1 to the report and provided in

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full in Appendix 2. These amendments had been made in consultation with the Council's Monitoring Officer and Head of Housing.

The Articles of Association of Dale & Valley Homes (D&V) and Blyth Valley Housing ALMOs were used for comparison purposes and the D&V Articles were reviewed by the Council's Monitoring Officer. The EDH working group reviewed the feedback from the Monitoring Officer and subsequently produced the amendments.

In essence, the amendments were intended to improve the governance of the Company by formally recognising the right of tenants/members of the public to speak at general meetings, allow the possibility of two Council or Independent Members to be tenants, reinforce the obligations of Board Members and the process for the appointment of tenant and independent members, and reduce the number of members required for quorum from six to five.

In terms of LGR, the working group had proposed that arrangements be made to ensure that future Council Board Member nominations were drawn from Members who lived within the geographical area of operation of the Company, as opposed to from elsewhere in County Durham. However, this matter would require further discussion with the new Authority and no amendments to the current wording of the Articles were proposed at this stage.

RESOLVED that the amended Articles of Association for East Durham Homes, as outlined in Appendix 2, be approved.

CERTIFIED TRUE RECORD

DATE.....

CHAIR.....

JT/CB/COM/EXEC/081002
14.10.08