



**MINUTE OF BOARD OF DIRECTORS MEETING
HELD ON 17 AUGUST 2022 AT 10.30AM AT
BRASSWELL OFFICE PARK, ANNAN ROAD,
DUMFRIES**

Members present: Maureen Dowden (Chair), Michael Greaves Mackintosh, Caryl Hamilton, John McCraw, Heather Macnaughton, Fiona Burden and Hugh Martin.

In attendance: Steven Henderson (Group Director of Finance), Anthony Allison (Director of Governance), Pauline Turnock (Director of Finance and Legal Services), Alan Glasgow (Managing Director, DGHP), Lorna McCubbin (Head of Asset and Compliance – item 5 only), Jennifer Anderson (Wheatley 360 Lead – item 8 only) and Steven Gray (Director of Environmental Services – item 12 only).

1. Apologies for absence

Apologies were received from John Henderson

2. Declarations of interest

The Board noted the standing declarations of interest. No new declarations of interest were made.

3. a) Minutes of meeting on 25 May 2022 and matters arising

Decided: The Board approved the minutes of the meeting on 25 May 2022.

b) Action list

Decided: The Board noted the points in the action tracker and the items scheduled to be brought back.

4. Managing Director update

The Board received an update on a range of matters including: the recent staff conference; the Here to Help Fund and how we are supporting tenants more widely; recent political engagement.

The Board reiterated supporting tenants with the cost of living, including raising awareness of a likelihood of an increase in illegal and dishonest schemes, bogus callers and illegal money lending. It was confirmed that as part of assessing the impact on communities these are areas we are considering.

5. Repairs update

The Board received a detailed update on performance and improvements within the repairs service over the last 6-months. A further update was provided on how the service development initiatives link to the wider Group repairs transformation programme.

The Board discussed our supply chain arrangements for materials and how we are managing risk, including the availability of alternative suppliers which cover all trades. It was confirmed we have alternative suppliers, via trade accounts, for all our main services.

The Board discussed our approach to performance management, how we drive improving performance and continue to have a high retention rate. It was confirmed that performance discussions include a focus on how we support staff and this is reflected in the low absence rates.

The Board reiterated that customer experience remains the key driver for the service and should be our continued focus

Decided: The Board noted the contents of the report.

6. Engagement update

The Board received an update on the implementation of our Engagement Framework “Stronger Voices, Stronger Communities” and the key themes from the engagement to date.

The Board considered progress to date and reiterated the engagement needs to tangibly inform our decision making. An update was provided on how the allocation of funding for customer priorities was being identified.

Decided: The Board noted the content of this report.

7. Complaints update

The Board received a report on complaints performance for 2021/22 together with updated policy documents. A more detailed update was provided on the areas with the highest complaints numbers and how we learning lessons.

The Board considered performance and how we analyse and learn from complaints. It was agreed that we revert to bi-annual complaints updates with more detail on lessons learned and how we measure the impact of changes we make.

The Board agreed the revised policies were appropriate and clear for tenants.

Decided: The Board

- 1) Noted DGHP complaints performance during 2021/22;**
- 2) Noted the work undertaken to learn from the complaints we receive;**
- 3) Noted the development work we are undertaking to further improve our approach to complaint handling and our performance in this area; and**

4) Provided feedback on the updated Complaints Policy and Unacceptable Actions Policy appended to the report.

8. Review of Protecting People Policy Framework

The Board received a report and presentation on the group-wide review of the Group Protecting People Policy Framework.

The Board considered the report and the framework and welcomed our continued holistic focus on protecting our tenants and communities more widely.

The Board recognised the strong engagement and partnership working with key stakeholders and its importance in effectively deploying the framework.

Decided: The Board reviewed and endorsed the PPPF and individual Group Protection Policies.

9. Wheatley Solutions delivery model update

The Board received a report on the corporate services provided by Wheatley Solutions and how these are supporting DGHP.

The Board welcomed the focus on understanding our own priorities, enhancing accountability the engagement from Wheatley Solutions at the recent staff conference.

Decided: The Board noted the report.

10. a) 21/22 Financial statements

The Board received a summary of the 2021/22 financial statements, a detailed explanation of the variance from the management accounts and the valuation position.

The Board sought clarification on the movement in employee numbers relative to costs over the year. It was confirmed that this would be checked and, if necessary, updated for the signing version.

The Board discussed the stock valuation movement from the previous year. The stock valuation methodology for the accounts, covenant calculations and loan security were set out in further detail.

Decided: The Board

1) Approved the 2021/22 financial statements;

2) Confirmed the preparation of the financial statements using the going concern basis;

3) Delegated authority to the Chair and Group Director of Finance to approve any non-material changes to the accounts; and

4) Approved the letter of representation from the auditors, and noted the related letter of representation from management.

10. b) Annual Internal Audit report and opinion

The Board received an update on the Internal Audit Annual Report and Opinion for 2021/22.

The Board was reassured to note the Internal Audit opinion that there was a sound system of internal control.

Decided: The Board noted the report.

11. a) Governance update

The Board received an update on the schedule for the remainder of the year, including the AGM, 2023 and the succession plan.

The Board reviewed the updated Articles of Association and agreed it reflected its feedback during the strategic governance review. A detailed update was provided on engagement with tenants on the proposed name change, which indicated there was strong support for the change.

Decided: The Board

- 1) Instructed the Secretary to call the Annual General Meeting for Wednesday 21st September at 10.30am at Easterbrook Hall;**
- 2) Noted the Board appraisal feedback;**
- 3) Approved the updated Board 3-year succession plan;**
- 4) Noted the succession plan and any reappointments are subject to Group RAAG review and approval;**
- 5) Agreed to convene a Recruitment Panel for the purposes of considering John McCraw and Hugh Martin for re-appointment and thereafter to convene a Board meeting to consider the recommendation of the Recruitment Panel;**
- 6) Approved the changes to the Articles and recommend these for approval to members in General Meeting; and**
- 7) Instructed the Secretary to call an Extraordinary General Meeting for Wednesday 21st September at 11am at Easterbrook Hall to approve the following as special resolutions:**
 - *That the company name be changed to Wheatley Homes South Limited***
 - *That the Article of Association, in the form of the annexed draft, be adopted in substitution for the existing Articles of Association***

11. b) Strategic governance review update

The Board received and considered an update on the implementation of the recommendations following last year's Group-wide strategic governance review.

The Board noted that the range of updates and changes reflected discussions to date regarding the strategic governance review and incorporated the range of refinements in policy and constitutional documents.

Decided: The Board

- 1) **Noted the revised Group Standing Orders and their applicability to DGHP;**
- 2) **Noted the Board and Committee effectiveness review and governing body member individual appraisal policy and applicability to DGHP;**
- 3) **Noted the Group recruitment and succession planning process and its applicability to DGHP;**
- 4) **Noted the Group Policy on Non-Executive Director conflicts of interest and its applicability to DGHP Board members;**
- 5) **Noted the Disposals and Acquisitions Policy and its designation as a Group wide policy and approved the DGHP specific policy;**
- 6) **Noted the refreshed Group Policy on Gifts, Hospitality, Payments and Benefits and its applicability to DGHP;**
- 7) **Approved the refreshed Template Intra-Group Agreement and that we enter into it with Wheatley Housing Group Limited; and**
- 8) **Delegated authority to any of the Chair, any Board member, Group Company Secretary or Group Chief Executive to execute the Intra-Group Agreement on our behalf.**

12. NETs update (Presentation)

The Board received an update on the delivery of the in-house NETs service in its first year and plans for future refinements to the service.

The Board strongly welcomed the job and training opportunities that we have created across Dumfries and Galloway, which was a key partnership priority.

The Board considered how our service reflects wider national priorities such as biodiversity. It was confirmed that this is an area we are considering as part of our wider sustainability approach.

The Board sought an update on staff retention levels. It was confirmed they have been very high and that application levels for roles have also been very high.

The Board discussed the use of specialist contractors and whether we could bring the work they undertake in house. It was explained that all such work required specialist equipment and the acquirer of such equipment would not deliver value for money. It was confirmed that we undertake monitoring of the quality of work such contractors undertake.

The Board discussed the potential value of collaboration with Scotland's Rural College and it was confirmed this is an area we will explore alongside our own in house capacity development.

It was agreed a report be brought back to a future meeting on our land holdings and associated requirements to maintain.

Decided: The Board noted the update.

13. Performance Report and delivery plan Q1

The Board received a report on performance for the period. The Board scrutinised performance noting that despite challenges with the cost of living rises, we continue to deliver strong performance in a number of key areas.

Decided: The Board

1) Noted the contents of this report; and

2) Noted the change to the strategic projects for 2022/23.

14. Finance Report

The Board received a report which: provided an overview of the financial results for the period to 30 June 2022 and the Q1 forecast; sought approval to amend loan agreements; and provided a summary of updates to the Group-wide Treasury Management Policy.

The Board considered and reviewed the funder consent letters required to give effect to two transactions within the Group. The Board considered the form of approval for the consent letters and the matters therein.

Decided: The Board

1) Noted the management accounts for the period ended 30 June 2022 at Appendix 1;

2) Approved the amendments to our loan agreements; and

3) Noted the amendments to the Treasury Management Policy.

15. Risk register

The Board was provided with a report on the proposed changes to the Corporate Risk Register. The Board agreed the updated register reflected their feedback at its strategy and risk workshop.

Decided: The Board

1) Noted the contents of this report; and

2) Reviewed and approved the proposed changes to the Corporate Risk Register.

Decided: The Board

16. Group Business Continuity policy

The Board received an update on the revised Group Business Continuity policy.

The Board welcomed the introduction of our business continuity response team and noted the work done by the business continuity implementation working group.

Decided: The Board noted the report and the revised business continuity policy.

17. AOCB

There was no other competent business.

SIGNED: