

MINUTE OF BOARD OF DIRECTORS MEETING

Date: Wednesday 15 February 2023
Time: 10.30am
Venue: Brasswell Office Park, Dumfries

Chairperson: John Henderson (Vice Chair)

Members present: Hugh Martin, Jo Boaden and Michael Greaves Mackintosh

In attendance: Pauline Turnock, Group Director of Finance
Stephen Wright, Director of Governance
Alan Glasgow, Managing Director

and (in part) Frank McCafferty, Group Director, Repairs and Assets
Lindsay Lauder, Director of Development and Regeneration,
Lorna McCubbin, Head of Asset Investment and Compliance

1. Apologies for absence

Apologies for absence were received from Maureen Dowden (Chair), Fiona Burden, John McCraw and Heather Macnaughton.

2. Declarations of interest

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

3. a) Minute of meeting held on 30 November 2022
b) Minute of meeting held on 11 January 2023
c) Action List

Decided: The Board approved the minutes from the 11 January and 30 November meetings and noted the updates provided on the action list.

[redacted].

4. Chair's update

In the Chair's absence no update was provided.

5. Director's update

An update was provided on the recent flooding in the Dumfries and Galloway area which had affected some of our tenants. The Board was informed about the challenges presented and our discussions with the local authority. The Board was also informed about our buildings insurance arrangements and the benefit to customers arising from the ability access affordable home contents insurance.

6. Rent and service charges 2023/24

The Board received a report which (i) provided feedback from our consultation on the 2023/24 RSL rent, service and other charges increase; and (ii) sought approval for the 2023/24 rent, service and other charges increases.

The Board scrutinised proposals and carefully considered the financial implications, both for our business and for our tenants and customers. The Board discussed our approach to rent and service charge levels, which took into account the current pressures on household budgets as well as the requirement to invest in our homes and services. The Board also discussed the importance of ensuring our communication to customers on the final rent increase decision explains the context and also the range of support we have in place, such as through our Here for You fund.

Decided: The Board

- 1) Considered the feedback received through the consultation process with tenants on our 2023/24 RSL rent, service and other charges increase;**
- 2) Approved a 4.4% rent, service charges and other charges (including garages and lock ups) for 2023/24; and**
- 3) Agreed that we formally write to tenants to confirm this subject to Group Board approval.**

7. Financial projections 2023

The Board were provided with a report with the purpose of (i) setting out the updated projections for investment in assets and services over the five-year period to 2028, in support of our new strategy, *Your Home, Your Community, Your Future*; and (ii) seeking approval of the updated financial projections, of which the first year will form the budget for 2023/24.

The Board considered the financial projections and discussed in particular the investment budget, taking into consideration the decision about 2023/24 rent and service charge increases. The Board noted in particular the importance of working towards Net Zero and ensuring we continue to explore opportunities for additional external funding to help us with this.

The Board considered the allocation for our new build housing programme, noting that this was based on our current funding arrangements but that we were ambitious to expand the programme over the longer term. The Board also discussed the approach to housing valuation and depreciation

Decided: The Board

- 1) Approved the updated financial projections for investment in assets and services over the five-year period to 2028; and**
- 2) Agreed that the projected 2023/24 figures form the basis of next year's annual budget which will be presented to the Board for final approval in March.**

8. [redacted]

9. **5-Year investment plan**

The Board received and considered a five-year plan for capital investment in existing homes for the period 2023-28. It was explained that the plan supports our strategic ambition to *make the most of our homes and assets* and to reduce carbon emissions by 20,000 tonnes across the Group by 2026.

The Board reviewed the report and considered the positive impact our programme would have for customers. The Board also considered in detail our approach to managing dampness and mould issues within our properties and the importance of ensuring we continue to refine our reporting and allocate sufficient resources to tackling any instances that arise. The Board reiterated the importance of our approach to investment and welcomed the new energy efficiency measures including new heating systems, targeted mechanical ventilation upgrade works and environmental sensors.

Decided: The Board approved our five-year Capital Investment Programme 2023-2028.

10. **Customer insights: improving satisfaction with our management of neighbourhoods**

The Board received an update on the work we do to support and strengthen neighbourhoods and customer satisfaction with the management of neighbourhoods. The Board considered the outcome of our work in this area and the actions being taken, including our new approach to managing noise complaints; improved communication with customers around Anti-Social Behaviour and interactive access to our environmental services to see in real time what services they receive, what has been completed and to record their satisfaction levels with these services.

The Board discussed the findings from the report and the challenges dealing with anti-social behaviour, particularly in relation to noise. The Board was informed that almost 50% of our ASB calls are related to noise nuisance and the impact this has on our customers' lives and overall satisfaction. The Board discussed the introduction of a noise app and how we would use this to help manage instances without our properties.

Decided: The Board noted this update on actions to improve customer satisfaction with our management of neighbourhoods.

11. **Strategic Agreement with Dumfries and Galloway Council (presentation)**

The Board was provided with an overview of our work to develop a strategic agreement with Dumfries and Galloway Council. It was noted that a copy of this would be presented at the next Board meeting.

Decided: The Board noted the update.

12. Lochside and Lincluden: Community Improvement Partnership (CIP) deployment

The Board received the report which provided the Wheatley Homes South Board with an update and summary of outcomes achieved during the Community Improvement Partnership (CIP) deployment to Lochside and Lincluden, Dumfries, which was approved by Board in August 2021 and concluded in September 2022.

The report also provided an insight into the sustainable long-term solutions that were implemented and embedded into practice as part of the deployment to maintain the work undertaken, and an update on the picture 5 months on from the CIP team leaving the area.

The Board welcomed the report and sought analysis about the success of the project. The Board was informed about the impact on instances of ASB with the local community as well as the reduction in police officer time, which allowed the police to re-direct their resources into other activities, including other areas which benefitted our local communities.

Decided: The Board noted the contents of the report.

13. Performance Report

The Board received the report which provided an update on performance delivering against targets and strategic projects for 2022/23 as of the end of quarter three. The measures and strategic projects dashboards are presented in Appendix 1 and 2 respectively.

The Board discussed fire risk assessments and noted that 100% of relevant premises had a current fire risk assessment in place. It was agreed that the Board be provided with information about the status of any significant recommendations arising from these assessments.

Decided: The Board noted the contents of the report.

14. Finance report

The Board received and scrutinised a report on financial performance for the period including:

- management accounts for the period to 31 December 2022 and Q3 forecast.
- proposed amendments to our two finance contracts with the European Investment Bank (EIB) [redacted]
- [redacted]; and
- a review of the new build appraisal target return rate.

Decided: The Board

- 1) Noted the management accounts for the period to 31 December 2022 and the Q3 forecast at Appendix 1.**
- 2) Approved the amendments to the EIB finance contracts [redacted]**
- 3) [redacted].**
- 4) Noted the outcome of the review of the internal rate of return targets.**

15. Governance Update

The Board received an update on the following governance related matters:

- Board Member recruitment and appointment; and
- Annual Board agenda planner

Decided: The Board

- 1) Noted the proposed interview of a new Board member and that any appointment would be subject to Group RAAG approval and formal Board approval.**
- 2) Noted the annual Board agenda planner.**

16. Sustainability Framework

The Board received a final version of the Group Sustainability Framework which had been approved by the Group Board following feedback from each of the subsidiary boards. The Board welcomed the final version of the framework and confirmed our commitment to contribute to the Group’s objective of reducing emissions of CO2 from our existing homes by 20,000 tonnes by 2026 and to be carbon neutral in our corporate estate by the same date

Decided: The Board noted the Sustainability Framework at Appendix 1.

17. Corporate Risk register

The Board received a report which requested consideration and approval of the proposed changes to the Wheatley Homes South Risk Register including the adoption of a new risk 053: damp and mould.

Decided: The Board

- 1) Approved the updates in the report; and**
- 2) Identified any further changes to the Corporate Risk Register arising from discussion at the meeting.**

18. AOCB

There was no other competent business.

Signed:
Chair