

**WHEATLEY HOMES SOUTH LIMITED
MINUTE OF BOARD MEETING
held on Wednesday 16 August 2023
Brasswell Office, Dumfries**

Members Present: Maureen Dowden (Chair), John Henderson, John McCraw, Fiona Burden, Karen Hunter, Michael Greaves-Mackintosh, Hugh Martin and Jo Boaden (MS Teams)

In Attendance: Pauline Turnock (Group Director of Finance), Alan Glasgow (Managing Director), Stephen Wright (Director of Governance), Lindsey Dryden (Financial Controller), Joe Lambie (Director of Customer Experience – item 7) and Lyndsay Lauder (Director of Regeneration and Development – item 8)

1. Apologies for Absence

There were no apologies for absence and the Chair confirmed the meeting as quorate.

2. Declarations of Interest

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

3. Minute of previous meeting held on 24 May 2023, matters arising and action list

Decided: The Board approved the minutes of the above meeting.

4. Chair and Managing Director update

The Board was informed about the strategic agreement with Dumfries and Galloway Council which was expected to be signed in late autumn.

Decided: The Board.

5. Strategy 2021-26 update

The Board received a revised 2021-26 strategy which had been updated to reflect the outcome of the Board's workshop in May.

The Board considered the updated strategy and confirmed that it reflected the discussions held during the strategy workshop.

The Board discussed our approach to neighbourhood planning, which is at an early stage of development, and how it would be important to ensure that this

remained flexible so that it could be utilised for communities where we had a high concentration of homes and more rural locations where we had fewer.

In relation to key partners, the Board considered Dumfries and Galloway College to be important for us given its role in providing learning and development for our communities which would in turn help equip our tenants with skills needed to take up employment opportunities.

The Board discussed the importance of engaging customers from across the whole Dumfries and Galloway region, being particularly mindful of those who live in the West.

The Board welcomed our commitment to building much-needed affordable housing and to the regeneration of areas such as Lochside. The Board also asked that we update the strategy document to more clearly highlight the significant level of investment in our existing homes, which we were increasing by £4.6m over the 2021-26 period.

Decided: The Board approved the Wheatley Homes South Strategy to 2026

6. Homelessness policy update

The Board received an update on the Group Homelessness Policy and our contributions to the Scottish Government's strategy, *Reducing the Use of Temporary Accommodation*

The Board considered the report including the summary of the Scottish Housing Regulator's recent thematic review on homelessness services. The Board also welcomed the opportunity to access government funding to buy properties on the open market, where it was considered feasible and appropriate to do so.

The Board discussed the significant 41% increase in homeless applications in Dumfries and Galloway which was much higher than the Scottish average of 6% and the need to ensure we support those in housing need, including by ensuring that we took account of the household composition of those on housing waiting lists. The Board welcomed our strong relationship with Dumfries and Galloway Council and the contribution we were making towards addressing homelessness in the region.

The Board discussed turnover of our homes (at c.7%) and tenancy sustainment (c.90%). The Board also discussed the average length of tenancy.

Decided: The Board noted the report

7. CFC

The Board received a report on the findings of the independent evaluation of the first full year of the Customer First Centre (CFC) and our response to the recommendations raised.

The Board noted the improvements that had been made by the introduction of the CFC, particularly the introduction of specialist teams within the CFC such as repairs. The Board was informed that we had CFC staff operating locally from our Brasswell office which helped ensure that there were staff within the CFC that had specific local knowledge of our homes and issues affecting them, such as flood risk. It was noted that we were developing our approach to knowledge sharing to ensure that such local knowledge was more readily accessible to all operatives within the CFC to help improve customer experience.

The Board noted the approach to Equalities Impact Assessments and sought assurance that this would continue to account of those who may have particular requirements and difficulty using online or telephone services. It was noted that we place significant importance on knowing our customers and will always ensure our housing teams provide the support required to ensure that no customer is left at a disadvantage as a result of being unable to connect with us digitally.

Decided: The Board note:

- 1) the findings of the independent evaluation of the first full year of the Customer First Centre; and**
- 2) the recommendations highlighted in the evaluation report and our response to these.**

8. Lochside regeneration update

The Board received an update on progress at the Lochside regeneration area, including work of the local delivery group which met monthly with Dumfries and Galloway Council and us; public events; focus groups, community drop-ins and quarterly newsletters.

The Board welcomed the progress being made and the extensive engagement with the local community. It was agreed that newsletters would be circulated to the Board for information.

The Board was informed of the master planning work being undertaken by Smith Scott Mullan and the importance of ensuring that the masterplan reflected the wishes of the community, including the provision of adequate local amenities, walking/cycling provision to connect to Dumfries and the wider area; green space and Glentool Park, lighting and a range of house types including larger family homes.

The Board reaffirmed its commitment to sustainability and sought assurance that materials from the site would be recycled for use within the development where feasible. In particular, the Board asked that we consider the opportunities to re-use existing sandstone as part of the construction works.

9. Performance report

The Board received a report on our performance delivery against targets and strategic projects for 2023/24 to the end of quarter 1. The Board was pleased to note that our performance continued to be strong, particularly in relation to days to let, lets to homeless applicants, tenancy sustainment, emergency repairs timescales, adaptations and sickness absence. In relation to sickness absence, the Board sought assurance about the reasons and noted that although we had a year to date rate of only 2.79%, one of the top reasons was stress and anxiety. The Board was re-assured about our approach to supporting staff and also noted that 2.79% reflected a low number of employees.

The Board received an update on our approach to fire risk assessments and on the number of outstanding actions (1) and how this was being addressed. It was agreed that a section on fire risk assessments and the actions arising would be included in future performance reports.

Decided: The Board noted the performance update.

10. 2022/2023 Financial Statements

The Board received the financial statements for 2022/23 and was provided with a summary of the key highlights. The Board discussed the accounts and the approach to the valuation of our properties; in particular, the Board noted that the accounting valuation was calculated on a different basis from the security valuation for borrowing purposes and that movements in the accounting valuation did not adversely impact our funding arrangements.

The Board was reassured by the audit summary and the unqualified audit opinion provided by our external auditors, KPMG.

Decided: The Board:

- 1) Approved the 2022/23 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**
- 4) Approved the letter of representation from the auditors and noted the related letter of comfort from the Chief Executive**

11. Annual Internal Audit Report and opinion

The Board received a report from the Director of Assurance on the internal audit annual report and opinion for 2022/23. The Board reviewed the report and was assured by the opinion, which, based on the group-wide work undertaken provided a substantial level of assurance that there was a sound system of internal control across the Group. The Board was also provided with confirmation that there were no matters of material concern that required to be brought to the Board's attention.

Decided: The Board noted the report, including the Annual Internal Audit Opinion

12. Governance update

The Board received a report on the remaining meetings for the year as well as the proposed business for the AGM, Board recruitment update, Board appraisal update and use of the Urgent Actions provisions within the Group Standing Orders in the period since the last meeting.

In relation to the AGM, it was agreed that we would consider whether this could be combined with an engagement event in future years to help increase attendance.

Decided: The Board

- 1) Instructed the Secretary to call the Annual General Meeting for Wednesday 20 September 2023 at 10am to be held online;**
- 2) Approved the re-appointment of Michael-Greaves Mackintosh as a Board member for a further 3-year term;**
- 3) Noted the update on the Board and individual appraisal process; and**
- 4) Noted the use of the Chair's urgent action to dispose of a property following conclusion of the related court case**

13. Finance report

The Board received and scrutinised an update on the management accounts to 30 June 2023.

The Board also considered the changes to the new build target return rate and was satisfied the change being made was prudent taking into account the funding and construction markets.

The Board discussed the [redacted] debt facility and noted the future requirement to fund future development programmes for the group.

The Board received a report on the Q1 forecast position for the financial year 2023/24. The Board reviewed the report and noted the changes applied to bring to the forecast position.

Decided: The Board

- 1) Noted the management accounts for the year to 30 June 2023 and Q1 forecast at Appendix 1.**
- 2) Noted the revision to the target return rate for new build social and mid-market rent developments and agree the criteria for Wheatley Development Scotland approving projects on our behalf is updated to reflect this.**
- 3) Approved the new [redacted] facility to fund new affordable homes.**

14. AOCB

The Board was provided with an update on the town centre office accommodation and discussions taking place with Mid Steeple Quarter.

The Board also recorded it thanks to Chair Maureen Dowden who would be retiring from the end of the Annual General Meeting in September. The Board reflected on the progress made since Maureen had been Chair including significant progress with our investment programme, new build programme, and relationships with our local stakeholders

Signed:.....(Chair)