



**MINUTE OF BOARD OF DIRECTORS MEETING
HELD ON 18 AUGUST 2021 AT 14.00 AT
EASTERBROOK HALL, THE CRICHTON,
DUMFRIES**

Members present: Maureen Dowden (Chair), John Henderson, Michael Greaves Mackintosh, Heather Macnaughton and John McCraw.

In attendance: Tom Barclay (Group Director of Property and Development, Wheatley Group), Pauline Turnock (Director of Financial Reporting, Wheatley Group), Alan Glasgow (Interim Head of Housing, DGHP) and In Part Craig Vesey (Interim Development Manager, DGHP – Item 4 only), Mark Nicol (Group Protection and Strategic Partnership Lead, Wheatley Group – Item 6 only).

1. Apologies for absence

There were no apologies for absence.

2. Declarations of interest

The Board noted the standing declarations of interest.

3. a) Minutes of meeting on 26 May 2021 and matters arising

Decided: The Board approved the minutes of the meeting on 26 May 2021.

b) Action Tracker

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

4. Lochside TRA (Presentation, Craig Vesey Interim Development Manager, DGHP)

The Board received a detailed update on the progress of the Lochside Collaborative Transformational Regeneration Area (“TRA”), including: the current difficulties with low demand and void stock and the current position with flats in private ownership; the Collaborative Regeneration Proposal; community and stakeholder engagement and the format that would take; the Community Place Plan to deliver a coherent neighbourhood with sustainable stock profile and tenures; and private sector development partner and timelines for the progress of the TRA.

The Board discussed the TRA proposal and agreed that it represented an extremely exciting opportunity to regenerate an area of Dumfries for the benefit of our tenants and residents.

The Board discussed the Community Place Plan and agreed the identification of the right private sector development partner is key to the project success. The Board considered the need to assess demand and the need to do soft market testing; the Board discussed the relative urban setting of Lochside within a larger rural setting of Dumfries and Galloway and the associated market conditions. The Board asked that consideration be given to any learning arising from developments in similar settings.

The Board discussed the transformation outcomes and agreed that Lochside is well placed for transformation in line with Place Principles and the 20 minute neighbourhood target. The greenspace at the heart of the neighbourhood offers a huge resource for community participation, funding leverage and sustainable place transformation.

Decided: The Board noted the contents of the presentation.

5. Business and Remobilisation update

The Board received an update on the current service levels and key business activity since the previous meeting, considering the strong performance across income collection and allocations.

The Board noted the excellent number of new NET's jobs within DGHP and the repairs function.

The Board discussed our continued support for homelessness and reiterated our continued commitment in this area.

The Board discussed repairs and the impact on budget, given the backlog associated with the pandemic. The Board discussed the increased demand for repairs and noted the challenging conditions for sourcing building materials, together with increased costs which is a national challenge. The Board were assured of provision for this in our budget.

The Board discussed the Keep Scotland Beautiful metrics and the new NETs service. The Board requested that a presentation on the work of the NETs and the transformations be brought back to a future Board meeting.

The Board sought an update on the Sheltered Housing review and it was agreed that an update would be provided to a future meeting.

The Board discussed the draft consultation to tenants.

Decided: The Board

- 1) noted the progress towards fully remobilising services across the business; and**
- 2) approved the consultation with our customers for the new blended operating model.**

6. Anti-Social Behaviour Framework 2021-2026

The Board welcomed the excellent and informative presentation on the Anti-Social Behaviour Framework 2021-26.

The Board discussed the framework, how we would build on our existing strengths through data analytics and sector leading partnerships and discussed the framework outcomes. The Board considered that the presentation focussed on underlying issues in areas of Dumfries. The framework, together with the Lochside TRA discussed earlier on the Agenda, would bring everything together to create thriving communities in Dumfries and Galloway.

Decided: The Board noted the implementation of the Group Anti-Social Behaviour Framework and its designation as Group wide.

7. Stronger Voices, Stronger Communities – an update on our engagement activity

The Board received an update on the progress of the implementation of our engagement framework.

The Board discussed the change to the composition of the Tenant Voice panel, the Board agreed that this approach will allow them to receive the appropriate level of assurance and scrutiny.

The Board discussed the proposals around digital engagement, emphasising that we must ensure that this is accessible and that customers do not become disengaged. The Board were assured that extensive support is available to ensure this will not happen.

Decided: The Board

- 1) Noted the programme of planned and completed engagement activity to date in 2021/22; and**
- 2) Noted the recruitment to the Tenant Voice Panel as part of our engagement framework.**

8. Renewal of DGHP'S Grounds Maintenance Contract

The Board received an outline of the proposed renewal of the grounds maintenance contract with Idverde Limited for a contract period of up to four years with an estimated value of £1.7m.

The Board discussed the proposal, noting that the contract supports the introduction of DGHP's NETs service. The Board sought reassurance on the sustainability practices of the contractor and were assured that would be provided.

The Board agreed that the contract must be closely quality monitored and noted that the contract is subject to an annual review and ongoing quality performance management.

Decided: The Board

- 1) Approved the appointment of Idverde Limited (Company Registration 03542918) for a period of up to four years on an estimated contract value of £1.7m (including VAT); and**
- 2) Noted that Group Board approval is required under the Scheme of financial delegation.**

9. Governance update

The Board were updated on a range of governance related matters, including preparations for the upcoming AGM.

The Board sought clarification on the tax position of the DGHP3 proposals, noting that nothing adverse had been raised.

The Board discussed the governance around the requirement in our Articles of Association to convene a recruitment panel and asked that the Company Secretary consider amendments to our Articles.

Decided: The Board

- 1) Instructed the Secretary to call the Annual General Meeting for 22nd September 2021 at 11.30;**
- 2) Approved the appointment of Maureen Dowden, Heather Macnaughton, and John McCraw as the Recruitment Panel;**
- 3) Agreed a Board be convened as required to consider the recommendation of the Recruitment Panel and note that parent approval is required;**
- 4) Agreed to reschedule the November meeting to Wednesday 10th November at 10.30am;**
- 5) Noted the Board appraisal feedback;**
- 6) Approved the updated 3 year succession plan;**
- 7) Noted the succession plan and any reappointments are subject to Group RAAG review and approval;**
- 8) Agreed to appoint John Henderson to Novantie Board, subject to the standard Group RAAG ratification;**
- 9) Agreed the 2022 Group Board schedule;**
- 10) Noted the progress of the migration of Novantie activities and planned completion date of January 2022;**
- 11) Delegated authority to any director to execute the Special Resolutions transferring Novantie's property and cash to DGHP by way of dividend in specie;**
- 12) Delegated authority to any director, the Managing Director, Group Company Secretary, Group Director of Finance to approve the missive for the acquisition of Novantie's properties; and**
- 13) Approved the updated Construction Agreement between DGHP and DGHP3, delegated authority to the Chair to agree any non-material changes, and delegated authority to the Managing Director or the Group Company Secretary to execute the Agreement.**

10. a) 2020/21 Financial Statements

The Board received a summary of the financial statements for the year and adjustments made between the 31 March management accounts and the final audited accounts. The Board received a further update on the valuation increase and strong cost efficiencies.

The Board reviewed the financial statements for the year and the letter of representation.

Decided: The Board

- 1) Approved the 2020/21 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 note the related letter of comfort from the Chief Executive.**

b) Internal Audit Annual Report and Opinion 2020/21

The Board received the annual internal audit report and assurance statement, following assurance work completed and reported during financial year 2020/21.

Decided: The Board noted the contents of this report, including the Annual Internal Audit Opinion detailed in Section 6.

11. Finance Report

The Board received a summary of financial performance for the year to date and the full year forecast. The Board reviewed performance for the year to date and discussed the key variances, which were broadly in line with expectations and noted full covenant compliance.

Decided: The Board

- 1) Noted the management accounts for the period to 30 June 2021 set out at Appendix 1; and**
- 2) Noted the covenant measures for the first quarter of 2021/22.**

12. Delivery Plan 2021-22 Quarter 1

The Board received an update on the Quarter 1 performance measures and projects in the performance framework and strategy.

The Board discussed strong performance, despite challenging conditions, particularly in respect of rent collection, complaints and scrutinised the figures in respect of gas safety.

Decided: The Board noted the contents of the report.

13. [redacted]

14. AOCB

The Board noted that Bill Robertson will stand down at the AGM, this being his last meeting. The Board thanked Bill for his effort and commitment to DGHP over the years, particularly during his recent tenure as Chair.

The Board discussed progress on the refurbishment of the new space for customers and staff in Dumfries and Stranraer, noting that progress is being made through planning, procurement for design and current timescales.

SIGNED: