



**MINUTE OF BOARD OF DIRECTORS MEETING  
HELD ON WEDNESDAY 27 MAY 2020 VIA  
VIDEOCONFERENCE**

Members present: Maureen Dowden (Chair), John Henderson, Heather MacNaughton, John McCraw and George Thorley

In attendance: Matthew Foreman (Managing Director) Steven Henderson (Group Director of Finance, Wheatley Group), Anthony Allison (Director of Governance, Wheatley Group), Lindsay Lauder (Items 9 & 10 only)(Development Manager, DGHP) and Ray Wilkinshaw (Item 8 only) (Head of Repairs, DGHP).

It was confirmed that following a formal recruitment process, the Board, by way of individual confirmation, and the Group RAAG Committee had approved the appointment of Maureen Dowden as the Chair.

**Decided: The Board noted Maureen Dowden's appointment as Chair on 20 April 2020.**

Maureen assumed the Chair for the meeting.

**1. Apologies for absence**

There were no apologies for absence. It was noted that non-attending members had all received the papers and given the opportunity to provide feedback on the papers.

**2. Declarations of interest**

The Board discussed a potential declaration of interest by John Henderson relating to item 10. After discussion the Board agreed that John may remain in attendance but not participate in the discussions relating to item 10.

**3. Minutes of Board of Management meeting of 26 February 2020**

**Decided: The Board approved the Minutes of the Board meeting of 26 February 2020.**

It was noted that a note had been circulated relating to the clarification sought at the last meeting on budgeted staff costs. The Board agreed the note provided the necessary clarification.

**4. Business update**

The Board received an update on our response to the impact of the current Coronavirus crisis on the business, our customers and communities. It was explained that a key priority has been extensive engagement with our tenants and ensuring they are aware of, and receiving, the range of support we are offering.

The Board were updated on the impact of the pandemic on our arrears levels and the restrictions on the level of service we can provide in environmental, investment and repairs.

The Board discussed the implications for the transformation programme, particularly the new operating model and senior staff recruitment. It was confirmed that recruitment was temporarily paused but that we have secured interim senior resource within finance and voids and income collection.

The Board welcomed the extensive level of ongoing contact with tenants and it was noted that we are engaging with the Local Authority with regards to grass cutting.

The Board discussed the proposed notice for the lease on Grierson House and the risk associated with not finding alternative accommodation. The Board further discussed the anticipated dilapidation costs. It was confirmed the risk and dilapidation costs were factored into our assessment.

**Decided: The Board noted the contents of the report.**

## **5. Framework for start-up and renewal of activity**

The Board received an update on the framework for the start up and renewal of activity in a managed, phased way across our key business areas.

The Board discussed the importance of the framework having an associated communications strategy to ensure tenants understand the operating model and transition between different phases. It was confirmed this will continue to be a key focus, building on the ongoing communication through welfare calls, letters from the Group CEO, webchat and Housing Officer engagement.

The Board sought an update on how we manage our Personal Protective Equipment (“PPE”) supply throughout our remobilisation and potential pressures on our supply chain. It was confirmed we have a PPE tracker which identifies our requirement for a rolling 12 week window and that this is monitored by the Group Executive. It was further confirmed our supply chain has been robust, with further supply expected to become available in the short term via the Scottish Government.

The Board discussed how we are engaging with vulnerable customers, beyond those on the Local Authority shielding list. It was confirmed we are prioritising highly vulnerable customers but that we are seeking to engage with all our customer base including via over 9,500 outbound welfare calls to date.

It was explained that we are part of the Dumfries and Galloway resilience group as well as engaging with other RSLs.

The Board discussed the ongoing home working, which is currently in the adaption phase. It was confirmed that our future operating model, including home working, will take into account the lessons learned and respond to the challenges identified.

**Decided: The Board noted the proposals set out in this paper in principle, subject to the timing of their implementation and any adjustments necessary to ensure ongoing compliance with Scottish Government legislation and guidance.**

## **6. Annual Return on the Charter and year end results 2019/20**

The Board received an update on performance over the year, how it benchmarks within the wider Group and how we are undertaking analysis to improve performance in the future.

The Board noted that performance in the current year will be significantly impacted by Covid 19 and that our target setting for the year ahead will require to reflect the current operating context.

**Decided: The Board:**

**1)Approved the draft 2019/20 Charter results;**

**2)Delegated authority to the Group Director of Housing and Care to sign off any non-material changes to the results which may be required prior to submission; and**

**3)Delegated authority to the Group Director of Housing and Care to sign off the Charter and ESSH submissions on behalf of DGHP.**

## **7. Rechargeable repairs**

The Board received a recap of previous discussions regarding our debt levels and the proposed changes to harmonise our approach with the wider Group.

The Board discussed the VAT treatment for rechargeable repairs and the legal remedies available where damage is significant and malicious.

The Board discussed at length the proposed level of write off, the basis on which we have assessed the collectability and the planned future process and criteria for raising rechargeable repairs.

The challenges in collecting the rechargeable repairs debt was set out in further detail, including affordability and its status relative to 'priority debts'.

The proposals were also set out within the context of how we wish to engage with our tenants in future and what would be deemed as rechargeable. After further discussion, it was agreed a further report be brought back to the next meeting setting out further detail on the future approach to rechargeable repairs.

## **8. Repairs and maintenance policy**

The Board received a summary of the proposed policy, which reflected the service being in house and the commitments given to tenants as part of the partnership.

The Board discussed the policy, in particular the digital elements and the need to recognise not all tenants will be digitally engaged. The Board discussed the next day provision for non-emergency repairs and it was agreed the wording be updated to be clearer this was not a specific commitment.

**Decided: The Board, subject to the amendment noted above, approved the DGHP Repairs and Maintenance Policy.**

#### **9. DGHP New Build Project Approval: Nursery Avenue, Stranraer**

The Board received a summary of the proposed project, including the efficiencies achieved via the value engineering on the overall project costs.

The Board reflected on the known challenges with the project and sought confirmation there remains demand for the properties, particularly the 7-bedroom property. It was confirmed the demand remains for all properties and that we engage prospective tenants in relation to affordability.

**Decided: The Board:**

- 1) agreed that we enter into a contract with McTaggart Construction Limited for the construction of 19 units of social rented housing at a total construction cost of £4,305,472.30 and a total development cost of £4,758,127, inclusive of land purchase;**
- 2) [redacted]; and**
- 3) delegated authority to any Dumfries and Galloway Housing Partnership Board member, the Dumfries and Galloway Housing Partnership Managing Director, the Group Chief Executive, Group Director of Property and Development or the Company Secretary to sign any acquisition and contract documentation.**

#### **10. DGHP: Heathhall Landbank Strategy**

The Board received a summary of the proposed strategy and a detailed update on the three specific sites.

The Board received an update from the Development Committee discussions and discussed the strategy, in particular the financial implications and demand for commercial property.

**Decided: The Board:**

- 1) approved progression of the proposed strategy in relation to the Heathhall landbank;**
- 2) approved progression of the buy-back clause in relation to the Herries Avenue site;**
- 3) approved appointment of a commercial property agent to undertake a desktop assessment of the likely value and demand for disposal of Curries Yard;**
- 4) approved appointment of a full design team, including infrastructure and planning advice, for the Curries Yard site, satisfying the 'master planned approach' requirements of Dumfries and Galloway Council; and**

**5) approved that authority is delegated to any Dumfries and Galloway Housing Partnership Board member, the Dumfries and Galloway Housing Partnership Managing Director, the Group Chief Executive, Group Director of Property and Development or the Company Secretary to sign any acquisition and contract documentation.**

#### **11. Alertacall**

The Board received a summary of the proposed introduction of Alertacall to a small number of customers, with a view to potentially expanding the provision in future.

The Board discussed the functionality and ease of use for the system, particularly for tenants who do not routinely use digital systems. It was reaffirmed that the technology is designed to be very easy to use and that feedback to date within the Group has confirmed this to be the case.

**Decided: The Board noted the contents of the report**

#### **12. Finance report**

The Board received a summary of financial performance for the year to date and the yearend performance for 2019/20.

The Board discussed financial performance, in particular the anticipated impact of increasing arrears and delayed investment and development activity. It was noted this will be an evolving picture as the year progresses and will remain under review.

**Decided: The Board noted the management accounts for the period to 30 April 2020 and for full year to 31 March 2020.**

#### **13. Governance update**

The Board received an update on a range of governance matters. In particular, the proposed changes to the Articles were set out in detail, including how they sought to reflect the feedback from our tenants during the partnership engagement process. The Board discussed the proposed constitutional amendments and reiterated the need to engage with members affected on the changes in a sensitive manner.

It was confirmed that staff would receive appropriate training in relation to consumer credit regulation.

**Decided: The Board**

- 1) Approved the proposed changes to our Articles and delegate authority to the Secretary to call a Special General Meeting;**
- 2) Noted the amendments to the Group Standing Orders;**
- 3) Approved our application for a consumer credit licence; and**
- 4) Agreed the proposed date for the additional meeting in July.**

**14. AOCB**

There was no other competent business.