

Minutes of the 178th meeting of the Directors of the Company duly convened and held by video conference on 28th April 2022.

Present:

Dame Teresa Graham (TG) – Chair
John Edmonds (JE)
Michael Stark (MS)
Annie Shepperd (AS) – Chief Executive
Helen Powell (HP)

Attending:

Carol Brown (CB)
Nick Painter (NP)
Ian Rodger (IR)
Paul Chambers (PC) – BEIS Observer
Julie Ellis (JE) - minutes

QUORUM

A quorum being present, TG declared the meeting open.

1. APOLOGIES

All Board members were present.

The Chair welcomed Paul Chambers to the Board (attended for Items 3-7).

2. MINUTES AND UPDATE ON ACTION ITEMS

The Board agreed the minutes of 29th March 2022 meeting as a correct record.

Action Item 1 (Salix office relocation): carried forward.

3. CHIEF EXECUTIVE'S REPORT

The Cabinet Office had recently confirmed that under no circumstances could Salix remain in its current office beyond the end of September 2022. Salix's landlord Landmark had confirmed that if Salix gave early notice, it would (if necessary) provide alternative accommodation in central London if Salix had not secured alternative Government owned accommodation by then. Early resolution of this issue was imperative to ensure continued office-based teamwork on the Public Sector Decarbonisation Scheme, and to give enough time to test IT systems' functionality. The Board APPROVED the immediate issue of notice to leave.

Action: AS to issue notice to Landmark.

The Board agreed that staff should be informed on 4 May that Salix had agreed to plan for 30% of Salix's staff to be based in Darlington by 2025 (Project Kanso). AS would report back to the next Board meeting on developments concerning the Civil Service Pay Remit.

4. RISK REGISTERS

The Board reviewed both the corporate risk register (CRR) and delivery risk registers (DRR), noting their content.

The Board noted that the monitoring and completion of those Section 31 projects from Phase 1 PSDS that had been granted extensions to 30 June 2022 would overlap with the delivery of Phase 3 projects.

5. SCHEME PERFORMANCE

The Board noted the content of the reports on:

- Phase 1 and 2 PSDS and Phase 2 LCSF
- Loan Schemes
- Phase 3 PSDS

The Board discussed the challenges (notably: risk of lower carbon reductions, reduced opportunity to reallocate underspends, and lower potential for over-programming) that tended to arise from single-year PSDS projects, but noted with satisfaction that in Phase 3 such single-year projects would be a smaller proportion (10%) than for previous phases. In mid May Salix and BEIS would meet to consider all lessons learned from PSDS 3a that could be applied to 3b.

Action: CEO to discuss with BEIS lessons learned from previous PSDS phases that could be relevant to the next Phases.

6. OPERATIONAL PERFORMANCE

The Board noted the Operational Performance, Administration Costs Summary, and the Cash Management Report papers.

The Board was informed that P12 financial reporting was completed on time.

Recent hires on an interim basis had been made at premium agency rates to strengthen the finance team; it had been difficult to recruit permanent staff.

7. AOB

7.1 ANTI-FRAUD POLICY

The Board confirmed its APPROVAL to this policy, subject to a final “sense-check” edit. BEIS requested that the policy refer to Government Functional Standard GovS 013: Counter Fraud. There would be an interim review of the policy in two months’ time.

All incidents should be reported immediately to the Chair of the Audit, Risk and Assurance Committee. One incident was currently being investigated. Salix staff were required to complete regular training modules on data security and cyber fraud.

7.2 BOARD EFFECTIVENESS REVIEW

The Board agreed to delay the next annual internal board effectiveness review until new NEDs were in post. Paul Chambers advised that he hoped to update the Board in the near future.

7.3 GOVERNMENT INTERNAL AUDIT AGENCY (GIAA) ACCOUNTING

The Board noted Paul Chambers’s oral report that GIAA’s assessment of Salix’s oversight for counter fraud in respect of Phase 1 accounting had received the highest level of assurance – green. This score was exceptionally high and no recommendations for improvement had been made.

DATE OF THE NEXT BOARD MEETING

Tuesday 31st May 2022

Chair

Date

Summary of Actions:

ACTION 1: Salix to confirm formal request to BEIS to move to Canary Wharf premises.

ACTION 2: CEO to issue notice to Landmark to quit King William Street premises.

ACTION 3: CEO to discuss with BEIS lessons learned from previous PSDS phases that could be relevant to the next Phases.