

Minutes of the 211<sup>th</sup> meeting of the Directors of the Company held at 10 South Colonnade, London E14 on 26 March 2026

<b>Present:</b>	<b>Attending:</b>
Baroness Natalie Evans (NE) - Board Chair	(Executive directors attended for Items 6 and 7)
Tracy Vegro OBE (TV) - Non-Executive Director and Chair of People and Remuneration Committee	Ian Rodger, Director of Public Sector Decarbonisation
Alison Jeffers (AJ) – Non-Executive Director and Chair of Audit and Risk Assurance Committee	Paul Hill, Director of Housing
David Conroy (DC) – Non-Executive Director	Simon Sharkey Woods, Director of Data, Technology and Workplace
Claire Davies (CD) – Non-Executive Director	Andy Carter, Director of Communications
Andrew Jones (AJo) - Representative Director, Department for Energy Security and Net Zero (DESNZ)	Gemma Gregory - Director of Organisational Design and People
Kevin Holland (KH) - Interim Chief Executive Officer and Accounting Officer	Chiara Lorenzetti, Director of Delivery Excellence and Transformation
Andy Gillies (AG) – Interim Director of Finance and Resources	Julie Ellis (JE) (minutes) – Head of Governance and Company Secretary
	Aman Johal – Governance Officer

## QUORUM

A quorum being present, NE declared the meeting open.

### **1. WELCOME, INTRODUCTION, APOLOGIES AND DECLARATIONS OF INTERESTS**

All Board members were present. There were no apologies and no declarations of interest.

### **PART 1: PAPERS FOR CONSIDERATION AND/OR APPROVAL**

#### **2. MINUTES AND UPDATE ON ACTION ITEMS**

The Board formally agreed the minutes of the meeting of 29 January 2026 as a final record (the content having been agreed within seven days of distribution).

The action log was noted. The Board noted progress with the actions.

Regarding Board action 029 – DESNZ has agreed that a “light-touch” internal Board Effectiveness Review should take place in preference to a full external review.

**Action** – JE to commence review by issuing questionnaires to Board members.

### **3. UPDATE, OBSERVATIONS & ACTIONS FOLLOWING MEETING OF THE PEOPLE AND REMUNERATION COMMITTEE ON 20 FEBRUARY**

The Chair of the People and Remuneration Committee (PRC), TV, presented an oral update to the Board of key matters that PRC had discussed/dealt with:

- Approval of a non-consolidated pay award to staff.
- 26/27 objectives for the Chief Executive were set subject to including feedback from the Board discussion, including a focus on Salix's transition to the Warm Homes Agency.

### **4. UPDATE, OBSERVATIONS & ACTIONS FOLLOWING MEETINGS OF THE AUDIT AND RISK ASSURANCE COMMITTEE ON 12 MARCH**

The Chair of the Audit and Risk Assurance Committee (ARAC), AJe, presented a paper updating the Board following the ARAC meeting on 12 March. Key matters that had been discussed/dealt with by ARAC included:

- Agreement to recommend to the Board approval of the Anti-Fraud, Bribery and Corruption Policy (agenda item 9).
- Decisions to close off substantive action log items would be a matter for ARAC to agree.
- NAO's audit planning for the 25/26 financial year; sign off for the Annual Report and Accounts is scheduled for the September Board.
- The accounting treatment of £5 million IT spend on a new grant management platform (agenda item 8)
- A number of recommendations arising from the internal audit conducted on transformation and change reflected a focus on process rather than the corporate ability to deal with organisational change. The team are addressing the points raised. KH assured the Board that Salix is adaptable and agile, citing in support recent work of the Housing Team.

Aman Johal, Governance Officer, was thanked for preparing the paper.

### **5. CEO REPORT AND OVERVIEW**

The Board noted and discussed the Chief Executive's update paper, in particular:

- Launches of delivery schemes in Scotland and Wales (Scotland's Public Sector Heat Decarbonisation Fund on 2 March and Digarbon 3 on March 3). In the future, the schemes will be administered through the new customer relationship management platform. Current Public Sector schemes are focused on year-end closures.
- There was a participation rate of 86% in the employee survey launched on 27 January which was welcomed by the Board. Survey outcomes and any actions required will be discussed at a joint meeting of the Executive and Senior Leadership Teams (ELT/SLT) on 14 April. Initial analysis points to an increase in engagement and decrease in disengagement.
- Proposals for an employee reward and recognition strategy were presented to March's ELT meeting and will be shared with the People and Remuneration Committee when developed. Rewards anticipated are of low financial value, within HMRC guidelines and below limits that would require formal consideration.

- JE will leave her post as Head of Governance and Company Secretary on 15 May. She was thanked for her service and wished the best for her new role. Options for future governance leadership will be presented to the Board for a decision.

## 6. [CONFIDENTIAL ITEM]

### 7. APPROVAL OF REFRESHED BUSINESS PLAN FY 2026-27 THROUGH TO THE WHA

The Board considered a refreshed business plan covering the period until the transition to the Warm Homes Agency. The Board acknowledged that it would need some adaptation in the light of the confidential discussion at item 6, but noted that the target for publication in April should still be achievable.

The Board observed that the document read more like a marketing/PR doc rather than a strategy document, focusing on the most favourable scenario and not fully reflecting the risks and uncertainties facing the organisation although it was agreed that it provided a positive statement of Salix's intention and capability to continue to provide high quality delivery despite a challenging environment. In response to a question from the Board, it was noted that the document was intended for the general public and staff expectations were managed directly through more focused internal communications.

**Action** - KH will review with Andy Carter, Director of Communications to incorporate the following:

- A statement of the current assumptions on which the plan is based.
- Additional context to acknowledge that uncertain global environments and evolving government policy will require the organisation to be adaptable and agile.
- Relevant risks.

It was noted that positive feedback has been received in respect of the handling and outcomes regarding staff who transferred to DESNZ last year under the Transfer of Undertakings (Protection of Employment) Regulations.

### 8 REVISED SALIX BUDGET FY 2026-27 AND FINAL FY 2026-27 OBJECTIVES

#### 8.1 Budget

The Board noted that the budget was unchanged from the version reviewed at the January meeting except for i) an extra £4.5 million had been allocated for housing projects, and ii) that £5 million for development of our grant management system had been moved from capital to revenue.

The Board noted that the accounting and budgeting treatment of the £5 million software development costs was still under discussion with DESNZ but that a potential solution to the issue had been identified.

The Board **AGREED** i) and ii) above, subject to DESNZ's formal approval of the funds.

## 8.2 Objectives

The Board noted the draft objectives to be cascaded across the organisation stemming from the refreshed business plan. There are four strategic pillars in the business plan, and three high-level objectives for each directorate. The objectives are intended to ensure i) current delivery obligations ii) fitness for transfer into a Warm Homes Agency (WHA); and iii) a springboard for work in the WHA.

The Board welcomed the professionalism of this document and the change in approach from that taken in previous years. The following specific observations were made:

- All organisational objectives should be aligned with the top level strategic objectives.
- Directorates should have some common objectives e.g. stakeholder engagement, expressed in the same terms.

**Action** - KH to review the mapping of objectives and consider common objectives.

## 9 APPROVAL OF REVISED DRAFT OF ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY

The Board noted the recommendation from ARAC for approval of this policy.

The Board noted that an earlier version of the policy had previously been reviewed by ARAC and feedback addressed. There is now greater focus on scheme fraud, reduced legal content to make it more accessible and more examples of fraudulent activity to bring the policy to life.

The Anti-Fraud, Bribery and Corruption Policy was **APPROVED** by the Board.

## 10 APPROVAL OF REVISED DRAFT OF SCHEME OF DELEGATION

The Board reviewed the revised draft of the scheme of delegation. The scheme is scheduled to be reviewed annually and was last reviewed in March 2025.

The Board noted that the scheme had been updated to incorporate consequential changes from reviews of other policies and documents over the year and that the format for the appendix had been changed for easier reading.

The Board welcomed the comprehensiveness of the document and noted that a simpler staff guide was also available. The following specific points were made/noted:

- An omission in respect of responsibility for ensuring governance and compliance controls are in place.
- Using the word “responsibility” in full is preferable to an abbreviated form.

The Board discussed other ways of making delegations clearer for staff, such as including them in job descriptions.

The Board noted that options are being considered for Company Secretary responsibilities in the light of JE departure from the organisation in May and will await recommendations to discuss and approve. This will consider whether there needs to be a secretary at all (it is not a legal requirement for private companies).

The Board **APPROVED** the Scheme of Delegation, subject to addressing the points above.

**Action** - JE to send changes to CD for review.

## **PART 2: PAPERS FOR NOTING**

### **11 DELIVERY SCHEMES OVERVIEW**

#### **11.1 Public Sector Schemes Update**

The Board noted the Public Sector Schemes Update paper.

#### **11.2 Housing Schemes Update**

The Board noted the Housing Schemes Update paper.

### **12. RISK MANAGEMENT UPDATE AND CORPORATE RISK REGISTER**

The Board noted this update.

### **13 PERIOD 11 FINANCE REPORT**

The Board noted the report for the period ended 28 February 2026.

### **14 COMMUNICATIONS MONTHLY UPDATE**

The Board noted the Communications Monthly Update.

### **15 KEY MEETINGS CALENDAR/BOARD SCHEDULE OF BUSINESS FY 26-27**

The Board noted the current calendar and schedules of business for the upcoming financial year.

### **16 BOARD EFFECTIVENESS REVIEW**

This was dealt with under Item 2.

**DATE OF THE NEXT BOARD MEETING**

The next scheduled meeting of the Board is on 28 May 2026 in our London office.  
The subsequent meeting is on 28 July 2026 in our Manchester office.

Baroness Evans of Bowes Park

28 May 2026

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Chair

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Date