



Group Statement on Environmental, Social and Governance 2021/22

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About Wheatley Housing Group

Wheatley Housing Group ('Wheatley' or 'the Group') is Scotland's leading housing and care provider and we were pleased to launch our new five-year strategy, *Your Home, Your Community, Your Future* during this financial year. We are deeply committed to empowering our customers and staff to make decisions about the homes and services we provide. Keeping close to our customers with small patch sizes (each housing officer being responsible for a maximum of 200 households) and providing a first-class service model via the new Customer First Centre, which provides customers with 24/7 access to highly-trained housing specialists, ensures we can deliver for customers at a time, and via a communication route, which suits their requirements.

The challenges facing customers over the last 12 months were significant as we moved from the immediacy of the health crisis and full lockdown restrictions during 2020/21 to the cost-of-living crisis, high inflation, supply chain difficulties and the transition to the Universal Credit



regime. The resultant stresses impacted our communities across some of the most deprived areas of Scotland very keenly. The wraparound services provided by our housing staff, our Foundation and our Wheatley 360 teams have been essential in supporting their needs.

In these tough times, it is hugely important the Group remains robust with strong governance oversight and reliable oversight of processes and procedures to keep staff and customers safe. We welcome external scrutiny, and this year completed a formal strategic governance review which recommended various actions to streamline our organisational structure and improve upon the diversity of board membership.

With Glasgow hosting COP26, our attention remains firmly on the journey to net zero and the important retrofit challenge ahead to improve the energy efficiency of our existing housing stock. We start from a strong position with 90% of our homes achieving EPC Band C or above, but there remains a challenging road ahead as we balance our net zero ambitions with our commitments to keeping rents and the cost of heating a home affordable for our customers.

At the core of our activities is our social purpose, to make Homes and Lives Better. We have distributed over £2.25m of 'Energy Crisis Fund' support directly onto household meters to mitigate the rapid inflation in energy prices. These funds have been received as grant awards from various sources. We've had



dozens of emails and thank you notes from our customers, with the following feedback from one of our housing officers: ***"This has been a vital lifeline to so many and especially during lockdown and with the cold weather and I'm sure for families it would've freed up some much-needed money to go towards Christmas presents and to enable food to be put on the table. Without this so many people would've struggled, and it really is very much appreciated"***. In addition to the Energy Crisis Fund, our full-time Fuel Advice service has accessed £625k in recompense or savings onto household bills and they continue to support customers through the current energy crisis.

Many more examples of the work the Group delivers for our customers are included in this report. This is our fourth year of formally reporting ESG measures which now broadly follows the criteria set out by the



Sustainability Reporting Standard for Social Housing¹. Further information can be provided to existing and prospective investors as required via our Investor Relations team².

¹ <https://thegoodeconomy.co.uk/reports/the-sustainability-reporting-standard-for-social-housing>
² <https://www.wheatley-group.com/investor-relations/contact-our-team/get-in-touch>



UN CLIMATE CHANGE CONFERENCE UK 2021

Environmental

Our home city of Glasgow was the proud host of the 26th UN Climate Change Conference of the Parties (COP26) in early November 2021.

The 'Dear Green Place' was the perfect location to host a sustainable and inclusive COP. The city has set a target for carbon neutrality by 2030, aiming to be one of the greenest cities in Europe through its Sustainable Glasgow campaign, and is fourth in the world in the Global Destination Sustainability Index.

We were keen to play a role in proceedings, making commitments which will have a tangible impact and benefit on our customers' lives.

The launch of our £100 million 'Greener Homes, Greener Lives' investment programme, heralding our commitments to deliver on our sustainability targets on our journey to carbon neutrality coincided with COP26. Our investment plans include:

- £36m to be spent on new double/triple glazed windows to make homes more energy-efficient;
- £10m on external wall insulation to help improve the thermal efficiency of homes and cut fuel bills;
- £10m on 'connected response', an innovative solution to inefficient and expensive electric heating which has been shown to reduce energy use by up to 30% and cut bills by up to £300 per year; and
- £10m on new innovative technologies to improve energy efficiency as they become available to meet these Energy Efficiency Standard for Social Housing (EESH) targets.

These investments will have lots of benefits to customers, but the biggest will be heating their homes better, avoiding wasting money and having more control.

We want to eradicate the inefficiency of a home as a contributor to fuel poverty and make sure no-one is left

behind as Scotland tackles climate change. By focusing our efforts on the largest bill our customers face, it will not only reduce our carbon footprint, but it will improve the lives of our customers.

To support our decision-making in our journey to deliver sustainable energy efficiency improvements, we have formed a 'Pathway to Net-zero Advisory Group'. This Group is chaired by Sean Smith, Professor of Future Construction and Director of Centre for Future Infrastructure at the University of Edinburgh. He who is joined by Chris Morgan, Director of John Gilbert Architects in Glasgow; Professor John Currie, Director of the Scottish Energy Centre at Edinburgh Napier University; and Dr York Ostermeyer, acting Chairman of CUES Foundation – an independent community of experts from industry and academics based in the Netherlands.



Pathway to Net-zero Advisory Group

Professor Smith said: *“Meeting the many challenges in reducing emissions from homes will require a local to global effort, new approaches and funding. Bringing together these experts in their field, with Wheatley’s ambition and practical understanding, is a great example of the innovation that will be needed in addressing the climate emergency. Through the work of the advisory group, we aim to play our part in helping to ensure Wheatley’s investment in reducing emissions*

from their homes has maximum dual benefit for tenants and the planet.”

The group will meet four times a year with members of Wheatley’s asset management and finance teams and will support the Wheatley Group Board in realising its ambition to set the benchmark for sustainability in the housing sector in Scotland.

Carbon emissions

We were the first Registered Social Landlord in Scotland to receive the prestigious Planet Mark certification and have a commitment to reduce carbon emissions to zero across our corporate estate by 2026. The external scrutiny tracks our progress towards this ambitious goal.

The figures, validated by Planet Mark, for 2020/21 and 2021/22 are set out below:

	2020/21	2021/22
Scope 1 Emissions from sources owned or controlled directly by Wheatley	Electricity use (at 0.212kg/kWh): 455.2 tonnes CO ₂ Gas use (at 0.202kg/kWh): 83.8 tonnes CO ₂	Electricity use (at 0.212kg/kWh): 476.7 tonnes CO ₂ Gas use (at 0.202kg/kWh): 76 tonnes CO ₂
Scope 2 Emissions caused indirectly as a result of energy purchased by Wheatley	Travel, fleet and procurement of materials and other direct emissions: 247.6 tonnes CO ₂	626 tonnes CO ₂
Scope 3 Emissions produced by our supply chain (for example, travel for business purposes not procured by Wheatley)	Nil return. (not in scope for Planet Mark)	56 tonnes CO ₂

The year-on-year performance for Scope 1 is largely comparable across the two periods and we anticipate a significant drop for 2022/23 as we moved onto renewable electricity tariffs in April 2022.

Scope 2 emissions were considerably reduced in 2020/21 due to interruptions resulting from Covid-19 restrictions and other embargoes on activity. The increase in this measure relates to the rise in emissions from travel and fleet in 2021/22 now that restrictions have been lifted. We are installing charge point infrastructure across the

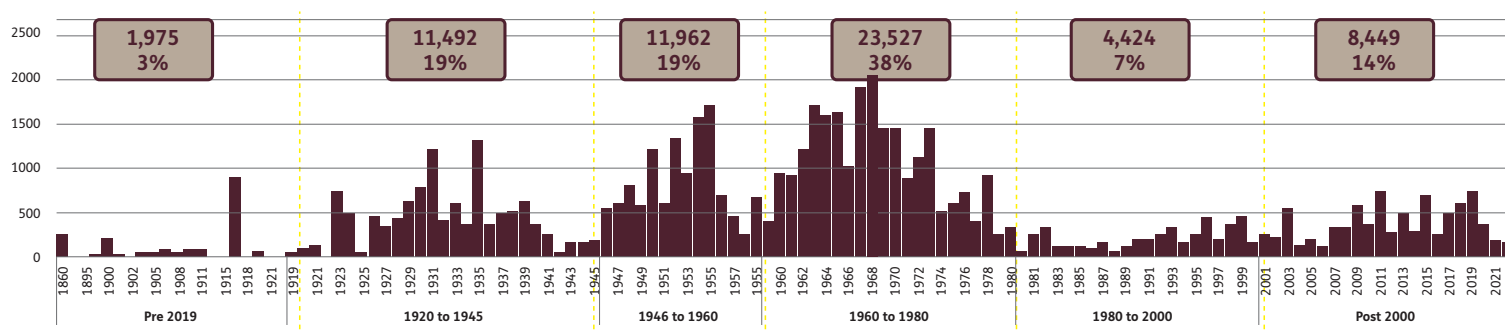
estate and will be transitioning to electric fleet vehicles on a gradual basis. We anticipate a positive impact on this measure for 2022/23.

The Scope 3 emissions figure includes those arising from travel for business purposes but not procured by Wheatley (bus/rail/taxi) and was reported for the first time for 2021/22.

We do not yet have validated carbon emissions statistics for our housing assets, however, using the methodology set out by the UK Government Committee for Climate Change³, we

estimate that CO₂ emissions are approximately 200,000 tonnes/year across the estate. Our new-build homes average CO₂ emissions of around 1.8 tonnes/year, while existing homes produce around 3.0 tonnes/year.

The retrofit challenge remains significant given the age distribution of our homes, however, we do start from a strong position with c. 90% of housing assets already meeting an EPC Band C certification.



Energy Performance Certificate (EPC) overview

The timetable for the legislative programme for Scotland's journey to net zero by 2045 is increasingly ambitious. The housing standard for Social Landlords, EESSH2 (Energy Efficiency Standard for Social Housing 2) which required all social housing properties in Scotland to have an EPC Band B rating by the end of 2032, was temporarily suspended in May 2022 as it was determined the target was not fully aligned with net zero. A formal review had been scheduled for 2025 to confirm if additional requirements

were needed, but this review has now been accelerated and will report by the end of 2023.

Feedback from the Scottish Federation of Housing Associations (SFHA), emphasised the requirement to balance a reduction in carbon emissions with a commitment to tenants that their rents remained affordable. SFHA, Chief Executive, Sally Thomas said: *"We need a more holistic approach, with adequate funding and supporting policies, to ensure tenants can afford to heat their homes while also working towards Scotland's net zero objectives."*

We welcome this review and will continue to contribute to the Scottish Government's consultation via our membership of the Zero Emissions Social Housing Taskforce (ZEST).

The majority of the Group's assets have benefited from Large Scale Voluntary Transfer (LSVT) arrangements (for both Glasgow Housing Association c. 42k homes and DGHP c. 10.5k homes) whereby significant asset improvement programmes were delivered in the late 2000s and early 2010s, greatly improving the quality and energy efficiency of these homes. Our continued

³ <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021>

commitment to investment in our homes has resulted in c. 90% of assets already meeting EPC Band C or higher as set out in the following table:

EPC ratings (31/03/22)	
A	0.0%
B	13.9%
C	76.0%
D	10.1%
E	0.0%

We have a proven track record in delivering large-scale asset investment programmes across our geographies, and we will build on continuous improvement on energy efficiency from a strong starting position.

Case study: DGHP net zero renewable energy system

A ground-breaking £2.8m decarbonisation and renewable heating project was delivered to 101 properties in rural Dumfries and Galloway. These homes are not connected to mains gas supply, and we converted outdated coal-fired heating systems with battery storage technology, solar panels and air source heat pumps (ASHP). On top of the reduction in CO₂ emissions, it is also predicted customers will see savings of up to 60% on their utility bills.

The addition of solar panels and battery storage will allow customers to benefit from cheaper tariff plans as well as lower maintenance. The battery storage makes homes more resilient in the event of an outage in supply – particularly beneficial for those running vital medical equipment in their home.

DGHP tenant Jamie Sneddon, aged 42, from Upper Nithsdale, has the battery storage technology fitted in her property. She said: *“I think the battery is amazing. I love it and I am really seeing a difference with my energy bills. I really can’t believe how cheap the energy is through this system. When I first moved in the bills were really high with the storage heating and now I’m seeing such a difference. I would encourage anyone who is offered this type of heating to take it up – you really will see the benefits.”*

Match funding for the project came from the Scottish Government through the Social Housing Net Zero Heat Fund.

This approach balanced our net zero objectives in a sustainable fashion: reducing carbon emissions and improving the affordability on their heating and energy costs.



Ecology

The Group’s Neighbourhood Environmental Team, known as NETs, take a lead role in managing the local environments across our communities. We continue to participate in the Keep Scotland Beautiful (KSB) accreditation

scheme, completing phase two of the KSB Audit and Assessment programme. There were five-star awards for partner organisations, Dunedin Canmore, West Lothian Housing Partnership, Lowther Homes and Loretto. Almost 80% of our Wheatley Homes Glasgow neighbourhoods now have a five-star award, with wider participation in the scheme across Group now up to 72% (from 15% in 2020/21).

This spring, the NETs ran their Environmental Week of Action across our communities, with activities including clearing waste from homes and wider community spaces, provision of advice and support for the maintenance of garden areas and growing plants, vegetables and fruit for our older residents in *Livingwell* accommodations. The teams also focussed on projects using community areas and revamping gardens and communal spaces, culminating in tree planting, upcycling and community litter pick-ups events.

Case study: Clyde Climate Forest

Our Glasgow South NETs linked up with Clyde Climate Forest to help them achieve their target of planting 18 million trees in Glasgow over the next decade. Glasgow is the only British city taking part in the Mayors Alliance for the European Green Deal. Our Arborist and Gardener Teams took part in planting sessions in the Greater Pollok area and planted over 200 trees over the past year.

Our team have planted over four times as many trees as they have removed over the last year, creating a genuine impact in the local environment.

The team has also engaged with local children to help educate them about sustainability and the importance of letting healthy trees grow to help protect the environment, including a visit to Lyoncross Nursery to carry out a presentation.

The team try to reuse as much of the trees as possible and we donate chippings and logs to community groups, including Glen Lora Community Garden.



Resource management

Our repairs and maintenance company, jointly owned with Glasgow City Council, City Building (Glasgow) Limited operate under the industry's highest standard of Environmental Management System with ISO 14001 accreditation, the world's most recognised environmental management system.

City Building's approach to waste and water management, our operating practices, policies, and staff are externally validated on an ongoing basis each year by the British Standards Institute (BSi), with certification retained for 2022/23.

Our new-build frameworks remained unchanged during 2021/22 with updated versions due to be completed during 2022/23 which will build on existing sustainability requirements as we transition towards net zero.

The current frameworks require our contractors must participate in the Considerate

Constructors scheme. We require all contractors to undertake the following work in order to be appointed to our framework:

- set out a statement which outlines how they will achieve the Scottish Building Standards' Gold Standard or equivalent;
- include an example Site Waste Management Plan (SWMP) which complies with the current regulations in line with good practice published by WRAP www.wrap.org.uk; and
- outline how they will monitor and report compliance with the above quality standards throughout delivery of the project.

In addition, under the terms of our new-build framework agreements, Wheatley is entitled to audit any records, agreements or processes the relevant contractor has in place for environmental procedures which are required to be certified to BS EN ISO 14000, BS EN ISO 14001 or equivalent standard at any time during the life of the contract.





Social

Affordability

Ensuring rents are affordable for our customers is a core strategic objective and we are aware our customers are facing considerable economic hardship given the cost of living crisis.

We are required, subject to the Scottish Social Housing Charter and Housing Act

(Scotland) 2001, to consider the views of customers before making final decisions on rent levels. We consult with our customers by way of in-person and remote focus groups ahead of brochures being sent to all households, inviting feedback. The consultation with tenants and service users is a key consideration alongside

affordability, financial viability and comparative rent levels across our geographies.

With the majority of our stock (c.75%) in the major cities of Glasgow and Edinburgh, the social rents across the Group are generally around 40-50% of market rent as set out below:

Social Rent v. Market Rent
(£ per week for 2 bed)



We assess the affordability of our social housing rents by employing the Scottish Federation of Housing Associations (SFHA) rent affordability tool⁴.

There is no nationally agreed maximum affordability ratio for rent, but most research on the subject aligns with the findings of the UK Affordable Housing Commission (2019), which cites rent to income ratios of below one-third of income as traditional indicators of rent being affordable, with “serious affordability difficulties” being experienced at a ratio of over 40%⁵.



Shelter suggests any household which spends more than 35% of its net household income on rent (and service charges) may experience a disproportionate impact from housing costs.

Building safety

It is of paramount importance our customers and communities are safe and secure in their homes. Our well-established Fire Prevention & Mitigation Framework (FPMF) ensures the Group achieves legal compliance

with current fire safety legislation and best practice guidance, and we continue to work in partnership with the Scottish Fire and Rescue Service, with secondees attached to our Wheatley 360 team.

The FPMF sets out our approach to proactively reducing the risk of accidental dwelling fires via a programme of home fire safety visits where housing officers have identified a degree of vulnerability for our customers and fire risk

assessments for higher risk buildings (high-rise and sheltered/ supported living accommodation). The safety visits and assessments are undertaken by our in-house Fire Safety team using the industry standard PAS 79-2:2020 methodology.

Covid restrictions, primarily during 2020/21, restricted access to some homes, but activity picked up considerably in 2021/22 with all statistics showing year-on-year improvements as set out below:

	2020/21	2021/22
Fire risk assessments	63	193
Home fire safety visits	213	547
Accidental dwelling fires	217	151 (30% reduction)

Our Fire Safety team received external recognition this year, winning the inaugural national AICO Community Award 2022 for their outstanding work in conducting home fire safety visits and holding engagement events with customers, resulting in a significant reduction to accidental fires in Wheatley homes.

⁴ This uses the lowest 30% of earnings in the Office for National Statistics' Annual Survey of Hours and Earnings ("ASHE") for each Local Authority area, and applies a weighting for household composition to take account of household size in recognition that larger households often have more earnings/income and eligibility for Tax Credits and Child Benefit.

⁵ <https://static1.squarespace.com/static/5b9675fc1137a618f278542d/t/5cf55923f41ae70001170311/1559583017920/Defining+and+measuring+housing+affordability.pdf>

Smoke and heat detection

Residential properties of all tenures were legally required to have ceiling-mounted, interlinked smoke and heat detectors fitted by February 2021 (postponed to February 2022 due to Covid-19 restrictions on access to homes). Wheatley commenced a programme for installations in 2018.

Each home was required to have a smoke alarm fitted in the living room, a smoke alarm in every hallway/landing and a heat alarm in the kitchen. The alarms need to comply with BS EN14604:2005 for smoke alarms and BS 5446-2:2003 for heat alarms. Carbon monoxide alarms should have the British Kitemark (EN 50291-1).

All of Wheatley's homes now have the requisite heat and smoke detectors fitted, in line with regulatory standards.

Resident voice

Our Group engagement framework, "Stronger Voices, Stronger Communities" is a key theme, embedded across our five year strategy programme, to empower our customers to be involved in the decisions which impact them. Customer Voices representatives will attend Board meetings (both at Group and subsidiary level).

Our Stronger Voices team was set up in 2021/22 with the objective of significantly increasing, and diversifying, the number of residents directly engaged with our housing teams to ensure we receive representative views from all resident groups (older people, families, single parent households



and new Scots). We have set an ambitious target to recruit 1550 residents across our communities by the end of March 2023 with over a third of the places already filled.

We will track the impact of Stronger Voices through the SHR's Annual Return on Charter measure, "Percentage of annual tenants satisfied with the opportunities given to them to participate in their landlord's decision-making processes".

Our tenants make up 37% of board members of the Group RSL boards, ensuring the resident voice has a key part in informing and shaping the strategic objectives of Wheatley. Our largest subsidiary, Wheatley Homes Glasgow, is led by a tenant chair.

Case study: You Choose Challenge

We have ringfenced £1.54 million within the capital investment programme for "You Choose Challenge" projects where the investment will be determined by customer choice, rather than life cycle or compliance decisions.

Residents in our Barracks View estate in West Lothian were consulted on ideas for neighbourhood enhancement and collectively reached a decision to invest £5,000 on a new community garden. This investment consisted of the installation of new planter boxes and benches for customer use, as well as gardening starter packs provided upon request.

A number of key performance measures from our tenant satisfaction surveys and reported to the Scottish Housing Regulator for the 2021/22 Annual Return on Charter are set out in the table below. Please note, sector average figures are not yet available for 2021/22:

Scottish Housing Regulator: Annual Return on Charter						Sector Average (2020/21)
	Wheatley Homes Glasgow	Loretto	Dunedin Canmore	WLHP	DGHP	
Overall service	87.6%	84.1%	96.0%	95.1%	94.8%	89.0%
Kept informed	88.2%	75.6%	95.0%	91.9%	95.9%	91.7%
Opportunities for participation	80.1%	63.6%	93.6%	92.9%	94.8%	86.6%
Satisfaction with repairs service	88.8%	88.4%	86.4%	90.3%	89.3%	90.1%
Satisfaction with neighbourhood management	100.0%	100.0%	100.0%	100.0%	99.2%	94.4%

Customer service excellence (“CSE”) is the national standard for excellence in customer service in public sector organisations overseen by the UK Government’s Cabinet Office⁶. Wheatley achieved full compliance in all aspects of the standard, with 23 elements rated as Compliance Plus.

Resident support

Our small patch sizes (no greater than 200 homes per housing officer) ensure we can be closer to our residents – supporting them to live in warm, safe and peaceful homes.

The Group’s Community Improvement Partnership (CIP) to tackle crime and anti-social behaviour in our communities was recognised as the best in Scotland by Police Scotland. The CIP was the first of its type in the UK and sees a special team of police officers – and a senior fire officer – tackle anti-social behaviour and promote community safety, working side-by-side with housing officers.

Chief Constable Iain Livingstone QPM said: *“The last 12 months has been an intense and demanding year, underlining the relentless nature of policing. Helping those in crisis goes to the heart of policing’s core values and purpose. Today’s awards remind us of the individual acts undertaken to that end every day, right across Scotland.”*

We also launched Revive Scotland, our domestic abuse service in partnership with Homefinder UK during 2021/22. The move-on service helps women and children who are homeless find suitable and safe housing in different areas across the country. We work closely with over 140 partners and agencies across the country, including other housing associations, local authorities, Police Scotland and Women’s Aid. The service is funded by Scottish Government and is free for all local authorities in Scotland.

Since its launch, Revive Scotland has helped 16 women, some who

have children, find a home in a new area. Seventeen children are now safely in a new home thanks to the scheme.

One of the service users said: *“I am so happy. Since moving I have noticed a big difference in my kids. My kids are happy, and they are sleeping well. They are not waking up during the night scared. They are making friends and now having my own home I feel like we have lots to look forward to.”*

Wheatley Foundation

Following the extraordinary efforts of our Foundation team during 2020/21 to support our most vulnerable customers with the delivery of food via our EatWell Service (32,000 food parcels) and via our Emergency Response Fund (with over 7,000 customers supported with fuel and phone top-ups, furniture and white goods such as cookers, as well as pet food and gardening equipment), 2021/22 was a year of transitioning back to the broader programmes of support.

⁶ <https://www.customerserviceexcellence.uk.com/>



My Great Start supported 2082 customers with budgeting, benefits and money advice, helping secure more than £850k of financial support. In addition, **Home Comforts** delivered free up-cycled furniture and white goods to 759 households this year, and **Starter Packs** provided essential household items to 586 people moving into new Wheatley tenancies.

The Foundation team continued to help people get online via our partnership with John Wheatley **Learning Network**, providing drop-in support, learning opportunities and internet access in local community facilities.

We also saw 2380 children take part in Foundation activities this year, helping them reconnect, learn and play. We delivered

over 7000 books to 784 children through our partnership with **Dolly Parton Imagination Library**. 650 young people across Wheatley communities also got involved in 10 local drama, photography, creative writing and music projects through our work with **Creative Scotland's Small Grant Youth Arts** programme.

In addition, 50 Wheatley customers were awarded an **education bursary** to help with the cost of attending university or college.

Michael McMillan, a Wheatley Homes Glasgow tenant from Cranhill, received a bursary to study for a degree in TV Production and Script Writing.

The 25-year-old said: *"I'm really keen on a career in the*

television industry. It's a fantastic course and I've learned so many different skills, including lighting, sound, editing and camera work. My goal is to get a job in editing. The course is based in Ayr, so the bursary has been a god send. Without it I would have struggled to afford the cost of travel to Ayr for my classes. Having the bursary removed any worries about money and has been a massive help."

The full restart of our **Wheatley Works** programme was enabled with the end of the majority of Covid restrictions, with activity levels now approaching pre-pandemic levels after a drop in 2020/21.

	2020/21		2021/22	
	Totals	% customers	Totals	% customers
Training opportunities	127	45%	425	62%
Apprenticeships	16	69%	122	79%
Jobs	45	80%	278	71%
Total employment opportunities	188	55%	825	68%

We also saw 89% of people completing our short **Environmental Roots** pre-employability programme move into a longer-term placement or employment; including 127 people taking up an **Environmental Apprenticeship** or a 12-month, paid, **Changing Lives** placement with us.

Case study: Changing Lives placement

Father and son, John and Jordan both started the Changing Lives training programme in January 2022 having been encouraged to apply by their housing officer.

John, 53, had previously worked as a scaffolder and fork-lift driver, but had been out of work when his previous contract ended. Both men love the camaraderie and getting out and about in Wheatley communities, keeping them clean and green.

“I am really enjoying it. The guys who I am working with are great. I enjoy the job. I am in a different van from Jordan – so I only see him in the morning and at the end of the shift, – but it is good to have a wee chat with him. I would absolutely recommend it. It is great being out and about and meeting tenants. I feel part of the community.”

Homelessness

Wheatley Group is committed to tackling homelessness and rough sleeping in Scotland at large scale, anticipating we will provide homes to 10,000 homeless people and households over our five-year strategy term (2021-26).

We work in partnership with



the Scottish Government, local authorities and other support agencies to help tackle homelessness. We are proud to be a partner in the Housing First initiative and have provided more than 300 tenancies via this partnership since June 2020. Housing First is a partnership set up to tackle rough sleeping by giving secure mainstream tenancies to people who are currently sleeping rough or living in hostels and other temporary accommodation.

Wheatley Group has helped almost 2,500 homeless people across Scotland put a roof over their heads in the last 12 months (2,100 in 2020/21), which represents over 60% of new lettings in our major centres of Glasgow, Edinburgh and Dumfries.

Case study: A new home for John in Dumfries and Galloway

John, 79, of Galloway in south-west Scotland, found himself homeless during the pandemic.

He has moved into a one-bedroom bungalow thanks to our subsidiary company, DGHP.

“I got myself a static caravan, but I could only stay for the season as the holiday park closes for winter. I had to go back to sleeping in my campervan. It wasn’t ideal, but the way I see it was I was one of the lucky ones,” said John.

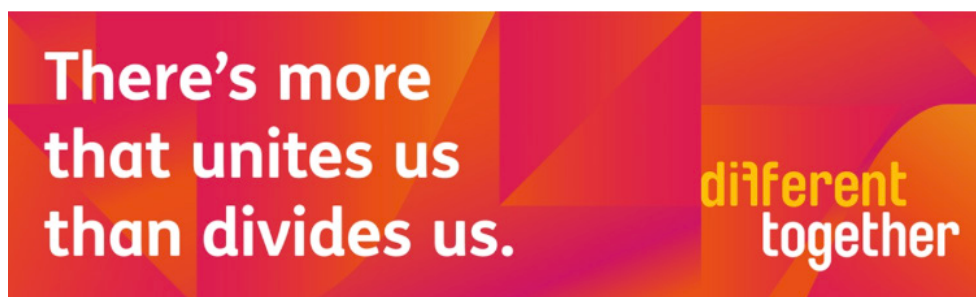
He added: *“I didn’t really know where to turn. I’d gone back to sleeping in the camper over winter. However, I’ve really landed on my feet and I can’t thank everyone enough for all they’ve done – from the minute I was given support locally until I received my keys two months ago. I worked all my life until I retired, so it was a really traumatic, difficult time. However, I’m really lucky – especially after finding myself homeless in my late-70s – to now have somewhere like this to call home and have lots of support.”*

Staff wellbeing

As we transitioned to a new working model, accelerated by the pandemic, our people services teams have centred on staff wellbeing and safety to ensure positive engagement and connection. We focus on supporting physical, emotional, mental and financial wellbeing through various programmes.

Our wellbeing services include free access to a **Confidential Care** helpline, where trained listeners support staff. For longer-term intervention we provide a **counselling service** to provide specialist support on a range of subjects from qualified therapists. All staff are now entitled to two **Wellbeing days** per year which are additional leave provision for colleagues who need, often at short notice, just some time to decompress.

We run specific services to support colleagues facing particular health challenges, such as our award-winning **Gaun Yersel!** programme, targeted at our environmental workers to ensure they proactively engage with health checks, assist with cessation of smoking and provide advice to avoid developing diabetes type 2. We have launched training to help



support colleagues dealing with **perimenopause and menopause** and have enhanced our health plan so staff can access treatments and therapies to manage any symptoms.

Our in-house **W.E. Benefits** scheme helps staff cut the cost of everyday spending on good shopping and one-off purchases, including white goods and days out. This service is also available to our customers.

Different Together brings together our work on Equality, Diversity and Inclusion for Wheatley staff. We recognise the value of diversity in our employees and communities, and the benefits this can bring.

Our focus goes beyond just meeting our legal obligations – we believe creating an equal, diverse and inclusive environment for our employees is the right thing to do.

Living Wage, gender pay gap and staff absenteeism

Although we do not have accreditation with the Living Wage Foundation, Wheatley Group pays all staff the Real Living Wage across all Group subsidiaries and is committed to increasing pay in line with the Real Living Wage in future years. Furthermore, we require all building contractors on our framework to adhere to paying the Living Wage.

From April 2017, all organisations employing over 250 employees are required to publish their gender pay gap figures. This year, three of our Group subsidiaries met the qualifying criteria (Wheatley Homes – Glasgow, Wheatley Care and DGHP). Dunedin Canmore is no longer in scope for the gender pay gap reporting with staff numbers under 250 for 2021-22.

Wheatley Group subsidiary	Mean gender pay gap		
	2019-20	2020-21	2021-22
Wheatley Homes Glasgow	-25.8%	-21.7%	-20.7%
Wheatley Care	-3.9%	-4.2%	-4.7%
Dunedin Canmore	-3.6%	0.3%	Not in scope
DGHP	Not in scope	-6.5%	-15.2%



In all cases, the mean pay gap figure is calculated by adding total pay and dividing by the number of staff and shows that women are, on average, paid more than men across these subsidiaries.

More detailed information is included in the gender pay gap reports:

- Gender pay gap | Wheatley Homes Glasgow (wheatleyhomes-glasgow.com)
- Gender pay gap | Wheatley Care (wheatley-care.com)
- Gender pay gap | DC (dunedincanmore.org.uk)
- Gender Pay Gap | Dumfries and Galloway (dghep.org.uk)

Absence rates are reported in our Annual Return on Charter (ARC) to the Scottish Housing Regulator. As of 31 March 2022, absence rates measured by the percentage of working time lost for the Registered Social Landlord subsidiaries are set out in the table below. Like many large employers, we recognise the pandemic has had an impact on our employees. We have implemented enhanced support and training for staff and managers.



Wheatley Group Subsidiary	Absence rate: % of working time lost		Staff numbers*	
	2020/21	2021/22	2020/21	2021/22
Wheatley Homes Glasgow	1.62%	3.57%	1452	1623
Loretto	0.44%	4.72%	20	79
Dunedin Canmore	1.38%	3.06%	205	213
WLHP	1.08%	9.53%	7	7
DGHP	1.46%	1.63%	266	294

*Staff numbers reported in line with SHR Annual Return on Charter definition



Governance

Structure and governance

The Group and each of our Registered Social Landlord (RSL) subsidiary companies is regulated by the Scottish Housing Regulator (“SHR”) and complies with the SHR’s Regulatory Framework (“the Framework”) and Regulatory Standards of Governance.

The Parent Company, Wheatley Housing Group, and all Group subsidiary RSLs confirmed compliance with all relevant regulatory requirements set out in Chapter 3 of the Regulatory Framework, all relevant standards in the Scottish Social Housing Charter and all relevant legislative duties.

While all subsidiary RSLs are registered charities, the Parent Company is not, and is a private company limited by guarantee without share capital. The shareholders are the members of the Board, who each hold a single share with equal voting rights. The percentage of voting rights will change from time to

time depending on the number of Board members but will generally be 7.15% (with 14 Board members).

We are currently in the process of consolidating the Group structure to streamline the operating structure into geographically based RSL’s: reducing the number of RSLs in the west of Scotland to two (Wheatley Homes Glasgow and Loretto), south-west of Scotland (DGHP) and combining our two RSLs in the east into one entity (Dunedin Canmore). We recognise that distinct local characteristics across our geographies exist; for example, the largely rural nature of Dumfries and Galloway compared to the cities of Glasgow and Edinburgh, and we consider that locally based governance, and local tenant voices on boards, remain critical in that context.

Board and trustees

The Wheatley Board comprises up to seven Non-Executive Directors, up to six Subsidiary

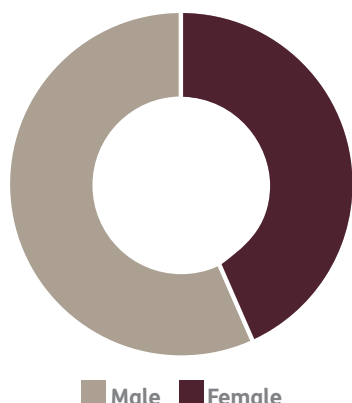
Chair Board members and the Group Chief Executive. The Board meets every two months and holds an annual two-day strategy workshop.

Decision-making on key operational matters in each partner organisation remains the responsibility of each individual subsidiary board, putting its customers and communities at the heart of its decisions, listening and responding to feedback. Board Minutes and Group Standing Orders are publicly available on the Wheatley Group website.

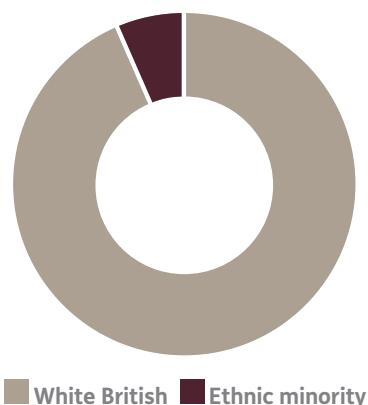
The function of the Wheatley Group Board is to pull together the component strands of the Group and to take a strategic overview of its activities. The Board ensures the Group uses its size and scale to achieve maximum value for money and efficiency for our customers and communities.

The Group Board has a majority of female members (57%), with

Board: Gender representation



Board: Ethnic diversity



ethnic minority⁷ representation of 7%. The average age of Board Members is 59.1 years.

In 2021/22 there was a 33% Board turnover. This was a higher figure than normal due to a combination of scheduled retirements, extensions agreed during the pandemic to support Board continuity expiring and a reduction in the size of the Board. Board continuity was maintained by three of the four new appointments being internal from subsidiary boards.

We currently operate a tenure limit of nine years. The Group Chief Executive is the only Executive Team member of the Board with the remaining Board

(93%) being non-executives. The Chair and CEO are separate roles. Our new Chair, Jo Armstrong, was appointed in September 2021, following six years as a board member and Chair of the Group Development Committee.

Our auditors, KPMG, were appointed in September 2016.

A strategic governance review was completed during 2021/22 by Campbell Tickell.

Our Non-Executives are subject to an individual annual appraisal process to monitor their performance and identify any areas for continuous improvement. We support our Non-Executive Directors by having a Continuous Professional Development programme in place which draws on a range of external experts, including the Institute of Directors, Quality Scotland and our external legal advisors. This allows our Non-Executives to refresh and maintain the key skills and experience they require to discharge their duties.

Systems and risk management

The Board of Wheatley Housing Group is responsible for ensuring an effective system of internal financial control is maintained within all members of the Group. The Board has established a framework for providing effective internal financial control including:

- written policies and procedures including Standing Orders setting out delegated authorities across Group subsidiaries and organisational

structure to support business processes and with clear lines of responsibility;

- employment of suitably qualified and experienced staff to take responsibility for key areas of the business. This is supported by a formal personal development programme;
- adoption of a risk-based approach to internal control and maintenance of risk registers which evaluate the likelihood and impact of identified corporate risks, designate responsibility for monitoring and reporting progress against the Group's key risks;
- financial plans and budgets supporting strategic and operational financial targets, monitoring and forecasting performance against targets and key performance indicators, all of which are reviewed by the Board; and
- conflicts of interest policy conflicts are handled through a specific agenda item at the start of every meeting and this is on the basis of the terms of Article 38 of our Articles of Association 'Interests'.

⁷ The Report of the commission on race and ethnic disparities, Recommendation 24

<https://www.gov.uk/government/publications/the-report-of-the-commission-on-race-and-ethnic-disparities/foreword-introduction-and-full-recommendations>



The Group Board is supported in discharging its duties by four sub-committees.

Committee name	Function
Remuneration, Appointments, Appraisal and Governance Committee	Responsible for approving the process for recruitment, selection, succession planning and appraisal of Board members and for ensuring Board members within the Group have the necessary balance of skills and experience to fulfil their roles. The committee evaluates and reviews the Group's governance framework on an ongoing basis.
Group Audit Committee	Responsible for oversight of the Group's system of internal control, compliance assurance and risk management. It is responsible for approving the Internal Audit plan and ongoing monitoring of its implementation. It also oversees the external audit process, including agreeing the annual external audit plan and undertaking a detailed review of financial statements. The committee is responsible for reviewing the effectiveness of the overall risk strategy and reviews the strategic risk register.
Group Strategic Development Committee	Responsible for reviewing any new major strategic projects and initiatives on behalf of the Group Board, in particular fundraising and strategic partnerships.
Development Committee	Responsible for appraising and approving all development projects across the Group RSLs and Lowther Homes. Please note, this subcommittee was replaced by Wheatley Developments (Scotland) Limited on 1 April 2022.

Individual subsidiaries each have their own Board which is responsible for setting their strategy which aligns with the overall Group strategic direction and reflects their unique circumstances and customer priorities. Each subsidiary Board is composed of Non-Executive Directors based on its own individual skills matrix and across the Group. In addition, 25% of our governing body members are tenants who live in our communities.



Supply chain

The Group's procurement and sustainability strategies ensure compliance with sections 24 and 25 of the Procurement Reform (Scotland) Act 2014 which sets out requirements that:

- public contracts over the value of £4 million will incorporate appropriate community benefit requirements and opportunities; and
- delivering community benefits is a core part of contract compliance.

We have embedded commitments to include social value into our procurement processes by way of our 'Community Benefits' approach. We require our partners to deliver a minimum number of work placements, training opportunities, apprenticeships, new jobs, mentoring and a charitable contribution

per property as an integral requirement of working with Wheatley Group.

Community Benefits are required for all goods and services procurements valued above £500k and for all new-build contracts greater than £2 million. The commitments from our contracting partners increase steadily based on the value/banding of the contract (for example for a Band 9 new-build contract which is for projects greater than £18 million, our contractor would have to deliver a minimum of 19 work placements and training places, eight apprenticeships, 10 new jobs and £775 charitable contribution per new-build unit.

Wheatley Group creates successful and attractive places in partnership with the construction industry.

Our development contracts set out clear principles which include requirements to embed sustainability into new-build projects. This includes energy efficiency, floor space, access to green spaces, commitments on electric vehicle charging points as well as the various community benefits as set out above.

