



**WHEATLEY HOUSING GROUP LIMITED
SC426094**

**MEETING OF BOARD OF DIRECTORS
held at Wheatley House, 25 Cochrane Street, Glasgow G1 1HL**

on Wednesday 18 December 2019

Directors Present: Alastair MacNish (Chair), Jo Armstrong, Martin Armstrong, Jo Boaden, Bryan Duncan, Professor Paddy Gray, Bernadette Hewitt, John M Hill, Martin Kelso, Angela Mitchell and James Muir

In Attendance: Anthony Allison (Director of Governance), Steven Henderson (Group Director of Finance) and Alex Adrain (Managing Director, Wheatley 360, item 6 only), Tom Barclay (Group Director of Property and Development, items 6,8 and 9 only) and David Fletcher (Director of Development, items 8 and 9 only)

1. Apologies for Absence

Apologies were received from Sheila Gunn, Peter Kelly and Mary Mulligan.

2. Declarations of Interest

The Board noted the standing declarations of interest.

3. Minutes of Meeting held on 30 October 2019 and 29 November 2019.

Decided: The Board approved the minutes of 30 October 2019 and 29 November 2019.

4. Group CEO Update

The Board received an update on a range of matters including: recent senior staffing appointments; the Scottish Housing Regulator circular on incidents of fraud and how we assess and mitigate the risk of fraud; the extension Freedom of Information (Scotland) Act; and our recent credit rating update.

5. a) Constitutional Partnership and Barony restructuring

It was confirmed we have now concluded the partnership with Dumfries and Galloway Housing Partnership ("DGHP"), with the DGHP Extraordinary General Meeting support matching that of the tenant ballot. The Board strongly welcomed the strong support from DGHP tenants for the partnership.

The Board discussed the feedback from the DGHP independent tenant advisor, which confirmed no significant issues were raised by tenants.

An update was provided on progress with the Barony restructuring, with the core elements remaining on track.

Decided: The Board noted the progress update including the extremely strong support for our proposed partnership among DGHP tenants.

b) DGHP refinancing outcome

The Board received a presentation on the outcome of the recent DGHP refinancing, confirming the breakdown of the new funding and that we have achieved a rate below the DGHP business plan assumption.

The Board acknowledged the significant work undertaken in completing the refinancing in such a challenging timescale and, crucially, the savings which can be reinvested for the benefit of DGHP tenants.

Decided: The Board noted the content of the presentation.

6. Group Fire Safety update (including presentation)

The Board received a detailed presentation on our fire prevention and mitigation activity, including: our success to date in reducing accidental fire dwellings; a recap of the core elements of our Fire Prevention and Mitigation Framework and progress in delivering each element; the legislative framework and guidance concerning fire safety; our approach to Fire Risk Assessments as part of our overall package of measures; how we support vulnerable customers; and our performance, governance and assurance approach.

The Board welcomed the comprehensive range of activity already embedded in how we work. The Board further discussed in depth our approach to categorising risk and how this is translated into our investment and maintenance cycle. It was explained that we maintain a sharp focus on mandatory compliance areas with a clear, structured approach to delivering additional investment alongside the mandatory elements.

The Board discussed how it will receive ongoing assurance, including via the Group Audit Committee. It was explained that a clear focus exists within our management structures on clearly defined roles and responsibilities.

It was clarified that the Scottish Fire and Rescue Service (“SFRS”) are responsible for guidance relating to whether to stay within the home. It was further explained that we have engaged with our tenants extensively post-Grenfell to ensure they are clear on the SFRS guidance.

The Board discussed how we ensure our assurance process involves tenants. It was explained that this will be the case, particularly via our High Rise Forum.

The Board discussed our fire suppression systems, which it was confirmed are heat activated which also identify very small fires.

The Board sought clarification on our approach to renewing fire doors. It was explained that this was undertaken as part of cyclical maintenance, along with ongoing compliance testing.

The Board reiterated its reassurance and the need for ongoing updates regarding fire safety, particularly where any reviews to legislation or guidance emerge.

Decided: The Board noted the annual update of the implementation of the Framework and approved the fire risk assessment methodology including assurance reporting to the Audit Committee.

7. Group Delivery Plan 2019-20: Quarter 2

The Board received a summary of performance for the year to date, in particular our ongoing analysis of the implications of Universal Credit on our customers and performance. It was explained that we are reviewing our approach to rent collection and that absence levels continue to be low.

The Board recognised the challenges Universal Credit presents for rent collection and the positive impact our mitigations have had. The results of the recent Care Inspectorate inspection within Barony were discussed, with assurance given the recommendations raised have been addressed.

The Board discussed our performance regarding lets to homeless, the implication of Housing First and our targets for the proportion of lets to homeless.

The Board discussed the progress with Housing First more widely, including how it impacts our understanding of tenancy sustainment and the associated costs.

Decided: The Board noted the contents of this report.

8. Group New Build Performance Report

[Redacted]

9. Project update: Bell Street Conversion

The Board received a detailed update on finalisation of the conversion, including the circumstances which led to the cost pressures with the project. The Board discussed the mitigations taken to minimise the cost increases and recognised the risks which were associated with the project.

The quality and unique nature of the overall product was welcomed by the Board.

Decided: The Board

- 1) noted that the Group Development Committee considered and approved the additional costs for the GHA Bell Street project at their meeting on 29 October 2019;
- 2) noted that the GHA Board considered and approved the additional costs for the Bell Street project at their meeting on 29 November 2019; and
- 3) agreed the increase in costs of £490,566 over the originally approved figure for the GHA Bell Street conversion project.

[Item 10 redacted]

11. Strategic Risk Register update

The Board considered the updates recommended by the Group Audit Committee and agreed they reflected our operating context and environment.

Decided: The Board approved the amendments to the strategic risk register.

12. Business Continuity Annual Report

The Board received an update on business continuity, including the two incidents which occurred and how they were managed.

The Board discussed the potential implication of Brexit for staffing continuity, particularly in care. It was confirmed a very small number of our staff could potentially be affected and this did not represent a material risk.

The Board considered how the plan will be extended to DGHP, whose different geography would give rise to more bespoke continuity requirements. It was confirmed this was planned as part of the overall integration.

Decided: The Board noted the content of the report.

13. Finance Performance 2019/20

The Board received an update on financial performance for the year to date, particularly: grant income; staffing and ER/VR costs; interest; and variation within cyclical maintenance.

The Board discussed the activity underway at City Building (Glasgow) to improve access rates for TMVs and welcomed the continued focus.

The Board discussed the increase in spend within City Building (Glasgow), which it was confirmed was offset by a corresponding increase in income.

The spend on new build relative to the size of the programme was discussed and it was confirmed that we were utilising capacity across the wider Group.

Decided: The Board noted the financial performance for the Group to 31 October 2019, with an update on performance to 30 November 2019.

14. AOCB

The Board were advised of our recent 7-star recognition by EFQM and plans to recognise staff.