



Group Statement on Environmental, Social and Governance

2022/23

[wheatley-group.com](https://www.wheatley-group.com)

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About Wheatley Housing Group

Wheatley Housing Group ('Wheatley' or 'the Group') is Scotland's leading housing and care provider. Supporting our customers through the current Cost of Living Crisis has been possible as a result of our customer-focused model, our strong financial position, high quality homes and robust governance.

2022/23 was the first full year of our new **Sustainability Linked Loans**, which sought to link the delivery of several environmental and social impact ambitions with the cost of a number of our bank facilities. Our objective in setting the targets with our lenders was to reflect the Group's mission to make homes and lives better for our customers. The targets included:

- All new build homes to meet EPC Band B energy efficiency rating
- At least 50% of new lets to be made to people experiencing homelessness
- At least 50 educational bursaries to be provided to our customers





We were successful in year one delivery with the Group completing 644 new homes during the year, all of which met EPC Band B certification. Over 2,200 homes (53% of all new lets for 2022/23) were allocated to applicants who were previously experiencing homelessness, making a significant difference to tackle this national problem. The Wheatley Foundation awarded 56 educational bursaries to customers this year to enable them to access further and higher education.

We launched our **£6 million Here For You Fund** in August 2022 in recognition of the challenges faced by our customers from rising heating costs, food inflation and stretched household budgets. With over 33% of our tenants receiving Universal Credit (an equivalent of £368.74 per month for single claimants aged 25 or over) and we recognised the requirement to support customers with three key expenses: rent, food, and heat. A total of 10,400 customers were referred for this lifeline support via their housing officers. With fuel poverty felt most

keenly by those living in our communities, the importance of delivering our **Greener Homes, Greener Lives** retrofit projects across our existing assets grows ever more important. Improving insulation, upgrading windows and doors and fitting smart heat control systems means that over 90% of our homes are now EPC Band C or higher, and our carbon emissions from our homes were reduced by 4,138 tonnes.

In the current high inflationary environment, balancing the delivery of energy efficiency improvements with rent affordability is extremely challenging. It is essential that those least able to afford energy transition should not bear the brunt of the cost. We have been successful at attracting grant funding from Scottish Government via the Social Housing Net Zero Heat Fund to aid the delivery of several large projects over this year and next.

Our guiding principle is to ensure our rents remain affordable for our customers. Informed by our Stronger Voices programme, our rent consultation included the

views of over 9,000 customers and we are able to hold our rent increases substantially below inflation and below the average for the Scottish sector.

Our RSL Boards all have tenant board members who advocate for their communities, bringing their lived experience to support decision making in the best interests of our customers. Through our **Different Together**¹ programme of works we, including our Boards, are committed to ensuring Equality, Diversity and Inclusion (EDI) are reflected in everything we do. As an inclusive organisation we will work to ensure both employee and customer voices are heard and feed into the activities and decisions that shape the organisation.

Further information can be provided to existing and prospective investors as required via our Investor Relations team².

¹https://www.wheatley-group.com/_data/assets/pdf_file/0021/223068/Wheatley-Group-EDI-Statement-of-Commitment-signed-2023.pdf

² Get in touch | Wheatley Group ([wheatley-group.com](https://www.wheatley-group.com))

Environmental

We launched the Group's Sustainability Framework in February 2023 with four overarching outcomes, which aid the Group in the delivery of our sustainability ambition and align with the UN

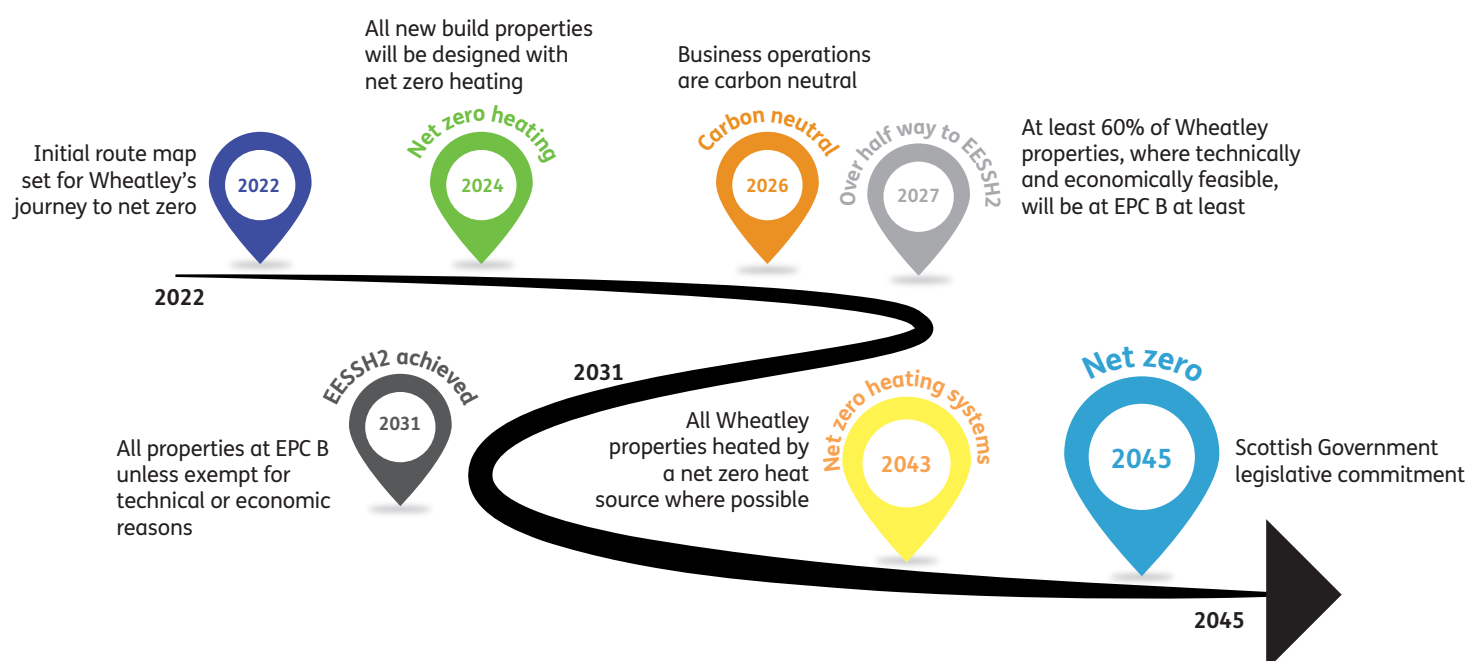
Sustainable Development Goals³ of No Poverty (1), Good Health & Well-being (3), Affordable and Clean Energy (7), Decent Work and Economic Growth (8) and Sustainable Cities and Communities (11):

Existing Homes Achieve EESSH2 target by end 2031/32 Net-Zero emissions from all properties where technically feasible by end 2043	New Homes All properties at minimum of EPC B and with Net-Zero heating systems in line with planning timescales (no approvals with fossil fuel after 2024)
Business Operations Carbon neutral by end 2026 including decarbonised fleet where feasible, and use of green electricity	Supporting contributors Build understanding and support action including among staff and communities to address climate emergency

Progress towards these outcomes, and other objectives and targets defined through this framework and included in the supporting Action Plan are now monitored through a sustainability performance measurement framework which is embedded in Board and Executive Team reporting. We will also prepare a progress report each year to the Wheatley Board which will be reviewed

in advance by our expert Pathway to Net Zero Advisory Group.

While advances in technology and potential changes to legislation may accelerate or change the timetable for delivery of net zero, as it stands, our route-map is set out below:



³<https://sdgs.un.org/goals>

Carbon emissions

We are now in our third year of working with Planet Mark, retaining our certification with them. We have a commitment to being carbon neutral in our business operations by 2026 and continue to make progress on this ambitious target.

The figures, validated by Planet Mark, are set out below:

Corporate activities only*	2020/21 (CO _{2e} e tn)	2021/22 (CO _{2e} e tn)	2022/23 (CO _{2e} e tn)
Scope 1	126.6	1614.0	1847.0
Scope 2	75.4	476.7	279.2
Scope 3	21.0	274.1	458.2

*2020/21 restricted to corporate headquarters building only due to the pandemic (rest of office network closed)

Planet Mark's assessment of our business operations this year is its most comprehensive yet. This has allowed us to develop a fuller picture of emissions across our business and to update our understanding from earlier years. The increase in 2022/23 in Scope 1 and Scope 3 emissions from 2021/22 is a result of our business being fully mobilised. The reduction in Scope 2 emission is a direct result of improvements we have made in our corporate estate to improve energy efficiency.

Using the methodology set out by the UK Government Committee for Climate Change⁴, we estimate that CO₂ emissions from our homes are approximately 196,000 tonnes/year.

Our new-build homes average CO₂ emissions of around 1.8 tonnes/year, while existing homes produce around 3.0 tonnes/year. Our target to reduce CO₂ emissions increases over time, and this year we



achieved a reduction of 4,138 tonnes against a target of 4,000 tonnes.

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

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

'Net zero' renewable energy system



Sustainability projects - solar generation



Energy Performance Certificate (EPC) overview

The Scottish Government is consulting on the Energy Efficiency Standard for Social Housing 2 (ESSH2) to better align it with net zero and anticipates any changes to the existing target to be finalised by the end of 2023.

The ESSH2 2032 milestone requires all social housing meets, or can be treated as meeting, EPC Band B, or is as energy efficient as practically possible, by the end of December 2032 and within the limits of cost, technology, and necessary consent.

As it stands, EPC is a recognised measure of the energy performance of a home, and we record this data as required by the Scottish Housing Regulator (SHR). We record the continuous improvements delivered by our retrofit programmes year-on-year as set out in the table opposite:

EPC ratings	2021/22		2022/23		Y-o-Y
	No. of homes	%	No of homes	%	Variance
A	2	0.0%	59	0.1%	57
B	9,473	14.8%	10,573	16.5%	1,100
C	47,382	74.0%	47,534	74.3%	152
D	6,282	9.8%	5,107	8.0%	-1,175
E	875	1.4%	741	1.2%	-134

Case study: Wheatley Homes Glasgow – Canadian Timber homes retrofit

Wheatley Homes Glasgow completed a £1.6 million investment to deliver a ‘deep retrofit’ project in Drumchapel, Glasgow. 36 homes in Drumchapel will now have heating bills cut by up to 87% thanks to the innovative energy-efficiency work delivered on the Canadian timber style homes. These homes were constructed in a non-traditional post-war style and are semi-detached with an external timber frame panel system and suffered from low levels of insulation and inefficient electric heating systems.

The investment has achieved an improvement in EPC rating from band E to band B and a reduction of almost 7 tonnes of carbon emissions per home annually. An external insulated render system has been installed to the existing timber cladding along with new double-glazed windows and doors to improve the thermal efficiency of the buildings.

Out-dated electric storage heating has been replaced by high-efficiency, air source heat pumps, solar panels and a heat recovery system, allowing energy used at the property to be partially self-generated.

The work was supported by Union Technical Services and energy providers, with 70% of the funding provided by the ECO4 fund. The UK Government requires major energy suppliers to fund the Energy Company Obligation (ECO) scheme. This means that all the large energy suppliers are required to enhance



energy efficiency across the United Kingdom to reduce the country’s carbon emissions. The ECO4 scheme targets lower-income households and is part of the UK Government’s strategy to enhance energy efficiency in households that are vulnerable to fuel poverty, where reduced heating costs make the biggest difference to the quality of life. The project is a clear example of a ‘just transition’, with a balance of reducing carbon emissions and lower energy bills for our customers.

Ecology

We remain proud recipients of the Keep Scotland Beautiful (KSB) accreditation scheme, with five-star awards for Wheatley Homes East, Lowther Homes and Loretto. Our Neighbourhood Environmental Teams (NETs) are actively involved across our

communities, keeping our local environments to a very high standard. 83% of our Wheatley Homes Glasgow neighbourhoods now have a five-star award and 91% of our communities are now actively involved in the KSB scheme (up from 15% in 2020/21).

The NETs team now lead four seasonal environmental campaigns engaging with our local communities to work closely with their neighbours to improve on local areas for the benefit of all. Staff collaborate with customers to create a programme of work to be delivered during a “Week of Action” within our communities with activities including bulk uplift amnesties, furniture upcycling, community clean-up events, tree-planting and painting benches and other outdoor furniture.



NETs team Glasgow



Case study: The Wee Forest in Milton, North Glasgow

A Wee Forest – also known as a Tiny Forest – is made up of 600 densely packed native trees in a space the size of a tennis court. Based on an idea from Japan, it is capable of attracting more than 500 animal and plant species.

We set aside land at Castlebay Drive for the forest, which has been planted and will be cared for in partnership with pupils at Miltonbank primary. The project aims to improve local biodiversity and help tackle climate change, as well as allow local communities to connect with nature.

The Castlebay Drive Wee Forest is a partnership between Wheatley, the school and a local Group - The Conservation Volunteers.

“The Wee Forests give us a way of connecting people and green spaces. They deliver environmental improvements and give us a way to involve the local community in the management of their environment.”

Dave Alcorn, TCV Operations Leader



School pupils with The Conservation Volunteers (TCV)



School pupil from Milton



Resource management

Our repairs and maintenance company, jointly owned with Glasgow City Council, City Building (Glasgow) LLP operates 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, 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.

We launched our Generation 3 New Build Framework on 31

March 2023 which includes stretching sustainability requirements for our contractors as set out below:

- participate in the Considerate Constructors scheme;
- 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 published by the climate action group WRAP. www.wrap.org.uk;
- ensure that the project design achieves Building Standards Section 7 Sustainability, Silver Standard Aspect 1 to 8 unless confirmed otherwise;
- provide Energy Performance

Certificates (EPCs) undertaken by an approved accreditation scheme in electronic form to the Group; and

- protect all trees, hedges, shrubs and grassed areas and/or replaced if uprooted or destroyed during the course of the construction 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

An operational challenge was presented by the Scottish Government's rent control legislation, announced in early-September 2022 alongside their Programme for Government. We, in partnership with other Scottish RSLs and the Scottish Federation for Housing Associations (SFHA), worked with our partners in government to provide assurance that any rent settlement for social rented properties would be delivered significantly below the prevailing rate of inflation.

The Minister for Tenant Rights agreed in December that the Cost of Living (Tenant Protection) Act would not apply to social rented homes. This legislation remains in force for both the private rental sector and for mid-market rent (an affordable rent tenure offered by Lowther Homes) until March 2024. This restricts rent increases to a maximum of 3% per annum for these tenures.



Our commitment to the rent affordability, whilst working to ensure that the Group will remain financially sound to deliver all our services to the highest standard remains a key strategic commitment. We undertook an extensive programme of advanced customer engagement, and ran an independent process with Civica, receiving almost 9,000 responses to the rent consultation, an all-time high level of engagement.

Following this process, and with the support of our customers, we agreed an average rent increase for 2023/24 across our Registered

Social Landlords of 3.9%⁵. This was among the lowest increases in Scotland, significantly below both the RSL average of 5.34% and the prevailing rate of inflation at the time (10.1% in January 2023, when the consultation was underway).

In the wider market, a comparison between social rents⁶ and market rents⁷ for the same property type clearly demonstrate the relative affordability of the former. The year-on-year rent increases in our major cities and commuter areas has been significant over the course of the last year as set out below:

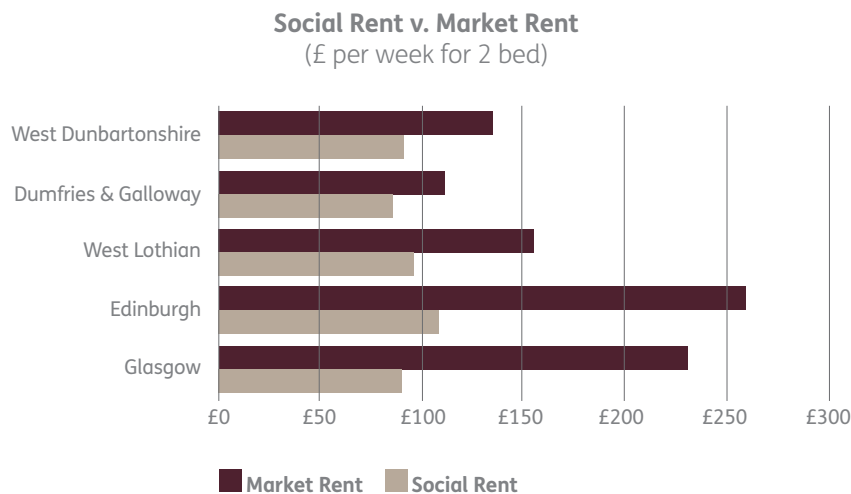
	2021/22		2022/23			
	2 bed		2 bed			
	Social rent	Market rent	Social rent	y-o-y increase	Market rent	y-o-y increase
Glasgow	£88.30	£197.69	£89.73	1.15%	£230.54	16.62%
Edinburgh	£107.46	£226.92	£107.81	0.93%	£258.69	14.00%
West Lothian	£94.65	£150.51	£96.21	1.07%	£154.38	2.57%
Dumfries & Galloway	£82.42	£109.78	£84.10	1.24%	£110.77	0.90%
West Dunbartonshire	£89.28	£123.58	£91.08	1.14%	£134.31	8.68%

5. Wheatley Homes Glasgow 3.9%; Loretto 3.9%; Wheatley Homes South 4.4%; Wheatley Homes East 2.5%

6. Average social rents for 2021/22 per Scottish Housing Regulator statistical information. (<https://www.housingregulator.gov.scot/landlord-performance/statistical-information>)

7. Average monthly private rents per Citylets 2022 Q1 for Glasgow, Edinburgh and West Lothian <https://www.citylets.co.uk/research/reports/pdf/Citylets-Quarterly-Report-Q1-2022.pdf>

A 2-bed home in Edinburgh for social rent is 42% of the equivalent in the private rental sector, while Glasgow is around 38% of the market rent level.



Building safety

We work in partnership with the Scottish Fire and Rescue Service (SFRS) and ensure legal compliance with fire safety legislation and best practice guidance via adherence with our Fire Prevention and Mitigation Framework (FPMF).

The framework sets out our approach to proactively reducing the risk of accidental dwelling fires via a programme of person-centred risk assessments where housing officers have identified a degree of vulnerability for our

customers. Our interventions can range from simple lifestyle support measures such as gifting air fryers to reduce the chances of accidental chip pan fires, to identifying where more vulnerable customers may need additional support to manage hoarding or other challenges which may result additional risk of fire incidents.

Limited data available for West Dunbartonshire and Dumfries and Galloway. Private rents from Scottish Government Private Sector Rent Statistics, year to September 2022 (<https://www.gov.scot/publications/private-sector-rent-statistics-scotland-2010-2022>)

Higher risk buildings (high-rise and sheltered/supported living accommodation) are also subject to fire risk assessments due to specific protocols required. The safety visits and assessments are undertaken by our in-house Fire Safety team using the industry standard PAS 79-2:2020 methodology.

Our proactivity with a targeted approach in risk assessment continues to deliver reductions to accidental dwelling fires across our c. 65,000 homes as set out in the table below:

	2020/21	2021/22	2022/23
Fire risk assessments	63	193	137
Person Centred Risk Assessments	213	547	737
Accidental dwelling fires	217	151 (30% reduction)	147 (2.5% reduction)

Our **Group Fire Safety Team** won two awards during 2022/23 for Team of the Year (British Safety Council) and Fire Team of the Year (Fire Safety Matters) for their efforts in targeting accidental dwelling fires by increasing our home fire safety visits (Person Centred Risk Assessments).



Smoke and heat detection

Our homes have been fitted with ceiling-mounted interlinked smoke and heat detectors in compliance with Scottish fire regulations since February 2022. The alarms comply with BS EN14604:2005 for smoke alarms and BS 5446-2:2003 for heat alarms with carbon monoxide alarms holding a British Kitemark (EN 50291-1). The alarms are fitted in the living rooms, hallway/landing, and the kitchen of each of our c.65,000 homes.

Resident voice

Launched during 2021/22, our Group engagement framework, **“Stronger Voices, Stronger Communities”** enables our customers to become more involved in the Group’s decision

making by joining our **“Stronger Voices”** community. This year, customers have input into decisions on local service delivery, policy-making and strategic projects across our communities. We have engaged over 2,000 residents across our communities in over 1,200 activities and local events.

Embedding a strong customer voice helps us to achieve our aims and objectives and improves service delivery for all our customers and communities. It helps us to listen to and consult with our wider community and ensures customers are engaged in co-creating our services, involved in decisions on investment and the future development of

our organisation. It also helps us to ensure we have diverse representation of voices which truly represent our customer base by enabling a wide variety of activities in-person, digitally and via the telephone as suits the customers’ needs.

All customers and their families are eligible to join the Customer Voice community. There is no commitment to participate on a regular basis and people can take part as much, or as little, as they wish. There are various types of activities customers can be involved in across Wheatley Group, including:

Focus Groups	Neighbourhood walkabouts	Scrutiny panels
These groups are hosted online, and topics have included improving services for families, local environment, allocations policy, neighbourhoods, and the repairs & investment services	Customers are involved in our community walkabouts which involve different departments walking in our neighbourhoods, looking to identify any potential issues and to discuss suggestions for rectification	These panels allow customer to closely examine our performance and different services across Wheatley Group, providing a safe space for honest and open feedback
Keep Scotland Beautiful	Digital surveys and questionnaires	
KSB helps us to monitor the standards of our environmental areas. Customer volunteers can be trained on assessing and giving scores to these areas, working with our NETs teams to help improve our gardens and local environments	Customers can return surveys and questionnaires on specific topics to give information and details to help us improve and review our online services at a time that suits their lifestyle and other commitments	

Our tenants and service users make up 40% of our board members across the Group, ensuring the resident voice has a key part in informing and shaping the strategic objectives of Wheatley. Our largest subsidiary, Wheatley Homes Glasgow has a tenant chair.



Case study: Reminiscence Art Classes, Wheatley Homes Glasgow

Our Stronger Voices team worked with our Wheatley Care Community Engagements and Activities Coordinators in the south of the city, setting up Reminiscence Art Classes for our Livingwell tenants in connection with a charity called UThink. Livingwell is a service for older people, supporting customers aged 55 and over to live in their own homes for longer.

The 5-week art course culminated in an exhibition where our customers could showcase their art to friends and family, along with other Wheatley Group staff. Customers of all skill levels learned how to trace, shade and draw famous figures such as Billy Connolly, Diana Ross, Bob Marley



and Marilyn Monroe. During the classes, customers were encouraged to chat with each other and reminisce about these figures, whilst also listening to relevant music from the time.

This helped our customers with memory issues and allows them to meet new people from other Livingwell sites, as well as

learning new skills along the way, in a friendly, relaxed atmosphere. The classes were a great help in re-building confidence and developing art skills, as well as reintroducing a social aspect to our service following the challenges of isolation during the pandemic.

Customer satisfaction with our services

A number of key performance measures from our tenant satisfaction surveys and reported to the Scottish Housing Regulator for the 2022/23 Annual Return on Charter are set out in the table below. Please note, sector average figures are not yet available for 2022/23, and we include the average for 2021/22:

Scottish Housing Regulator: Annual Return on Charter					Sector Average (2021/22)
	Wheatley Homes Glasgow	Loretto	Wheatley Homes East	Wheatley Homes South	
Overall service	87.6%	84.1%	96.0%	94.8%	87.7%
Kept informed	88.2%	75.6%	95.0%	95.9%	91.2%
Opportunities for participation	80.1%	63.6%	93.6%	94.8%	86.8%
Satisfaction with repairs service	88.8%	89.8%	91.2%	83.2%	88.0%

Customer Service Excellence (CSE) is the national standard for excellence in customer service in public sector organisations overseen by the UK Government's Cabinet Office⁸. Wheatley achieved full compliance in all aspects of the standard, retaining 21 'compliance plus' marks, the highest grade which can be achieved, after an assessment over the summer in 2022. The CSE assessor said staff were "passionate about supporting customers".

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

Resident support

Our small patch sizes ensure we can be closer to our residents – supporting them to live in warm, safe and peaceful homes.

We have worked closely with Police Scotland and the Scottish Fire and Rescue Service for over 10 years in a collaboration known as the Community Improvement Partnership (CIP). This award-winning service delivers tangible benefits across our communities, reducing anti-social behaviour and crime across our communities.

Wheatley Care's Tenancy Support Service (TSS), a team of 50 staff, support our customers with issues relating

to their tenancies, including employability, mental health issues, money or debt problems and independent living skills. These customers are referred from housing officers and other staff members, working to deliver positive outcomes for the people we support, with the overall aim of every person being able to maintain their tenancy effectively.

Wheatley Foundation

Our Foundation team were deserving winners of the Community Contribution award at the 2023 Scottish Home Awards. Their work in supporting the Here for You fund launched in August 2022, and their campaign to support customers

through the cost-of-living crisis was rightly recognised, as well as their wider outreach work.

Targeting support for rent, heat and food, the £6 million fund enabled:

- 3031 households receiving 4291 supermarket vouchers;
- 3400 households receiving rent payment support; and
- over 7000 fuel vouchers provided to WHG tenants

Our Welfare Benefits Advisory team secured over £13m in otherwise unclaimed support for our customers as a direct result of the following interventions:

Programme	Households Supported	Financial Gain
My Great Start	1,225	£2.6m
Welfare benefit advice	7,386	£13m
Fuel advice	4,574	£0.4m

In the year, we supported 13,600 individual households across all our Foundation programmes, achieving all annual targets including:

- 19,000 practical interventions to alleviate financial pressures, including support provided through the Here for You campaign.
- 5,255 Wheatley Homes Glasgow children and young people participating in targeted Foundation activities.
- 802 Wheatley Works jobs, apprenticeship and training opportunities created.
- 56 bursaries provided to assist people to access further and higher education.

- £1.6m of external funding secured to support the delivery of Foundation programmes.

Our **Home Comforts** programme recycled over 2,200 items of furniture with white goods and electrical appliances provided to 614 households during the year, helping customers create a comfortable home and supporting tenancy sustainment.

Our **Starter Packs** provide customers who are moving into a new home with a helpful pack including kettle, toaster, cutlery, crockery, pots and pans, bedding, towels, and cleaning materials. 548 WHG tenants

benefited from this intervention.

The **John Wheatley Learning Network** (JWLN) provided free access to computers and the internet for 2,905 people living in WHG communities this year. The network, comprising 37 local centres, assists people to improve their digital skills and has supported 696 enrolments in certificated learning courses. The sessions support young people to learn new skills and gain accreditations in areas such as STEM, Music, Digital skills and gaming, with over 400 young people participating.

The **Dolly Parton Imagination Library** has delivered 2480 free reading books during 22-23 to 242 children living in WHG homes. The Foundation has now sent almost 27,000 books to children aged under 5, since the Imagination Library partnership was developed group-wide in 2018.

StreetwYze supported almost 200 young people across the East End of Glasgow to take part in workshop sessions to raise awareness of gang culture and knife crime – around one third of the young people supported were from WHG homes. Young people have been learning about the consequences and ripple effect on not only them.



Case study: Kennishead Larder

The Foundation supported the opening of a fourth community larder/pantry in Glasgow in partnership with Good Food Scotland. Since opening in September 2022, the new Kennishead Larder has become an instant hit in the community with 330 customers signing up to access healthy, low-cost food including fresh fruit and vegetables, meat, cheese, bread, baby food, nappies, frozen food and tinned goods. Halal meat is also available to cater for the local Muslim community. Tenants spend on average £9.85 each visit, which buys them food and other essentials worth up to £20.



“The cost-of-living crisis is making it difficult for families, and places like this are needed in communities like ours. You might have three or four kids and not a lot of money, but if you come here, you’ll be able to cook two or three meals and not pay as much. There is no need to worry about coming in because you’ll always be welcome, and you’ll be amongst people just like you.”

Cathy McGee, Kennishead Larder member and local resident.

Homelessness

Wheatley has a sector-leading commitment to tackling homelessness and rough sleeping across the communities in which we operate. We set a stretching target of providing 10,000 new lets to people experiencing homelessness over our 5-year strategy term (2021-26) and remain on track to achieve this goal. This represents over 50% of all new lets per annum. Our progress to achieving this target is set out in the table below.

In our new strategic agreements with Glasgow City and Dumfries & Galloway councils, we have refreshed our commitments to meet housing requirements for homeless households. We will work in partnership with the Health & Social Care Partnerships and the councils both strategically and operationally to address this issue, targeting specific social care groups including young people leaving care, older people, asylum seeking and refugee households. We are a partner in the Housing First initiative, tackling rough sleeping across Glasgow, Edinburgh, and Dumfries, and have provided 105 tenancies via this partnership during the year. We have also worked closely with local authority partners providing 223 homes for Ukrainian refugees.

“We appreciate the Wheatley Group, as Scotland biggest social landlord, making homes and support available to displaced people from Ukraine. Alongside their everyday work to support people with housing needs, they have recognised the importance of assisting national efforts to home thousands of people fleeing Ukraine.”

Neil Gray, MSP and Minister with Special Responsibility for Refugees from Ukraine (June 2022)

Equally important as securing a safe and warm place to live is the ability for our customers to sustain that tenancy. We target a tenancy sustainment rate⁹ of 90%. Using our Wheatley 360 division, we can provide specialist support to start a tenancy (My Great Start), benefits advice, financial inclusion services and fuel advice. Our Foundation provides support through Home Comforts with options for carpets, white goods, furniture, and food vouchers. Customers are also provided with access to our 24-hour customer first centre and our specialist Tenancy Support Service provides support for tenants who are struggling with aspects of maintaining their tenancy.



Ukrainian musicians



Home Comforts



Committing additional 100 homes to Housing First

	2021/22	2022/23	2023/24	2024/25	2025/26
Lets to homeless	2,475	2,207	-	-	-
Cumulative total / target	2,475	4,682	-	-	10,000
Against target	124%	117%	-	-	-

9. Defined as maintaining a tenancy for a period greater than 12 months

Staff wellbeing

The Chartered Institute of Public Relations (CIPR) named Wheatley as the winner of the best 'Staff Wellbeing Initiative' at this week's PRide awards for Scotland in October 2022.

Judges highlighted the amazing work of our Employee Wellbeing team and the Communications and Marketing team, in bringing engaging activities and resources to life, helping team Wheatley stay focused on managing their physical and mental wellbeing. The wellbeing initiative was launched during the pandemic to help staff through a difficult time and to help them adapt to the new style of working that has evolved since then. Wheatley created walking challenges to keep staff active while working from home, offered expert webinars on topics such as mindfulness, menopause awareness and stress, as well as news stories and features on health and wellbeing.

Staff requiring support can access our Employee Assistance Programme, PAM Assist, which is available 24/7 for counselling and emotional help. Our counsellors can also offer support to colleagues and their immediate household family to address family or couple concerns. Mindfulness practitioners run courses for our staff to learn techniques and coping mechanisms to handle everyday anxieties. A range of specialist workshops including Cognitive Behavioural Therapy (CBT) and wellbeing coaching are also available to all staff members.



Our annual health plan can help staff with related costs of glasses, dental care, physiotherapy sessions or alternative therapies. We also provide all staff with access to the W.E. Benefit discount site which provides daily discounts and deals on everyday purchases. Additional benefits include the cycle to work scheme, the opportunity for staff to buy annual leave and help with the cost of driving lessons.

Equality, Diversity and Inclusion

We are committed to ensuring equality, diversity, and inclusion (EDI) are reflected in our organisation and in everything we do. We completed our first ever staff and customer EDI survey during the year, the results of which informed a revision to our EDI policy and our first multi-year action plan. We have set up a number of networking groups, each with leadership team sponsorship to support staff members.

LGBTQ+

Disability and neurodiversity

Carers

Menopause

Race and multicultural

Age

We group our EDI work under the banner of **Different Together**, recognising the value of diversity in our staff and throughout our communities, and the benefits this can bring to our decision-making.

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. 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, four of our Group subsidiaries met the qualifying criteria for publication (Wheatley Homes Glasgow, Wheatley

Homes East, Wheatley Care and Wheatley Homes South). See *table 1*.

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:

<https://www.wheatleyhomes-glasgow.com/about-us/how-we-do-business/gender-pay-gap>

<https://www.wheatleyhomes-east.com/about-us/how-we-do-business/gender-pay-gap>

<https://www.wheatleyhomes-south.com/about-us/how-we-do-business/gender-pay-gap-reports>

<https://www.wheatley-care.com/about-us/how-we-do-business/gender-pay-gap-reports>

<https://www.wheatley-care.com/about-us/how-we-do-business/gender-pay-gap-reports>

Absence rates are reported in our Annual Return on Charter (ARC) to the Scottish Housing Regulator. As of 31 March 2023, absence rates measured by the percentage of working time lost for the Registered Social Landlord subsidiaries are set out in the *table 2* below. Wheatley has enhanced training for managers to help support colleagues back to work after a period of illness.

table 1

Wheatley Group subsidiary	Mean gender pay gap		
	2020 - 21	2020 - 22	2022 - 23
Wheatley Homes Glasgow	-21.7%	-20.7%	-21.6%
Wheatley Homes East	+0.3%	Not in scope	-1.3%
Wheatley Homes South	-6.5%	-15.2%	-13.2%
Wheatley Care	-4.2%	-4.7%	-7.4%

table 2

Wheatley Group subsidiary	Absence rate: % of working time lost		
	2020 - 21	2020 - 22	2022 - 23
Wheatley Homes Glasgow	1.62%	3.57%	4.40%
Loretto	0.44%	4.72%	4.48%
Wheatley Homes East	1.38%	3.06%	3.58%
Wheatley Homes South	1.46%	1.63%	2.03%



Governance

Structure and governance

The Group and each of our Registered Social Landlord (“RSL”) subsidiary organisations are regulated by the Scottish Housing Regulator (“SHR”) and comply 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 members of the company are the members of the Board, who each membership 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 9.09% (with 11 Board members).

This year we completed the consolidation of the operating structure into four RSLs, see table below.

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 important in that context.

Wheatley Homes Glasgow	Serving communities in the City of Glasgow
Wheatley Homes East	Serving communities in Edinburgh, the Lothians, Stirling and Fife
Wheatley Homes South	Serving Dumfries and Galloway
Loretto Housing	Covering the rest of our local authority partners

Board and trustees

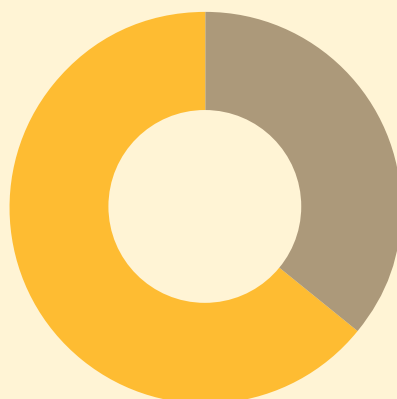
The Wheatley Board comprises up to six Non-Executive Directors, up to five Subsidiary Chair Board members. The Board meets every two months and holds an annual two-day strategy workshop.

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.

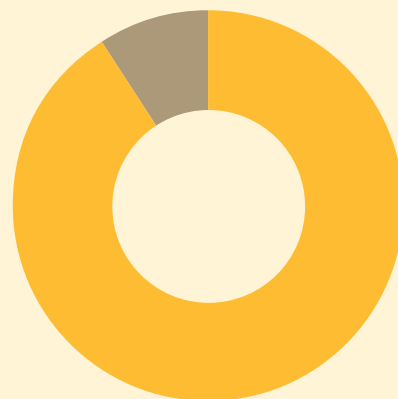
It is important that our Group Board reflects and is representative of our customers. The Board has a majority of female members (64%), ethnic minority¹⁰ representation (9%), tenant membership (9%), and a disabled person (9%). The average age of Board Members is 58.4 years.

Board: Gender representation



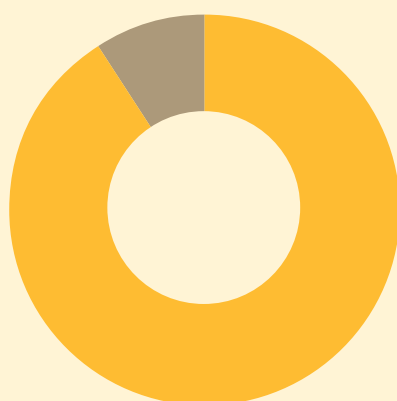
Male
Female

Board: Ethnic diversity



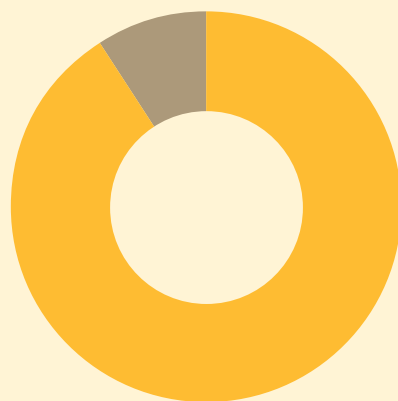
White British
Ethnic minority

Board: Disabled persons



Non-disabled
Disabled

Board: Tenant Representation



Non-tenants
Tenants

¹⁰ 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>

We have reduced our Board to 11 non-executive members during the course of 2022/23 with non-replacement of retiring members (we have a 9-year tenure limit). The Group Chief Executive attends Board meetings but is not a member and does not have voting rights. All members of the Board are non executive. The Chair and CEO are separate roles.

Our Group 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 re-appointed in February 2023 for a 5-year period, with two 12-month extensions.

The most recent 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, sector and industry experts 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.



Tenant with Shona Robison, Deputy First Minister and Steven Henderson, Wheatley Group Chief Executive



Tenant scrutiny panel



Almondvale, Livingston

Systems and risk management

The Board of Wheatley Housing Group is responsible for ensuring effective systems of internal financial control are maintained within all members of the Group using the following framework:

- 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 (with reference to the terms of Article 38 of our Articles of Association 'Interests').

The Group Board is supported in discharging its duties by three 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.

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.

