

Wednesday 16 December (By Zoom)

Board Agenda

1. Apologies for Absence
2. Declarations of Interest
3. Minutes of Meeting held on 28 October 2020 and matters arising
4. Group CEO Update
5. Cube Strategic review update
6. Operating Model update:
 - (a) Our approach to service delivery
 - (b) Supporting the wellbeing of our staff (presentation)
7. Stronger Voices, Stronger Communities – our new engagement framework
8. Housing first update (presentation)
9. Group Homelessness Policy 2021-2026
10. Christmas response for customers (presentation)
11. 2020 Group Rent Campaign
12. Green Investment Plan
13. Finance report
14. Governance remobilisation
15. Governance update
16. AOCB

Report

To: Wheatley Housing Group Board

By: Stephen Devine, Interim Group Director of Repairs and Assets

Approved by: Martin Armstrong, Group Chief Executive

Subject: Cube Strategic Review Update

Date of Meeting: 16 December 2020

1. Purpose

- 1.1 To update the Board on the Cube strategic review and to seek its agreement on progressing to ballot tenants on the proposed transfer of Cube properties in Glasgow to GHA and outside Glasgow to Loretto.

2. Authorising context

- 2.1 Under the Group Authorise/Manage/Monitor Matrix, the Group Board has responsibility for approving group wide strategic initiatives. The proposed re-structuring involving Cube is strategic and will redefine our Group structure.
- 2.2 The Board considered and agreed the approach to addressing Cube's strategic challenges through the transfer of its properties at its August 2020 meeting.
- 2.3 Cube, GHA and Loretto Boards have also considered and agreed the proposed approach. Subject to the Board agreeing, the Cube Board will be asked to consider progress including deciding to ballot its tenants, at its meeting on 22 December 2020.

3. Risk Appetite and assessment

- 3.1 Cube's risk appetite in relation to performance relative to the Group is hungry. This is defined as 'Eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk)'. The Cube Board have confirmed this risk appetite reflects its view in relation to performance challenges it has in a significant element of its stock. The Cube Board considered this risk in detail at its recent strategy workshop and has identified the underlying performance challenges in its Wyndford stock as requiring a more innovative solution, including potentially a structural governance solution.
- 3.2 Our Group risk appetite in relation to governance is cautious, that is a 'Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward'. We reflect this risk appetite level by reserving all key governance decisions to the Group Board, with any structural governance decisions requiring Group Board approval.

4. Background

- 4.1 Following approval by the Board at its last meeting, and agreement by Cube GHA and Loretto Boards, the process to transfer Cube properties to GHA and Loretto has begun. This involves two distinct transfers:
- The transfer of Cube's properties in Glasgow – through a stock transfer – to GHA,
 - The remainder of Cube, including its properties outside Glasgow transferring – through a Transfer of Engagements - to Loretto Housing.
- 4.2 The Housing (Scotland) Act 2010 (as amended) (the "2010 Act") sets out the statutory requirements where a RSL is proposing to transfer tenanted homes. Amongst these, are the requirements for tenants to be consulted on what is proposed and to approve the transfer, typically through a ballot.
- 4.3 Consultation on the proposed transfers begun on 16 November 2020 with tenants invited to provide feedback by 16 December 2020 meeting the 28-day period for this in legislation and the timescale set-out for the Board previously. Our helpline through which tenants can provide feedback on the proposal will remain available until the ballot begins on 7 January 2021. TPAS will also continue to provide independent advice to tenant until then and throughout the ballot period (see 4.7 below).
- 4.4 The consultation commenced with separate brochures being sent by Cube to its tenants in Glasgow and outside detailing the rationale for the transfer, as well as 'promises' to tenant. These 'promises' were in line with those agreed by the Board at its October meeting and in summary were, for Cube tenants in Glasgow:
- 3-year rent guarantee – with no annual increases above 1%;
 - over £25 million being invested in modernising and improving thousands of Cube homes over five years;
 - Cube and GHA together building an additional 600 new homes, taking the total to 2100;
 - the opportunity to kick start a massive regeneration of the Wyndford estate in Maryhill;
 - the creation of hundreds of new jobs, apprenticeships and training opportunities for Cube tenants and their families; and
 - an even stronger voice for tenants in Glasgow.
- 4.5 The promises for tenants outside Glasgow were of similar form and included:
- a 3-year rent guarantee – with no annual increases above 1%;
 - over £7 million being invested in modernising and improving Cube homes over five years; Cube and Loretto together building hundreds of additional new homes;
 - building an estimated 500 new homes for rent
 - the creation of hundreds of new jobs, apprenticeships and training opportunities for Cube tenants and their families; and
 - an even stronger voice for tenants.

- 4.6 Cube housing officers have been attempting to contact all tenants by phone to discuss what is proposed and tenants have had the opportunity to provide feedback online, by post and to the CSC. Findings from tenants on what is proposed are discussed below.
- 4.7 TPAS Scotland (“Tenant Participation Advisory Service”) has been engaged to provide independent advice to tenants on the proposal, and have put in place a free phone number, email, Zoom sessions and a Facebook channel through which tenants can discuss the proposal. TPAS has also sent a newsletter to all Cube tenants describing its role as independent tenant advisor and advising how to get in contact.

5. Discussion

- 5.1 At the time of writing Cube staff have attempted to contact all tenants; making over 7,200 outbound calls. They have successfully spoken with 1868 tenants in Glasgow and 889 outside. This corresponds to roughly 71% of tenants in Glasgow and 79% outside. We have also received 206 comments by post, online or to the CSC from Cube tenants in Glasgow and 67 responses from tenants outside Glasgow. In both cases the vast majority of these comments have been by post.
- 5.2 Feedback from tenants on the transfer proposals has been positive with 80% of tenants in Glasgow that we have contacted indicating they would vote in favour in a ballot, 13% that they were undecided/had not looked at the proposal, and 7% that they would vote against. Indicative support outside Glasgow among the tenants we have contacted was even stronger with 92% in favour, 7% undecided and 1% against. Tenants were also given the opportunity to share their thoughts on what is proposed. Not all provided comments and comments were not made on every aspect although:
- 17% of customers indicated they were happy with their current service and were reassured that services would not change
 - 24% of all customers are happy with the proposed cap on rent increases
 - 16% of customers who commented were reassured there would be no job losses as a result of the proposal
 - 7% of customers were happy to hear about the 24/7 concierge service in Glasgow
 - 2% think their vote won’t matter and 4% state that they aren’t interested
 - 12% of all customers are keen to know more about investment.
- 5.3 Some questions were also discussed with housing staff during their conversations with tenants including:
- Why could the benefits not happen under Cube on its own?
 - When will the investment work begin?
 - What will happen to staff - caretaker, handyperson service and local housing officers?
 - What would happen at the end of the rent guarantee period?
 - Why is the transfer taking place at this time?

- 5.4 Question and answer sheets have been prepared and sent to all tenants to ensure there is clarity on these points, and more generally, that tenants have as much information, and as few unanswered questions, as possible on what is proposed.
- 5.5 The feedback from tenants through the consultation so far gives us confidence that there is support for what is proposed and that Cube tenants believe that it is in their interest to transfer to GHA and Loretto. The next stage in progressing the transfers is formal confirmation to tenants of what is proposed taking account of any feedback from consultation. This is done through what is termed a stage 2 notice. We are working on this at present with a view to all Cube tenants receiving it in the first week of January 2021. Feedback including comments received and questions asked so far suggest that the promises to tenants in the consultation are in line with priorities and being well-received. As such, we would not propose to make any changes to what has been proposed in consultation in the stage 2 notice.
- 5.6 Arrangements are also being put in place to ballot Cube tenants on the transfer. It is proposed that the ballot begins on Thursday 7 January to allow time for papers to be sent in the post after the New Year holiday, and that the ballot ends on Friday 5 February. With this timescale, results should be available late on Monday 8 February 2021. As with ballots in previous transfers in our Group, it is planned that the ballots of Cube tenants in Glasgow and outside are conducted independently by Civica ERS (Electoral Reform Services) given their recognised expertise in this area. Tenants will have the opportunity to vote using a range of methods including by post, email and SMS.
- 5.7 While the transfer from Cube to GHA and Loretto is internal, with a lower risk profile than when we bring a new partner into group, we nevertheless intend, subject to Board agreement, to commission external advisors to carry out due diligence. This diligence will be lighter touch than for an external transfer given our in-depth knowledge of Cube and its stock, and that there is sharing of risk among the RSLs already through our borrower group. In commissioning the diligence, the need to ensure that GHA and Loretto Boards have access to necessary independent advice will be a key consideration, as will the reliance that our funders require as part of their approval process for a transfer. The table below outlines our proposed approach to diligence.

Area covered	Proposed Firm	Outline Scope	Beneficiaries
Legal and property title	Thorntons solicitors	<p>Review Cube's current and historic business arrangements</p> <p>Supporting the transfers to GHA and Loretto. This will include preparation of a transfer agreement between Cube/GHA which ensures that the transfer to GHA in no way prejudices the on-going case against British Gas in Wyndford.</p> <p><i>Note: Title will transfer to Loretto through the Transfer of Engagements process.</i></p>	GHA Loretto

Tax	EY	Review Cube's tax arrangements to provide confidence that no liabilities are triggered for GHA or Loretto as a result of the proposed transfer.	GHA Loretto
Pension	Spence and Partners	Review Cube's pension arrangements and to provide support to make sure that suitable pension arrangements are available for staff that move to GHA and Loretto from Cube	GHA Loretto

- 5.8 Arrangements will also be put in place so that Cube and GHA Boards have legal advice on the transfer agreement between them. We are in the process of appointing the firms involved from our existing framework agreements to ensure their work is completed no later than March 21 in keeping with the aim of the transfer to GHA taking place in April 21, and the Transfer of Engagements to Loretto in June.

6. Key issues and conclusions

- 6.1 Consultation with Cube tenants on the proposed transfer to GHA and Loretto has begun. Feedback so far, based on views from well over half of Cube tenants, indicates there is support for the proposed transfers including the 'promises' to tenants. Based on this, we propose to move to the next stages in the transfer process – making a formal offer through issuing a stage 2 notice and having an independent ballot of Cube tenants in line with the requirements in legislation.

7. Value for money implications

- 7.1 Key priorities for the Cube restructuring include keeping rents more affordable than they would be otherwise and investing in stock. These align with the value for money drivers identified by tenants and should help ensure support at ballot.

8. Impact on financial projections

- 8.1 The impact on GHA and Loretto's financial projections was considered at the Board's previous meeting. There is nothing in this paper that changes the assessment provided previously.

9. Legal, regulatory and charitable implications

- 9.1 A particular feature of what is proposed is the need to carry out tenant ballots in line with requirements from the Housing (Scotland) Act 2010 and to keep the SHR informed of progress. The approach to restructuring Cube has been shared with the SHR and it is being kept informed of progress.
- 9.2 External legal, tax and pension advisors will be used to support the transfer through carrying out diligence on Cube on behalf of GHA and Loretto. This will ensure that obligations and liabilities from the potential transfer are understood and support decision making by the Boards involved on the transfer.

10. Partnership implications

- 10.2 We expect the transfer of Cube's stock to strengthen our relationship with local authorities in the areas involved through, in Glasgow, providing a platform to tackle the next phase of regeneration challenges and, outside Glasgow, increasing Loretto's scale and capacity to engage strategically.

11. Implementation and deployment

- 11.1 Our approach to implementation is discussed in this paper including the timing of the proposed ballot.

12. Equalities impact

- 12.1 There are no equalities impacts associated with this report.

13. Recommendations

- 13.1 The Board is asked to agree that:
- 1) the process for the proposed transfer of Cube properties to GHA and the Transfer of Engagements to Loretto should continue;
 - 2) stage 2 notices should be issued to Cube tenants setting out the basis for transfer and promises, and that ballots of tenants should begin on 7 January 2021.

Report

To: Wheatley Housing Group Board

By: Stephen Devine, Interim Group Director of Repairs and Assets

Approved by: Martin Armstrong, Group Chief Executive

Subject: Operating model update: approach to service delivery

Date of Meeting: 16 December 2020

1. Purpose

- 1.1. To present, for Board agreement, how our approach to service delivery will develop during the 2021-26 strategy period.

2. Authorising Context

- 2.1. Under the Group Authorise/Manage/Monitor matrix, the Group Board are responsible for approving Group Strategy and the Group Business Plan. Developing our approach to service delivery including through increasing the use of digital mechanisms is a stated objective, and the direction presented here is a key step in realising this.

3. Risk Appetite and Assessment

- 3.1. The Group's risk appetite relating to operating models and modernising of services is hungry i.e. eager to be innovative and to choose options offering potentially higher business rewards (despite greater inherent risk).

4. Background

- 4.1. Our commitment to exceptional customer experience is a key theme in our strategy. Discussions with Boards across the group as part of updating our strategy highlighted that *'Digital service delivery will be the norm, but we will ensure no-one is left behind. We will prioritise the introduction of new service models in the first year of the strategy based on our experience of working during the pandemic, blending digital and face to face service whilst maintaining a strongly personalised approach.'*
- 4.2. This recognition of the importance of digital is not new and has been a clear direction of travel and priority for our group and customers. However, also as noted in feedback on the strategy through our partner organisation Boards, *'the Covid pandemic has provided an accelerant, which we should embrace, to the objectives and plans already set out in the draft strategy in two respects;*

- *increasing the use of digital methods for engaging with our customers and delivering services which are convenient, reliable and give the customer greater control;*
 - *while around 70% of our staff are not office-based, our staff operating model should transition to a more hybrid home/office working approach now for staff who were previously office-based, accompanied by wider support for our people to work and lead in a more digital context. ‘*
- 4.3. At its meetings in August and October the Board considered and agreed two key elements of our operating model that sit alongside our approach to service delivery. These were our new ways of working and our new corporate hub model. Agreed plans for our ways of working will see us adapt from a “traditional” office-based set-up, with the vast majority of staff working in 9-5 or fixed shift patterns, to a much more flexible approach. This will include a hybrid model, where staff would have the choice of how to achieve the best of both worlds – social contact with colleagues every week, but flexibility to work from home, with reduced travel time and cost.
- 4.4. Our agreed corporate hub model makes clear that our future physical spaces will be places for collaboration, learning and inspiration. This fits with our local operational model and experience over the years. Customer footfall in our offices has steadily declined to a point where they have effectively become staff base from which mobile working takes place to serve customers in communities, rather than frontline service delivery assets.
- 4.5. The approach to service delivery discussed here is the final step in defining how we will apply the accelerant from how we have responded this year to realise key aspects of our already agreed strategy more quickly than would have been otherwise possible.

5. Discussion

- 5.1. We already have a reputation for delivering excellent services that meet customer needs. This has been achieved through continually refining our approach to service delivery. Our next development of our approach to service delivery will make a major contribution to many of the strategic outcomes we have set in the 2021-26 strategy, including:
- **Delivering Exceptional Customer Experience** - Our approach to service delivery will bring us close to customers in communities, provides direct customer input to our repairs and other services and positions Lowther as an online business;
 - **Making the Most of our Homes and Assets** - Our approach will reduce travel including to offices and the resources needed to operate them; thereby increasing sustainability and reducing carbon footprint
 - **Changing Lives and Communities** - Our approach to service delivery will concentrate our highly skilled, field based workers in communities where they can work with customer to create peaceful and connected neighbourhoods and support economic resilience
 - **Developing our Shared Capacity** - Our approach is built on collaboration, is innovative and focuses on strengthening the skills and agility of our staff
 - **Enabling our Ambitions** - Our approach to service delivery embraces digital platforms to support our activities

- 5.2. We expect all of our approaches to service delivery, albeit some to a greater extent than others, to develop through the accelerant provided by the Covid pandemic. Notable opportunities that will contribute to this include the ability to serve the customer more flexibly, move to hybrid working for staff, have non-customer facing hubs where staff can cluster and develop our digital and online approaches more rapidly than would have otherwise have been possible.
- 5.3. Services including Care, NETS, repairs and dealing with antisocial behaviour will, as now, continue to be built on skilled staff, providing high quality services to customers in their homes and communities. Services models in these area will be enhanced including through greater use of online, digital, video and developing automatic confirmation of appointments and progress/service delivery updates and the ability to anticipate customer actions and respond proactively. An essential aspect of these new service models will be providing customers with easy routes to let us know when we have not lived up to our commitments. In practice, this will be achieved through having mechanisms, as part of every service, that are focused exclusively on providing a customer with the ability to let us know quickly when they are not satisfied, and that are geared towards us taking immediate action to resolve the situation. Examples of this include:
- As part of every repair, pushing a text to the customer asking for them to rate the service, monitoring this in real time, calling every customer who does not rate the service highly and arranging immediately for necessary action to resolve the situation
 - Housing officers leaving cards as part of every customer interaction, with a dedicated helpline number for the customer to call if the experience or service had not met their expectation or resolved the issue
 - Introducing technology into our Customer Service Centre (“CSC”) where a customer is asked to remain on the line at the end of a call to rate the service. Again, any negative feedback would trigger an immediate call to the customer to identify and resolve the issue
- 5.4. The examples above are intended for illustration. In developing this approach multiple mechanisms will be deployed to ensure customers have choices in how they tell us their expectations of how we would meet our commitments were not met. This will ensure we do not require a customer to use an approach they are uncomfortable with (e.g. some might want to avoid providing negative feedback on the phone) or that is not available to them (e.g. not all customers will have access to a mobile phone) when they are taking the time and effort to feedback on where we could do better.
- 5.5. In-depth change will also happen in our housing service for staff as they work flexibly to meet the needs of customers at times that suit them in a hybrid environment spanning communities, our new hubs and their homes, and make even greater use of digital methods to keep in contact with customers. The greater strategic focus on knowing quickly where we have not met our commitments and acting will also mean that staff are required to be even more dynamic in their approach so they can get involved and fix the cause of any dissatisfaction, quickly.

- 5.6. The CSC will also develop, shifting from call handling to being a resolution centre that meets the customer need at point of contact, with no presumption or ability to pass it on. This will require significant change including not only having the key ThinkYes principle of meeting the customer need at point of contact embedded in our people, but also in our digital environments. Key to this will be designing customer journeys through webchat and web self-service that are natural for customers and that encourage the customer to express their needs, so it can be understood and resolved, rather than channelled through pre-determined pathways to pre-set outcomes.
- 5.7. Another significant change will be developing our resolution centre as a hybrid environment with staff working at home and in a more traditional physical contact centre. At present, the CSC has adapted well from working in a wholly office based environment to a completely virtual one. However, going forward we do not see staff working exclusively from home as the way ahead for the service or its people because of the work involved, the importance of having strong team connections for learning, development, performance and staff wellbeing and lack of connection quality and resilience over the public broadband infrastructure.
- 5.8. Wheatley Solutions will be another area where the approach to service delivery will develop as it changes to support a Group that is no longer predominantly 9 to 5 and office based. Our approach in Lowther will also change significantly as it becomes an online business where customer value is built around addressing the needs of its changing customer base.

Our platforms

- 5.9. Key to these and other changes will be being clear on the platforms that we will build our approach to service delivery on and their purpose. These platforms will be:
- **Web self-service** for simple transactions (such as making a payment) that the customer wants to complete quickly with minimal effort.
 - **Web chat** for transaction where the customer needs a little advice or guidance, such as querying a bill, and that can be completed in a few interactions.
 - **Phone** for more complex interactions, such as a wellbeing check or raising/responding to an issue, where we or the customer want to understand the situation.
 - **Face-to-face** for more complex situations where we need to investigate or the customer is vulnerable, and for high value interaction for the customer and us such as moving into a new home.
- 5.10. At present our **web self-service** offer is immature. We currently have over 44,000 registered customers but the numbers transacting with us regularly is between 6,500 and 8,000. The main uses of this platform currently by customers is for payments, to register for MySavings, or to make service requests, such as a bulk uplift or to request a call back from their housing officer. The ability to raise a repairs was also available on a trial basis earlier in the year but it is not offered currently while we are fully remobilising our service.

5.11. As part of developing this platform, priorities will include:

- increasing customer transactions (and registrations).
- resolving around 20% (roughly 200,000) of all customer service request through this channel, there and then.
- making it possible for customers to self-serve less complex repairs (e.g. fix leaking tap, replacing skirting).
- introducing the ability to book an appointment (e.g. with Housing Officer, for bulk uplift, for a repair) at a time that suits the customer.
- reflecting the greater speed and simplicity of requests on this platform through having differential service offers. These offers would be built on recognising that where we get a service request and/or we can resolve it more quickly, then the value of this should be available for the customer. An example of this would be making it possible for customers to book 2-hour appointment slots for a repair on this platform rather than a 4-hour slot by phone.
- building customer confidence and supporting use through offering web chat and a phone call if needed by a customer to complete their transaction.
- exploring the potential of a Wheatley App.

5.12. **Web-chat** is available on MyHousing at present with approximately 11,000 interactions last year. Maturity of this platform elsewhere in our business is low although the recent upgrade to our CRM system, Astra, means limited development is needed to deploy this capability across multiple service lines. Priorities for deploying this platform include:

- deploying it and promoting it as an alternative to phone for customers who are comfortable with this platform and way of interacting.
- Expanding the offer, including the existing 9-5 MyHousing service, to e4/7/365 to support around 10% of all customer transactions.
- training staff to converse with customers over chat.
- developing the ability to choose to speak with an advisor and pushing this to a customer when they appear to be struggling to use the platform effectively.
- exploring the potential of chatbots and automation for simple transaction.

5.13. Our **phone** based service through our customer service centre and customers being able to contact housing officers is well established and mature. Last year, there were over 800,000 calls across our hubs in Glasgow and Dumfries, including in excess of 250,000 for repairs. Other key areas of demand include general enquiries and making a payment. In addition, housing officers have made over 250,000 calls to customers including to support payment of rent this year. While this is a mature platform, significant change will be made as part of our new approach to service delivery including:

- moving from a traditional contact centre to a resolution at point of contact centre
- dealing with around 50% of all customer interactions through this platform and resolving well over 95% there and then.
- anticipatory interventions and proactive outbound calling to support business objectives (e.g. gas servicing), where needed for rectification (e.g. call to reschedule if we expect an appointment to be missed or this happens) and in support of scheduled customer wellbeing campaigns

- proving a helpline where customer can detail when a service did not meet their expectations and that has the authority to take the action needed to make this right
- bringing our Glasgow and Dumfries centres together as one, making the most of staff not being tied to geography and the flexibility that comes with working remotely at times that suit staff and customer demand.
- promoting and reinforcing our 24/7/365 service so customer know they can get full service at any time which will help smooth demand throughout the week and fit with more agile working among many of our customers.
- introducing automated text confirmation of appointments and the ability to see where the operative is when on route to the customer home.
- updating the IVR and adding virtual queuing so customer can request a call rather than waiting on hold when demand is high).

5.14. As now, **face-to-face** will be our most important platform going forward. This platform is mature and widely recognised as the main value component for customers, staff and our business across a wide range of activities in communities. These activities range from providing visible presence and routine service delivery every day through our NETS and repairs, to supporting our most vulnerable customers in complex situations including through Housing First, the work of the CIP and the day in, day out actions of Housing Officers and Care staff. Going forward, this platform will develop as part of our approach to service delivery through:

- maintaining our focus in communities, never forgetting that most of our staff will work in this way, delivering services and resolving 20% or so of our most complex customer interactions.
- scheduled welfare checks – building on the value this brought during lockdown - with customers to make sure they are ‘doing ok’ with the ability to act when not.
- continuing to use new technology (phone, video, WhatsApp etc.) where appropriate to interact with customers.
- exploiting flexibility from our new ways of working to serve customers at times, and in locations, that suit them.
- exploring the value of predictive analytics to anticipate requirements, guide actions and augment staff judgement. This, along with GoMobile and other planned developments in digital will maximise our ability to take action when with customers in their home to meet service needs there and then

5.15. In developing our approach to service delivery we also need to recognise the different demographics and segments we serve, and that particular experiences and skills will impact which platform customers are most comfortable using. To support this, we will look to market different options to different demographics. Examples of this might include recognising that some:

- older customers may prefer to use phone and face to face rather than web self-service or web chat, even for what we might regard as a simple transaction
- younger customers may tend to adopting non-voice platforms because it is their preference even when we think phone or face-to-face are more appropriate for the particular request

- 5.16. Our planned virtual patches through which our resources will be tailored to, and build in-depth expertise in, the needs of particular customer segments such as older people and asylum seekers is also part of how our approach to service delivery will become even more finely tuned and we will make sure no customer or group is left behind.
- 5.17. We expect our approach to service delivery through these platforms and the planned development activities to bring many benefits for our customers and our business including:
- even greater flexibility to serve customers when it suits them.
 - staff no longer working 9-5 or fixed shifts, or from an office based environment.
 - far quicker and simpler resolution for the vast majority of customer service requests, at the first point of contact through web self-service, web chat and by phone.
 - complex, emotional customer interactions dealt with by skilled staff in the field or by other means that suit the customer.
 - much less dependency on geography - staff working remotely can serve customer wherever they are.
 - a more connected group with staff clustering in any location and leaders working across our geography.
 - simpler paths to rapid rectification, as we increasingly anticipate when things have not gone to plan.

Leadership

- 5.18. As highlighted in our strategy and reinforced through earlier Board consideration of the people and physical aspects that will shape our operating model, adaptive leadership in a more digital context will be key to our future service delivery. As now, we will look to our leaders to collaborate in bringing the approach to service delivery to life. The role our leaders play in developing staff and ensuring the quality of our services will, as now, be critical in our new approach. Achieving this will involve regular in person one-to-one sessions with staff, creating conditions for empowerment and providing clear authorising frameworks, albeit often in less formal settings than the office locations of our past.
- 5.19. Our new models will also require adaptive leadership that is comfortable in two contexts that come with our new operating model, namely:
- Leading when staff cluster in hubs, reflecting how important these physical spaces will be. and
 - Leading when many staff are working more remotely including at home at times through our hybrid model for people.
- 5.20. Our expectation is that leaders will lead by example, operating in a hybrid way spending their time across our various hubs, working from home and engaging stakeholders.

5.21. When leaders cluster in hubs with each other and/or their teams they will be expected to:

- champion the service model so it becomes established and we make the most of the opportunities it brings.
- advocate for the customer to ensure our approach to service delivery meets need.
- motivate teams and each other including nurturing and sustaining individual wellbeing.
- innovate and bring new ways of working that benefit the customer, quickly.

5.22. Providing the leadership staff need as part of our approach to service delivery when they are working at home or spending time in communities with customers will also be essential. Here we will expect our leadership to:

- enhance performance in an environment where face to face contact is reduced.
- communicate in virtual environments where this will be less natural and there are fewer visual indicators to go on.
- be digitally literate, as Zoom, WhatsApp, social media, AI etc. become an ever increasing part of everyday life.
- adapt to new challenges and ways of working that best meet customer needs.
- be available when staff need them, especially when working at weekends and evenings is part of our more flexible approach.

Behaviours

5.23. As now, behaviours will be key to the success of our approach to service delivery. Our new approach will, amongst other things, require our people to be:

- committed to co-creation with customers and equipping customers to do the right thing for themselves and become self-reliant.
- comfortable in an environment where 75% of staff do not routinely work 9-5 or fixed shifts.
- able to balance working in communities and from home.
- willing to take power to make the right decision and act quickly to resolve customer requests and to seek out and deal with any situation where the customer is not satisfied.
- proactive in identifying customer/service issues and intervening to correct them.
- collaborative in working across group and beyond.
- accountable for their performance and career progress.

5.24. Currently staff bring many of these behaviours as demonstrated by their contribution in already providing an excellent service including during the pandemic. Staff commitment to their own development will be particular important especially given the hybrid nature of work for many and reduced face to face contact. Key to this in our new model will be our peoples' ability to:

- tap into peer-to-peer networks for ideas, support and sharing.
- identify and own their development needs and be active in making sure these are met.
- explore flexible career models and be open to opportunities as they develop.
- be confident and assertive in dealing with a range of stakeholders.
- look after their own wellbeing.

5.25. As mentioned above, staff wellbeing will, as it is currently, be a major consideration in ensuring the success of our approach to service delivery. Key aspects of this will include:

- continuing, as we have throughout, while the pandemic remains to have Covid secure workplace and to implement learning in terms of workplace hygiene and infection control.
- tackling staff isolation including through nurturing collaborative working, introducing tools to support this and retaining a strong focus on the team.
- making training and coaching sessions interactive with small numbers to encourage participation and establish relationships.
- developing specific induction and training programme to help younger and new worker adapt to Wheatley and our approach to service delivery.
- investing in the right technology so that staff are confident of delivering the new service model.
- ensuring staff have the right home working environment for applicable staff.
- Encouraging physical activity.
- Promoting positive mental health including through giving staff control and the ability to make a difference through a service delivery model with staff empowerment and clear authorisation frameworks at its core.
- Developing wellbeing package that support flexible working.
- Using our new hubs where staff cluster to make connections.

Wheatley Solutions

5.26. The focus in this paper so far has mainly been on our new approach to service delivery for customers. However, the platforms and approaches to service delivery discussed here will be equally applicable to Wheatley Solutions and how it supports colleagues across the group. In particular, staff in Wheatley Solutions will need to work in an agile way to support a Group that is serving customers when it suits them. The platforms discussed (WSS, web chat, phone and face to face) will be applicable to meeting the needs of internal colleagues and used in similar ways as for customers, with self-service and chat options developed for more straightforward transactions, and phone and face to face for complex matters. Opportunities created through our new approach such as staff being able to work in a hybrid way and not being bounded by geography will be key as Wheatley Solutions develops its approach to service delivery as part of our new operating model. Similarly, as with our RSLs and other customer facing partners, having a performance framework for Wheatley Solutions that allows group partners to be clear on the contribution made to their business objectives will be a priority.

5.27. The new approach to service delivery discussed here is expected to have a major impact in realising the ambition and strategic outcomes in our 2021-2026 strategy including to make digital service delivery the norm, while never losing the personal touch. Our new approach is also expected to deliver particular service outcomes including that:

- 85% of service requests will be fully resolved at first point of contact.
- 25% of customers will choose to transact with us at times that are convenient for them outside 9-5 weekday hours.
- 75% of our staff are working more flexibly.
- 90% of our complex, emotional customer interactions will be dealt with initially by skilled staff in the field or by means that suit the customer.

- Over 50% of customers will actively use their online account to transact with us.
- 100% of Lowther rental customers will have an online account
- Satisfaction with complaint handling will increase by 10%.

6. Key Issues and Conclusions

- 6.1 Consideration of our strategy by the Group Board and the Boards of our partner organisations agreed the accelerant that the on-going pandemic has had on reaching the operating model set out in our 2021-2026 strategy. The Board has agreed some elements of how this operating model will be achieved including hybrid, flexible working by staff, and our move from a 'traditional' office based approach to hubs. The final piece of our new operating model is the new approach to service delivery presented here. This approach is based on having platforms, with clear purpose through which customer interactions will take place, leadership approaches that support the approach and behaviours that will underpin its success.
- 6.2 The approach to service delivery discussed here will impact every aspect of our operations although some service areas including housing, the customer service and Lowther will change more than others.
- 6.3 Our approach to service delivery, once agreed by the Board, will provide the framework within which our platforms and core services will be developed at pace.

7. Value for Money Implications

- 7.1 Our new service model will impact each of our value for money drivers – having an effective repairs service, investment in customer homes and 24/7 customer service. Specific details of impact and benefit on each driver will be developed as part of taking forward approaches outlined here for these and other services.

8. Impact on financial projections

- 8.1. The investment needed to accelerate our new operating model was agreed by the Board at its October meeting.
- 8.2. Specific financial appraisal will be undertaken as part of making investment decisions for each platform.

9. Legal, Regulatory and Charitable Implications

- 9.1 There are no direct legal, regulatory or charitable implications arising from this report.

10. Implementation and deployment

- 10.1. The approach to service delivery will be in place for summer 21 recognising our existing commitment to having new service models in place during the first year of our strategy, the accelerant impact from the Covid pandemic and most importantly, the value the new approaches to service deliver will bring for customers and staff. Specific implementation plans will be put in place for each of the platforms discussed here.

11. Partnership Implications

- 11.1 The consideration in this report applies to all group partners.

12. Equalities Impact

- 12.1 There are no equalities implications associated directly with this report. Appropriate arrangements will be developed for vulnerable customers, those with particular needs, and different demographics to ensure no one is left behind as part of implementing the new approach to services delivery.

13. Recommendations

- 13.1 The Board is asked to:

- 1) agree the approach to service delivery set out here for the 2021-2026 strategy period; and
- 2) note that this approach to service delivery will form part of our operating model along with more flexible working by staff and development of corporate hubs that the Board considered at its previous two meetings.

Report

To: Wheatley Housing Group Board

By: Olga Clayton, Group Director of Housing & Care

Approved by: Martin Armstrong, Group Chief Executive

Subject: Stronger Voices, Stronger Communities – our new engagement framework

Date of Meeting: 16 December 2020

1. Purpose

- 1.1. This report seeks the Board's approval to our new engagement framework, which supports the ambition in ***Your Home, Your Community, Your Future*** to transform our engagement approach and shift the balance of power towards our customers.

2. Authorising context

- 2.1. The Group Board has responsibility for setting the overall Group frameworks within which each partner organisation will operate. The engagement framework is a new approach which supports the delivery of the 2021-26 strategy.

3. Risk appetite and assessment

- 3.1. The Group's risk appetite for service improvement is "open". This means we are prepared to take the risk of adopting the approach that is most likely to result in successful delivery of our service objectives.
- 3.2. Shifting the balance of power towards the customer brings some risk as we empower customers to take more decisions around priorities and resources. A robust framework within which we can support customers and use our strategic delivery plan to manage this transformation will help to mitigate any risks.

4. Background

- 4.1. Our 2021-26 strategy - ***Your Home, Your Community, Your Future*** – sets a clear ambition that *"customers will have increased control over their services, their communities, and their lives, with new opportunities for building skills and resilience"*.

- 4.2. A new engagement framework – **Stronger Voices, Stronger Communities** – has been developed to help support the delivery of this ambition. Through the deployment of this framework, we seek to ensure that our customers and communities will feel more in control of their personal and collective wellbeing, inspired to raise their aspiration and able to realise their potential.
- 4.3. The framework (attached at Appendix 1) is designed to be accessible and flexible, enabling customers to engage with us at a time and in a way which suits them. Through this framework we aim to improve the opportunities for engagement which are available to our customers and widen the diversity of customers who are actively involved in shaping services. The table below sets out some key differences under the new framework.

Table 1

Previous framework	New framework
Subsidiary specific	Community and/or service specific
Membership requirements and official positions	Accessibility – anyone can volunteer for an activity without further commitment
Formal meetings at set times – physical presence required including requirement to travel	Flexible input eg express views at a time and in a way that suits - online, 24/7, from home, in person
Enabled skills development for those with formal roles	Focus on skills and capacity development with informal and formal development opportunities available
Small percentage of customers involved – less than 0.5%	Marketing to reach a wide range of customers, including quarterly Group-wide Stronger Voices newsletter – highlighting opportunities to engage and featuring how views have made a difference
Characterised by <ul style="list-style-type: none"> • Unintentional exclusivity • Lack of diversity and wider opportunity • Focused on RSL customer to the detriment of other Group customers e.g. factored homeowners, care customers 	Characterised by <ul style="list-style-type: none"> • Improved diversity and opportunity • Group-wide approach which integrates with our care and support services and builds capacity • Connects and publicises our Foundation activities

- 4.4. Our current approach to engagement is strong and has been recognised as such by external assessments such as EFQM. Our Think Yes culture which has been embedded over a number of years means that any staff member engaging with a customer listens and responds to what the customer is saying to find a positive solution. Community groups/meetings are another way in which customers can raise issues which matter to them, as are our locality events where investment priorities are discussed, and pop-up sessions in local areas. Our customers can become involved in estate inspections and are able to provide feedback and agree actions for improving neighbourhoods. The Wheatley Scrutiny Group, comprising tenants from across Wheatley Group, meets regularly with senior officers to look at performance and service improvements.

- 4.5. Prior to the coronavirus pandemic we had carried out over 300 conversations with customers across the Group on their views about engagement. Customers welcomed having more varied channels for engagement, and valued being able to engage on improving services and their local neighbourhoods. Customers also liked the idea of more apps being available to assist engagement and access to services. Formal meetings were less popular but customers welcomed the opportunities for activities such as open days or pop-up events.
- 4.6. The Covid 19 pandemic has accelerated our digital strategy and both staff and customers have developed their digital skills. Engagement with customers has been taking place in a digital space both on a 1-2-1 basis with individual customers and with groups of customers. Through our emergency response fund we have been able to provide some customers with tablets which have increased their ability to connect and communicate with us, with other providers and with their friends and families.
- 4.7. In developing the customer engagement framework we have sought to take advantage of the opportunities that a more digital environment can bring to our engagement approach in terms of accessibility and flexibility, whilst ensuring that face-to-face engagement remains an important part of our engagement and our service provision.

5. Discussion

- 5.1. Our vision is to support our customers to reach their potential. Our strategy for making this real will deliver an unprecedented shift in the balance of power and control towards our customers, empowering them to make their own choices about the services they want.
- 5.2. Each customer is an individual who will want and/or need different levels of engagement to feel empowered and in control. Our engagement approach is designed to support customers' choices for the experience they want. The emphasis will not be on expecting customers to form constituted groups, meeting in specified locations at set times. Instead the approach will be to encourage accessibility – anyone can volunteer for an activity without further commitment – and flexibility – people can express views at a time and in a way that suits - online, 24/7, from home, or in person.
- 5.3. The engagement framework consists of 4 pillars which support our engagement with customers, as illustrated in Figure 1 below.

Figure 1 – The Stronger Voices framework



5.4. The supporting processes; job roles; and outcomes which are sought for each pillar are set out within the framework document at Appendix 1. These cover the range of options which customers will have available to them, such as

- providing a single comment or piece of feedback;
- suggesting an idea for improvement;
- being involved in a focus group discussion;
- scrutinising our performance;
- assessing the standard of our estates;
- redesigning a customer service journey;
- testing a new product;
- making decisions on a budget or policy priority
- accessing learning or accreditation opportunities; or
- joining an apprenticeship programme

5.5. The **We Listen** pillar is a very open form of engagement which we would expect all customers can and will access at some point in their relationship with us. It enables customers to put forward ideas which are not driven by our agenda. Customer conversations carried out by Housing Officers are an example of this – where the customer can bring up anything which is important to them, and the Housing Officer listens to understand what our role might be and how we can help. Often this will be about opening service options for customers, but it might also be about supplying information, or developing insight which will help for example to create a community project or influence a service change. The main outcomes from this pillar are increased customer satisfaction; faster complaints resolution; lower levels of waste demand, better customer relationships.

- 5.6. The main purpose of the **We Consult and Co-create** pillar of engagement is to test and consult on proposals; identify what doesn't work in current processes or policies; co-design new services or products; and challenge our collective thinking in order to improve. The outcomes are increased customer satisfaction; fewer complaints; lower levels of waste demand; and better value for money as resources are deployed in accordance with customer priorities.
- 5.7. The **We give power...** pillar focuses on ways in which we can safely empower our customers to make decisions on their own homes and environments, and to make decisions on priorities and resources. Our development of on-line, self-service tools help to promote this for the individual customer - for example, they can decide and track when and where they want a repair carried out; use a budget calculator to make a decision about whether they can afford their own tenancy; or use the Wheatley MyCommunity app to seek consensus with neighbours to improve a shared garden area or other neighbourhood improvement ideas. Increasing the proportion of our budgets that customer have a direct say over is an important outcome from this pillar.
- 5.8. The main purpose of the **We Support** pillar of engagement is to support people to develop their potential and build capacity and resilience in our communities. We have experience of using approaches which support this already, especially within Wheatley Care and other support services provided throughout the Group. Encouraging volunteering, as in the LivingWell service; encouraging individual expression through music and art; and supporting youth development projects are all ways in which we can support people to develop their potential.
- 5.9. We will create a programme of engagement activity which is linked to our strategic delivery plan and recruit 100 customers across our partner organisations to become *Customer* or *Community Voices*. This will be attractive to customers who would like the opportunity to be more involved in discussion and co-design with us, and will be supported by a learning and development programme. The programme will ensure customer involvement at an early stage within all appropriate strategic delivery projects, with business leads having the responsibility for leading this engagement as part of project development. The performance target for this will be that 50% of our strategic delivery projects will have customer engagement as an early milestone.
- 5.10. As we change the engagement environment to strengthen the customer voice and shift more power to our customers the approach of our staff will need to change to support this. Table 2 below uses some examples to illustrate this for different job roles.

Table 2 – changing the engagement environment for staff

Roles in 2020	Roles in 2026
I am a Communications Officer and I produce content for our social media pages	I am a Communications Officer and I support tenants to set up their digital neighbourhood forums
I am a Locality Director and I present reports to my local committee for their information	I am a Locality Director and yesterday my local Community Voices presented their Keep Scotland Beautiful assessment findings/recommendations for my action
I am Director of Development and I negotiate with developers, contactors and partner agencies.	I am Director of Development and I work alongside our current and future customers to ensure our development programme meets customer and community needs
I am Group Director of Repairs and Assets and I work with the Joint Venture and our in-house contractors to ensure a customer-focused and efficient repairs service across Group	I am Group Director of Repairs and Assets and I meet regularly with Customer Voices to discuss their recommendations on the repairs service

- 5.11. The customer engagement environment will also feel different for Boards as we increase the involvement and empowerment of our customers. Table 3 provides some illustrations as to how this could develop for Boards.

Table 3 – transforming the customer engagement environment for Boards

Roles in 2020	Roles in 2026
I am a member of a subsidiary Board and I receive an annual report on customer satisfaction	I am a member of a subsidiary Board. We receive quarterly reports on customer feedback and regular recommendation reports from our local Customer and Community voices
I am a member of Wheatley Board and when we receive a Board paper on a new product it always covers what this will deliver for the customer	I am a member of Wheatley Board, and when we receive a paper on a new product it includes a video presentation from Customer Voices explaining how and why they have co-created it with officers
I am Chair of one of our RSL subsidiaries – we have 4 tenant Board members to ensure the customer voice is heard strongly as part of the decision-making process	I am Chair of one of our RSL subsidiaries - we have a board portal which tells us what customer engagement activities are taking place in our subsidiary and the outcome of these, including where tenants have voted on options

- 5.12. The framework document also sets out how we can build a suite of digital engagement tools which will enable a wider diversity of customers to become involved both locally and at a strategic Group level depending on their personal preference. The concept of a *MyCommunity* app will provide a flexible easy tool for our customers to engage with us and with each other. It will enable us to reach out to customers with information and opportunities such as volunteering, apprenticeships, grants and benefits. Customers and other agencies who work with us will be able to interact with the app and share information and insight.
- 5.13. As we develop our online service offering and encourage self-service by customers we will ensure that feedback is sought from customers at relevant points in the service journey. This could range from a simple text message after a repair is carried out to a more qualitative phonecall or webchat after a customer has been in a tenancy with us for one year. Integrating feedback opportunities within service journeys will provide better insight for improving the customer experience.
- 5.14. Our 2021-26 strategy emphasises co-creation with our customers and promoting their ability to be in control and self-direct their services. By 2026 we hope that our customers will be empowered to make their own choices about the services they want, be properly equipped to do things for themselves and involved in the design of products and services from start to finish. Through this journey with our customers we hope that our communities will become stronger; more resilient; and able to make their voices and their expectations heard more widely.

6. Key issues and conclusions

- 6.1. The new engagement framework *Stronger Voices, Stronger Communities* is designed to support the delivery of the ambition in *Your Home, Your Community, Your Future* and shift the balance of power and control towards our customers, empowering them to make their own choices about the services they want.
- 6.2. The link between the engagement framework, budget setting and the Group strategic delivery plan will ensure that the voice of the customer is fully embedded in our plans and priorities, driving change and innovation throughout Wheatley. Through strong engagement with our customers we will support them to develop potential and build stronger communities.

7. Value for money implications

- 7.1. Ensuring that the customer voice is at the heart of our activities and our strategic planning will help to drive increased value for money.

8. Impact on financial projections

- 8.1. There is no impact on financial projections arising from the proposed engagement framework.

9. Legal, regulatory and charitable implications

- 9.1. There are no legal implications arising from the proposed engagement framework.

10. Implementation and deployment

- 10.1. The deployment of this framework will be supported by a Stronger Voices team who will oversee the annual engagement programme which supports the customer voice throughout our strategic activities. A sample programme is included at the end of the framework document as an illustration.
- 10.2. The team will include Digital Officers who will be responsible for exploring digital opportunities for engagement and supporting customers to develop their digital skills.
- 10.3. The 2021/22 strategic delivery plan will include customer engagement as an early milestone in at least 50% of the projects.

11. Partnership implications

- 11.1 All partner organisations will adopt the framework set out in Appendix 1, tailored to their own customer profiles and contexts.

12. Equalities impact

- 12.1. The proposed framework seeks to expand the opportunities available to customers to engage with us. By adopting a blended digital/off-line approach and increasing accessibility and flexibility it is intended to increase the diversity of customers who are involved in providing feedback and shaping our services.

13. Recommendations

- 13.1 The Board is asked to agree the new engagement framework set out at Appendix 1.

List of appendices:

- 1. Engagement framework

Stronger Voices, Stronger Communities

Customer Engagement Framework

December 2020

Stronger Voices, Stronger Communities

Vision

Our vision is to support our customers to reach their potential. Our strategy for making this real will deliver an unprecedented shift in the balance of power and control towards our customers, empowering them to make their own choices about the services they want.

The development of our approach has been informed by feedback from our customers and by the research project carried out for us by The Democratic Society “Democracy Starts at Home”.

We want to challenge ourselves in our approach to engagement – to create that unprecedented shift in power to the customer. Our 2021-26 strategy ***Your Home, Your Future, Your Community*** emphasises co-creation with our customers and promoting their ability to be in control and self-direct their services. By 2026 our customers will be empowered to make their own choices about the services they want, be properly equipped to do things for themselves and involved in the design of products and services from start to finish.

This shows how a Wheatley Customer will personally experience our engagement with them in 2026 – how it looks and feels to them.

I feel in control and have choices

- I take charge of my life, I self-direct my services.
- I have access to training, life skills, employability, support.
- I see a brighter future for myself and my family.

I shape the services I receive

- I influence the things that matter to me.
- I can give instant feedback.
- I understand performance from both a customer and business perspective.
- I can get involved through crowdsourcing ideas, designing, voting, on/offline discussions.

I have access to the information I need

- Online access provides me with all info about my home and community at my fingertips – account, costs, maintenance history, investment plans etc.

Each customer is an individual who will want and/or need different levels of engagement to feel this experience. Our engagement approach is designed to support customers' choices for the experience they want. The emphasis will not be on expecting customers to form constituted groups, meeting in specified locations at set times. Instead the approach will be to encourage **accessibility** – anyone can volunteer for an activity without further commitment – and **flexibility** – people can express views at a time and in a way that suits - online, 24/7, from home, or in person.

By making our engagement options more flexible for customers we seek to improve the opportunities for engagement which are available to our customers and widen the diversity of customers who are actively involved in shaping services. We will support our customers and communities to feel more in control of their personal and collective wellbeing, inspired to raise their aspiration and able to realise their potential.

The Framework

The engagement framework consists of 4 pillars which support our engagement with customers, as illustrated in Figure 1 below.

Figure 1 – The Stronger Voices framework



1. We Listen **You are heard**

Processes

This is a very open form of engagement which we would expect all customers can and will access at some point in their relationship with us. It enables customers to put forward ideas which are not driven by our agenda. Currently we engage with customers under this pillar in a variety of ways. Our **Think Yes culture** means that any staff member engaging with a customer listens and responds to what the customer is saying to find a positive solution. **Customer conversations** carried out by Housing Officers are an example of this – where the customer can bring up anything which is important to them, and the Housing Officer listens to understand what our role might be and how we can help. Often this will be about opening service options for customers, but it might also be about supplying information, or

developing insight which will help for example to create a community project or influence a service change. **Facebook** can also be used by customers to express what is on their mind rather than responding to any focused question we have asked.

Voice of the Customer is the process we use to identify on-line feedback on various service areas or topics. This type of process will become increasingly important customer on-line self-service increases.

Community groups/meetings are another way in which customers can raise issues which matter to them, for example a staff member might attend a community meeting where the main topic of conversation is lack of public transport. While we do not have a direct role in this it helps us to build community insight and we may be able to help influence other community partners or support grant funding applications.

Learning from complaints analysis is also an important way in which we listen to what our customers are saying, and change the way we deliver our services as a result of their feedback.

Key Roles

Our main job roles who engage with customers in this way are our front-line staff

- Housing Officers
- Engagement and Foundation Officers
- Care Workers and Managers
- Customer Service Centre staff
- Lettings Advisors
- Repairs and Investment staff
- NETs staff
- Locality Directors/Heads of Housing

Outcomes

The main purpose of this pillar of engagement is to provide solutions to our customers for the issues they raise. This is a cornerstone of our Think Yes culture.

The outcomes are increased customer satisfaction; faster complaints resolution; lower levels of waste demand, better customer relationships.

Another outcome is the ideas and innovation that customers can bring to our business. Insight gathered through this form of engagement is collected and

structured through the locality planning process, complaints analysis and survey feedback.

2. *We consult and co-create* ***You influence and design with us***

Processes

As part of this pillar we currently use a number of consultative processes. These include **rent consultation** or other **policy proposals**, **project proposals**, **surveys** ranging from small/local, service specific eg repairs, to wide ranging such as our annual customer satisfaction surveys. **Focus groups** are a method we also use to seek more qualitative responses which can still be used to provide structured and representative views.

These are important processes, but our ambition is to support more opportunities for customers to become proactively involved in working with us to design services. We believe some customers will find this very rewarding although we recognise it will not appeal to all customers as it requires a greater degree of time and effort. So the key processes focus on design – service design; estate design; system design; and home design.

We will introduce the concept of **Customer and Community Voices**. These will be customers who will work alongside officers to inspect, advise on and design how we deliver services and projects. We will design an annual programme for our Customer and Community Voices which will be informed by our Group strategic delivery plan so the customer voice is at the heart of our strategic projects. There will be a recruitment and training programme for customers to encourage and support involvement in this and to help build capacity. An early example of this type of involvement is the programme we have to train customers as Keep Scotland Beautiful (KSB) assessors – so that they can carry out joint estate inspections with our staff and contribute to how we can jointly improve our environments.

One of the activities our Customer and Community Voices will be involved in is **customer journey mapping**. When we explored this as a concept with our customers during our International Conference on Engagement it was one of the most popular activities with our customers, and brings huge insight as to how our processes and systems can be improved to deliver a better customer experience.

On a more individual basis, our Health & Wellbeing Assistants work with individual care customers using an **Outcome Star method** which supports the people we work

for to identify the aspects of their life they want to improve and how to go about it.

Key roles

Our main job roles who engage with customers in this way are those with a responsibility for service and strategy development

- Community of Excellence Leads
- Business Leads
- Investment Managers
- Development Managers
- Project Officers
- Service Improvement staff

Outcomes

The main purpose of this pillar of engagement is to test and consult on proposals; identify what doesn't work in current processes or policies; co-design new services or products; and challenge our collective thinking in order to improve. The outcomes are increased customer satisfaction; fewer complaints; lower levels of waste demand; and better value for money as resources are deployed in accordance with customer priorities.

Ensuring that the customer voice is heard and enabling co-design as an early milestone in our strategic projects will deliver innovation and fresh thinking in our delivery. Customer focused design has always been important to us, but the process of co-creating with customers in the design process is a new part of our approach.

3. *We give power to...* *You decide*

Processes

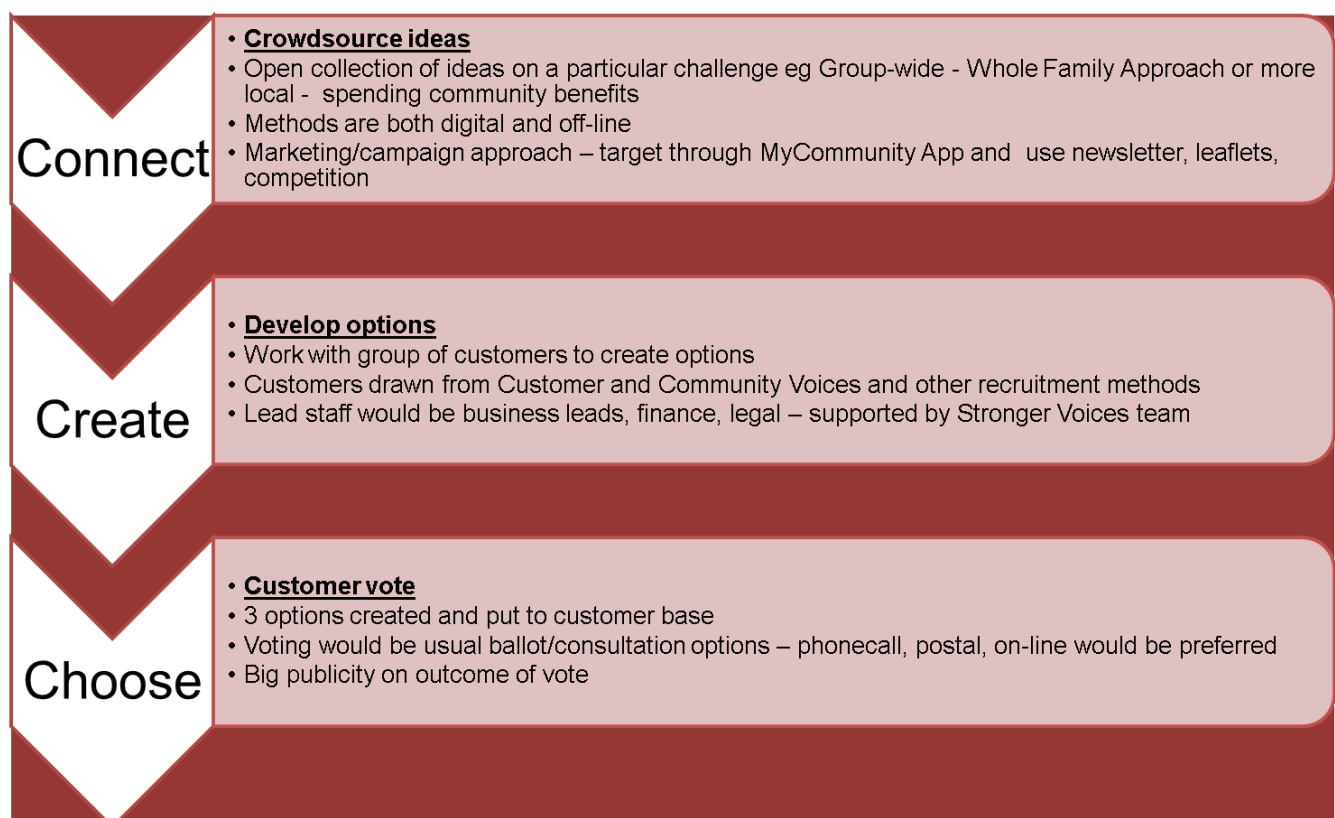
The processes for this pillar focus on ways in which we can safely empower our customers to make decisions on their own homes and environments, and to make decisions on priorities and resources. Our development of on-line, self-service tools help to promote this for the individual customer - for example, they can decide and track when and where they want a repair carried out; use a budget calculator to

make a decision about whether they can afford their own tenancy; or use the Wheatley MyCommunity app to seek consensus with neighbours to improve a shared garden area or other neighbourhood improvement ideas. The LivingWell model for older people uses supportive technology to give people more control and independence in their homes and communities.

An example of further empowerment for the individual customer is **Your Homechoice**. This will provide an allowance for customers taking up their new home with us to choose some work to be done that helps turn the house into a home for them. For example this could be the installation of additional power points which helps them to create a home office environment, or the installation of additional shelving or a kitchen unit which assists with storage solutions.

The **You Choose Challenge** will be one of the key methods we use to engage customers to make collective decisions about priorities and resources. This method is illustrated in Figure 2.

Figure 2 – You Choose Challenge



You Choose Challenge can be used to support a Group-wide decision, for example how to make a policy more family-friendly. But it can also be deployed more locally for example to decide on community projects or local investment decisions.

Key roles

The key staff roles involved in this pillar will be those which carry budget responsibility and decision-making power as this power will need to be appropriately devolved

- Executive Team
- Director of Finance
- MDs
- All Directors

Outcomes

The main purpose of this pillar of engagement is to empower customers to make decisions and choices about what matters to them. Our customers and communities will feel more in control of their personal and collective wellbeing, inspired to raise their aspiration and able to realise their potential. Self-directed services, innovative approaches such as Outcome Star, Livingwell for older people and Housing First help build the trust, confidence and ability of individuals to make the changes that are important to them, giving people more power and control over their lives and their futures.

The outcomes are increased ideas and innovation; increased customer satisfaction; fewer complaints; more customers feeling involved in decision-making; and better value for money as resources are deployed in accordance with customer priorities.

4. *We support*

Your voice is stronger and people listen to you

Processes

The processes for this pillar focus on ways in which we can support people to develop their potential and raise aspirations. We have experience of using many of these processes already, especially within Wheatley Care and other support services provided throughout the Group. Encouraging volunteering, as in the LivingWell service; encouraging individual expression through music and art; and supporting youth development projects are all ways that we currently support people to develop their potential. On-line tools such as the MyCommunity app will help people connect better with these opportunities and with each other.

The support provided through the Wheatley Foundation to access apprenticeships and bursaries is another method by which we support capacity development. This engagement framework provides an opportunity to integrate this support and develop it further through wider engagement opportunities. We will provide a learning suite and potential accreditations for those customers who become Customer and Community Voices, helping them to develop their skills to assess information, challenge approaches and express their views. This will form one of the pathways for customers who may be interested in positions as Board members.

Key Roles

Our main job roles who will support customers to develop their potential are

- Stronger Voices Officers
- Care and Support staff
- Health and Wellbeing Assistants
- Wheatley Foundation Officers
- Academy staff

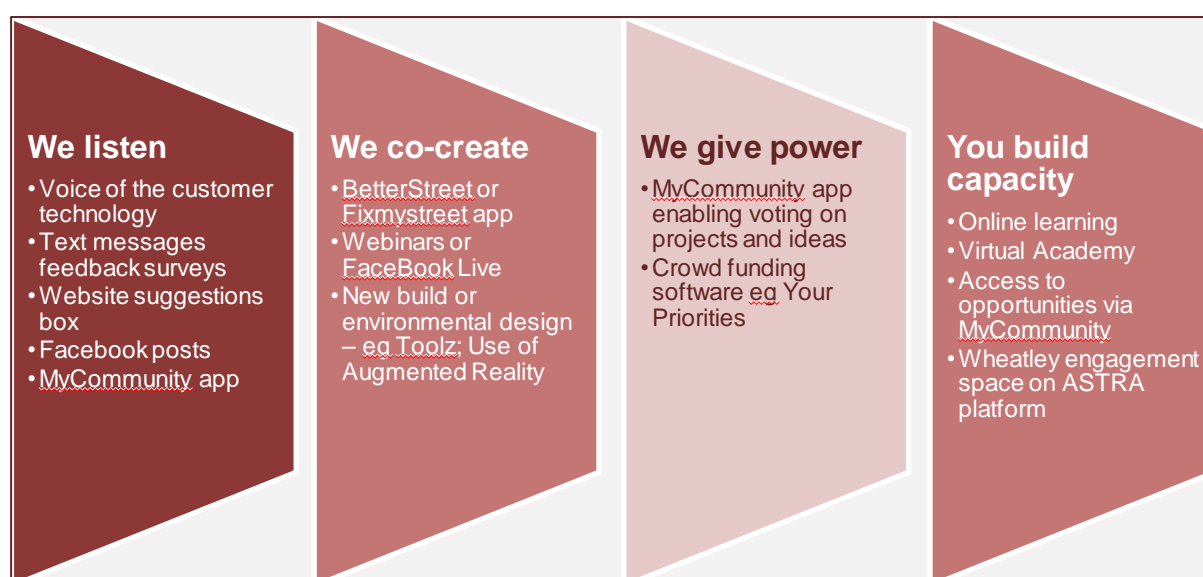
Outcomes

The main purpose of this pillar of engagement is to support people to develop their potential and build capacity and resilience in our communities.

Digital Engagement

The engagement framework is based on a blended approach which understands the value of face-to-face interaction but also the opportunities that can come through digital methods of engagement. We will develop digital engagement tools which will support the different pillars of the engagement framework as illustrated in Figure 3.

Figure 3 – Digital tools to support engagement



The development of the **MyCommunity app** will be the key mechanism to support digital engagement. This will enable customers to join a local neighbourhood digital engagement forum where they can engage with their Housing Officer or other key staff on community issues. We will be able to share local information specific to each community and also Group-wide information where appropriate eg to promote benefit take-up campaigns. Customers will also be able to promote activities or information and support which is available locally, as will other partners with whom we work.

Digital engagement can replace or supplement off-line community activity such as a meeting to discuss investment in a block. This should enable a wider range of input by increasing the methods by which people can take part in sharing information and views; building community consensus; and reaching decisions. Importantly, we will ensure that digital engagement is used to increase the range of customers who are able to participate. We will support customers to engage on-line but we will also ensure that no-one is excluded from involvement because they are unable to participate in this way.

Other digital methods which we will develop include the **integration of feedback within the customer service journey**. The opportunity to provide feedback will be

available at different points in the service journey – for example to provide feedback on-line through text, web or app feedback after ordering a repair; then again after receiving the repair. This can also be developed for example to contact a customer after they have completed their first year of tenancy with us, to seek feedback on their experience.

We will develop our **digital toolkit** to seek opportunities to make engagement more fun and engaging for our customers. This may be through working with our partners eg new build contractors on video technology so that customers can take a visual on-line tour of a development. There are also apps available such as BetterStreet which can help engage residents in assessing their neighbourhood environment and providing comment on what works for them, what makes them feel safer etc.

Staff resources

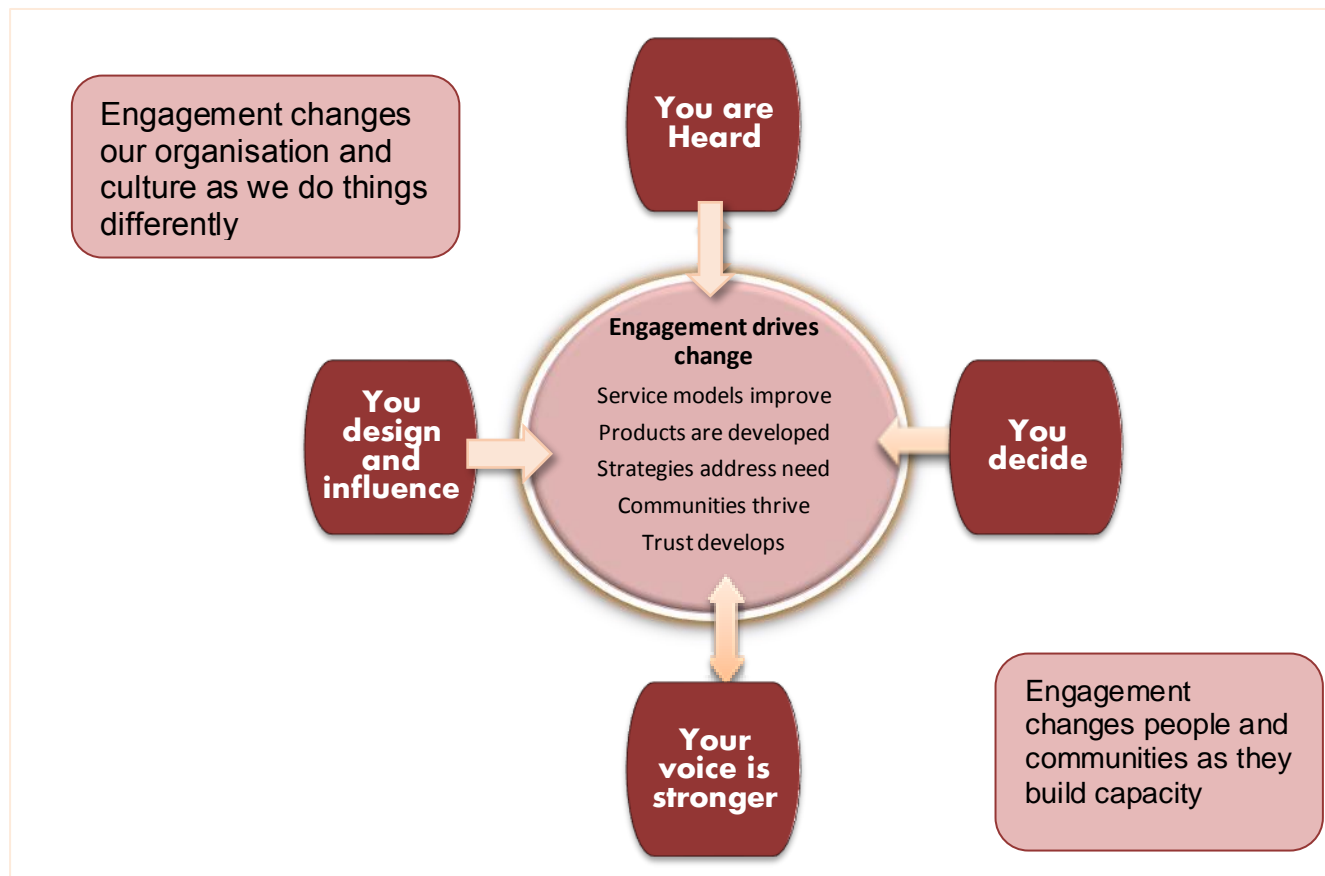
Every member of staff in Wheatley Group has a role in promoting engagement and responding to the customer voice in all our activities. The Stronger Voices team will support business leads to ensure this happens and will oversee the annual engagement programme which supports the customer voice throughout our strategic activities. A sample programme is attached at Appendix 1 of this document.

The team will include Digital Officers who will be responsible for exploring digital opportunities for engagement and supporting customers to develop their digital skills.

Framework outcomes

This engagement framework is designed to support our ambition to promote a culture which places the customer voice at the heart of everything we do. Through our strategy **Your Home, Your Future, Your Community**, we have set out to challenge ourselves in our approach to engagement – to create that unprecedented shift in power to the customer. Our 2021-26 strategy emphasises co-creation with our customers and promoting their ability to be in control and self-direct their services. By 2026 we hope that our customers will be empowered to make their own choices about the services they want, be properly equipped to do things for themselves and involved in the design of products and services from start to finish. Through this journey with our customers we hope that our communities will become stronger; more resilient; and able to make their voices and their expectations heard more widely.

Figure 4 - Framework outcomes



KEY PERFORMANCE INDICATORS

- Overall customer satisfaction above 90%
- Over 90% of Care customers satisfied with the overall service
- Overall satisfaction amongst households with children improved to 90%
- 90% of customers feel they can participate in the landlord's decision making
- 95% of customers actively engaged in shaping services feel they participate in decision making
- 50% of strategic delivery plan projects include customer engagement as an early milestone
- 100 Customer and Community Voices recruited in 2021
- 25% of customer-facing budgets will be controlled by customers by 2026

Wheatley strategic engagement - sample programme

Month	Activity	Outcome	Supporting pillar
March	Group Delivery plan approved	At least 50% of projects have specific milestones covering customer engagement	You influence and co-design
March	Annual programme for Customer and Community Voices is created	Annual programme of activity is identified	You influence and co-design
April	6 monthly performance is published on line and customer scrutiny invited through MD webinar	Customers are involved in scrutiny and improvement ideas	You influence and co-design
May	Analysis of integrated service feedback is provided as part of quarterly performance report to Boards	Customer feedback drives improvement activity	You are heard
May	Recruitment drive for Customer and Community Voices launches	New opportunities for involvement	You influence and co-design
June/July	Summer gala days/outdoor events	Publicise services, publicise feedback loop, community consultation, local investment priorities, apprenticeship programme	You are heard

August	Apprenticeship programme launches	Young customers are supported into the labour market, building skills and resilience	Your voice is stronger
August	Analysis of integrated service feedback is provided as part of quarterly performance report to Boards	Customer feedback drives improvement activity	You are heard
September	CEO webinar	Provides early context for rent consultation and shows how customer views drive strategy and budget setting	You are heard
October	Rent consultation <ul style="list-style-type: none"> - Face-to-face focus groups (balanced for age/gender) - MD Webinars - Interactive email and Website feedback 	Consultation informs budget setting	You are heard
November	6 monthly performance is published on line and customer scrutiny invited through MD webinar	Customers are involved in scrutiny and improvement ideas	You influence and co-design
November	Analysis of integrated service feedback is provided as part of quarterly performance report to Boards	Customer feedback drives improvement activity	You are heard
January	Annual Group You Choose Challenge launched	Ideas are crowdfunded, innovation is supported	You decide

February	Analysis of integrated service feedback is provided as part of quarterly performance report to Boards	Customer feedback drives improvement activity	You are heard
February	Co-creation session with staff and Customer Voices identify 3 ideas to take forward	3 ideas are identified	You decide
February	Budget process is finalised	Agreed % of customer facing budgets is decided by customer priorities	You decide
March	Group Delivery plan approved	At least 50% of projects have specific milestones covering customer engagement	You influence and co-design
April	The 3 “You Choose” ideas are marketed on-line and voting takes place	Customers decide on policy	You decide
April	Customer and Community Voices annual conference – presenting their findings to senior staff, Boards and other stakeholders, including interested customers	Confidence building and skills development – showcasing achievement	Your voice is stronger
May	Winning idea is incorporated in the strategy review and taken forward	Publicity of process and winning idea – customers see that they have decided on policy	You decide
May	Other ideas and feedback are incorporated in Board strategy sessions for Board consideration	Customer input informs strategy development	You influence and co-design

Report

To: Wheatley Housing Group Board

By: Olga Clayton, Group Director of Housing and Care

Approved by: Martin Armstrong, Group Chief Executive

Subject: Group Homelessness Policy 2021-2026

Date of Meeting: 16 December 2020

1 Purpose

- 1.1 This report seeks the Board's approval to our new homelessness policy, which supports the ambition in ***Your Home, Your Community, Your Future*** lead in the national agenda around rapid rehousing and Housing First, supporting the Scottish Government and local authorities in the delivery of their five year plans.

2 Authorising context

- 2.1 Our work on homelessness is a key part of our Group Strategy "Your Home, Your Community, Your Future". It expands across our housing, care and foundation activities. Our approach to homelessness, and the contribution we will make in terms of social housing provision, are strategic decisions. The designation of a policy as a Group Policy is reserved to the Group Board. Our day to day operational work will be delegated to the Group CEO under the Group Standing Orders.

3 Risk Appetite and assessment

- 3.1 The Group's risk appetite for service improvement is "open". This means we are prepared to take the risk of adopting the approach that is most likely to result in successful delivery of our service objectives.
- 3.2 Shifting the balance of power towards the customer brings some risk as we empower customers to take more decisions around priorities and resources. A robust framework within which we can support customers and use our strategic delivery plan to manage this transformation will help to mitigate any risks.

4 Background

- 4.1 The Group Strategy highlights some key actions that we will take in relation to homelessness:
- Housing 10,000 homeless households during the lifetime of the Strategy;
 - Strengthening the pathways of services and support for homeless households through working with those who have lived experience;
 - Creating an integrated Group value proposition through our expertise and resources across care, support, housing, advice, training, volunteering and employment.

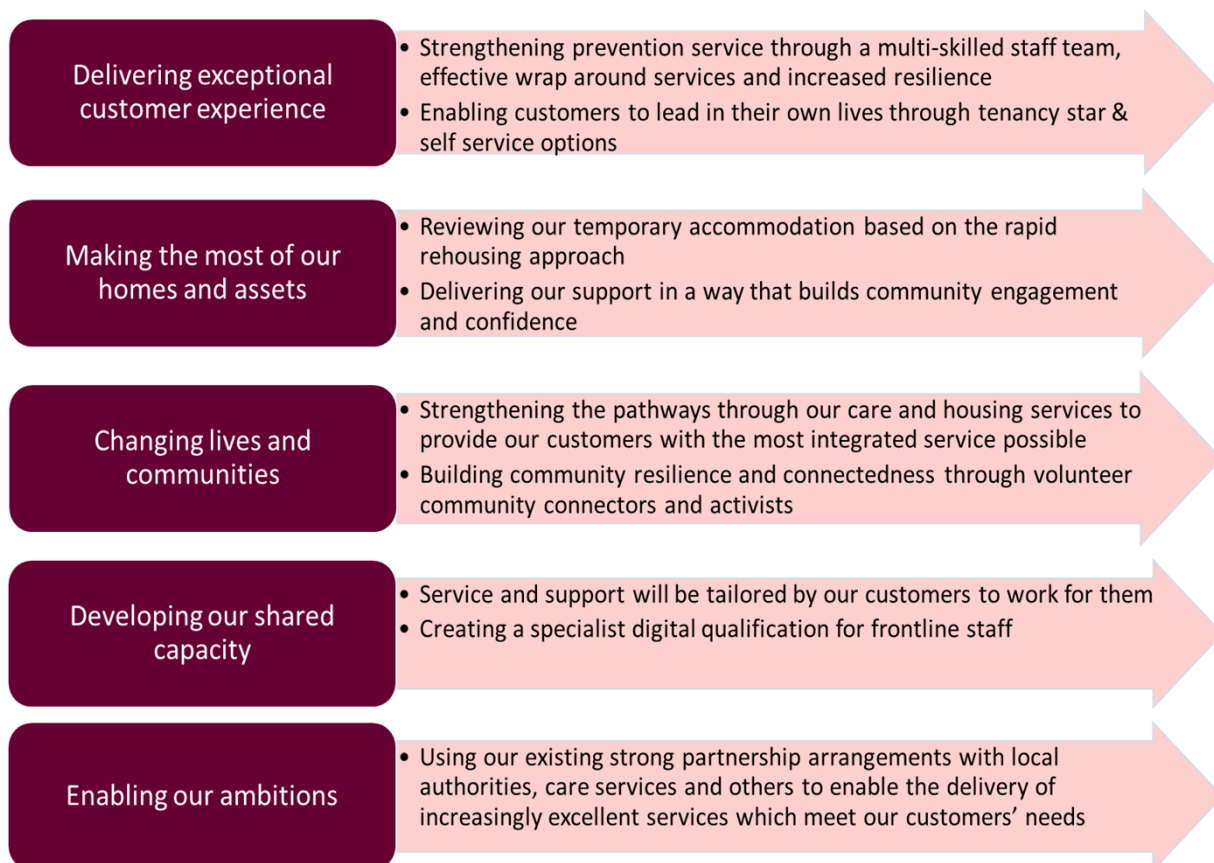
- 4.2 It emphasises the work we have done over the past five years with customers and communities to ensure our neighbourhoods are places customers want to live. In the next five years we aim to future-proof this by an increased focus on resilience, skills and confidence. This aim is central to our new Homelessness Policy.
- 4.3 This Policy sets out in more detail how these commitments will be delivered. It builds on our existing strong record. As well as providing temporary and permanent homes to homeless households we have provided the most extensive range of additional support in Scotland including money advice, furniture, access to jobs and training and fire safety measures.
- 4.4 Our Care services are highly regarded across our footprint and we have recently been successful as part of the Glasgow Alliance to end Homelessness (GAEH) which will redesign commissioned services to provide a much faster and more effective support to those who have become homeless.

5 Vision and Aims

Our Homelessness Policy provides a key contribution to our Group strategic vision:

Customers have increased control over their services, their communities and their lives, with new opportunities for building skills and resilience.

- 5.1 It sets out how we will work with our customers and our key partners to reduce homelessness while creating balanced and peaceful neighbourhoods. We are also committed to working towards the UN's sustainable development goals and the Policy will have an important impact on most of these but particularly the goals related to poverty, health and wellbeing, reduced inequalities and sustainable cities and communities.
- 5.2 The key outcomes of the Policy are to:
1. **Create balanced communities** which are peaceful, welcoming and supportive in which people of all backgrounds want to live and can contribute;
 2. **Prevent homelessness** wherever possible so that more households avoid the trauma and stigma of homelessness;
 3. **Co-create** the services in this Policy with customers who have experienced homelessness or the threat of homelessness so that our services and products are directed in the way that works best for the households that need them;
 4. **Provide more homes for homeless households** who have become homeless and supplement this with access to our Lowther mid and private rented homes where these are suitable; and
 5. **Develop a unique multi-skilled expertise** which ensures an understanding of all the impacts which can face those threatened with homelessness so that our staff can provide an empowering and supportive experience for our customers.
- 5.3 The actions within the Policy are aligned to our Group strategic themes. Some of the key actions are outlined in the diagram below:



5.4 We will measure the success of our delivery of these outcomes through the following key targets:

Measure	Target
Number of homes provided to households assessed as homeless by the local authority	10,000
% of lets provided to homeless households:	
- Glasgow	65%
- Edinburgh	50%
- Dumfries & Galloway	50%
% of homes let through nomination agreement with local authority:	
- West Lothian	50%
- West Dunbartonshire	50%
Increase the number of Housing First tenancies across our footprint	500
% of Wheatley households at risk of homelessness who are helped to avoid homelessness	Baseline to be determined in 2021
Increase the % homeless households very satisfied with the process of getting their new home	Baseline to be determined in 2021
Increase the supply of new build homes	5,500
Maintain tenancy sustainment levels for all households	Above 90%
Maintain tenancy sustainment levels for households who were previously homeless	Above 93%
Number of households whose temporary let is "flipped" to a mainstream SST (new)	500
Increase the percentage of our customers who live in neighbourhoods categorised as peaceful	70%
Number of jobs, training places and apprenticeships given to people affected by homeless	500

6 Context

- 6.1 Almost 37,000 homeless applications were received across Scotland in 2019-20. Around half of these households have a support need and many are families. As a result of the numbers, many households spend considerable time in temporary accommodation often with more than one move. Almost 12,000 households were in temporary accommodation in March 2020 across Scotland, most of them either young single men or families.
- 6.2 People who are homeless are often stigmatised by others, further compounding their sense of isolation. Communities which receive high levels of homeless households are also often stigmatised. Part of the work of this Policy will be to help to change the narrative of homelessness in our communities. We aim to create a more positive sense of how the right home and the right support can help people to become valued contributors to the neighbourhood they live in, whilst recognising the challenge this can sometimes bring.
- 6.3 Supply of affordable housing is a major issue in resolving the level of homelessness. In many areas there is an overall shortage of affordable housing but there is also generally a mismatch between supply and demand with most homeless households requiring smaller houses.
- 6.4 Analysis done before Covid-19 showed that more than 50% of all local authority and RSL lets would have to go to homeless households for the next 5 years to address the backlog. In Edinburgh the figure was 84%.
- 6.5 However, there are other groups on waiting lists who also acutely require rehousing. These include those who are overcrowded, those with medical needs and separating partners. In many instances, failure to help these households through our waiting list would result in an increase in numbers who are homeless.
- 6.6 The Scottish Government has recognised ending homelessness as a key priority. It commissioned the Homelessness And Rough Sleeping Action Group (HARSAG) to look at ways to end homelessness in 2017. These included the introduction of a rapid rehousing approach and Housing First for the most complex cases. HARSAG recently updated the actions after it was reconvened to consider the actions required in the light of the Covid-19 pandemic. Our Policy takes account of these actions.

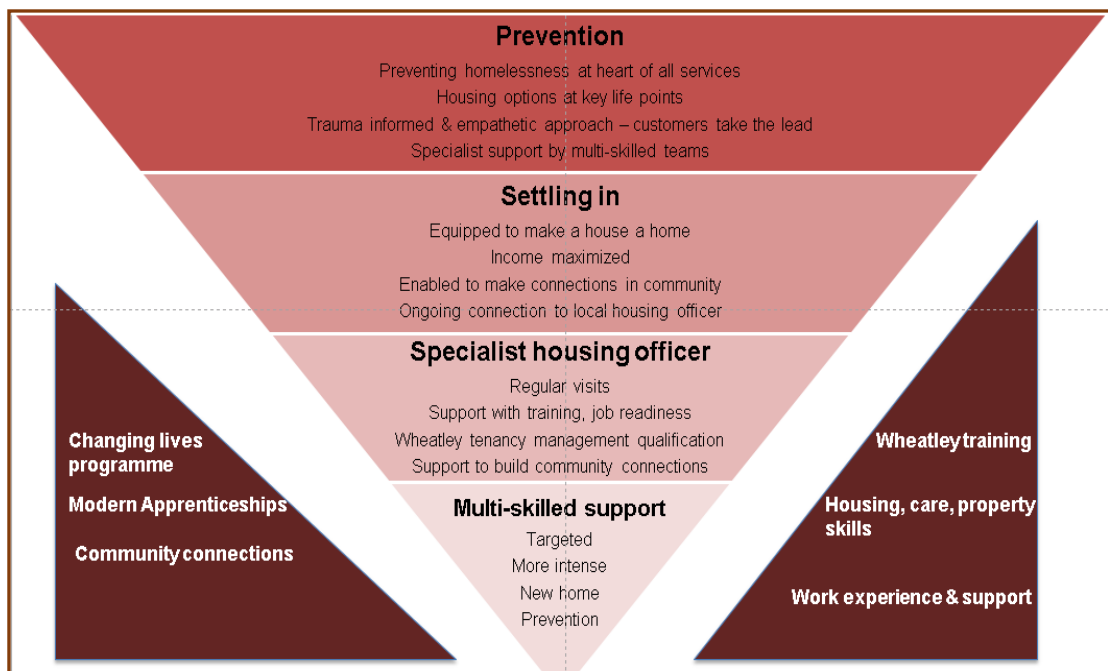
7 Our approach

- 7.1 Our Policy is underpinned by some key principles:
- Those with lived experience will be at the heart of the development and ongoing improvement of our services;
 - Our approach will always be “housing first” – providing a home without having to wait until someone is “tenancy ready”;
 - Households should have access to effective additional support to build resilience and reduce the risk of homelessness recurring;
 - We will use our expertise to co-create new and innovative ways of working; and
 - We will work with and influence our partners to deliver the best outcomes for our customers.

- 7.2 The Policy sets out a structured approach to addressing homelessness. In line with our Group Strategy, it focuses on ensuring that our customers will be empowered to make their own choices about the services they want, be properly equipped to do things for themselves and involved in the design of products and services from start to finish.
- 7.3 We will help people avoid homelessness through actions such as housing options advice. Where people do become homeless, finding a new home quickly is important to avoid further disruption and trauma. We will also ensure people can settle quickly with wrap around services co-created with customers.
- 7.4 We intend to increase our level of lets to homeless households to approximately 10,000 over the lifetime of the Policy. We will keep this figure under review in discussion with local authorities but hope to keep it to that level by preventing homelessness from happening wherever possible.
- 7.5 Increasing lets above this level would limit the amount of prevention work we can do (e.g. enabling those with medical needs, overcrowding and other priorities to obtain a home) and is likely to mean other households also have to go through a homeless route.
- 7.6 The table below shows our proposed targets for lets to homeless households in each area. In West Lothian and West Dunbartonshire we have a nomination agreement with the local authority. These means that they nominate the household to be allocated to these homes from their waiting lists. They will choose who to nominate based on their priorities.

Local authority	Target lets to homeless
Glasgow City Council	65%
City of Edinburgh Council	50%
Dumfries and Galloway Council	50%
	Target homes for nomination
West Lothian Council	50%
West Dunbartonshire Council	50%

- 7.7 We know that many homeless households will require additional support to settle into a home so we will work with our partners to make sure that support is available. The diagram below summarises how we will do this:



- 7.8 Housing First provides the most extensive support in this spectrum. It helps those who have the most complex needs to take control of their lives and choices. It provides a home as soon as possible, avoiding the approach of waiting until someone is “tenancy ready”.
- 7.9 Wheatley had provided homes and/or support for more than 160 cases by the end of October 2020, representing 50% of the cases in Scotland. A crucial element to the success of Housing First will be the provision of high quality support that is available over the long term. We will use our influence in health and social care partnerships and through the Glasgow Alliance to End Homelessness to help ensure that this is the case. Further information on Housing First is included in a separate presentation to the Board.
- 7.10 The Policy recognises that resolving homelessness requires a partnership of many organisations. We will continue to support local authorities in their statutory role and to further strengthen relationships with support providers. Our teams are supported and trained to think innovatively, to think yes together with their customers and to provide leadership in digital transformation. We will use this innovative style to help provide thinking which challenges and encourages a new approach to services internally and with partners.
- 7.11 Effectively supporting homeless people into settled accommodation is a vital part of our creation of sustainable communities. We recognise that other households also face acute challenges, whether they access housing through transfers, mutual exchange, medical priority or other routes. These households will also be able to access the full range of services we provide. We will continue to ensure strong links with other statutory agencies so that referrals can be made wherever appropriate.
- 7.12 Given the importance of this policy the approach will be reviewed annually to assess progress and consider any changes which may be required. The key actions from the policy will be included in our annual Delivery Plan monitoring programme.

8 Key issues and conclusions

- 8.1 The Group Homelessness Policy will be a key part of the delivery of our strategic aims over the next 5 years. It provides clear actions and measures to determine our progress. Given the importance, it will be reviewed annually to ensure it will still deliver our vision and aims.

9 Value for money implications

- 9.1 There will be costs associated with a number of the proposals. As they are developed, they will be considered via business case assessment and reported to Board as appropriate. Most costs will be incorporated within the existing budgets.

10 Impact on financial projections

- 10.1 No implications

11 Legal, regulatory, and charitable implications

- 11.1 Registered Social Landlords have a legal duty to assist local authorities in their homelessness duties. We are also required to report on a range of related indicators in the Annual Return on the Charter.

12 Partnership implications

- 12.1 Partnership working will be essential to the delivery of this Policy. This will include Scottish Government, local authorities, health and social care partnerships and third sector organisations. Most importantly, customers will help to co-create the services and approach that will work best.

13 Implementation and Deployment

- 13.1 Homelessness is an issue that matters across the Group. Part of this Policy will be to ensure that all our staff understand our approach to preventing and resolving homelessness. The main responsibility for implementation will lie with Wheatley 360 and Wheatley Care.
- 13.2 As part of our deployment, we will work with partners and stakeholders to ensure that they understand our Policy and help to inform the delivery of its aims. Co-creation with customers is a key part of the Policy and mechanisms to allow this will be developed in conjunction with the proposed new Customer Engagement Framework.
- 13.3 Key actions within the Policy will form part of the annual delivery plan which allows the Board to review progress quarterly. A set of targets has been identified as part of the Policy to quantify success in some of the main areas and these will also be reported to Board as part of the Delivery Plan.
- 13.4 The Policy and the Equalities Impact Assessment (EIA) will be subject to review at least annually to consider progress and to identify whether any changes are required.

14 Equalities impact

- 14.1 A full equalities impact assessment has been carried out for this Policy. This assessment has been undertaken as the first pilot in developing a new approach within the Group. The assessment has been informed by a review of relevant data across each of the protected characteristics, knowledge gained from our partnership working with key local authorities and other stakeholders, and support from an external equalities expert.
- 14.2 The assessment has reviewed the impact of actions in each strategic theme against the nine protected characteristics identified in equalities legislation. This shows that the Homelessness Policy will have a positive or neutral impact on all characteristics because it will improve the supply of housing for homeless households, increase the effectiveness of support and improve prevention of homelessness.

15 Recommendations

- 15.1 The Board is asked to approve the draft Group Homelessness Policy and its designation as a Group Policy.

LIST OF APPENDICES

Appendix 1: Draft Group Homelessness Policy

Homelessness Policy 2021-2026:

Changing lives and communities

Contents – to be updated

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Foreword

{Insert quote from board member or chair / chief exec / group director }

Introduction

Our Group Strategic vision is that:

Customers have increased control over their services, their communities and their lives, with new opportunities for building skills and resilience.

Our Homelessness Policy is a key contributor to this vision. It sets out how we will work with our customers and our key partners to reduce homelessness while creating balanced and peaceful neighbourhoods. It forms part of our contribution to the UN's sustainable development goals as laid out in our Group Strategy. In particular, it will have a positive impact on poverty, health and wellbeing, reduced inequalities and sustainable cities and communities.

The key outcomes of the Policy are to:

1. **Create balanced communities** which are peaceful, welcoming and supportive in which people of all backgrounds want to live and can contribute;
2. **Prevent homelessness** wherever possible so that more households avoid the trauma and stigma of homelessness;
3. **Co-create** the services in this Policy with customers who have experienced homelessness or the threat of homelessness so that our services and products are directed in the way that works best for the households that need them;
4. **Provide more homes for homeless households** who have become homeless and supplement this with access to our Lowther mid and private rented homes where these are suitable; and
5. **Develop a unique multi-skilled expertise** which ensures an understanding of all the impacts which can face those threatened with homelessness so that our staff can provide an empowering and supportive experience for our customers.

We have set out a range of targets which will help us to assess the impact of the policy in the table below.

Measure	Target
Number of homes provided to households assessed as homeless by the local authority	10,000
% of lets provided to homeless households: <ul style="list-style-type: none">- Glasgow- Edinburgh- Dumfries & Galloway	65% 50% 50%
% of homes let through nomination agreement with local authority: <ul style="list-style-type: none">- West Lothian- West Dunbartonshire	50% 50%
Increase the number of Housing First tenancies across our footprint	500
% of Wheatley households at risk of homelessness who are helped to avoid homelessness	Baseline to be determined in 2021
Increase the % homeless households very satisfied with the process of getting their new home (segmentation of existing indicator)	Baseline to be determined in 2021
Increase the supply of new build homes	5,500
Maintain tenancy sustainment levels for all households	Above 90%

Measure	Target
Maintain tenancy sustainment levels for households who were previously homeless	Above 93%
Number of households whose temporary let is "flipped" to a mainstream SST (new)	500
Increase the percentage of our customers who live in neighbourhoods categorised as peaceful	70%
Number of jobs, training places and apprenticeships given to people affected by homeless (new)	500

Ending homelessness is a key priority for our partners in the Scottish Government, local authorities and Health and Social Care Partnerships who have the statutory responsibilities in this area. We will work closely with them to help prevent homelessness from happening in the first place and to rapidly house people where they do become homeless.

The Wheatley Group (The Group) is Scotland's leading housing, care and property management organisation and one of the UK's best-accredited organisations. It is in a unique position to support these aims through its range of sector leading skills, its size and its geographic range. It owns or factors over 89,000 homes, provides care services to approximately 7,000 individuals each year and delivers award-winning services to over 250,000 people across Central and South Scotland.

Our care services are experts in support services to homeless households, in resettlement from temporary accommodation and in working with households with some of the most challenging support needs. We are able to combine this with our housing expertise where our housing officers have a patch size of 200 and know each of their customers well. They are increasingly skilled in support and trauma needs which they can use to help each of their customers.

Our approach to joint working has allowed our Care services to lead in the creation of a partnership to successfully bid for Glasgow's "alliance to end homelessness". This 10-year partnership will be focused on delivering innovative responses to redesign commissioned services in line with the rapid rehousing approach. Our joined up housing and care expertise places us well in the development of this new approach.

Our work has helped to support and strengthen communities across our geography. The people we house almost always stay in their home and neighbourhood and many go on to make significant contributions in their community or further afield. Some of our customers, including those housed from a homeless route, have gone on to become Board members, members of staff and key volunteers in the community.

Given the importance of this Policy it will be reviewed annually to assess progress and consider any changes which may be required.

Our organisation

Wheatley Group has a unique integrated Group value proposition that gives our customers unrivalled access to expertise and resources across housing, homelessness, care, support, advice, training, volunteering and employment. Our Subsidiaries are:



Wheatley Care provides services to approximately 7,000 customers each year. The majority of these customers are in homelessness related services or have experience of homelessness. Its services cover prevention of homelessness, support through and after homelessness and specialised accommodation.

Wheatley Care is part of the Stirling, Edinburgh and Glasgow Housing First Pathfinders



Glasgow Housing Association, Scotland's largest social landlord, has 40,000 affordable homes in Glasgow, providing more than 3,000 lets to customers each year, 30% of them to households assessed as homeless by the City Council. In addition, GHA provides 1,000 homes to Glasgow City Council for use as temporary accommodation.

GHA was part of the first Housing First project to be piloted in the UK between October 2010 and September 2013. It is a core member of the Glasgow Housing First Pathfinder.



Dunedin Canmore provides over 5,000 homes in Edinburgh, the Lothians and Fife with almost 500 lets each year. Approximately 50% of these go to households assessed as homeless by the relevant local authority. Dunedin Canmore is a Housing First partner in the Edinburgh pathfinder



Cube Housing Association, has more than 3,500 homes across the West of Scotland and more than 500 lets each year. In addition, Cube leases over 100 properties to local authorities for use as temporary accommodation.

Cube is part of Glasgow's Housing First consortium.



Loretto Housing Association has more than 1,300 affordable homes in the central belt. Approximately 30% of lets are provided to households assessed as homeless by the relevant local authority. Loretto is renowned as a specialist in the provision of housing for those with support needs.

Loretto is a member of Glasgow's Housing First Consortium



Homelessness Policy |

West Lothian Housing Partnership, with just over 400 affordable homes provides approximately 50% of all voids as nominations to West Lothian Council

WLHP is expanding with more than 100 new homes completed in the last 2 years.



DGHP joined Wheatley Group in December 2019 with 10,300 affordable homes from Dumfries to Stranraer. It provides the vast majority of the social rented stock in the area, Approximately 40% of its almost 1,000 lets each year are provided to households assessed as homeless by the local authority.

DGHP also provides 24 units of temporary accommodation with support, an out of ours accommodation unit in Dumfries and a specialist project for young people who have experienced care



Lowther Homes manages a growing portfolio of over 1,800 mid and full-market apartments.



Wheatley 360 is our wraparound support division changing lives from every angle. It incorporates Housing Advice and homelessness, Housing Options for Older People, Group Protection, Community Improvement Partnership, Fire Safety and Home Safety teams



Wheatley Foundation invests over £3million annually on improving the life opportunities of disadvantaged people in Wheatley's communities which includes funding our Home Comforts and Eat Well services to customers experiencing poverty.

Our track record

Our Group already has a strong track record in preventing homelessness and in supporting customers when homelessness does happen, working jointly with our partners. Over the last five years we have delivered a range of innovative and successful new services including:

- Development of the MyHousing on line application and allocation system;
- Leading on the Housing Options approach across Glasgow, using this to influence other areas in which we operate;
- Developing innovative protocols to help young care leavers access housing without needing to navigate the homelessness system;
- Taking a leading role in the implementation of Housing First;
- Progressing the development of a virtual home experience for young people in our housing support services;
- The creation of hub and cluster services for some of our vulnerable customers, bringing together housing, care and health services;
- Using our combined expertise in our Flexible Housing Outreach Support Service and Housing Access Team to remove barriers to settled housing for households in temporary accommodation;
- Co-production of the tenancy star approach;
- Creation of a tenancy support service which uses our Care expertise to support housing tenants;
- Development of our locations as hate crime and third party reporting centres; and
- Award winning training in relation to domestic abuse.

Our customers live in high quality, refurbished or new homes, but we also support them to have better lives. Our housing officers have small local patches and are on hand to welcome and support tenants in their homes. They are often the first or only contact in our customers' homes. Our housing management approach already helps to reduce homelessness through our work to reduce anti-social behavior and to mitigate the impacts of poverty.

Drawing on our care expertise, we have developed a Tenancy Support Service which helps customers to settle into a home or to navigate through a crisis. This builds on a long history of expertise and partnership working around housing support, resettlement and supporting those with complex needs.

Tenancy support expertise is increasingly integrated into the frontline of housing services through training, co-working and direct access to advice from care specialists. This means that we can link housing and support issues together in a way few other organisations can.

Our Changing Lives employability programme supports people living in our communities who have multiple barriers to work; including experience of homelessness. It provides a one year practical placement within our Neighbourhood Environmental teams. Trainees are given support by a dedicated Support Officer who works closely with them to build essential work skills and the confidence needed to help make the transition into work. This worker makes a huge difference to job sustainment, with subsequent positive impacts on tenancy sustainment.

Our care and housing expertise is supported by a specialist homelessness team which can liaise across all our services and ensure strong links with each local authority. This team not only works with customers once they are homeless, but has led on the design and implementation of a number of innovations.

The table below shows some of the ways in which we support different groups of homeless customers.

All households	My Great Start (package to assist in setting up a home) Welfare advice Fuel advice Eat Well Home Comforts Suicide and Mental Health support via signposting Fire Safety Referral Jobs and training opportunities including changing lives
Housing First	Specialist support integrated with housing provision Fire protection (LD1/stove guard)/ Fire retardant bedding Furniture package/ Eatwell Training & employment opportunities
Families	Modern apprenticeships for young tenants and children of tenants
Care leavers	Housing options and early intervention to prevent homelessness Additional meetings with SWS to do check-ins to pick up any issues early and address them
Domestic abuse	Access to tailored support, information and guidance from their Housing Officers and our specialist Group Protection Team Referral to MARAC forum where Wheatley are a key strategic partner Home Safety Service Bespoke signposting to Domestic Abuse organisations and agencies where Wheatley have a strategic partnership

We provide a proportion of our stock to local authorities to use as temporary accommodation in a more independent and “homely” environment. We also provide emergency accommodation to provide services and support to our customers at the point of need.

Our Dunedin Harbour Hostel delivers an integrated pathway into housing. The hostel provides 35 bedspaces alongside on site independent flats. Fordneuk supports those with complex needs, commonly with alcohol or other dependencies, who are often excluded from most or all other housing options in Glasgow. We also have temporary accommodation units in Dumfries and Galloway.

These strengths provide a positive basis on which to build our services of the future. Appendix 1 provides a current position statement of our work by local authority while appendix 2 provides some case studies.

Homelessness in Scotland

Homelessness has been a key priority for the Scottish Government and local authorities over many years. As a result, Scotland has some of the most progressive legislation to support those at risk of, or experiencing, homelessness. Appendix 3 outlines the range of statutory changes which have been made in the last 20 years.

The statutory duties for homelessness lie with local authorities. However, a whole system approach has been adopted in Scotland with RSLs at the heart of services. Our RSLs have the largest number of social rented homes in Scotland and Wheatley will continue to be at the forefront of these partnerships.

The number of households applying as homeless remains high and has increased in the last two years. Almost 37,000 homeless applications were received across Scotland in 2019-20. The dislocating effects of homelessness are substantial. These include the impact on health, relationships and educational outcomes. Often, homeless households face stigma across all aspects of their life, including as they move into a new neighbourhood. Similarly, neighbourhoods which receive high numbers of homeless households can also be stigmatised. Changing this narrative is an important part of our approach.

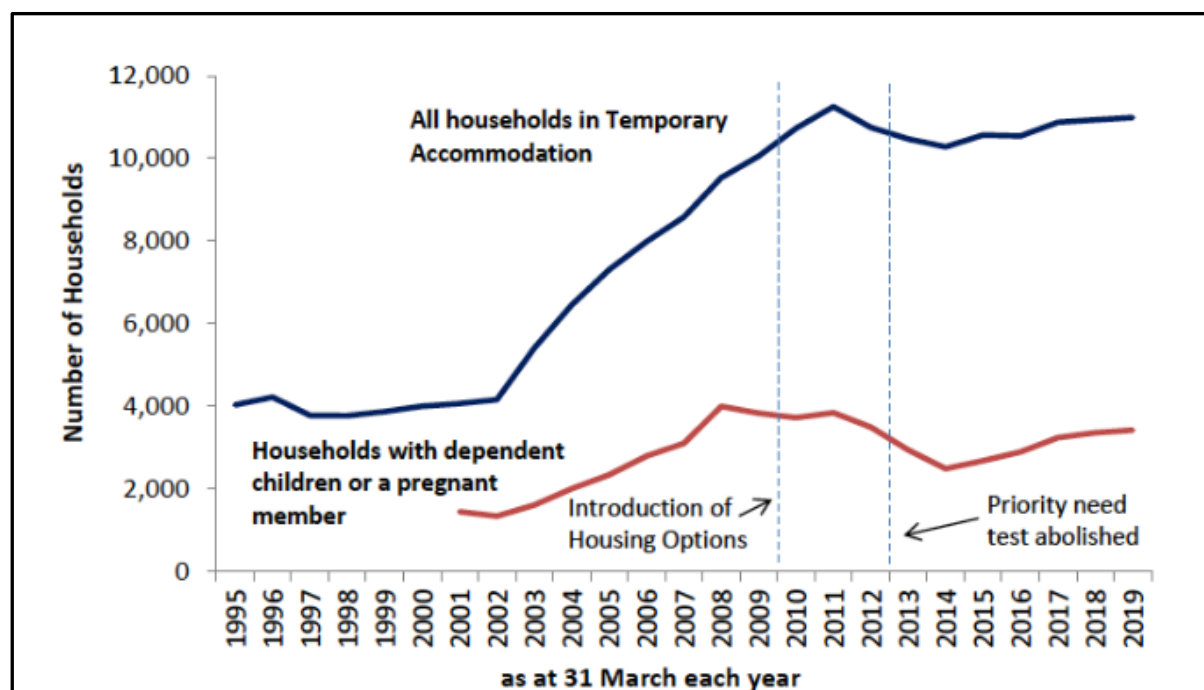
Homelessness can present in a variety of ways. For some households, the provision of a new home in the right place will resolve their issue and allow them to continue their lives. However, the shortage of supply across Scotland means that even the provision of a home in the right place is not always straightforward. In many of the areas in which we operate there is exceptionally high demand for limited numbers of social rented homes, particularly for smaller homes. In rural areas there are often no homes available in the areas of choice.

Families are the second biggest segment of homeless applicants after young single males. Supporting families is at the heart of our Group Strategy and where they have become homeless there is even more need for support. Many of these families have a single female parent and there are often particular issues around safety and/or domestic abuse which may need to be addressed. Support will enable families to settle in an area connecting well to schools, clubs and other networks. It is important that this support is delivered in a way which gives parents more confidence and allows them to parent rather than having things “done to them”.

For others, homelessness is in part a symptom of other issues. Those who experience poverty, childhood trauma, domestic abuse and mental health issues are often more likely to experience homelessness. Drug and alcohol issues can also compound the likelihood and impact of homelessness. For these households, the solution will generally require more than bricks and mortar. They will need additional support to settle into a home and may need more long term services to help avoid homelessness recurring. Creating opportunities such as training, employment and stronger community networks can be key to better life chances.

Almost 12,000 households were in temporary accommodation on 31 March 2020. The number of households in temporary accommodation increased by 6% in 2019/20 but is likely to have increased further in the first quarter of 2020/21 due to the suspension of

letting during the coronavirus lockdown. The chart below shows the trend in numbers in temporary accommodation.



The Scottish Government announced in September 2019 that it would extend the Homeless Persons (Unsuitable Accommodation) (Scotland) Order. This previously required local authorities to limit the time that pregnant women and households with children were placed in unsuitable temporary accommodation. The 2020 Order extends this requirement to all households. The extension of the order is likely to increase pressure on local authorities to move people out of certain types of temporary accommodation more quickly or to avoid the need for its use altogether.

We know that homelessness remains a key priority for the Scottish Government. In September 2017 it announced £50 million of additional expenditure for tackling homelessness over the next 5 years (the Ending Homelessness Together Fund). This was followed with the creation of a shortlife Homelessness and Rough Sleeping Action Group (HARSAG) in October 2017. HARSAG was tasked with identifying both short and long term solutions to end homelessness and rough sleeping in Scotland. The group's recommendations were brought together in "Ending Homelessness: The report on the final recommendations of the Homelessness and Rough Sleeping Action Group" published in June 2018. The report made 70 recommendations.

This resulted in the development of some key changes in the way homelessness is considered. The Government has required all local authorities to deliver **Rapid Rehousing Transition plans**. The aim of the Plans is to take a housing led approach, ensuring people get a settled housing option as soon as possible. This approach will require strong and agile support services that are commissioned and managed in new ways to ensure individual households build resilience and increase sustainment.

Research carried out prior to Covid-19 showed the scale of letting required to clear the backlog. The table below shows the results of this work. The Covid-19 pandemic will have increased the backlog.

Housing Option Hub	Current total lets in year to homeless SRS + PRS	Total annual lets needed for homeless annually for next five years **	Proportional increase in lets to meet annual new demand and backlog	Proportion of all social lets to homeless households IF SR was to meet ALL homeless need
Ayrshire and South	1,531	2,365	54%	40%
Edinburgh, Lothians and Borders	3,850	6,750	75%	84%
North & Islands	2,635	3,572	36%	54%
Tayside, Fife and Central	3,903	5,138	32%	54%
West Hub	5,766	9,485	65%	50%
Total Scotland***	18,871	27,310	45%	52%

An important element of the rapid rehousing initiative is the **Housing First** approach. This is designed to ensure that those who are homeless and have complex needs can also take control of their lives and choices. It ensures that settled accommodation is provided as soon as possible, avoiding the approach of waiting until someone is “tenancy ready”. Instead, customers are provided with the support they need at the same time so that they can successfully maintain that home. New models to deliver Housing First may need some smaller scale housing developments linked to support for those with the most complex needs. Our existing care services give us the experience to build and develop this approach.

As a consequence of the transition to rapid rehousing, the proportion of temporary accommodation required from our stock should reduce. Positively, this will increase the number of homes available permanently. However, it is likely to affect demand in some of our multi-storey stock where there tends to be more temporary accommodation.

Covid-19

Letting was suspended during lockdown but in many areas applications from homeless households have continued at a significant rate. This means the numbers awaiting housing have risen, particularly in Edinburgh and Glasgow. Many of these households are currently in temporary accommodation. Wheatley has assisted local authorities in meeting this challenge by providing more than 400 additional homes for temporary lets. Where possible we are now working with local authorities and customers to “flip” these to permanent lets where they are suitable.

Some of those in hotel accommodation were previously rough sleeping or had significant other issues. It is likely that enabling move on for some of these households may require a process similar to that used when decommissioning the large scale hostels.

In response to the Covid-19 pandemic the Scottish Government reconvened HARSAG to consider further recommendations. Their report was issued in June 2020 and contained 105 recommendations, followed by an action plan published in October 2020. The recommendations include:

- Increased new build supply;

- Increased use of the private rented sector;
- Extension of the emergency legislation delaying eviction processes; and
- That 80-90% of social housing lets should be made to homeless households.

These recommendations have been agreed in principle by the Scottish Government.

Our key areas

Although in total we have services in 18 local authorities, our care services and homes are focused in 5 key areas – Glasgow, Edinburgh, Dumfries and Galloway, West Lothian and West Dunbartonshire. We have strong relationships with the local authorities in each of these areas although the nature of the relationship varies.

In Dumfries and Galloway, DGHP was created from the transfer of all local authority housing stock and as a result we are the main provider of social housing in the area. In Glasgow we are the largest landlord in the city and have specific arrangements in relation to homelessness. These situations result in a unique partnership with the relevant local authorities. In other areas our homelessness services and homes provide part of a range of services in the area.

The table below shows some of the statistics across our key local authority areas. Unsurprisingly, Scotland's two largest cities have the highest levels of applications. The data also shows that approximately half of customers in most areas have at least one support need. This level has risen over recent years. The length of stay in temporary accommodation is also high, with the shortest average stay in our key local authorities still over 100 days.

	Scottish Figure	Glasgow	City of Edinburgh	Dumfries and Galloway	West Dunbartonshire	West Lothian
Total applications	36,465	5,679	3,229	910	1,037	1,516
Applications accepted	29,894	4,660	3,077	716	930	1,110
% assessed with at least one support need	14,506 (49%)	2,099 (45%)	1,286 (42%)	587 (82%)	475 (51%)	458 (41%)
Average length of days in temporary accommodation	180 days	204 days	268 days	107 days	159 days	179 days

The diagram below summarises some of the key issues in each authority.

Local authority

Challenges

Glasgow

- Access to temporary and settled accommodation
- Speed of process from application through to settled home
- Impact of Asylum Dispersal contract on homelessness and house size
- Large scale resettlement from hotels required post Covid-19

City of Edinburgh

- Cannot deliver rapid rehousing over 5 years as demand exceeds supply
- Long average time in temporary accommodation
- Propose major reduction in emergency accommodation and move to temporary furnished flats including homeshare and private sector leasing

Dumfries and Galloway

- High levels of support needs identified in homeless population
- Challenge of meeting housing need across a rural area with many individual towns and villages
- Support services & temporary accommodation concentrated in main towns

West
Dumbartonshire

- Highest rate of homelessness per 1,000 of the population
- High rate of youth homelessness
- High support needs

West Lothian

- High levels of youth homelessness
- Lack of supply of affordable housing
- Local authority nominates a lower proportion of homeless households to our stock

Our Wheatley Strategy

Our Strategy for 2021 -2026 sets out our vision for Wheatley, our customers and communities.

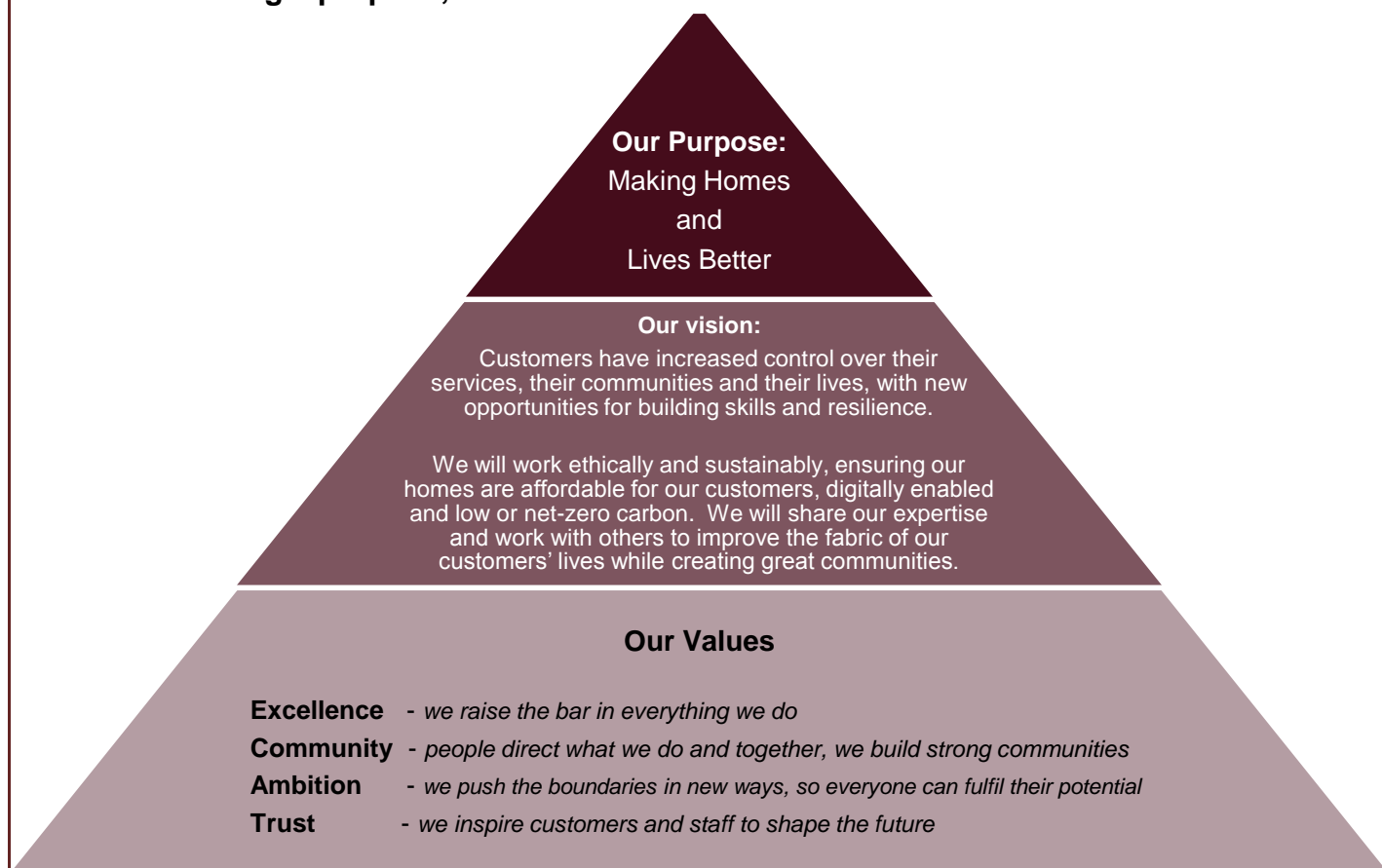
Wheatley in 2026

We want our customers to reach their potential for a brighter future for themselves and their families. We recognise the challenges our customers are facing in this post-Covid 19 era and we believe we are ideally placed, working alongside our partners, to support them and play a strong role in a fair and socially just economic recovery.

Our Strategy will deliver an unprecedented shift in the balance of power and control towards our customers, empowering them to make their own choices about the services they want, ensuring they are properly equipped to do things for themselves and involving them in the design of products and services from start to finish.

We will continue to make a significant social impact by investing in our communities, supporting the lifelong health and wellbeing of our customers, creating job and apprenticeship opportunities and reducing the inequalities experienced by many of those living in our communities. We will deliver an ambitious Wheatley Green Investment Plan to accelerate our transition to net zero carbon, enhance our role in combatting the effects of deprivation and strengthen our role in tackling homelessness across Scotland.

Our strategic purpose, vision and values



Our Approach

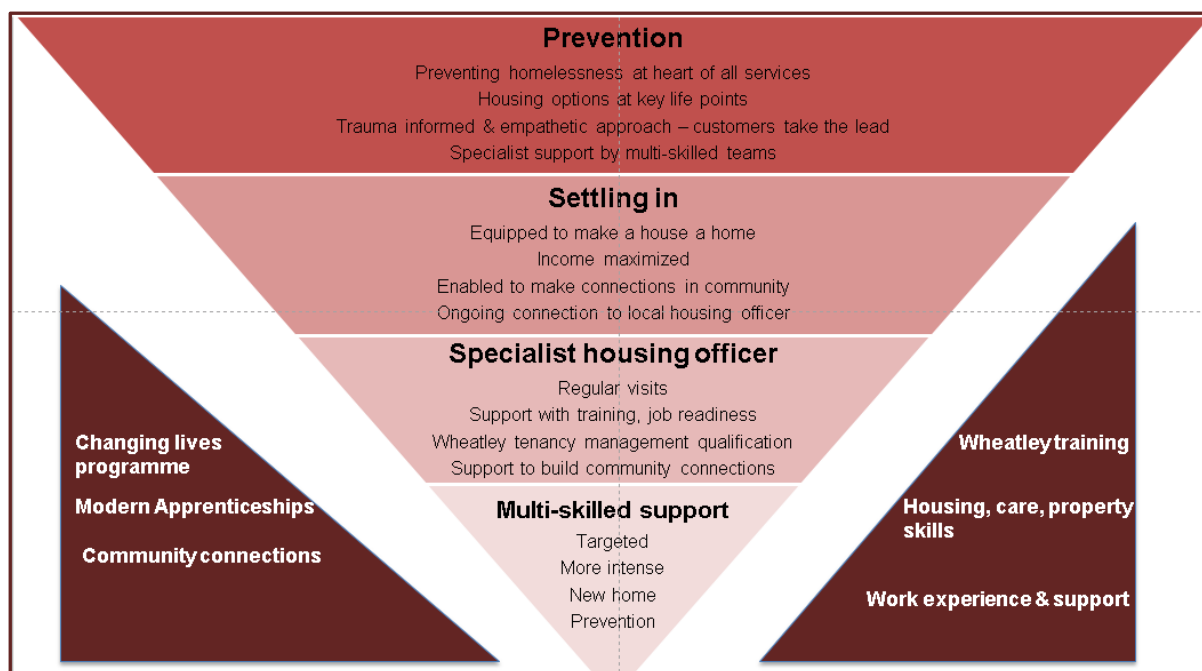
Our approach is to reduce homelessness by creating balanced, strong and peaceful communities. It will be shaped and developed by our customers who know best what they need and will help to build resilient, strong households and communities. Where people do become homeless our approach will help them to return to a home of their own as quickly as possible with the support and services they may need to help them stay in that home.

This approach is underpinned by some key principles:

- Those with lived experience will be at the heart of the development and ongoing improvement of our services;
- Our approach will always be “Housing First” – providing a home without having to wait until someone is “tenancy ready”;
- Households should have access to effective additional support to build resilience and reduce the risk of homelessness recurring;
- We will use our expertise to co-create new and innovative ways of working; and
- We will work with and influence our partners to deliver the best outcomes for our customers.

Our Policy sets out a structured approach to addressing homelessness. In line with our Group Strategy, it focuses on ensuring that our customers will be empowered to make their own choices about the services they want, be properly equipped to do things for themselves and involved in the design of products and services from start to finish. It will support digital provision of services where these are appropriate, recognising that it is important that “no-one is left behind”. In particular, we recognise that those who are homeless may have particular challenges in gaining access to or using digital services. Our communities will be key to the success of this Policy by providing safe, resilient and engaged places which people want to stay in or move too.

The benefit of having a home as soon as possible, irrespective of support requirements, is well evidenced. For that reason, we will always seek to provide a home as soon as possible. We also recognise that many homeless households will require additional support to settle into a home, to resolve or manage other issues and we will work with our partners to ensure the support required by the household is also in place at the right time and for the right length of time. The diagram below summarises how we will do this.



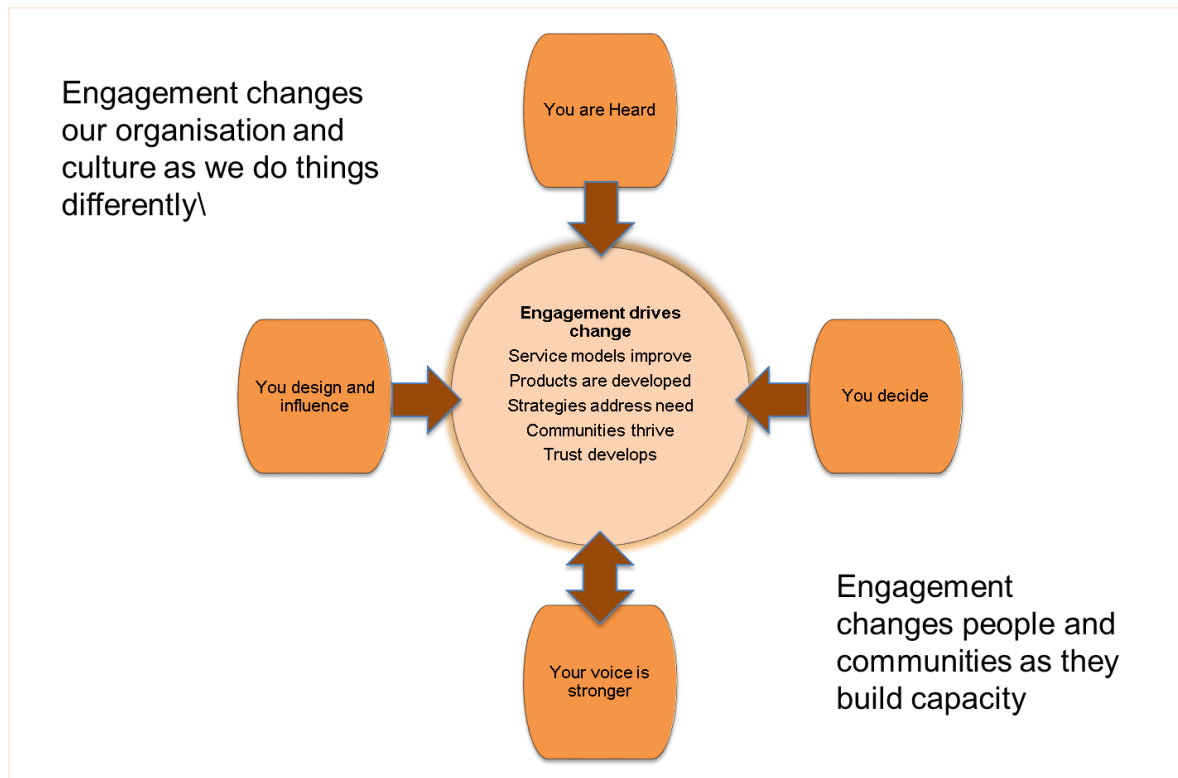
Excellence is embedded in the Wheatley DNA, so we will build on the innovative approaches that we have used to date. We will continue to push towards outstanding service, challenging our performance and outcomes in each area. As part of our new relationship with customers, we will measure this in different and more stretching ways, looking to further improve the aspects of service which matter most to customers.

Homelessness is a vital part of our creation of sustainable communities but it is not the only part. Other households with acute needs will receive our services through different routes including transfers, mutual exchange and medical priority. These households will also be able to access the full range of services we provide. They can also be linked to other agencies for specialist support and care where this is required. This will help to increase the resilience within wider communities.

This Policy recognises that ending homelessness requires a partnership of many organisations. We will continue to support local authorities in their statutory role and to further strengthen relationships with support providers. Our people are supported and trained to think innovatively, to think yes together with their customers and to provide leadership in digital transformation. We will use this innovative style to help provide thinking which challenges and encourages a new approach to services. We will work with partners across the country to share innovation and best practice to deliver our aims.

Voice of the customer

In line with our Group Strategy, the process of refining and developing our services in relation to homelessness will be led by our customers. Wheatley customers already influence services through a wide range of engagement processes. Our new Engagement Framework “Stronger Voices, Stronger Communities” puts customers at the heart of decision making as shown in the chart below.



This Policy will take engagement to a new level for those customers who have experienced or are experiencing homelessness. A key part of this process will be mapping lived experience through the customers' journey in a range of areas. We recognize that our prospective and potential customers may have many issues in their lives and will ensure that our engagement approach makes it as easy as possible for people to talk to us and to become involved in directing service decisions. Our partners will also be working to engage with customers so we will work with them to ensure maximum joint benefit from each engagement. The diagram below sets out the key pillars of our approach.



Our engagement will look at a range of issues which will be directed by our customers but are likely to include:

- What do you need at the start of your new tenancy to help make your house a home?
- How can Wheatley help you to make the connections you want to make in your community?
- What are the key things your housing officer can do to help you?
- What have you learned from your journey that could be helpful for others who face the same situation?
- For those transferring to avoid homelessness – what are the key things that you need to know and the services you require to make that work?
- What else could we do to help you fully understand your housing options?

Some key items are shown in the chart below.



In addition to specific engagement related to homelessness, our customers can become involved in a range of Wheatley wide engagement forums which provide the opportunity

to come together around specific topics to help shape our products and services. They include:

- Becoming a tenant inspector to help improve the environment where they live;
- taking part in focus groups and surveys;
- one-to-one customer conversations in their home;
- sharing their views at engagement events;
- through social media, compliments and complaints; and
- Care engagement processes

Our key actions

The actions within the Policy are structured around the key outcomes from our Group Strategy as shown in the diagram below. All of these are relevant to the Policy, for example without funding and digital platforms we will not be able to progress the ground breaking services we aspire to achieve. However, those highlighted are those most relevant.

Strategic themes:				
Delivering exceptional customer experience	Making the Most of our Homes and Assets	Changing Lives and Communities	Developing our Shared Capacity	Enabling our Ambitions
Strategic outcomes:				
Progressing from Excellent to Outstanding	Increasing the supply of new homes	Shaping Care services for the future	W.E. Think – creating our “Thinking Yes Together” culture	Raising the funding to support our ambitions
Enabling customers to lead	Investing in existing homes and environments	Developing peaceful and connected neighbourhoods	W.E. Create – driving innovation	Maintaining a strong credit rating and managing financial risks
Developing a customer led repairs service	Setting the benchmark for sustainability and reducing carbon footprint	Supporting economic resilience in our communities	W.E. Work – strengthening the skills and agility of our staff	Evolving digital platforms to support our activities
Differentiating Lowther from its competitors	Building community voice, engagement and resilience			Influencing locally and nationally to benefit our communities

The following sections summarise the key actions we will undertake through this Policy.

Delivering exceptional customer experience	<p>Progressing from excellent to outstanding: our new models of service will be faster and more effective. We will:</p> <ul style="list-style-type: none"> Enhance our existing excellent prevention service through:
---------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

- Developing a multi-skilled team to support those at acute risk of homelessness.
- Further strengthening the focus and effectiveness of our wraparound services
- Increasing resilience through community involvement skills, training and job opportunities
- Defining our contribution and approach to prevention at key life points where homelessness is an identified risk – for example when leaving prison, care or the armed forces)
- Using priority transfers for existing customers in immediate need who might otherwise become homeless (for example rehousing perpetrators of domestic abuse linked to the proposed new legislation from the Scottish Government, finding transfer arrangements for those whose relationships have broken down)
- Housing options advice and support for young family members in our tenant households include experience using our virtual home
- Identifying pathways of support for those at risk of repeated homelessness through anti-social behaviour
- Ensure a rapid rehousing model for all our customers by undertaking a customer led review of processes to minimise the time between application and housing, both in our own services and by influencing our partner local authorities.
- Provide at least 10,000 homes to homeless households
- Piloting a joint research approach with our partners to further enhance our understanding of the causes and prevalence of homelessness amongst particular groups
- Use our experience in award winning Housing Options development to benefit customers in other local authority partner areas.
- Further developing our Tenancy Support Service to help people settle in their home or stay in their home using early assessment of issues. TSS will also link customers to their community; expanding a virtual service where that will work for our customers
- Continue to enhance and evolve our commissioned support services to enable the rapid transition of homeless households from temporary accommodation into permanent accommodation

Enabling customers to lead: Customers will be at the forefront of the development of our new services.

- Our customers will drive the continued strengthening of our services through:
 - Detailed customer journey analysis by those who have lived experience of homelessness to improve our rapid rehousing approach and further increase the effectiveness of our sector leading support and advice services

	<ul style="list-style-type: none"> ○ Ongoing digital customer engagement across the range of our services from instant feedback to full scale review. • Customers will lead in their own lives through: <ul style="list-style-type: none"> ○ Using our innovative tenancy star to lead their discussions with our staff and direct their support resources to where they are most needed ○ Their involvement in the creation of a sector leading self-service model which allows them to draw down additional support and services through quick and slick digital options. These will include the use of our virtual home, virtual shop front and technology enabled living. Face to face discussions will still be used to support those who need them. ○ Developing the connections in their community which allow the level of active participation each household wants, enabling the increase in resilience and confidence which comes from linking with and helping others. ○ Having an organisation and its staff who understand their story and needs – equipped to ensure the story only needs to be told once through our digital care platform and other developments • Our communities will be supported to direct the future of their neighbourhood through informed co-creation of plans and the building of community connections, <p>Differentiating Lowther from its customers Lowther mid-market and full market rent homes will be an easy and quick option for some working households. We will:</p> <ul style="list-style-type: none"> • Use our housing options approach to maximise the potential use of our mid-market and full rent homes where these are appropriate • Creating an easy online tool to review full and mid-market housing rent options immediately at point of homeless application, housing options interview or before. • Creating rapid pathways to move into a selected home with advice and support available to help navigate any challenges and settle into the neighbourhood.
<p>Making the most of our homes and assets</p>	<p>Increasing the supply of new homes: Homeless households will have direct access to our high quality new build. New build will increase the supply of homes available but we will also use our existing stock to increase supply where we can. We will:</p> <ul style="list-style-type: none"> • Deliver 5,500 new build homes to provide one of the biggest contributions to social housing supply in the country • Ensure customer led design input to our new build including input in relation to the cultural needs of New Scots

	<ul style="list-style-type: none"> • Explore options to increase the availability of flexible, larger family homes and downsizing options through our new build and acquisition programme. • Explore the options for new types of temporary provision in partnership with HSCPs and other partners <p>Investing in existing homes and environments: We will make the best use of our existing assets by:</p> <ul style="list-style-type: none"> • Using the rapid rehousing approach to allow us to review our current temporary accommodation provision and develop a managed transition plan to move this into permanent accommodation where appropriate • Flip temporary accommodation leases into permanent lets where this is appropriate for the occupying household to minimise disruption • Deliver homes for 500 Housing First customers <p>Building community voice, engagement and resilience: Our customers will be supported to overcome challenges and create better lives for themselves and their families.</p> <ul style="list-style-type: none"> • Through our Alliance partnership in Glasgow, and our influence in other areas, ensuring that commissioned support services have a strong focus on building customers' community connections • Providing training in tenancy management for customers who want this • Using our customer engagement and housing officers to promote community networks for those customers who do not receive additional support • Working with our partners to develop options to end the repeat cycle of anti-social behaviour, eviction and homelessness that occurs in a small number of cases.
<p>Changing lives and communities</p>	<p>Shaping care services for the future: Services will be completely transformed to support the delivery of outcomes that matter most to our customers by:</p> <ul style="list-style-type: none"> • Ensuring our alliancing approach in Glasgow leads in innovation and new ways of working to provide the best outcomes for customers and is an exemplar for other areas • Reviewing the options to strengthen the pathways through our care and housing services to provide our customers with the most integrated service possible • Developing a DGHP specific proposal for Housing First using our own housing and care services • Developing a Group Housing First Action Plan • Working with partners to develop clear pathways to the right support services for all our customers

	<p>Developing peaceful and connected neighbourhoods: Settling in a welcoming neighbourhood will be a key element to sustaining a home and successfully ending homelessness:</p> <ul style="list-style-type: none"> • Our better lives focus will include connecting households to their neighbourhoods through support which encourages engagement including group activities, volunteering and other actions. • We will review the options to build community resilience and connectedness through volunteer community connectors and activists, building on the experience of others in the community who may once have been homeless or faced trauma, supporting communities where high turnover might result in a rapid change in demographics. • We will use our virtual spaces to create room for community discussion to help grow the understanding and support for newcomers but also to address the impacts or concerns existing tenants may have. • We will provide specific support to families to ensure that they are settled in new schools and activities • Using our expertise across Community Improvement and fire safety to ensure people can live in peaceful environments, safe in their own homes. <p>Supporting economic resilience in our communities: Jobs, skills and income are at the heart of sustaining a home and achieving the ambitions people have. We will help those who are in our most vulnerable communities and those who have been or are at risk of homelessness through:</p> <ul style="list-style-type: none"> • Using our changing lives and other Wheatley Foundation services to increase employment opportunities for those who have been homeless or threatened with homelessness. • Reviewing our Wheatley Foundation and other wider services to maximise the employment, training and skill building opportunities available to customers who have been homeless or are at risk of homelessness. • Using our expanded Wheatley Benefit to harness our size and buying power to get the best deals possible for our customers, providing them with a growing range of opportunities to save money and reduce the cost of running their home.
<p>Developing our shared capability</p>	<p>W.E. Think – creating our “Thinking Yes Together” culture:</p> <ul style="list-style-type: none"> • Our customers will tailor the service and support that works for them using sector leading self-service models to draw down what they need and innovative online engagement tools to shape the services of the future. <p>W.E. Create – driving innovation:</p>

	<ul style="list-style-type: none"> • We will examine the use of predictive analytics to target our tiered levels of prevention support to achieve the best results. • Testing, delivering and evaluating new service options will be core to the Policy. • Working with local authorities to find a more efficient way to deliver fast outcomes for our customers. • Working with our partners to examine options for integrated commissioning of support across homelessness, addictions, mental health, criminal justice and general health budgets in order to achieve a comprehensive and effective service for our customers • Enabling customers to access online learning to build up Wheatley Credits for housing, care and property management that will be a recognised part of Wheatley's Pathways into Work programme. <p>W.E. Work – strengthening the skills and agility of our staff:</p> <ul style="list-style-type: none"> • All our staff will be trained in our approach to preventing homelessness and building community resilience • Our staff will be trained in supporting community connections across all our services. • We will create a specialist digital qualification for frontline housing, care and other staff which develops an empowering approach to support and the skills to support customers through trauma and disruption. This will be complementary to the Scottish Government's national trauma training programme led by NHS Education for Scotland.
<p>Enabling our ambitions</p>	<p>Influencing locally and nationally to benefit our communities:</p> <ul style="list-style-type: none"> • We will use our existing strong partnership arrangements with local authorities, care services and others to enable the delivery of increasingly excellent services which meet our customers' needs. • Influencing our neighbourhood organisations to support new residents

How we will measure our progress

We will measure our progress using the following key measures

Measure	Target
Number of homes provided to households assessed as homeless by the local authority	10,000
% of lets provided to homeless households: <ul style="list-style-type: none"> - Glasgow - Edinburgh - Dumfries & Galloway 	65% 50% 50%
% of homes let through nomination agreement with local authority: <ul style="list-style-type: none"> - West Lothian - West Dunbartonshire 	50% 50%
Increase the number of Housing First tenancies across our footprint	500
% of Wheatley households at risk of homelessness who are helped to avoid homelessness	Baseline to be determined in 2021
Increase the % homeless households very satisfied with the process of getting their new home (segmentation of existing indicator)	Baseline to be determined in 2021
Increase the supply of new build homes	5,500
Maintain tenancy sustainment levels for all households	Above 90%
Maintain tenancy sustainment levels for households who were previously homeless	Above 93%
Number of households whose temporary let is "flipped" to a mainstream SST (new)	500
Increase the percentage of our customers who live in neighbourhoods categorised as peaceful	70%
Number of jobs, training places and apprenticeships given to people affected by homeless (new)	500

Innovation

Innovation is at the heart of our Group Strategy. It is no less important to this Homelessness Policy. Achieving our vision will require a completely new approach to each facet of what we do. Through our shared capability theme we have developed three key outcomes which will support our future innovation: W.E. Think, W.E. Create and W.E. work.

W.E. Think sets our organisation the challenge to “Think Yes together” with our customers as we consider the services that are needed and how we design them. It will support our people to work together with our customers and communities to design the outcomes that will work best for them as individuals and groups.

W.E. Create is our approach to stimulating innovation across our people and our communities. We will do this with new partnerships with academic and other institutions to inform our new Community Academy. Our training and skills development will be increasingly customer driven. It will include increasing use of community technology and crowdsourcing style approaches to inform our progress.

W.E. Work will develop new more agile work roles within a redesigned authorising environment. It will focus on rewarding talent and innovation from within our workplace and from our communities.

Legislation, planning and guidance

This Policy has been developed taking into account relevant legislation, strategic drivers and guidance:

Legislation

- Housing (Scotland) Act 2001;
- Homelessness etc (Scotland) Act 2003;
- Housing (Scotland) Act 2010;
- Housing (Scotland) Act 2014;
- Regulation of Care Act 2001;
- General Data Protection Regulation (Regulation (EU) 2016/679);
- The Data Protection Act 2018;
- Equalities Act 2010

Plans and Guidance

- Rapid Rehousing Transition Plan Guidance (June 2018)
- Local Authority Rapid Rehousing Transition Plans 2018/19 – 2023/24
- Social Allocations in Scotland: A Practice Guide (February 2019)
- Code of Guidance (interim update November 2019)

Complaints

Our aim is to get it right first time, however, where there is dissatisfaction with this Policy or its operation, customers can make a complaint.

A summary of our Complaints Policy and Procedure is available on our website and in local offices.

Appendix 1: Current position statement

Across all of our subsidiaries there is a commitment in everything we do to improve the fabric of customers' lives while creating great communities. Since 2015 the Group has continually evolved and improved its services with actions including:

- Creation of a centralised homelessness team to coordinate our operational response to homelessness;
- Commitment to provide 300 tenancies for Housing First customers over 2 years, participating in 3 Housing First partnerships in relation to housing and/or care;
- Leading Glasgow's award winning development of Housing Options across 55 RSLs covering 72% of the social rented stock;
- Increased supply of affordable housing of national significance with almost 3,000 new homes delivered in the last 5 years
- Launch of MyHousing – our Group online housing information, advice and letting service – to improve accessibility for customers;
- Allocations targets that prioritise homeless prevention and homeless applicants;
- Creation of Wheatley 360, our wraparound support division;
- Loretto Care's creation of the Flexible Homeless Outreach Support Service (FHOSS);
- Creation of Loretto Care's tenancy support service and more recently Tenancy Support Plus which provide short term reablement and support to tenants to help tenants through a crisis or to settle in a new tenancy; and
- Close working with City of Edinburgh Council to ensure that our Dunedin Harbour Hostel supports their objectives of prevention of homelessness and efficient move on to permanent accommodation

Across our 18 local authority areas we provide high quality social rented homes to our customers alongside the biggest programme of additional support and opportunities in the country. Our housing officers have an average patch size of 200 and are therefore able to be familiar with all their customers. As part of the approach to moving into a Wheatley house, we work with tenants to identify any support they may need. Using our Wheatley 360 division, we are able to provide support with access to specialist support to start a tenancy (My Great Start), benefits advice, financial inclusion services, fuel advice and specialist support in relation to Universal Credit. Where customers need it we can explore options for carpets, white goods, furniture and food vouchers. Our Eat Well package provides support with food packages in crises where tenants have no income to ensure they can at least have food on the table.

Where our housing officers identify a customer as needing extra support extra visits and calls can be arranged in addition to our standard new tenancy visits. Customers are also provided with access to our 24 hour call centre and encouraged to call at any point they might need to. Call centre staff are equipped with knowledge about our wrap around services and can also link effectively to housing officers.

Our specialist Tenancy Support Service provides support for tenants who are struggling with aspects of maintaining their tenancy. It works for 6-8 weeks to help tenants get back

on their feet and ensures the transition to other longer term services where these are required. The Tenancy Support Service Plus is designed specifically to support tenants through their transition onto Universal Credit. Housing officers are able to draw on home fire safety visits to ensure tenants are as safe as possible in their property.

Housing officers' expertise in the services we offer and their knowledge of their customers means they can quickly link tenants to support services they might need at any point. Housing Officers are often "first through the door" and can use this to identify early signs of crisis before it will impact the tenancy. Our staff have training in housing options, allocations systems, domestic abuse and hate crime which can all be used to support customers. They use this knowledge to work closely with our partners in social work, police and fire to link tenants to the services they may require from these agencies.

In addition to wrap around services, being a tenant of the Wheatley Group provides a range of opportunities. Over 2,500 jobs, training places or apprenticeships have been created either within the organization or through our work since 2015/16. More than two thirds of these go to our customers. A further 50 customers each year are supported with bursaries for further education. We also run programmes to support child literacy, tenant internet skills and sports and cultural engagement.

Our co-ordinated support to provide both better homes and better lives ensures that across Group more than 90% of our tenants who have been homeless sustain their tenancy for at least a year.

We provide specialist care services across our priority areas through Loretto Care and Barony. Almost 1,000 people are provided with housing related support at any one time. These services include outreach housing support in Glasgow, Stirling, South Lanarkshire, Falkirk and Fife, some of which specialize in services for young people. We provide a specialist alcohol and accommodation unit in Glasgow, together with a related outreach service. We also deliver the care and support element of Housing First in some of the earliest projects in the country in Edinburgh and Stirling.

Glasgow City

Our housing provision in Glasgow City Council is led by GHA and supported through Cube and Loretto Housing Associations. Together they provide almost 43,000 social rented homes. A significant proportion of our care services are located in Glasgow, managed by Wheatley Care. These support approximately 1,000 customers at a time through tenancy support, outreach housing support and building based services. Through Wheatley Care we have been successful as part of the partnership to deliver the Council's "Alliance to end homelessness" which will take the lead in the City's move to rapid rehousing. Much of our new build programme is contained within Glasgow and since 2015/16 this has added 1,700 new homes in the local authority area.

Glasgow City Council receives the largest number of homeless applications in the country, with over 5,500 each year (16% of the total). It faces particular challenges in providing temporary and permanent accommodation for the scale of applicants it receives. Glasgow City's draft Rapid Rehousing Transition Plan states that resources will be focused on:

- The fastest possible journey through temporary accommodation to settled housing; and
- The provision of flexible, person-centred support that follows the household from temporary to settled housing to enable successful sustainment.

The City Council expects this to result in a systemic change to the current systems. This will include a focus on person centred rather than accommodation-based services and a strong focus on partnership working. This will include partnership working with people with lived experience of homelessness in the development of new services.

Wheatley receives 70% of all homeless referrals in the City (although many will also be referred to other housing associations) and it housed 46% of all section 5 lets in 2018/19. It already provides a person centred approach to those it houses with extensive wrap around services and tenancy support.

A key area of focus will be the 63% of refusals which are the result of multiple referrals being made and another RSL then housing the applicant and the referral therefore being withdrawn. These referrals will already have generated work within the system and possibly even offers of accommodation. There is significant scope to reduce this wastage and use the resources to better meet the needs of homeless households.

Wheatley currently provides a range of services to help homeless households and support GCC in its statutory obligations. These include:

- 30% of all lets provided to homeless households, and homeless households given priority through Covid-19 pandemic period.
- Housed 46% of all section 5 lets in GCC in 2018/19.
- An assisted bidding process through MyHousing for those who need it on behalf of the GCC section 5 team.
- A new matching process to help homeless households quickly move to a suitable home following the Covid-19 pandemic.
- Additional support to customers where English is not their first language.
- A choice based letting system for applicants in Glasgow providing access to a much wider range of homes by allowing them to bid for homes across GHA, Loretto and Cube irrespective of which RSL they may have been referred to.
- Integration with GCC to allow MyHousing system for GCC to allow instant access to our MyHousing system to use online housing options and application forms and to directly upload the section 5 referral.
- Leasing over 1,000 homes to Glasgow City Council for temporary accommodation and flipping these to permanent lets for households where this is suitable as part of our Covid-19 support;
- Support to over 400 customers at any time through our specialist Wheatley Care services at the Flexible Homelessness Outreach Housing Support Service and Wheatley Accommodation and Alcohol Support Services (Fordneuk).
- Provision of housing options advice as an integrated part of the application system
- Provision of 120 homes for Housing First by October 2020.
- Development of the MyHousing system to allow customers to use a digital application and allocation process.
- Provision of robust performance information to support policy development and decision making, enhanced by the development of MyHousing.

- Participation in key GCC partnership arrangements including the Housing Access Board, Strategic Homelessness Group and Housing First consortium
- Participation in the Council's Housing Access Board.
- Participation in a range of working groups including the Council's operational, temporary accommodation, prevention/tenancy sustainment and review and development homelessness working groups.
- Monthly liaison meetings with the Council's Homelessness Management Team, Temporary Accommodation Management Team and MAPPA processes.

City of Edinburgh

Our provision in Edinburgh is led by Dunedin Canmore Housing Association. This amounts to just over 4,500 houses in the City. Our new build programme has added over 400 homes in the City since 2015/16.

As Scotland's capital, Edinburgh faces high pressure on affordable housing. Demand and costs for the private rented sector are also high. The Council receives a large number of homelessness applications (just over 3,000 in 2018-19). The Edindex partnership made a commitment to let an additional 275 homes to statutory homeless households during 2018/19. This target was met and exceeded with an additional 305 lets to homeless households during this period. The current Edindex business plan is committed to increase the proportion of lets to homeless households. The rapid rehousing transition plan commits the Council to looking at a range of innovative options for accommodation including shared housing and supported lodgings.

Wheatley Group currently provides a range of services for homeless households and supports City of Edinburgh Council in the delivery of its homelessness duties through:

- Participation in the Edindex choice based letting system and Edindex Board.
- Participation in Housing First in Edinburgh with 38 tenancies already provided by October 2020.
- Providing approximately 50% of all lets to homeless households (including first lets of new build homes).
- A 25 room/35 bedspace hostel providing temporary accommodation and support in helping homeless applicants to move on to permanent accommodation.
- Dunedin Hostel Resettlement Flats providing supported accommodation to customers including veterans experiencing homelessness, with a pathway to permanent housing.
- Leasing of properties to City of Edinburgh and West Lothian Council for use as temporary accommodation.
- Provision of tenancies for the Syrian Vulnerable Persons Resettlement Scheme.
- Training Flat project with Four Square – provision of 18 flats for young people age 16-21 experiencing homeless to move in to supported accommodation with a pathway to permanent housing.
- Membership of the Edinburgh Affordable Housing Partnership

Dumfries and Galloway

Dumfries and Galloway Housing Partnership is the largest provider in the Council area with 10,300 units. The Partnership joined the Wheatley Housing Group in December 2020 and will in future be able to draw on new build development to extend supply in the area.

There are particular challenges in Dumfries and Galloway in relation to the rural nature of the area. More than 100 miles separate one end of the local authority area from the other. Providing temporary and permanent accommodation in the locality of choice for homeless applicants is more difficult than it would be in a more urban area. The level of repeat homelessness is relatively high. Applicants in Dumfries and Galloway are also much more likely to have one or more identified support need than in many other areas and this has implications for the additional services required by customers.

Wheatley Group supports Dumfries and Galloway Council through:

- Providing approximately 40% of all lets to homeless households (almost 500 lets in 2018/19)
- 24 units of temporary accommodation with support
- 73 units leased back to the Council for temporary accommodation
- Out of hours accommodation to support DGC in provision of its statutory obligations.
- Support to Dumfries and Galloway Council in delivering improvements in their homelessness service.
- Reducing the level of tenancy failure through the use of the DGHP Housing Support Team before any court actions are undertaken to ensure all options are explored to maintain the tenancy.
- Support to those housed through the refugee resettlement programme in DGHP homes and those of other RSLs.
- Management of a specialist project that supports care experienced young people to transition into main-stream accommodation (linked to prevention of homeless of a vulnerable group).
- DGHP leads the Common Housing Register including monthly liaison with the lead officers for Strategic Housing & Homelessness, covering performance policy and the un-met need list for the region (this has been a success story).

West Dunbartonshire

Cube is our main provider in West Dunbartonshire with Loretto Housing Association providing a small number of homes. Together they have just under 550 homes in the area.

West Dunbartonshire received approximately 1,000 homelessness applications last year. This is the highest rate per 1,000 in the country. The rapid rehousing transition plan for the area identifies youth homelessness as a particular issue together with rising numbers of applicants with multiple and complex needs. The transition plan identifies four key priorities which are to:

- Deliver a whole systems approach to the prevention of homelessness;
- Enable service users with no or low support needs to access settled housing quickly;

- To develop interim housing options which enable independent living and housing sustainment; and
- Implement a Housing First model which enables the most excluded users to achieve housing sustainment.

The Wheatley Group currently provides the following services for homeless households in West Dunbartonshire:

- Review of referred homeless households against all void properties as soon as they are available for letting, with a secondary check to local authority staff if no suitable household is found to ensure any newly homeless households are also considered.
- Participation in the Council's quarterly section 5 meeting and housing providers forum

West Lothian

Wheatley provides almost 1,000 social rented houses within the West Lothian Council area through West Lothian Housing Partnership, Dunedin Canmore Housing Association and Barony Housing Association.

The West Lothian RRTP identifies that applicants are largely in low need of support, tend to be homeless as a result of being asked to leave existing accommodation and are mostly younger people. Sofa surfing is more common than rough sleeping. The level of demand for social housing is high across the area.

Wheatley Group supports West Lothian Council through:

- Providing more than 30% of all lets to homeless households (including first time lets of new build homes).
- Nomination arrangement with West Lothian Council for 50% of all lets.
- Development of 140 new homes in the area in 2018-19 and 2019-20.
- Partnership working with the Council to deliver housing support & temporary accommodation, Housing Options and homeless prevention.

Appendix 2: Case Studies

Case Study 1: Building resilience to create independence

The **Sandyhills** multi-storey flats were constructed in the late sixties and comprise of more than 500 flats, the majority of which are 2 apartment. Given the size of many of the properties we have a significant number of properties being allocated to single people, including those who have come to GHA via a section 5 referral.

There are a substantial number of the customers in the Sandyhills area where financial literacy is likely to be poor and households are struggling on relatively low incomes as well

struggling with debt. Many households are also struggling with social isolation and feel they have no-one to turn to in a crisis. These customers are particularly vulnerable and more susceptible to lack the ability to manage a tenancy. They may also require significant support to sustain their recovery from addictions or deal with multiple issue such as poor mental health and addictions .

The Welfare Reform Act 2012 has introduced a raft of changes to the benefit system which has had an adverse effect on our customers' income; in particular Universal Credit. The ethos underpinning this benefit is that recipients should take more responsibility for their finances including paying their rent. In theory this position is sound however in reality we have many customers who have very poor budgeting skills and have never had the responsibility of paying their rent in the past. A prerequisite to claiming this benefit is a bank account as this is the only method of payment that the DWP will consider. This is a particular barrier for many of our customers and many have encountered various challenges when trying to open an account. The closure of local branches has exacerbated their difficulty in accessing banking services.

Our approach at Sandyhills is to see the individual and discuss with them using the tenancy star how they see themselves ensuring we have a full overview of the customers' circumstances. This includes any named support organisations or individuals that we can start to build relationship with as this is essential to ensure everyone is clear about their role and expectations.

We use our bespoke Tenancy star to work with customers to track their progress in a range of areas. The customer agrees the support they want and this is provided at the right time and right pace for the customer. This helps households become more confident and less dependent on our services.

Within Sandyhills, the housing team have developed strong partnerships with a number of agencies including DWP and Barclays Bank who were involved in regular sessions within the community facilities. These included advice, information on bank accounts that are easy to set up and options for volunteering, further education and employment.

By assessing and agreeing with customer what support they want and offering this at the right time and at pace that is suitable to the Customer. Our aim is that the customer becomes more confident and less dependent on our services .

Case Study 2: Building resilience to create independence

M moved into one of our furnished flats in 2016 as a young single parent with a new baby. She had no real support from any other family members or the baby's father. Initially she had support issues and accrued arrears.

When she initially moved in she became quite low when she realised she did not have the resources to make the house into the home she wanted. GHA staff helped her by getting a decorating team in through community payback and through assistance from the concierge. Local staff helped out with some baby equipment and clothes and ensured she was well linked in to local groups.

Her confidence built as she established her home and local connections and she became determined to create a better life for herself and her daughter. She was able to repay her

arrears, go into training and learn to drive. Ultimately she obtained a job in a nursery with an aspiration to go on to become a social worker.

Case Study 3: Building resilience to create independence

This customer moved into one of our temporary accommodation units have suffered repeat homelessness and with pending charges for threatening behaviour in another property. The erratic and threatening behaviours continued on moving in and were heightened by the influence of alcohol. Although there appeared to be mental health issues no diagnosis had been made and therefore no mental health support was available. Ongoing support was provided to our customer to help her to understand that the occasions she was struggling were linked to alcohol. She continued to be derogatory and verbally aggressive to staff and others and this meant it took some time to build up a productive relationship. Initially, the majority of support was to de-escalate behaviours to prevent the need for intervention from police or other emergency services; to help our customer remain housed and safe and to ensure the safety of others in the same accommodation and neighbourhood. Social Work became involved quickly after moving in and also assisted with de-escalation. During her stay the covid-19 lockdown was put in place and this exacerbated the situation. She would frequently call emergency services, often reporting covid symptoms when these were not present, and was a frequent attender at hospital emergency services.

An interim ASBO was sought and obtained while the customer was in temporary accommodation to continue once permanent accommodation was found. This was in order to help her see that their behaviours were putting her accommodation at risk and affecting others significantly and also to ensure others in the surrounding area could be protected.

A partnership approach between Wheatley Group, the local authority homeless team and social work was put in place to ensure that the customer could maintain the accommodation and successfully move into a tenancy. A core group of officers was put in place and maintained close contact throughout the process. This approach improved the ability to support the customer to move on successfully and to ensure that everyone was updated at all points of the process.

An Adult Support and Protection assessment was carried out. This identified new support and allowed for a smooth transition through good communication. Our customer was able to be involved in the meetings. A referral to our welfare benefits advisor enabled full benefit income to be restored.

With the support and joint working our customer was able to move into a home with a Scottish Short Secured Tenancy. Properties were assessed to ensure that the home chosen maximised the chances of a successful tenancy. A full ASBO was now in place to help to prevent and address any further issues. The property was fully furnished through funding from the Scottish Welfare Fund and support from a local homelessness charity. Ongoing support has been provided from social work and the local authority homeless team. The customer continues to do well in her new home.

Case Study 4: Building resilience to create independence

A is a middle aged male who has been in the homeless system for 15 years, including nights spent sleeping rough on the streets. He is alcohol dependent, has mental health issues which deteriorate during times of non-engagement with services and has a history of reoffending. In October 2019, A was required to move on from the latest in a series of supported accommodation placements due to his erratic behaviours and fire raising. By this time he was excluded from almost all support services in the area. After intensive multi-disciplinary reviews it was agreed to move him into a temporary furnished flat with support from our Glasgow Flexible Homeless Outreach Support Service with 2 weekly reviews and updates as he was at high risk of eviction. His choice with support is to enable him to live independently in his home, improving confidence, supporting re-enablement and therefore reducing reliance on paid services.

The Outcome Star Assessment tool, Homelessness Star was used as a baseline for A's outcome plan. This measures the distance travelled within the outcome plan, using strength based approach to recognise skills, and see results, building leadership in making positive choices, improving self-awareness, therefore confidence and resilience.

After 15 years of being in the homeless system A has settled into the temporary accommodation which is his first independent tenancy in over 15 years. He has continued to engage with other agencies including mental health agencies and is no longer required to attend the challenging behaviour medical clinic as he is no longer classed as a risk to others as he has built trust with services. He has now been in the temporary accommodation for 1 year and is preparing to be discharged from homeless services once the process has been completed for temporary accommodation to now become a secure tenancy. Over the last 12 months with the support and innovation A has been able to challenge his own history and remove the barriers to become independent and live in his own home.

A talking points approach was used with A, which resulted in conversation around the benefits of independent living. He expressed a desire to live in his own home after years of living in supported accommodation and many long stays on mental health hospital wards. The benefits of independent living in his own home are:

- Reduced direct supports
- More independence
- More regular contact with close family
- Pride and sense of achievement for himself
- Being able to cook his own meals
- Make his own choices

Appendix 2: Legislative changes in relation to homelessness

The Housing (Scotland) Act 1987	As amended, sets out the powers and duties of local authorities in dealing with applications from people seeking help on the grounds that they are homeless or threatened with homelessness. Since the 1987 Act, there have been a number of changes to legislation, some of which are described in legislation referred to below
The Housing (Scotland) Act 2001	Established the right to review a homelessness decision and amended other aspects of homeless applicants rights and definitions. It also introduced a duty on registered social landlords (RSLs) to assist local authorities in rehousing homeless people.
The Homeless Persons Advice and Assistance (Scotland) Regulations 2002	Prescribed the types of advice and assistance that local authorities must provide under Section 31(3)(b) and 32(3) of the Housing (Scotland) Act 1987 to homeless applicants and applicants threatened with homelessness
The Homelessness etc. (Scotland) Act 2003	Amended the Housing (Scotland) Act 1987 and the Housing (Scotland) Act 2001 and primarily affects how local authorities carry out their homelessness functions, strengthening people's rights to support when they are facing homelessness. The 2003 Act also improved the housing rights of people experiencing domestic abuse and provided a mechanism for the abolition of priority need. It also placed a duty on mortgage lenders and landlords to notify local authorities when they raise repossession proceedings
Housing Scotland Act 2010	Introduced a duty on local authorities to conduct a housing support assessment for applicants who are unintentionally homeless or threatened with homelessness and who they have 'reason to believe' need housing support services as prescribed in the regulations.
Equalities Act 2010	Prohibits discrimination (whether direct or indirect) against people who possess one of the protected characteristics
Welfare Reform Act 2012	Introduced changes to the UK benefits system, including under occupancy charges for social rented sector and Universal Credit.
The Housing Support Services (Homelessness)(Scotland) Regulations 2012	Makes provision in relation to the duty of Local Authorities to assess whether some persons found to be unintentionally homeless or threatened with homelessness need housing support services.

The Homelessness (Abolition of Priority Need Test) (Scotland) Order 2012	Abolished the priority need test for homeless households so that all unintentionally homeless households are entitled to settled accommodation.
The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2014	Revoked The Homeless Persons (Unsuitable Accommodation) (Scotland) Order 2004 and prescribes accommodation which may not be used to fulfil the duty on local authorities to provide interim accommodation under Section 29(1) of the Housing (Scotland) Act 1987 in relation to applicants who are pregnant, or whose household includes either a pregnant woman or children. Article 7 of the 2014 Order provides two particular circumstances where such accommodation may be used and this was time limited to 14 days.
Housing (Scotland) Act 2014	Introduced the abolition of right to buy, and changes to social rented sector tenancy rights including changes to assignments and successions.
Private Housing (Tenancies) (Scotland) Act 2016	Introduced a new private residential tenancy for the private rented sector in Scotland to replace the short assured tenancy and assured tenancy for all future lets.
The Homeless Persons (Unsuitable Accommodation) (Scotland) Amendment Order 2017	For families with children or pregnant women, amends the time limit in article 7 of the 2014 Order from 14 days to 7 days
The Homelessness etc. (Scotland) Act 2003 (Commencement No. 4) Order 2019	Commenced on 7 November 2019, brings into force sections 4 and 8 of the Homelessness etc. (Scotland) Act 2003 ("the 2003 Act") <ul style="list-style-type: none"> • Commencing the provisions in Section 4 gives local authorities the discretion to investigate for intentionality rather than it being a duty as previously. • Commencing the provisions in Section 8 allows Scottish Ministers by order made by statutory instrument to modify the operation of Section 33 of the 1987 Act, which allows local connection referral of a homeless applicant to another local authority in certain circumstances. Within 12 months of commencing the Section 8 provisions, Scottish Ministers must publish a statement setting out the general criteria by reference to which modifications would take place, and are obliged to consult before making or modifying this statement. Following the Ministerial Statement, the statutory

Report

To: Wheatley Housing Group Board

By: Olga Clayton, Group Director of Housing and Care

Approved by: Martin Armstrong, Group Chief Executive

Subject: 2020 Group Rent Campaign

Date of Meeting: 16 December 2020

1. Purpose

- 1.1 This report provides an outline of the 2020 Group-wide Rent Campaign.

2. Authorising Context

- 2.1 Under the terms of the Group Authorising Framework and Group Authorise / Manage / Monitor Matrix, the Board is responsible for monitoring operational performance and implementing the Board's strategy.
- 2.2 The Group CEO has responsibility for business operations across the Group. The Covid-19 situation has had a significant effect on these operations and reflecting this the Board agreed the principles of our approach for remobilisation, subject to the rate at which Scotland moves through the phases of Scottish Government's route map. A key area of focus in our remobilisation has been income collection and the rent campaign forms a key element of our approach to income collection over the coming months.

3. Risk appetite and assessment

- 3.1 The Group risk appetite related to rent arrears including Universal Credit is "cautious", defined as preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.

4. Background

- 4.1 Our approach to rent and income collection, like all of our other key business areas, had to be modified in light of the lockdown put in place in March this year to minimise the impact and spread of Coronavirus. Our operating model, with smaller patch sizes of 200 and the close relationships this allows Housing Officers to have with our customers meant we were able to do significantly more than most organisations to understand our customers' needs and meet these quickly and efficiently.
- 4.2 Throughout the last eight months Housing Officers across Group have made over 300,000 outbound calls to customers, utilising our wrap around services to support over 17,700 customers with specialist Welfare Benefits and fuel advice. Customers have also benefited from 29,500 Eatwell parcels/vouchers and over 6,000 households supported through the Emergency Response Fund.

- 4.3 Our 'Talk to Us' campaign also encouraged those customers who found themselves needing our assistance, possibly for the first time ever, to get in touch. In light of the global pandemic, it was more important than ever for this year's rent campaign that we maintained continuity of messaging from the successful summer campaign into our annual rent campaign and achieved a balance between support and the need to pay rent on time and in full.
- 4.4 Maintaining our rental income so that we can continue to provide services, alongside supporting our customers to be able to pay their rent have been key priorities through the pandemic. Our phase 1 and 2 rent remobilisation approaches have allowed us to continue to support customers while maintaining strong performance. As a result, the Group's RSL rent arrears are currently at 4.61% across the Group against a target of 5.24%, this level of arrears recovery is now consistent with March 2020 year-end and more significantly pre-pandemic results, compared to the Scottish benchmark where arrears have risen by 1.59%. All subsidiaries are now well below the combined RSL & Local Authority average of 6.28% and for DGHP and GHA who are benchmarked against the Local Authority average, they are significantly below the 8.24% average.

5. Discussion

- 5.1 A successful rent campaign has run annually since 2008. The 2019 campaign continued the trend of improving arrears performance year on year despite the impact of Universal Credit. The campaign objectives have been to promote the importance of paying rent and to minimise the traditional spike in rent arrears over the Christmas period. This year's campaign is our latest development in our already successful approach to maximising income collection and supporting customers to build financial resilience. Dumfries and Galloway Housing Partnership will take part fully in the rent campaign for the first time this year.
- 5.2 2020's challenge is to keep the campaign message fresh, appropriate given the ongoing Coronavirus crisis, and relevant with a focus on digital communication channels. Our contact strategy in line with other campaigns this year continues to favour a more targeted and digital approach, shifting the balance away from traditional communication channels.
- 5.3 Our 2020 communication approach (detailed at 5.13) has been revised to reflect our digital maturity with key messages promoted across all communication platforms across Group, including social media, customer self-serve account and MySavings page. Our investment in digital services has enabled us to expand the channels used and reach wider demographics at a minimum cost. We will also use engagement to maximise direct debit and WSS uptake.
- 5.4 The campaign will run for a four-week period launched on Wednesday 25 November 2020 with targeted activity planned for those in arrears and those identified as being at risk of arrears. Our key objective remains focused on minimising the impact of the traditional spike in rent arrears across Group over the Christmas period.

Campaign Message

- 5.5 Our message this year will be **Worried about your rent? Talk to us now and keep the roof over your head**, it will inform our conversations and encourage customers to engage with us early, allowing us to support customers and build financial resilience, especially where they have been economically affected by Coronavirus.

- 5.6 There will be a focus on mitigating risk factors associated with non-payment, particularly reduced income due to the economic downturn and furlough scheme, Universal Credit as well as encouraging customers to move to our preferred payment methods and to pay in advance.
- 5.7 We want our customers to turn to us when they need help, the campaign builds on the key messages of our 'Talk to Us' campaign. We also want them to build their confidence, knowledge and ability to self-serve where they can at a time and place that is convenient for them, particularly around their financial position. We want to continue to use the rent campaign as a key engagement platform. Our secondary campaign message supports this and incorporates our 'Talk to Us' message, focusing on encouraging the customer to act quickly and **talk to us now** so we can support the customer to **keep the roof over your head**.
- 5.8 Our new Whole Family Approach within our 2021-26 Strategy is focused on improving outcomes for our families. This is a key priority for this year's campaign, and we are working proactively to maximise our families' incomes through promotion of the Scottish Child Payment and provision of Family Vouchers as well as continuing to support them by utilising our existing wrap around services including Eatwell and the Emergency Response Fund.

Scottish Child Payment

- 5.9 We will use the rent campaign to get in touch with all customers where they have a child aged under 6 who may be eligible for the new Scottish Child Payment, coming in from February 2021. This payment of £10 per week for each child under 6 within an eligible household (where Universal Credit, Tax Credits, Job Seekers' Allowance or Employment Support Allowance is being paid) is in addition to any other benefits in payment to the household and does not affect eligibility for any other benefits. It is being launched by the Scottish Government as part of their Tackling Child Poverty Action Plan and is expected to be rolled out for all children under the age of 16 from 2022. Although payments will not be made until February 2021, applications are opened now
- 5.10 Across Group, there are around 4,800 households with a total of 5,465 children who could potentially be eligible for this additional payment, giving an additional income of £520 per child per year for these families. To ensure our customers are supported and encouraged to apply for this additional benefit, we are proactively getting in touch with all of these customers as part of the rent campaign via their Housing Officer and our Welfare Benefits Advisors, as well as promoting it across our social media channels. In January 2021, we will follow this up with a further proactive campaign to contact all customers who might be eligible to ensure they have applied and support those who need assistance to do so ahead of the launch date of 15 February 2021 to make sure they get the payments from the day they are first entitled to.

Wheatley Group family voucher

- 5.11 Also linked to this year's rent campaign and our strategic objective of having a stronger focus on supporting families within our 2021-26 Strategy, as a Group we have introduced a new tool to assist families and relieve financial pressure at this time of year by offering customers with young families a supermarket voucher to help them buy gifts.

- 5.12 There will be one £30 voucher available for every young person registered at a customer's address who is 16 or under, helping more than 20,000 young people in over 12,000 households across Group. They are able to choose from a voucher for Tesco, Asda or Sainsbury's. We will use this engagement as an opportunity to discuss any rent arrears, support requirements and the benefits of paying by direct debit. The positives of signing up for web self-service will also be discussed as well as the potential eligibility for the Scottish Child Payment and support to apply if required.

Measures of success

- 5.13 Our 2020 campaign will be viewed as a success if we achieve a reduction in total debt as well as the number and percentage of customers in arrears at financial year end. Our success will also be demonstrated by minimising the impact of an annual festive spike in arrears across Group subsidiaries and increase Direct Debit and Web Self Service uptake during the course of the campaign.

Delivering the Campaign

- 5.14 Branding across the campaign will reflect individual RSL and Lowther identities. An integrated campaign approach will ensure we build awareness of the campaign message across our customer base, with an additional focus on individuals with arrears and supporting customers who need it. An example of the key messaging is shown below:



- 5.15 Throughout this year our ways of engaging with customers has evolved, the pandemic not only accelerated our digital maturity but it also primed many of our tenants to engage with us in a digital environment. To ensure the campaign is agile and sensitive to the current environment we have reviewed the traditional mix of communication channels with more emphasis on digital channels and engagement opportunities. For 2020:

Digital

- Public facing digital screens in MSF foyers
- RSL websites, home page and rent pages
- RSL social media, including posts on Facebook and Twitter
- Inbound text messaging
- Digital graphics for social media
- Materials available on W.E. connect for staff
- E-mail & text templates
- Welfare Benefit Advisor, Fuel Advisor and My Great Start Advisor videos, how we can help (*new*)
- MySavings messaging (*new*)
- Outbound text messaging (*new*)
- Live web chat (*new*)
- Digital graphics that can be sent to tenants via SMS or WhatsApp (*new*)
- Zoom & Skype video calls (*new*)
- Dialler technology in CSC (*new*)

Non digital

- Direct mail
- Posters
- Inbound & outbound calls

This year we will also have targeted activity around Universal Credit and customers on furlough. We will also use the campaign to promote the new Scottish Child Payment and our Christmas voucher initiative.

Customer Service Centre

- 5.16 Direct mail to those in arrears will again be supported by IVR (Interactive Voice Response) messaging and inbound calls. There will also be a targeted approach to support Housing Officers, with outbound calls to customers in arrears out of hours, encouraging Direct Debit uptake and promoting positive payment cultures. Using dialler technology for the first time will allow call handlers to make three times the number of calls than before.

Universal Credit Team

- 5.17 The Debt Recovery Team will support Housing Officer conversations by using dialler technology to make outbound calls. They will also target small arrears balances and assist customers who have a failed direct debit or missed payment.
- 5.16 Bulk Text messaging will be deployed to target different groups of customers in arrears, in particular those with small balances outstanding. For those who do not respond to the initial contact, the dialler technology will be utilised as an additional means to encourage engagement and payment.
- 5.17 Welfare Benefit and Fuel Advisor support will include social media videos, explaining the service and how to access it along with examples of how they have already helped customers. They will assist customers to maximise income and have a targeted approach to assisting furloughed customers and UC arrears cases. Telephone and Skype/Facetime appointments will continue to be offered to maximise their time and the number of appointments.

Key Themes

- 5.18 Our Communications Team will run targeted key themes on our social media platforms that will support our Housing Officer conversations:
- For existing customers, we will encourage them to talk to us now and keep a roof over your head where they are worried about their rent.
 - Promoting Direct Debit as the most hassle-free way to pay rent and at a frequency that suits.
 - MySavings can help customers to make their money go further, including promotion of the new app and 'offers of the week'
 - We can help if a customer is moving onto UC, so talk to us now
 - Where a customer has a change in their circumstances, talk to us now and keep a roof over your head
 - Promotion of Scottish Child Payment
- 5.19 We will measure the success of the themes by monitoring which are the most effective in customer engagement through traffic to the website, social media and the number of click-throughs. This will inform future campaigns and provide key data on whether we should consider running the themes at different times of the year.
- 5.20 The campaign supports the drive to digital communications and our frontline Housing Officers will be supported throughout the campaign by our Wheatley Solutions colleagues. In particular, support will be provided by our 24 hour CSC, Communications, Debt Recovery Team, UC Team and IT. Our Group Performance Team have also supported campaign activity by making key information available to support the targeting of recovery activity throughout the campaign period.

6 Key Issues and Conclusions

- 6.1 The 2020 Group rent campaign will carry the broad theme of “**Worried about your rent? Talk to us now**”. This year’s campaign recognises the challenges posed by the global pandemic, our digital maturity and our investment in digital services for customers, allowing us to expand the channels used and reaching wider demographics at a minimum cost. The digital aspects of the campaign are particularly important given the ongoing Coronavirus pandemic and the further expanded reach of Group across central and southern Scotland.
- 6.2 As in previous years we will use our customer data intelligence and insight data as well as our performance information to target those communities and customers who for a variety of reasons are struggling to pay their rent. We will also use this information to encourage uptake of the new Scottish Child Payment and Family Vouchers for the children living in our RSL households in line with our new Whole Family Approach and related strategic objectives.
- 6.3 Our 2020 campaign will be viewed as a success if:
- We achieve a reduction in total debt at financial year end i.e. current tenant arrears across each of the Wheatley Group subsidiaries
 - We reduce the number and percentages of customers in arrears across each of our Group subsidiaries at financial year end
 - We minimise the impact of an annual festive spike in arrears across Group subsidiaries
 - We increase Direct Debit and WSS uptake

7 Value for money implications

- 7.1 All six RSLs and Lowther will take part in this year's campaign. Bespoke branded items will be produced. The final expenditure for this year's Group campaign is expected to be minimal given the digital nature of the campaign, with the only cost being for the direct mailings of £7,000 against a budget of £40k. This compares favourably with last year's spend of £50k and £71k and £79k in 2018 and 2017 respectively.
- 7.2 Costs for the Family Vouchers will be in the region of £612k if every eligible customer claims their child(ren)'s voucher. This includes the cost for customer mailings and sending electronic vouchers to customers. There are sufficient levels of forecasted savings in RSL running costs this year we can use to cover the cost of this project.

8 Impact on financial projections

- 8.1 We have been running the rent campaign annually since 2008. The campaign helps us to secure our rental income in line with our financial projections.

9 Legal, regulatory and charitable implications

- 9.1 None

10 Partnership implications

- 10.1 Consultation has taken place with subsidiary leads and their representatives including discussion to refine the messaging presented here.

11 Equalities Impact

- 11.1 We will continue to provide support to vulnerable customers who engage with us.

12 Recommendations

- 12.1 The Board is asked to note our proposals for our 2020 Group-wide Rent Campaign.

Report

To: Wheatley Housing Group Board

By: Tom Barclay, Group Director of Property & Development

Approved by: Martin Armstrong, Group Chief Executive

Subject: Green Investment Plan

Date of Meeting: 16 December 2020

1. Purpose

1.1. The purpose of this report is to:

- present the board with our draft Wheatley **Green Investment Plan** offer to Scottish Government in response to the national objectives set out within the Draft Infrastructure Investment Plan 2021-26 and the Programme for Government 2021-2022;
- seek Board approval to submit our Wheatley **Green Investment Bid** Partnership Proposal to Scottish Government for consideration.

2. Authorising context

2.1. Under the Group Authorising Framework, the Group Board is responsible for setting the overall Group strategic direction and objectives. Our partner organisations are responsible for developing and agreeing their own strategies within the envelope of overall group strategic objectives.

3. Risk appetite and assessment

3.1 Strategy covers multiple elements of our risk appetite framework. The development of our Green Investment Plan, as part of our strategy, envisages us working in partnership with the Scottish Government.

3.2 A risk to the development and implementation of the plan is that we do not secure Scottish Government support. We can partially mitigate this risk by ensuring that we clearly understand and can articulate how we can support the delivery of Scottish Government national objectives. These objectives are set out in the Scottish Government's Draft Infrastructure Investment Plan 2021-26.

4. Background

4.1 At the October meeting, the Board was presented with a report outlining our plan to submit a formal response to Scottish Government's public consultation on its Draft Infrastructure Investment Plan (IIP) 2021-26. The IIP is a 30-year vision to support and enable an inclusive 'net zero' carbon economy.

- 4.2 The October Board report explained that our consultation response submission was aimed to support an enhanced Wheatley Group **Green Investment Plan** and Partnership Proposal to Government in response to the main outcomes and key aspects set out within the IIP document and Programme for Government 2021-2022, as they relate to our revised Corporate Strategy 2021-26, ***Your Home, Your Community, Your Future***.
- 4.3 The pandemic has necessitated the government to focus on rebuilding the economy aligned with the Green Agenda. The launch of our new corporate strategy in parallel with the Scottish Government's Programme for Government and IIP consultation has provided us with a unique opportunity to place a marker with the Scottish Government through submission of a long-term Partnership Proposal in the form of an enhanced **Green Investment Plan**
- 4.4 Within our Draft Plan we sought to address a series of deliverable investment projects set within our Communities, and through the use of new technologies and innovation, that aligned with the Scottish Government's strategic ambitions for 'Transport, Infrastructure & Connectivity' and 'the Economy, Fair Work & Culture' through to the 'Environment, Climate Change & Land Reform'
- 4.5 Our Green Investment Plan was developed following extensive consultation with senior staff from across the Group, focussing on the close alignment of our own strategic ambitions in order to present an attractive and strong partnership bid to Government which demonstrates how we can support the delivery of their National objectives.



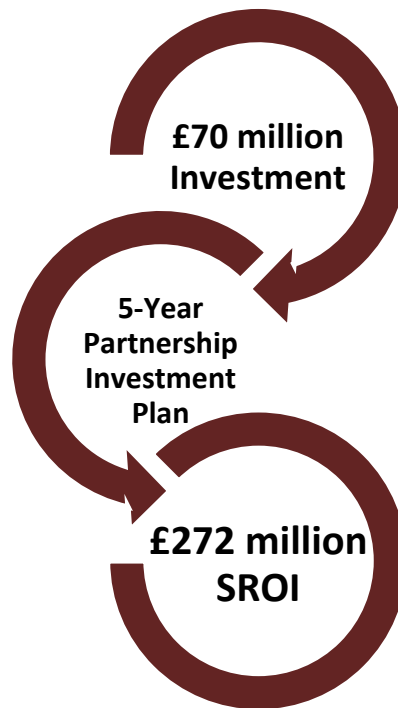
5. Discussion

- 5.1. Our enhanced **Green Investment Plan** has been crafted in order to systematically respond to the three key themes of the IIP (above) presenting a request to Government for a **Transformational Investment Package of £70 million** over the next five years which will support the National drive towards an **inclusive net zero carbon economy**, **provide economic stimulus** in the aftermath recent harms caused by Covid-19 and seek to enhance **sustainability** and **digital inclusivity** across the 210,000 customers and 93,000 homes in Scotland which we serve.



5.2. In partnership with the Scottish Government, we can provide a robust programme of Green and Digital Sector-led projects which, if successful, will build upon the ambitions set out within our 2021-26 Corporate Strategy, and include:

- **Creation of 1,600** Green Sector and Digital Innovation Jobs;
- An additional **2,000 new ‘access to work’** placements;
- Redressing **Fuel Poverty** in our communities with **£173 million of lifetime energy savings to our customers** – including annual savings of £576 per household to **8,500** of our high-rise block homes;
- Support for circular economy and innovation through **delivery of 300 new affordable, and innovative, homes built with a 100% recycled brick material** – the first of its kind in Scotland;
- Helping to ‘end digital exclusion of poverty’ through the **distribution of up to 4,000 new Chrome Books** – targeting our younger school-age customers, along with the supporting skills and training assistance required to help improve digital capability;
- **Create zero emission fleet capacity within the Group** and end our use of fossil fuels by 2032. This will include infrastructure in our customers’ homes, communities and office Hubs, to support this transition in our fleet network.
- Remove **60,000 tonnes** of carbon emission – the equivalent to 150 million miles of fossil fuel powered vehicle journeys.



- 5.3. The ambition of our **Green Investment Plan** will provide a **Social Return on Investment (SROI) of £272 million**. That level of transformational change in our communities is only possible through the strategic partnership between us and the Scottish Government.
- 5.4 Our enhanced proposal reflects a far greater set of outcomes than our initial Green Investment Plan had projected, extending beyond the commitment of up to 1,000 supply chain jobs and projects associated with energy efficiency in our new and existing homes.
- 5.5 Our **Green Investment Plan** delivers maximum impact, not only in terms of our own strategic outcomes but also the Government's, cutting across our approaches for digital transformation in our communities, our corporate accommodation strategy, our transport strategy and a significantly larger commitment to our customers in terms of future jobs and training opportunities.
- 5.6 **Our Green Investment Plan** will help Scottish Government build the foundations for a stronger Scotland to achieve a wellbeing economy which ensures that our communities thrive economically, socially and environmentally in the decades to come (A copy of the Draft Plan is provided at **Appendix 1**).

6. Key issues and conclusions

- 6.1 In October 2020 the Wheatley Board were advised of the Group's ambition to prepare an enhanced Wheatley **Green Investment Plan**, offering a partnership proposal to the Scottish Government which aligned the launch of our new corporate strategy in parallel with the Scottish Government's Programme for Government and the Infrastructure Investment Plan Consultation.

- 6.2 Our approach involved an extensive consultation with an in-house project team involving senior staff from within a wide range of Group Services, to identify a pipeline of projects which cuts across a number of Scottish Government climate change and economic stimulus' over the next 5 years and which would deliver transformational change through the country's Green Recovery, that could only be achieved through this unique collaboration offer.
- 6.3 Our proposed **investment package of £70 million** will create thousands of new employment and training opportunities for Wheatley customers and people within our wider communities, whilst driving innovation in the sector, improving digital inclusivity amongst the most disadvantaged in our neighbourhoods and further tackling fuel poverty through a range of low carbon design interventions in our new build homes and existing stock.
- 6.4 The close alignment of our strategic ambitions, combined with our scale, skills and track record of partnership delivery, sets us apart in bid to partner with the government to help achieve their national outcomes and deliver a **Social Return on Investment of £272 million**.
- 6.5 Following the submission of our **Green Investment Plan** we will seek to work with appointed Scottish Government colleagues to develop a implementation programme and delivery strategy for the projects, which will establish Wheatley as a role-model for sustainability, nationally and beyond, benefiting our customers, our business and improving our environment, as well as influencing the rest of the sector to raise its standards.

7. Value for money implications

- 7.1 The package of investment detailed within our **Wheatley Green Investment Plan**, if successful, has the potential to unlock **£272 million Social Return on Investment**, focussed on providing outstanding outcomes for our customers, staff and our communities.

8. Impact on financial projections

- 8.1 Our enhanced Green Infrastructure Plan will aim to secure a £70 investment package with Scottish Government. If secured, this funding will at the very least contribute to a reduction in capital spend within the Investment Programme by extending the life of some of our existing heating systems.

9. Legal, regulatory and charitable implications

- 9.1 There are no legal, regulatory or charitable implications contained in this report.

10. Implementation and deployment

- 10.1 A multi-disciplinary, cross-group Project Team has been extensively consulted to form the targeted projects set out within the Wheatley Green Investment Plan.

11. Partnership implications

- 11.1 If successful, the bid will further cement our status as a key strategic partner for the government.

12. Equalities impact

12.1 None.

13. Recommendations

13.1 The Board is asked to:

- 1) Note the content of this report and our Draft Green Investment Plan offer to Scottish Government
- 2) Approve the submission of our Wheatley Green Investment Plan to Scottish Government in response to the national objectives set out within the Draft Infrastructure Investment Plan 2021-26 and the Programme for Government 2021-2022

List of appendices

1. Draft Green Investment Plan

Wheatley Green Investment Plan:

Partnership Proposal

Preface

Wheatley Group has an ambitious target to be Carbon Neutral by 2026. As part of our plan to achieve this, we wish to outline a **£70m Strategic Partnership Proposal** with Scottish Government to help deliver a 'Green Recovery' post Covid19 by introducing a package of targeted projects across central and South Scotland that will be an unrivalled '**force magnifier**' for the 'Programme for Government' and 'Draft Infrastructure Investment Plan'.



Utilising the breadth and depth of Wheatley Group services, combined with our scale, experience and skills we will help Government stimulate recovery and build environmental, energy, employment, digital and carbon improvements through our commitment to a sustainable green recovery strategy. Our proposal is that we work in partnership to deliver **a 5 year programme of innovation, job creation and economic stimulus** directed and focussed within the communities we serve across 19 local authorities across central and south Scotland and touching up to **100,000 households**, creating **1,600 jobs**, **2,000 work placements**, removing **60,000 tonnes of carbon emissions** and delivering up to **£300m Return on investment**.

We are already a key strategic delivery partner for the Scottish Government, with a strong track record of regeneration, community renewal and innovation. In recent years, we with grant funding from the Scottish Government, we have consolidated our position as the largest developer of affordable homes and have also successfully delivered a number of individual 'green' projects through various 'challenge fund' grant mechanisms provided by the Scottish Government to contribute to the Government's green policy targets.

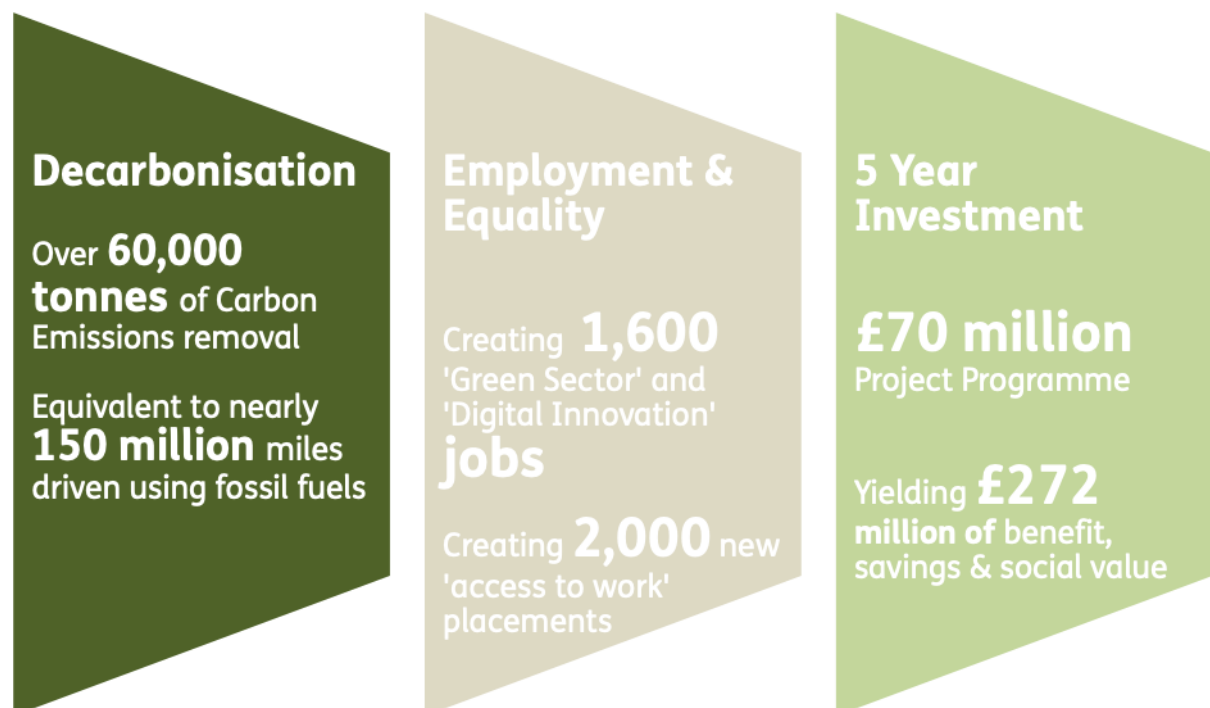
However, we believe that by establishing a **longer term partnership** over 5 years, targeting the a number of the strategic outcomes in the Programme for Government (PFG) and the Draft Infrastructure Investment Plan (IIP) we can achieve **greater outcomes** than via further periodic 'challenge fund' approaches.

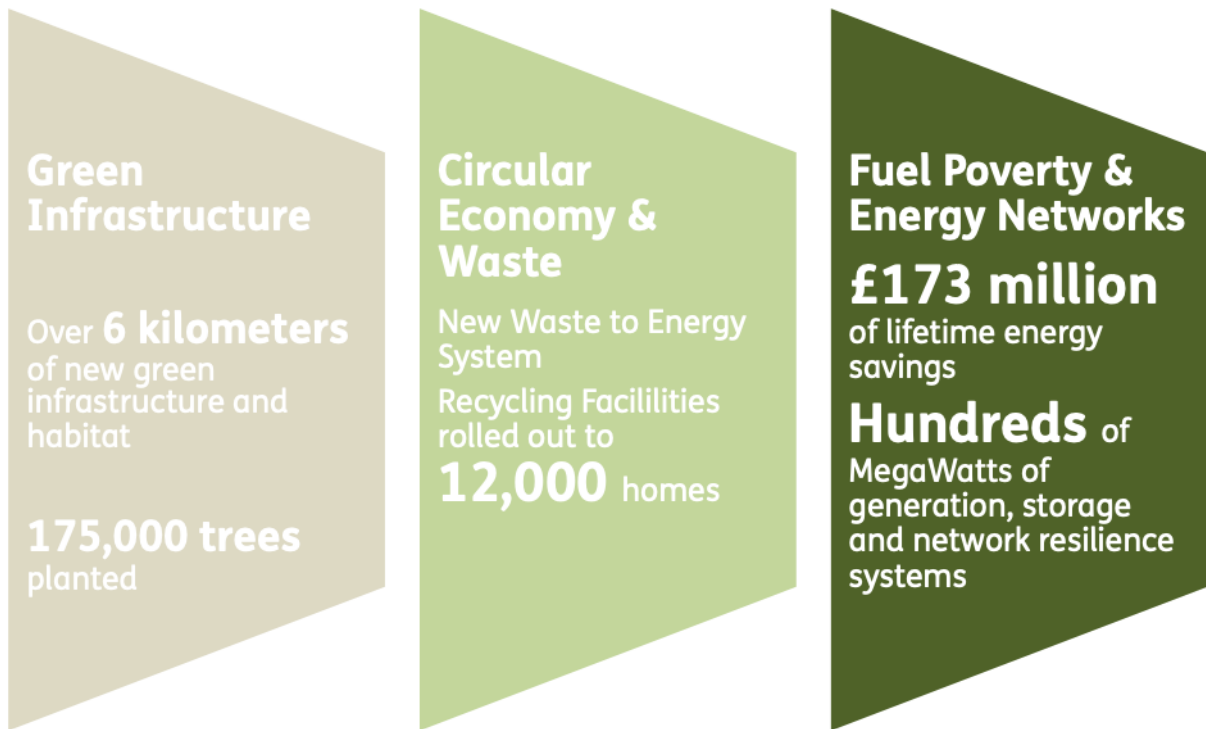
This document outlines a range of activities, aligned to the Scottish Government's infrastructure plan and aimed at stimulating renewal within housing communities, a key focus for ensuring a just transition to a low carbon economy. Outcomes are presented in terms of value added

to the economy, new employment opportunities, digital transformation, carbon reduction potential and fuel poverty (energy cost savings) within a 5 year capital investment plan.

Alastair MacNish, Wheatley Group Chair

Green Partnership Outcomes:





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1. About us : A uniquely placed partner for Government

The Wheatley Group is Scotland's leading housing, care and property management organisation and one of Scotland, the UK's and Europe's best-accredited group of organisations. We own or manage over 93,700 homes and deliver award-winning services to over 210,000 customers, across 19 Local Authority areas in Scotland across central and the South of Scotland. We directly employ 2,700 people and a further 2,000 through our joint ownership of City Building (Glasgow), all of whom are driven in our mission to ***make homes and lives better***.

We pride ourselves on our ambition and strive to be the best in our field. As a Group, we are a trusted delivery partner of the Scottish Government, and have delivered over 4,000 new build homes across Scotland since 2015, significantly contributing to the Government's *More Homes* target by 2021. By using our combined size and scale, we are contributing to improving housing, care and regeneration at a national level; however, we remain deeply rooted in our communities.

Our vast development and procurement activities across the Group contribute significant multiplier impacts to local and national economies and make a significant contribution to the work of our charitable organisation, the Wheatley Foundation. The Foundation's five key areas of interest are:-

- ✓ **POVERTY:** tackling social exclusion and taking people out of poverty;
- ✓ **EMPLOYABILITY:** creating job, career, training and apprenticeship opportunities;
- ✓ **EDUCATION:** providing access to Higher and Further Education;
- ✓ **DIGITAL INCLUSION:** increasing and expanding digital and online access and capability;
- ✓ **SPORT AND ART:** helping people, old and young, to lead more vibrant, active lives.

The Foundation provides invaluable assistance to 10,000 people each year, helping them to reach their full potential. We do this by ensuring all our contracts include training, employment and community enhancement opportunities for our customers, their families and others within our communities. Every house that we build equates to a contribution of £775 to the Wheatley Foundation. Modern apprenticeships are one of many benefits delivered for Wheatley Group communities through initiatives including the Wheatley Pledge on all construction contracts.

The Group has won a number of national and international awards and accreditations from organisations ranging from the European Foundation for Quality Management to Investors in People, Investors in Young People and UK Cabinet Office, which oversees Customer Service Excellence

For further information on the Wheatley, please watch our video on how we are 'Making Homes and Lives Better' <https://www.wheatley-group.com/about-wheatley/about-us/who-we-are>

The Wheatley Group and Scottish Government have worked as strategic partners on numerous projects and initiatives, most recently throughout the current Covid19 crisis. Our services have not merely 'remained open'

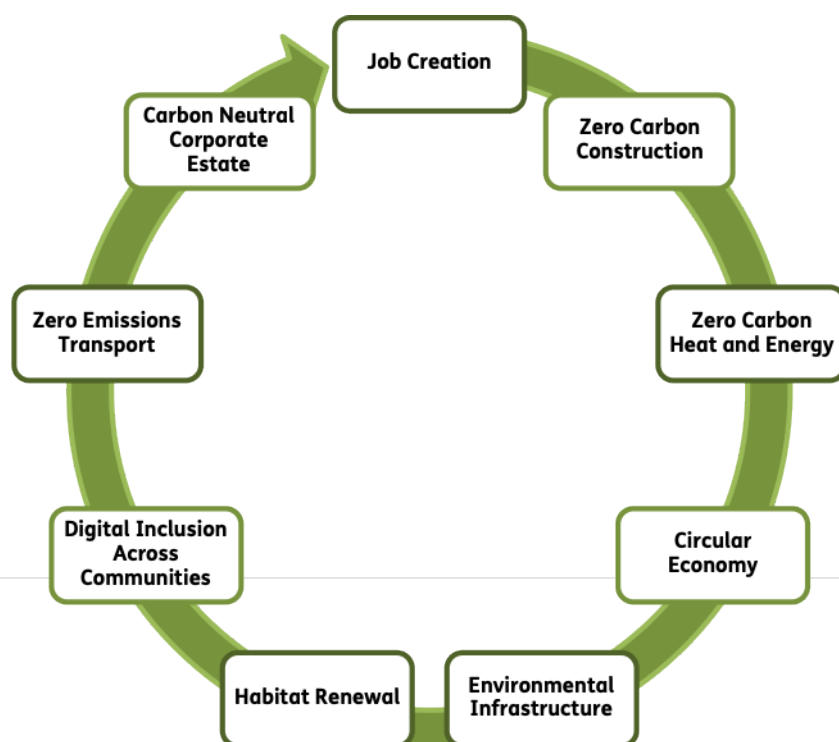
but have expanded to meet the measure of this challenge, delivering vital support infrastructure touching right across central and southern Scotland; such as

- our Eat Well service, delivering over 30,000 free food packages,
- over £600,000 of free energy top-up vouchers distributed,
- we have switched on our district heating systems to provide free heat across our self-operated networks,
- created a supermarket voucher system which has led to households receiving £55,000 worth of food to date,
- Continued to support our customer base through our virtual 24/7 call centre, maintaining our emergency and essential repairs and maintenance services throughout the pandemic.

As well as these medium term interventions we have handed over more than 400 empty homes to Local Authorities to use as homes for the homeless and we have continued to build new affordable housing being the UK's largest developer of social-rented homes for a fourth consecutive year in 2020, delivering a total of 802 high quality, energy-efficient affordable homes, cementing our commitment to Scottish Government's More Homes target.

As part of a 'Green Recovery' commitment we have set a target to be a carbon neutral organisation by 2026 in support of Scottish Government and international targets to tackle the impacts of Climate Change.

We will do this whilst harnessing the opportunities that a net zero transition of the economy can and should bring. We see the indispensable benefits and new opportunities for good quality green jobs, fresh scope for improving environmental quality and harnessing the potential of the communities we serve. Our partnership proposal includes a number of projects gathered under themes, providing green recovery opportunities we are uniquely placed to deliver



We want to develop a new 5 year **green partnership** with the government to develop and deliver a ‘Green Investment’ in addition to our own commitments to becoming Carbon Neutral by 2026.

The partnership will not only improve outcomes for our customers but also support **long term Climate Change** and **Just Transition Employment opportunities** across communities in **60%** of Scotland’s Local Authorities.

As a total the spectrum of projects within our **green partnership proposal** equate to carbon savings, new ‘green’ employment, digital inclusion and ‘green’ new build development that is perhaps only possible



in a small number examples nationally and unrivalled in our sector.

Creating 'Green' Jobs and Boosting Skills

2. Part 1 :

- ✓ **Job Creation**
- ✓ **Zero Carbon Construction**
- ✓ **Zero Carbon Heat & Energy**



Our vision of sustainable communities are places that are safe, peaceful and pleasant to live; with confident, aspiring and integrated populations. We can influence this and recognise that sustaining positive change requires collaboration and trust.

For our 2021- 2026 Group Strategy about **“Your Home, Your Community, Your Future”**, our governing principle is that the bedrock of sustainable communities is the assurance provided by stable and financially secure households. This helps establish thriving and dynamic neighbourhoods which in turn empowers communities to be the driver of change in their own lives.

- With: **£15 million** investment
- **1,000** new *Wheatley Pledge* job opportunities supported
- focussed on ‘**green sector**’ and ‘**digital sector**’ roles
- **2,000** *Wheatley Works* access to work placements
- **£41 million** social wellbeing valuation

The pandemic has affected almost all aspects of household stability, with social housing communities often having the least financial flexibility to adapt in a crisis. To help reduce reliance on insecure work, ‘working poverty’ or poverty, as a barrier to employment opportunities, our programme of investment and projects will specifically target creating new, sustainable, ‘green sector’ jobs.

Associated with our partnership proposal for capital investment, we will build the skills and capacity of people to embark on careers that will be needed for a ‘net-zero’ transition as well as providing **re-training opportunities** for existing staff so that they can adapt to the requirement of emerging technologies.

As validated by the Fraser of Allander Institute report (2019), the economic contribution of Glasgow Housing Association’s energy and housing quality investment helped support over 36,500 years of full-time equivalent employment in Scotland over 15 years. **In terms of a ‘green recovery’ we seek support to focus our wider Wheatley Group impact on delivering high-quality, long-term and Climate Change target driven employment opportunities.**

Our unique strength is embodied in the wider employability role of the **Wheatley Foundation**, the Group’s Charitable Trust established in 2016. The Foundation supports a range of community and employment programmes designed to increase access to opportunity across Wheatley neighbourhoods and priority groups experiencing multiple disadvantage.

Through the Wheatley Foundation we also launched **Wheatley Works** in 2018, offering an integrated employability pathway providing 1:1 training, jobs and work preparation support for customers. Wheatley Works has now supported over **1600 jobs, education and training opportunities since 2018**, including delivering:

- ✓ Modern Apprenticeships and Further & Higher Education bursaries
- ✓ Pre-employability training places via our in-house Environmental Roots and 12-month Real Living-Wage paid Changing Lives flagship programmes
- ✓ Job matching, placements, tasters and contractor/supplier Community Benefits
- ✓ The Wheatley Pledge, a financial incentive of £7,000 to employers who recruit unemployed people living in our homes, or receiving our care services.

Project 1.1: New 'Green & Digital Jobs

Currently, companies signing up to the Wheatley Pledge receive a wage incentive from us for any new apprenticeship or job created – over and above any contractual community benefit targets they may have.

With £7m we will **quadruple** the capacity of our Wheatley Foundation 'Wheatley Pledge' by creating **1,000 new jobs for Wheatley customers** within green sector and digital innovation roles. This investment will increase our breadth of delivery, working with companies to focus on additional placements and work preparation opportunities within the Digital and Green sectors, in areas aligning with green economy aims.

For example, through our partnerships we will leverage:

- Legal support** services focusing on **green contracts** and **renewables**:
- Building thermal efficiency – i.e. insulation; energy efficiency and **micro-renewable technology practitioners and installers**:
- Renewable energy analysts** and project managers
- Roles in **construction**, development and supply
- Energy battery storage** and development
- Electric vehicle infrastructure**
- Digital economy** development and **future proofing roles**
- Knowledge economy**/start-up technology support, assets and product design
- Systems and data capture design**, cyber security and programming skills

This is a mechanism to ensure capacity building within the green sector whilst increasing the breadth of skills and experience of candidates for further career progression in their chosen field.

Project 1.2: Access to Work

The personal confidence and lifted aspirations that can be gained from securing a job can be enough to change a life, specially so for a young person who may have no experience of employment within their household or extended family and friends.

This is in part what the **Wheatley Works** programme is designed to assist. We support people into employment through one-to-one ‘access to work’ guidance. We offer customers an integrated employability pathway including IT and literacy training, educational placement assistance, provision of learning material, bursaries and work preparation support.

With £7.5, we will expand this service to include **an additional 2,000 placements** over 5 years. As well as helping to launch careers by transitioning candidates from access support through to full time work.

Project 1.3: Wellbeing Study

Wheatley Group joined forces with the Scottish Federation of Housing Associations (SFHA) and Housing Association’s Charitable Trust (HACT) to participate in the recently launched **Scottish Wellbeing Valuation** approach to Social Value measurement. This process uses statistical modelling to derive values which measure the success of a social intervention, such as a training programme by how much it increases individual wellbeing. The model has been adapted by SFHA & HACT for the Scottish context and clearly links to Scotland’s National Performance Framework and the Scottish Government wellbeing approach to measuring impact.

For example, **100 construction related places would generate an additional 50 jobs** in the wider economy over the 5 years, and each £1

million pounds of construction spend contributes 13.5 FTE jobs to the wider economy. Computer services and information services generate a further 20 jobs for every 100 created

With £70k we propose to closely monitor the Social Wellbeing outcomes with Scottish Government arising from our partnership projects and report into Scottish Government on the return on investment. As a long-term study that supports the newly developed Scottish Wellbeing Valuation approach. We have over a decade of experience to call upon in this respect, having worked with the University of Glasgow on the **GoWell** Urban Regeneration study, which examined a range of housing, neighbourhood, and health-related factors before, during and after changes that were the result of the Glasgow Housing Association stock transfer investment promises. With over 230 academic reports, journal articles and policy briefing notes published and shared internationally.

Green Recovery Start Ups & Reinvigourating Town Centres

A genuine concern for many local authorities is the gradual depopulation of town and city centres, a concern made more acute as a result of business operational changes post Covid19.

Whilst the full impact is yet to be seen, let alone understood and mitigated; Wheatley Group is keen to be part of ensuring vibrant and sustainable urban centre populations flourish.

Our initial scoping and dialogue with our local authority partners has highlighted the need to both plan for and invest in re **purposing commercial buildings for residential use**, to reinvigorate economic and population growth in urban centres in the wake of the pandemic.

We propose to establish a cross council working group within Wheatley, which also include Historic Scotland and local authority

- With **£1.9 million** investment
- We will create: **25 new green business incubator hubs** within local communities
- Establishing affordable, flexible energy efficient, energy efficient workspace freely accessible for local businesses & start ups
- We will: Develop a pipeline of commercial space redevelopment for housing
- Creating: Hundreds of high quality homes and

partners; to identify commercial refurbishment opportunities and combine with our customer segmentation and development planning expertise to derive a pipeline of affordable housing developments aimed at repurposing existing buildings and re populating town centres.

The proposals and cost analysis forming a subsequent support request to Scottish Government, would be delivered in an ‘open book’ and partnership ethos. We anticipate a particular focus from Local authorities on historic, technically and challenging redevelopment proposals. However, we have significant experience in this arena and the breadth of contractual and procurement frameworks to deliver. i.e. our Award winning **Bell Street** and **Buckley Street** conversions.

As with our wider zero-carbon and sustainable development agenda, we propose that such refurbishment projects build on the Building Research Establishment’s **BREEAM Refurbishment and Fit Out** (RFO) standard which enables real estate investors, developers and building owners to assess and mitigate sustainability related impacts during the design and works of a refurbishment or fit out project. Through the assessment and certification process, the standard recognises and reflects the performance of the building once improvements have been made to the external envelope, structure, core services, local services or interior design of a building.

To complement the reinvigoration of town centres through providing new housing, we we also see an opportunity to repurpose some of our own more redundant retail spaces. Across Scotland we own and manage over 300 small retail and commercial spaces in the three main regions of Glasgow; Edinburgh and Dumfries & Galloway.

These units are located in the heart of our communities and provide a variety of neighbourhood amenities to our customers, never evidenced more so than during the recent pandemic, when extra reliance on local retail provision has been required due to lockdown restrictions and Government advice on non-essential travel. However, aligned to the general sectoral changes taking place at a larger scale in major towns and city centres, we do have a number of unused spaces which can cause blight on the communities in which they sit.

We therefore see an opportunity within our commercial portfolio to assist with the Green and Digital Recovery, post-pandemic to create space for Green Recovery Start Ups whilst delivering new employment opportunities, digital skills and training and is linked to our national ‘20-minute neighbourhood’ ambitions.

Through the above programme we envisage dynamic urban renewal and avoidance of unnecessary commercial space demolition or building decay.

Project 1.4 : Green Recovery Start Ups

With **£1.9m** investment, we will create attractive, flexible, at least 25 business start-up spaces for local people, **on concessionary or zero fee lease** terms aimed at boosting economic development in our communities. We will provide fast-fibre broadband connections, fabric first physical interventions which will significantly improve the energy efficiencies of these properties and, as a consequence, reduce both the carbon output and the running costs, for new start-up businesses post Covid 19.

We will target individuals and business ventures from within the Wheatley Group communities and in the case of start-up leases, provide them with bespoke management agreements which will encourage their long-term business success. These spaces will be formed of two types:

- **New Business Incubators**
- **Flexible Workspace**

Providing both physical and digital conditions for business growth or community workspace, digital inclusion and additional skills and training events. Spaces will be adaptable for use by our customers who wish to work, study or get online remotely, but in proximity to their homes. Or who may have a more developed business that needs space to grow and **digital connectivity to flourish**.

Our vision is to broadly follow the successful principles achieved in exemplar town centre regeneration initiatives such as Govan and the Saltmarket in Glasgow.

We will also provide upcycled office furniture which is fixable and dismantable, avoiding long-term waste and design obsolescence.

Circular Economy Construction

Designing out embodied energy and carbon in the built environment, both for new and existing development as stated in the Scottish Government's forthcoming Programme for

- With **£1.82 million investment**
- We will build: **300 homes** with **100% recycled material** walling
- Providing: **90% reduction in Carbon emissions**
- Build capacity & employment

Government is a key facet in ‘Creating a more circular economy, which promotes sustainable and inclusive economic growth and is fundamental to our transition to becoming a net zero society’.

With nearly 15% of our waste exported for processing, not only is this lost economic opportunity but also lacks responsibility as a sustainable solution.

Wheatley Group will support the growth of technology and industrial capacity in Scotland that is working to develop circular material use solutions. We have been in development discussion within a Non-Disclosure Agreement with Heriot Watt University, Institute for Infrastructure and Environment on the deployment of the **Kenoteq** building external brick system.

Made from 100% recycled content and reducing embodied carbon by over 95%, it represents a significant step forward for reuse of recovered demolition 'waste', reformed as new housing construction materials.

We are supportive of building capacity for this innovative product, designed and manufactured in Scotland. We believe it shows an exemplar 'Circular Economy' case study for Government's forthcoming legislation and driving down the embodied energy in our homes.

Project 1.5: 100% recycled build fabric

We seek support to fund **£1.82 million** for the balance in additional cost of product above our own investment, in order to deliver **300 new affordable homes** using 100% recycled material in construction and radically reducing the carbon footprint of these new homes.

300 new homes equates to around **30-40%** of our typical annual new build completions. Based on a carbon reduction of over 0.5kg per brick, for 2.28 million bricks this project equates to a **CO₂ reduction of over 1,200 tonnes** and a significant boost toward using recycled bricks such as Kenoteq as a common standard in future, securing production employment in Scotland.

Transforming Heat & Energy Efficiency

An intrinsic step in the national plan to decarbonise is the ability to generate and consume energy without greenhouse gas damage.

The Scottish Government's 'Future of Energy in Scotland' strategy presents a vision of a dynamic, localised, affordable and clean energy system; one that is characterised by innovation with fairness.

However, the challenges of transitioning are significant:

- electricity distribution network capacity,
- legally binding renewable energy and energy efficiency targets,
- a wholesale system change in transportation with associated infrastructure; and
- requisite collaboration across public, private and consumer interests to make it happen at sufficient pace.

The Wheatley Group has worked closely with Scottish Government in all aspects of a national energy transition and we have many important examples of innovation to turn to for answers.

- With £19m investment
- We will deliver: £167million in energy cost savings over lifetime of the projects
- We will create: 400 highly skilled energy transition engineering jobs
- We will achieve: 42,000 tonnes of CO₂ emissions reduction over 5 years
- We will deliver: £70 million of Fuel Poverty energy savings over asset lifetime
- We will deliver: Improved heating to 1,400 households
- Preventing: over 45

Project 1.6 : Dynamic Electric Storage & Water Heating

In August 2020 National Grid published the '4D Heat' report, which states that :

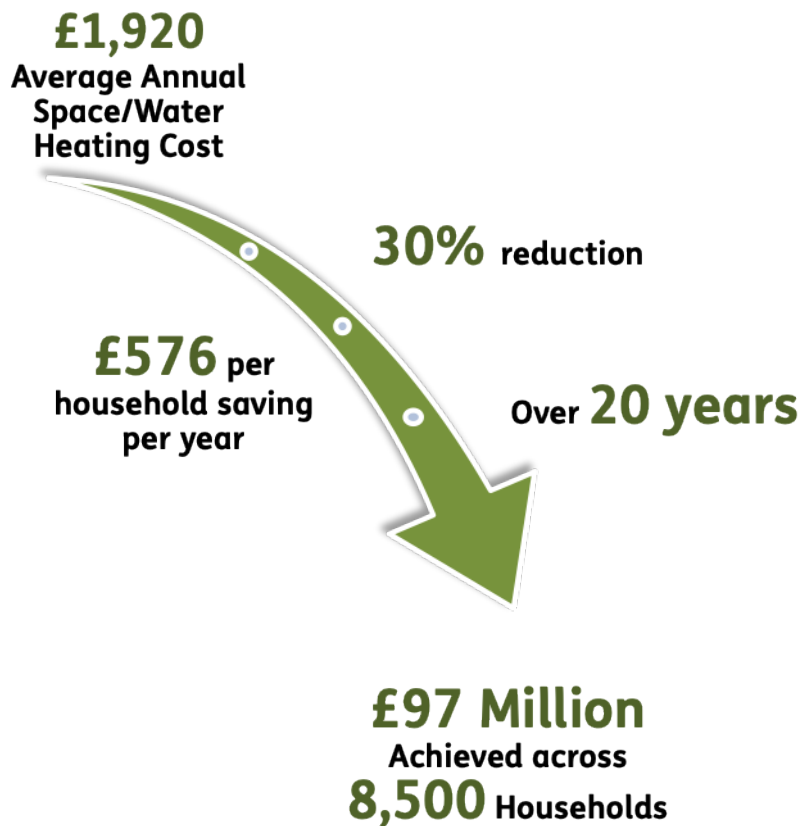
'By the year 2030, up to 9% of constrained wind, equivalent to 540GWh/year, could be absorbed by domestic off-gas grid electric heating across Scotland by exploiting the flexibility in [electric storage] heating. This delivers a £24m/year saving in wind constraint payments and a further £2m/year in environmental and societal benefits, providing a net benefit to the system and consumers'.

Before the National Grid report, we had already been working with Scottish Power Energy Networks (SPEN) and Scottish Power Energy Retail on operationalising the consumer benefits expressed within the findings. To date we have completed over **240 pilot** installations with a further 130 planned before Covid19. This work involves smart meter installation and retrofit of a control system that has **reduced electricity demand for heating by 30%** in some cases, whilst improving the **comfort and cost savings** for households.

Based on the proven 30% reduction in heat energy saving, with a further £6.2m of investment we could deliver **£97.9m worth of fuel poverty energy** savings in our communities – over the 20 years asset lifetime by rolling-out these **benefits across 8,500 high-rise** homes, prioritised by those in the lowest SIMD localities and rural areas of Scotland with investment of £6.12 million - **Putting money back in the pockets of those most affected by Fuel Poverty**, as well as **saving nearly 13,000 tonnes of carbon** from wasted electricity.

The additional prize of delivering these cost and energy savings at scale in partnership with us is a substantial **grid balancing asset** that can provide **resilience** to the network. **This in turn supports larger deployment of electric vehicle and electric heat connection without the need for hugely expensive grid reinforcement.**

It also opens ‘time of use tariff’ opportunities that relieve renewable energy generation from constraint. The 4D Heat report estimates such discounted tariffs could be as low as £4.49p/kWh and still represent a saving compared to paying to switch off renewable generation.



Project 1.7: Solar PV & Battery Network

Complementary to the development of a balanced and resilient electrical network is the localised generation and storage of renewable energy. In partnership with Scottish Government through the **Community And Renewable Energy Scheme (CARES)**, we have already developed a **Solar PV & Battery Storage 40 year cash flow model**, fully costed with external chartered accountant verification.

It offers the ability to stop the inflationary cost of electricity for thousands of households and decarbonise their electricity. In addition we incorporate network balancing services and arbitrage, such that the battery systems are predicting use and storing energy most effectively. Together this proposal equates to over **4.5MW of generation and 8.7MW of storage capacity**.

With **£12.3m of investment**, we will install and maintain PV & battery systems for **2,000 homes** across central and southern Scotland, the project would also support new employment for and up-skilling of electricians. When coupled with the electric storage heating investment of £6.2m outlined above, we **will deliver over 400 high quality skilled employment** opportunities. It is our aim that these will be prioritised for

women as part of a **gender rebalancing** of the electrician trade and particularly for young entrants through training. Based on the being able to generate 90% of household electricity onsite, the attributable value of this energy, over the 20 year lifetime of the project, is £69.1 million targeted to consumers with least financial security. As well as saving nearly **9,000 tonnes of carbon** from grid purchased electricity.

Moreover, as a model developed by Wheatley Group and CARES, the future roll-out of this approach is self-replicating. The catalyst partnership investment of £12.3 million for 2,000 solar PV & battery systems would enable establishment of a reinvestment model that could continue installations to the initial 5,450 properties identified in our CARES supported analysis.

Project 1.8: Decarbonising Heat

The Scottish Government's '**Routemap for Energy**' and '**Electricity & Gas Network Vision**' both speak of the decarbonisation of the gas network with hydrogen injection. This will undoubtedly help reduce the overall carbon intensity of heating, although much improvement can also be made to the efficiency of heating as a complimentary strategy.

Wheatley Group is working to deliver the decarbonisation of space heating and hot water. An area of particular challenge for us are 'hard to treat' historic communal gas heating sites that operate with efficiencies below 20%. Meaning the vast majority of the energy produced is wasted.

We propose that with support we will target these locations, which together provide energy to over 1,400 households, **to bring efficiencies up to a 70% or higher using non-fossil fuel technology** alternatives and a range of system reforms. This would equate to over 45,000,000 kWh or **around 11,250 tonnes of CO₂ reduction in 5 years.**

We propose a 50/50 match funding approach, investing £740,000 each and focussing our efforts at the centralised energy centre equipment, rather than a full scale house heating system exchange, we can make quicker and less disruptive improvements.

Carbon Neutral Refurbishment & Fabrication Factory

We have recently linked up with Nottingham City Homes and **Energiesprong UK** to explore and develop upon the Dutch carbon zero model for retrofit dwelling decarbonisation.

The solution utilises off-site fabrication of pre-insulated panel facades, heat pumps, crane mounted pre-built roof systems with integrated solar PV arrays. One of the benefits of the approach is that customers don't have to be decanted from their homes and the whole house refurbishment is completed with 3 or 4 days, with no materials waste.

Once completed the home appears as a 'new build'. Perhaps most radical of all, the solution comes with a **30 year warranty** not only for the build materials and construction but also guaranteeing that all current and future occupants will pay less for their energy over the same 30 years.

The range of social impacts of carbon neutral refurbishment have been assessed by the UK Green Building Council and extend to improved air quality, health and wellbeing, residents become less vulnerable to cost fluctuations, extending the lifetime of existing dwellings thereby providing a greater than 100 year development longevity – which in turn saves on materials and carbon intensity of replacement development, not to mention the improved aesthetic and pride in a home fit for a 'net-zero' future.

Wheatley Group is not alone in owning non-traditional build forms. These are hard to treat properties, often built as 'temporary' housing post-war

- With **£11.5m** Investment
- We will create **140** Energiesprong retrofits - the **first ever in Scotland**
- Create: A **30 year warranted carbon zero solution**
- Equivalent to saving: **34,000 tonnes CO₂** reduction across 140 homes
- Expanding **employment** and building industrial capacity for replication

and utilising materials that were accessible in times of shortage. Dundee City Council also owns many hundreds of Atholl Steel systems; there are hundreds of Unitroy solid concrete panel homes in Inverclyde and thousands of Foam Slag Block homes on the West Coast of Scotland built with waste from the steel making process, to name only a few examples. Some of these are ‘unmortgageable’ for owners and landlords alike, due to their non-standard construction. If this pioneering project were to be funded as a pilot, it could be replicated across 1,000’s of other locations in Scotland.

We also intend to use this catalyst support to retool and build capacity within our existing factory at **Royal Strathclyde Blindcraft Industries (RSBi)**. This facility is one of the Scotland’s leading examples of social enterprise, combining commercial success with socially inclusive supported employment opportunities for people with disabilities. RSBi provides economic regeneration as well as building everything from kitchen cupboards to timber frame buildings.

By developing our internal capacity to fabricate and deliver an initial programme of Energiesprong system solutions, we in turn seek to develop a replicable carbon neutral refurbishment standard in Scotland. The intension being to develop a product that would be delivered at factory scale, for application across Scotland’s housing refurbishment sector representing cost efficiencies for deployment of this solution across other social housing or local authority providers.

In so doing we aim to make significant progress toward the Scottish Government goal of making all homes zero carbon by 2045, an ambition that will require a scale of enterprise and endeavour unparalleled perhaps since post-war reconstruction.

Project 1.9: Scottish Zero Carbon Retrofit. European Innovation.

Wheatley Group proposes to enhance upon the Energiesprong system solution by delivering 140 retrofit completions. The objectives being to fully design, fabricate and construct carbon zero retrofits, creating additional employment and capacity within Royal Strathclyde Blindcraft Industries (RSBi) as the basis for onward development. Providing a 30 year warrantied carbon zero solution for housing refurbishment in Scotland.

Using the UK Committee on Climate Change 5th carbon budget assessment:

-The total carbon savings achievable by retrofitting a single household using an Energiesprong solution (after 30 years) would be 243 tonnes of CO₂.

- Across **140 households** we expect a greater than **34,000 tonnes saving**. Using a replicable, off-site fabricated and quickly mountable solution; backed-up by a 30 year warranty.

Zero Emissions Environmental Community Tool Library & LED Lighting for All

The Wheatley Group is mandated as part of the regulatory Energy Savings Opportunity Scheme (ESOS) to monitor and provide statements to the Scottish Environmental Protection Agency on our overall energy use.

As part of our ESOS assessment we were surprised by the amount of fossil fuel energy used within our environmental maintenance services. The cause of which is our current reliance on petrol driven appliances such as lawnmowers and 'strimmers'. Aside from the carbon impact, the use of these machines can have serious health implications from 'Vibrating

- With Investment of: £0.51m
- Establish an electrified tool library
- Remove carbon impact of environmental maintenance
- Empowering: Community participation and knowledge share
- Distribute 200,000 LED Bulbs
- We will deliver: 16,500 tonnes CO₂ reduction

White Finger’ and musculoskeletal injury due to heavy lifting.

We are also conscious that many of our grounds maintenance appliances and tools are held by us but could be of benefit to the wider community. In the past we have funded a ‘Tool Library’ in the Gorbals Glasgow, through the Stalled Spaces initiative with Glasgow City Council.

Given the scale and capacity of the Wheatley Group, we believe this model can be replicated across our services. Bringing people together, saving money and sharing benefit.

Project 1.10 : Zero emissions environmental tool libraries

Our proposal is two-fold:

- Firstly to electrify a proportion of our tool inventory, thereby reducing the overall carbon footprint of environmental maintenance.
- Secondly, making the tools widely accessible to customers through a network of ‘tool libraries’ situated at a number of our depots located at regional hubs across central and southern Scotland.

We propose an initial catalogue of appliances totalling 950 tools, split between libraries at our main depots. We also plan to develop a programme of workshop sessions for customers and tenants wishing to join practical and creative classes on aspects ranging from minor ‘D.I.Y’ and tool use, or furniture repair and advice from our maintenance division experts.

Project 1.11 : LED Lighting for All

Sometimes the simple solutions are overlooked, often because our assumptions may be incomplete. For example through our dedicated Fuel Advice service, we support and advocate on behalf of thousands of households each year. Saving money on their bills and ensuring they get better service from energy suppliers. Through the course of this work, it became apparent that not only could many households not afford the electricity for lighting their homes but to make matters worse, they often couldn't afford the light bulbs as well.

Wheatley Group has freely distributed over 10,500 LED bulbs to help customers adequately and affordably light their homes. This has both tangible benefits in terms of quality of life and cost savings, as well as intangible such as carbon emissions up-stream.

An attempt to distribute low-energy compact fluorescent bulbs was attempted several years ago under the UK Government's Carbon Emissions Reduction Target (CERT) for energy companies. This was discontinued as it was generally assumed that many such bulbs were simply stored in drawers and forgotten. Wheatley Group however enjoys a more direct relationship with our customers. Insofar as we can physically install LEDs in all our properties at the point of a new tenancy, we can freely issue LEDs during housing officer appointments and we undertake many annually required visits such as our gas safety tests, winter ready service and capital investment programme. With support from Scottish Government, we aim to distribute 200,000 LED bulbs all across our geographical footprint.

3. Part 2 :

- ✓ **Digital Inclusion across Communities**
- ✓ **Zero Emissions Transport**

✓ Carbon Neutral Corporate Estate



Decarbonising Transportation & Active Transport Solutions

Our Charitable Foundation, the **Wheatley Foundation** is fortunate to have Sir Harry Burns as Chair, providing a focus gained from a lifetime of promoting 'the causes of wellness' as a public health strategy.

Investment
6.7 million
social
return
t

in Charge

Place Scotland locations

- **340** community based electric vehicle charge place infrastructure
- **30** new jobs created in low carbon sector
- Incorporating Rotterdam solution to benefit **network resilience**
- We will deliver: Cycling infrastructure and modal shift to zero-carbon transport across a combination of projects
- Will secure: **1,640** storage spaces
- Promoting: Community cycling proficiency, repair and bike up-

Our **Sustainable Transport Plan** focusses on the three aspects:

- Customer
- Staff
- Corporate transport decarbonisation.

For our Customers, we emphasise the priorities of **‘affordability’ and ‘accessibility’** as key to removing barriers for active travel adoption. Aside from the well understood wellbeing and environmental benefits, we are also conscious of the fire evacuation necessities of multi-storey blocks that ostensibly preclude the ownership of bicycles in these communities without separate storage options. For our **3,000** Staff we promote active travel as part of work as well as home life **pay above the HMRC rate for cycling mileage**.

The Scottish Government’s £500 million budget for **Active Travel infrastructure** over 5 years is a clear acknowledgement that regular physical activity is essential for healthier, happier and longer lasting lives. The University of Bristol ‘Life Cycle’ social return on investment research qualified these benefits as a ratio of **£1:£8.05**; supporting the Scottish Government’s vision for active travel investment that yields long term societal benefits. In addition, a modal shift in transport systems is required as part of the decarbonisation of transportation over the next decade. The decarbonisation of transport nationally and the phasing out of new fossil fuel vehicles by 2030 represents a **once in a generation** technology transition. It is also a central part of meeting the Scottish Government ‘Climate Change Act’ net-zero ambition as transportation is currently the largest contributor to Scottish emissions.

We currently employ 2,700 staff, directly, across over 50 corporate locations in Scotland. Our new Hub model will shrink our portfolio by **80%** from 37 offices to 8 (4 in Glasgow, 2 in Edinburgh & the Lothians and 2 in Dumfries and Galloway). With this cultural shift in working practices we will significantly reduce our carbon output, encourage blended home/office working and promote staff well-being, while decreasing both commuting and business travel.

Whilst our new smaller office footprint will provide low carbon workplaces achieved through energy use, sustainable materials and waste reduction. However, we also wish to promote both active travel and EV use through our new office strategy. In the Scottish Government’s 2015 ‘Time Use Survey’ the average person spends 1.5 hours per day commuting, equivalent to 156 years across our staff base, per calendar year spent travelling to and from work. For our 2,700 staff this shift in working arrangements will mean a greater use of technology and software systems that facilitate engagement with both colleagues and

customers. Making time more productive and sharing time more personally.

Our Hub locations were specifically selected due to the active and green travel benefits they will yield, as well as the synergistic Regeneration benefits. Our Hubs are located in local centres, or designated regeneration areas, which will benefit from the enhanced footfall and vibrancy delivered by the creation of our new Hubs. In addition, two of our new Hub locations are proposed to be mixed-use, with a further 65 affordable homes being built as a result.

Active travel has been a key consideration in the Hub concept and we will provide the infrastructure to support and prioritise the wider-use of both bicycles and e-bikes, as well as electric vehicles for our staff and visitors. We are keen to assist the government by delivering '**cleaner and greener choices**' for transportation and were selected as one of the first partners of the Scottish Government's '**Plugged in Households**' programme. We welcomed the ministerial launch of the programme at one of our developments and have since worked with Scottish Government for wider deployment of electric vehicles and charge-point infrastructure.

We profoundly believe that the communities we represent and work for should not be left behind due to poverty as a barrier, or being left with a legacy technology with all the associated carbon costs, fuel price and the proposed UK Government 'excess emissions premium' that will doubtless accompany the end stages of fossil fuels. We recognise that one of the key limiting factors for the uptake of electric vehicles for both individuals and businesses is accessibility of charge-point infrastructure. For individuals, this is especially the case for those living in **flatted developments** (where the majority of our customers live) and where it is not possible to trail cables from individual households.

Our vision is to make electric charge-point infrastructure more inclusive by **installing hundreds of public charge points all across the Wheatley Group** geographical footprint, in dense urban, semi-urban and rural localities from the Lothians to West Dunbartonshire in the central belt and extending south to Dumfries & Galloway. This additional charge capacity will be equivalent to more than a **30% boost to the Scottish Government's Charge Place Scotland capacity**.

We will also make an additional contribution by establishing a new commitment, to install electric vehicle charging facilities at all our new build developments, in addition to any local planning obligations. **As one of the UK's largest housing developers, we feel it incumbent to lead by example.**

Across the Group we currently have a fleet of 364 vehicles which we use to provide services to our customers, from Care & Support to Repairs and maintenance. We have set a target to be a carbon neutral organisation by 2026. This means for our vehicle fleet we need to remove or off-set all the fossil fuel consumption arising from vehicle use. Therefore, as well as promoting increasing EV use within our customer base, we also seek assistance to focus on an increased number of leased electric vehicles, within our fleet. The purpose being that we can test and ‘live with’ a cross-section of our fleet in anticipation of the next Wheatley Group wide fleet procurement round in 2023/24. We appreciate there is funding in a number of budgets for local authorities to decarbonise fleet, however despite the scale and geographical spread and fleet size of the Wheatley Group being much larger than many councils, we are not eligible.

We have however previously worked closely with Transport Scotland to access support for 3 vehicles under the ‘Switched on Fleet’ assistance, but we naturally wish to wish to go further and much quicker to meet not only our own climate change targets, but also the Scottish Government’s.

Project 2.1: Accessible Charge Points for All

With funding support of **£6 million** we will develop and connect a network of 340 charge places. This would be delivered through **30 new employment opportunities** to meet the needs of this skilled electrical and infrastructure development programme. The roles developed over the 5 year plan will assist in supporting the growth required to meet the Scottish Government’s wider target.

Working with SPEN as the electrical network provider as well as Flextricity and Moixa, as network services aggregators, our vision is that we solve multiple issues at once. As we improve the affordability and decarbonise the use of transport, we also create a network of **bi-directional electrical infrastructure** that supports rather than exacerbates network management.

We have also been working with Siemens and Glasgow City Council on the EU funded Horizon 2020 project call ‘**RUGGEDISED**’, within the support we seek, it our intention to incorporate ‘**Open Charge Point Protocol**’ functionality as a standard developed in Rotterdam for all installations. This spreads the demand across a virtual localised network of car charging to ensure the local grid is not negatively impacted, therefore managing the strain of an ever increasing number of electric vehicles.

Project 2.2: Zero Emission Support

With funding support of £450,000 we seek support based on the initial **Switched on Fleet** lease arrangements, terms and conditions that have helped us access 3 vehicles, with a view to **accessing an additional 35 vehicles**. Having access to examples of each body form, will help in crystallising our procurement strategy and improve overall knowledge and awareness for both staff and maintenance support.

By securing this funding support we would also create a process for a short term 'take home' use of 5 electric cars within a limited agreement for staff which would be aimed at increasing the uptake of EVs and dispelling misconceptions; We will accompany this by agreeing to increase our existing 'mileage reimbursement' policy for staff that subsequently opt for an electric car for their own and business use as a private vehicle.

Project 2.3 : Cycling Infrastructure & E Bike Accessibility

With £3.5m in funding support increased cycling infrastructure and facilitate a modal shift to zero-carbon transport across a combination of projects.

In terms of cycling infrastructure, we have been working with Cycling Scotland to access a small number of cycle storage and bike toll-stations. We have identified **328 locations across central and southern Scotland** where we would like to incorporate community accessible secure cycle storage and tool-station infrastructure throughout these localities. The storage facilities are manufactured in Scotland and provide lockable weather protected storage for 5 bikes each.

To accompany these installations we wish to continue to promote cycling uptake and work with local third-sector bike charities, through relationships we have developed with 'Bike for Good' (Glasgow) and 'The Bike Station' (Edinburgh), to host **regular community cycle proficiency and bike repair events throughout our calendar** of community engagement and gala-days. We also wish to up-cycle abandoned bikes and parts that are routinely cleared by our environmental maintenance teams, and provide these repurposed bicycles to households across Scotland.

For many the ownership of bicycles as a means of transport is cost effective, compared to car ownership or public transport fees. However there are many more for whom the poverty gap precludes the option of

these savings and benefits due to the up-front cost of purchase. Moreover the increasing adoption of electric bikes as a counter measure to car ownership is to be supported as a zero-carbon alternative. Due to our size and scale we are strongly placed to host a service that **addresses the logistical and administrative requirements of an electric bike loan scheme.**

We would propose to establish an electric bike loan scheme aimed at particular customer groups whom may be in need of temporary affordable transport :

- Customers in modern apprenticeship positions,
- Customers in Wheatley Pledge roles, and
- Customers entering higher-educational courses

We intend to build on our partnership by engaging **Bike for Good** to maintain the electric bikes during and between placements, by having a reactive maintenance service as well as an ‘MOT’ check between users, also providing safety and security accessories as part of the loan period agreement.

To support the logistic and maintenance cost we propose a small monthly fee (collected as a service charge, which is an established feature within many of our tenancies) to cover the costs upon of each electric bike loan period. This will ensure the long term financial viability of the project and the redistribution of the electric bikes to a wider number of users.

Digital Inclusion

The pandemic has dramatically changed the expectations of our customers in terms of the way we deliver services. Before the pandemic, the group had already set out on a digitally-led journey of service transformation which is driving us toward a net zero output, beginning with a commitment to be carbon neutral by 2026.

As part of that service transformation, our intention was to take our services more directly to the community through

- With £0.4m Investment
- Supporting access to the internet with subsidised broadband packages
- Partnership to distribute 4,000 Chrome books
- Mobile computer skills academy and digital up

digital services and also to spend more time in our communities than in our offices, therefore leading to less requirement for office space.

The Scottish Government's Connecting Scotland response to Covid19 has helped by providing computers, free data and support to develop digital skills. Wheatley's Covid19 Emergency Response Fund provided tablet computers to pupils as well as supporting the cost of energy and other household bills. Building on these measures, the Scottish Government's £23 million fund will help to remove digital exclusion and get at least 50,000 people online.

Wheatley Group wholly agrees with the finding of the **Scottish Technology Ecosystem Review** published in August of this year, which highlights the need for infrastructure, education and funding to support the technological innovation and digital literacy that will be fundamental to achieving the structural changes toward net-zero. The Wheatley Group is keen to partner with the Scottish Government in a number of ways under the banner of digital inclusion.

Project 2.4 : Digital Service Pathways

Wheatley Group operates a network of '**Click and Connect**' digital engagement hubs located within own communities. This service provides drop-in computer use as well as skills development sessions and guided 1:1 support. Research indicates that across all ages, disabled people were consistently less likely than non-disabled people to have access to the internet or a mobile phones.

Having a mobile presence for such a service would greatly increase the number of households we can engage and assist to become digitally literate and fully involved in becoming tech-savvy. We aim to roll-out a mobile **Wheatley Group digital skill 'Click and Connect' service**. Attending a variety of community engagement events to promote digital media, music and arts sessions where we aim to help customers overcome their fear of the internet and the digital world.

We will also help install free-ware and educational support programmes on devices. Help with how to do online shopping, repeat prescriptions, video calls with family or friends and much more. The facility will also support customers with our online service options - rent, repairs and keeping in touch with our staff, future proofing our services for further pandemic situations.

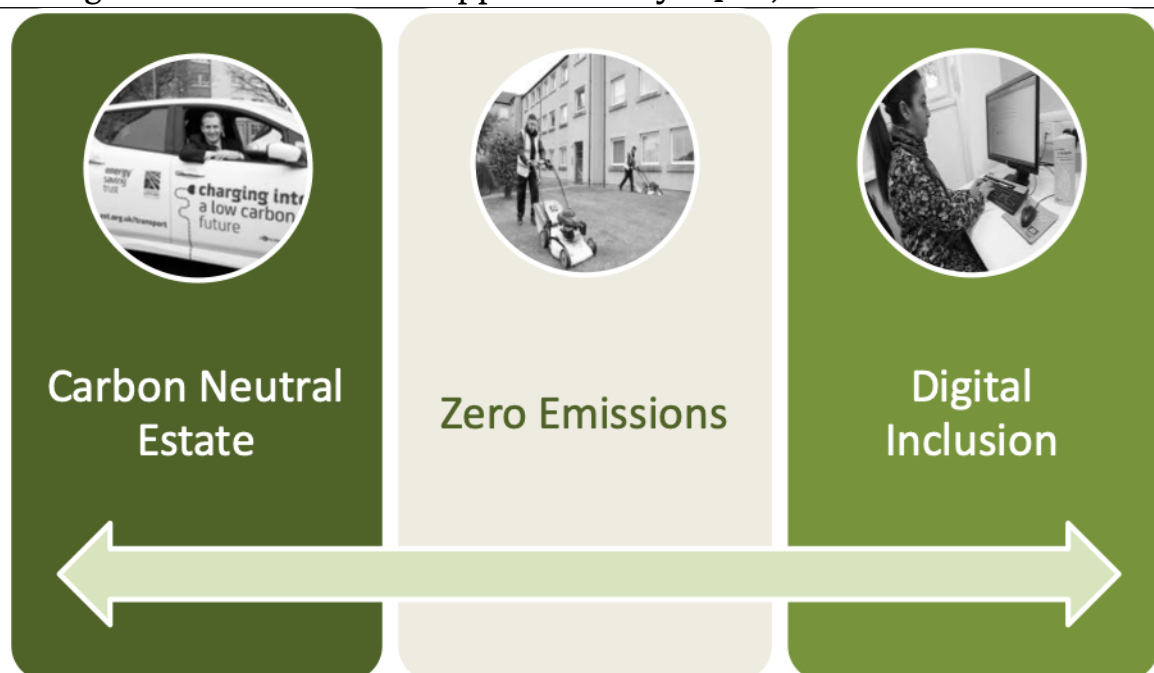
We have also negotiated a **discount package** of broadband data services with Virgin Media, **leveraged through community benefit clauses**

within our framework agreement for corporate services. This package of data enables discounted access for many of our customers.

However, in difficult to reach locations supported by the **Scottish Broadband Vouchers Scheme** (SBVS), it remains the case that multi-storey housing also suffers from low penetration of broadband due to the building typology and Faraday Cage Effect of steel substructure.

With support from the Scottish Government to **provide grants to broadband customers** equivalent to the SBVS of **£400** each, we will also facilitate the infrastructure and digital eco-system conditions for wider uptake of the Virgin Media entry package service.

In support of the Government's commitment to distribute 25,000 Chromebooks to support children in learning. **The Wheatley Group proposes a 50/50 match commitment with the Government** to provide 4,000 Chromebooks to households across the communities we serve. Equating to an investment of approximately **£400,000** each.



4. Part 3 :

- ✓ **Circular Economy**
- ✓ **Environmental
Infrastructure**
- ✓ **Habitat Renewal**



Community Waste Reduction & Recycling For All

Scotland's 2025 target to recycle 70% of waste after other reduction measures has made significant progress. Despite these efforts, the rate of growth in household recycling rates has been slowing as reported in the Scottish Government's methodology for calculating household recycling rates.

Collection and treatment infrastructure can recycle most waste, however in our experience this **infrastructure is not available to everyone** and in particular we have identified an implementation gap due to the assumption that social housing tenants (particularly in high-rise blocks) don't generally recycle. We recognise that waste collection and uplift is a local authority consideration, however given our size, scale and geographical spread, we believe we can also play our part in helping meet national targets.

We welcome the Programme for Government announcement of a £70 million fund to improve local authority collection infrastructure, and would seek to help achieve this by leveraging not only our land and infrastructure assets but also our close working relationship within communities.

We have **partnered with Keep Scotland Beautiful** whom we commissioned to carry out audits of all Wheatley Group housing stock in 2017-2018. They awarded a score to sites based on a variety of environmental quality criteria; including waste management. Most sites audited **lost marks due to a lack of recycling facilities** or poor signage. Where recycling facilities were on offer this was not consistent in relation to condition of bins and overall usage varied with contamination a recurring problem. In some of our communities, waste uplift services have reduced to one visit in every three weeks, exacerbating the lack of recycling opportunities.

- ✓ With investment of: **£820k**
- ✓ Will deliver: segregated recycling facilities for **12,000** households currently contributing to land fill
- ✓ Provide a **network** of Deposit Return Schemes
- ✓ Establish a communication & **monitoring framework**

We are keen to encourage our customers to reduce their household waste. We will support council services to tackle issues around contamination of bins through enhanced engagement with our customers and a programme of **behaviour change**. Particularly in relation to the Scottish Government’s proposed **Deposit Return Scheme**, where we are centrally positioned to contribute with deployment.

Project 3.1: Universally Accessible Recycling

With support investment of **£820k** we will provide a significant deployment of segregated recycling facilities. In addition to improved fixed signage, bulk waste removal and up-cycling of furniture to be freely distributed back to other households through our Home Comforts project. A service that collects, repairs, reupholsters and refurbishes household appliances and furniture so that they can be distributed for free to customers in need.

We will secure positive outcomes for our customers delivering improvements in recycling facilities at Wheatley Group sites, fulfilling a number of key strategic objectives in terms of sustainability, safety (fire reduction), communication and engagement, partnership working and appeal of the local environment for those in our communities.

Working with Zero Waste Scotland and local authorities to help deliver an increase in recycling across housing developments, our phased proposal begins with high-rise blocks that when combined **includes more than 12,000 homes**.

For our high-rise blocks we propose a programme of **behaviour change projects** including creating ‘**recycling only days**’ for bin chutes. As well as a communication strategy, long term monitoring and reporting with Zero Waste Scotland support and site based warden training to help reduce and eventually remove contamination as a barrier to materials recycling.

Project 3.2: Deposit Return Roll Out & Collaboration

The Scottish Government's **Deposit Return Scheme** Regulations 2020 is designed to enable consumers to take single-use containers back and redeem a 20p deposit from any retailer selling drinks covered by the scheme. Non-retail spaces will be able to act as return locations. These could include recycling centres, schools or other community hubs.

At the Wheatley Group we see a virtuous circle in that we own significant assets, with housing across many local authorities, frequently in communities where recycling levels are lower but for whom a **financial incentive to recycle** would be disproportionately advantageous compared to more affluent localities. By hosting a **large network of non-retail space** 'deposit return' facilities, we can support recycling uptake as well as put money back in the pockets of households.

We acknowledge that further development work is required within Scottish Government, and merely place-mark our sincere interest to support the adoption and success of this nationally significant policy.

Environmental Masterplans

Wheatley Group supports the Scottish Government's recent Infrastructure Investment Plan Consultation 2021-26; including the redefinition of infrastructure to place greater emphasis on environmental service and naturalised landscape as well as recognising the health and wellbeing associated with access to high quality natural space. With this in mind, **we have developed Green Infrastructure Masterplans with input from Scottish Natural Heritage** and in consultation with the local communities to remake and stimulate environmental change.

Wheatley Group has a successful track record of regeneration through our membership of Transforming Communities :Glasgow alongside our own successful investment and new build programmes, we have successfully created award winning regeneration projects. However we

- With: **£10 million** investment
- We will deliver: up to **7km of green infrastructure** local area connections created
- Creating **50 new FTE jobs**
- **Returning £30 million** Scottish Wellbeing Valuation benefit from environmental renewal
- We will: Invest £0.5m in environmental renewal pre-development
- Establishing environmental quality

believe there is an opportunity to increase green infrastructure as part of a holistic regeneration solution, not only in the planning of our new developments but also in our existing communities.

Project 3.3 : Environmental Masterplans – Existing Communities

We have identified three existing large communities in the bottom 5% most deprived areas in Scotland covering over 12,000 households where we have invested in, or plan to carry out wholesale remodelling of our housing stock. These communities provide the opportunity to develop large scale green infrastructure to complement our investment in new or improved housing. The three areas range from densely populated areas in Glasgow to a semi-rural community in Dumfries and Galloway.

We know through our customer Insight surveys that people living in these communities have multiple barriers. In just one of these communities, 32% of people have a limiting long term illness, 61% of pensioners are living in poverty, 45% have no qualifications and only 1 in 4 adults of working age are in full time employment.

In 2 of these three communities we have already invested significantly in district heating and building thermal improvement in order to improve the carbon and cost efficiency and in the third, located in Dumfries & Galloway we have a programme in place to carry out similar works. We seek support to take forward a fully developed £10 million vision to create an environmental standard that will have a positive impact on the wellbeing of the local and wider community in these two areas. Using the Scottish Wellbeing Valuation approach, we estimate a 1:3 **social return on investment, equating to £30 million** of benefit to communities.

We wish to create linkages to local natural resources such as rivers and canals, and existing parks, utilising environmental services to improve climate change adaptation with surface drainage through introduction of swales, new tree avenues, rain gardens and removal of large areas of surface concrete.

We also want to create a civic spaces centred around redefined relationship and hierarchies of road and footpath layout in order to provide better legibility, safety and sense of welcome. A variety of new pedestrian only amenity spaces would be provided all aiming to enable and encourage social interaction, where previously hard infrastructure has cut off movement and created barriers. These spaces will become multi-functional to allow for seating, gathering and play. As well as improve opportunities for biodiversity and habitat where currently nature has been excluded.

The masterplans will **address a reversal of lost and fragmented habitat and biodiversity and soil or surface water pollution** through use of SUDS and buffer strips, providing new and linking existing habitats with natural features, to allow species movement, allowing diverse habitats to be created which are rich in flora and fauna. Creating a better place for people and nature by making these communities, more accessible, connected and giving Environmental Infrastructure a sense of character and a strong identity.

Project 3.4 : Environmental Masterplanning Pre Development

Wheatley Group holds to the principle that Environmental Infrastructure is essential for before, not after new housing development planning. Not only in terms of biodiversity, soil quality and habitat, but also as a means to avoid onerous on-going cost liabilities from inadaptable or inadequate 'man made' alternatives, for example flood prevention using concrete culverts. Proposed support through the Scottish Government's 'Biodiversity Challenge Fund' includes many of these precepts, and we wish to incorporate this into the standard model for housing development.

Our proposal is to work together to develop a framework for anticipatory environmental infrastructure that can be applied across all new development. As well as target early interventions that will precede, and **provide excellent quality environmental space for, 400 homes.**

Aligned with the Scottish Government's proposed infrastructure 'Common Investment Hierarchy', Wheatley Group proposes to embark on a new approach to our housing development whereby the naturalised design of all new development space will be assigned for '**habitat**', **long before the morphology of the built environment** and to allow time to establish the location environment such that the characteristics of future housing fits into the space rather than nature simply being a add on of the housing layout.

Starting with a new development proposed in **Newton Stewart in Dumfries & Galloway**, we will also begin the 'environmental development' of a number of future sites in Dumfries and Galloway and across our development programme early enough to enable establishment prior to new housing. All together the proposed interventions we estimate at £0.5million, equate to a potential housing supply of 400 homes.

Circular Economy Organic Waste & Re Greening

Waste Forest Research is the research agency of the Forestry Commission and is the leading UK organisation engaged in forestry and tree related research. Between 2015 and 2017, they published in depth quantitative financial analysis of the environmental infrastructure services provided by urban trees in Edinburgh and Glasgow called 'i-Tree'.

Accounting for air pollution purification, flood water attenuation, overheating moderation, carbon sequestration, wellbeing and supporting biodiversity they found that if the benefits produced by trees were instead to be delivered by hard infrastructure alternatives, then they would have an **asset value of £7.6 billion in Edinburgh and Glasgow alone.**

This is a value emphasised by the Scottish Government's ambition for 'nature based investment' to deliver 18,000 hectares of new forest per year by 2024, with financial support for increased tree nursery capacity and for Scottish Forestry to expand planting capacity.

As a group, we have been making a consistent effort with our communities to plant around **2,000 trees per year** with them on our land. We agree with the Scottish Government's proposed pilot **Miyawaki Mini Forests** to trial an approach having the potential to improve urban biodiversity and green space for local communities and are keen to participate and replicate this approach across our geographical footprint. **We aim to plant 35,000 trees per year** as a contribution to the reforestation of suitable land using appropriate species, with a particular focus on urban and semi-urban areas and in conjunction with

- With £845k of Investment
- We will: Divert over 500 tonnes of waste per year
- Producing energy from waste offsetting 2,500 of carbon emissions
- Expanding our annual programme of Horticultural Apprenticeship, creating a circular economy supporting plant nursery
- We will: plant 175,000 new trees in 5 years
- Creating: Over £400,000 of environmental services per year provided by this new natural asset
- We will: Work in conjunction with community groups and third sector

communities across central and southern Scotland. Using i-Tree carbon value estimates, this project would **sequester over 5,500 tonnes of carbon, as well as providing around £400,000 of ‘environmental services’ per year.**

Utilising our own land assets, as well as working with community groups and local authorities we will provide the trees as well as planting and maintenance to ensure a thriving proliferation of tree-scape. In return, we are looking for the government’s support to develop a Green Waste project which will not only have a radical effect on our carbon footprint but also provide new green jobs and training opportunities. Across our housing neighbourhoods, our Neighbourhood Environmental Teams collect over **500 tonnes per year** of ‘organic waste’, primarily grass, weeds, tree and shrub cuttings. Rather than this being a waste, we envisage an opportunity to turn this resource into an opportunity to contribute to the circular economy.

Project 3.5 : ‘Green Waste’ Circularity

Our proposal is to create an **Organic Waste to Energy Centre** and plant nursery at one of our large vacant demolition sites and seek £800,000 support for physical infrastructure to establish a suitable working facility which would produce energy in an anaerobic combined heat and power system and to provide new opportunities for horticultural jobs. The collected ‘green waste’ would be split into two streams and processed in two ways :

Fibrous material

More fibrous material would be shredded and composted for use within a newly established plant nursery, providing employment opportunities for an **expanded Horticultural Apprenticeship scheme**, creating an **additional 10 jobs on top of our existing supported roles**, contributing, directly, to creating **new, good, green jobs**.

Softer Matter

The softer matter would be mixed with other organic waste streams such as food and fed into a waste-to-energy anaerobic digester, producing around 350,000 kWh of heat and electricity per year, to operate the plant nursery facility. According to the Biogas Association, a ton of organic waste diverted to avoid 0.5 tonnes of CO₂ equivalent. **Providing 2,500 tonnes off-set emissions over 10 years.**

The plant nursery would provide a regular supply of bedding plants to be distributed across our communities and green spaces. Furthermore, they will be used in future Green Infrastructure initiatives such as green roofs and for new build development environmental designs.

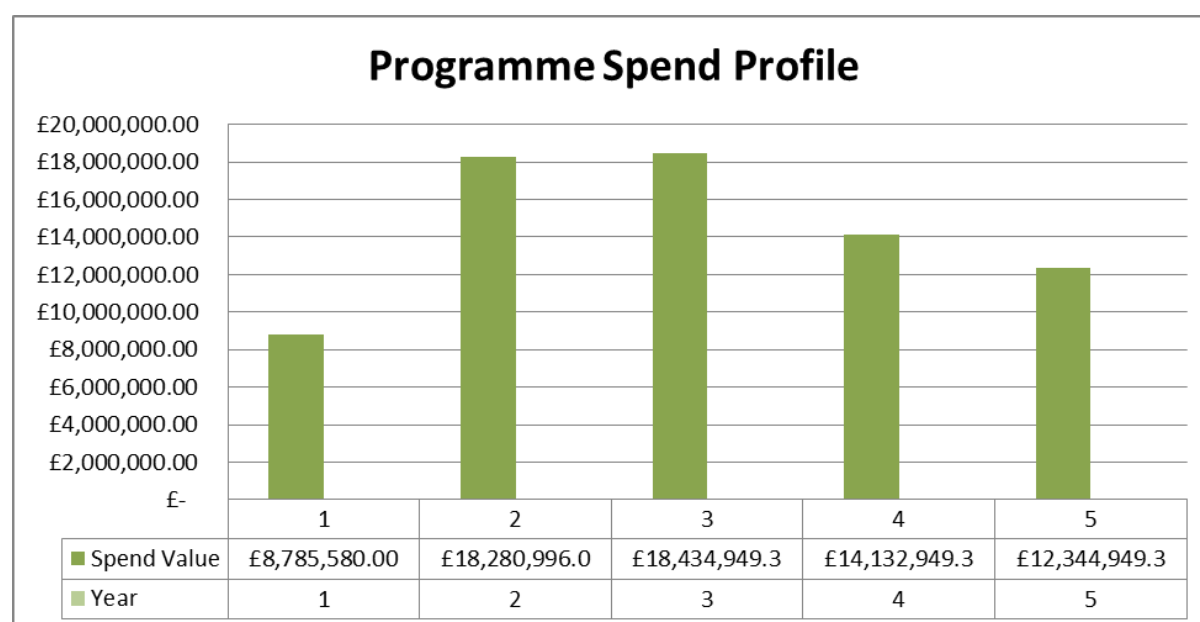
This project would also significantly reduce the amount of waste transported or sent to landfill, further limiting our emissions.



5. Spend Profile and Validation

The proposed **Green Investment Plan** collaboration with the government is envisaged **over a 5 year period**. To enable projects to be procured, managed, delivered and validated. Many running concurrently and across the breadth of Wheatley Group expertise, whether design, technical, customer relationship and civil contractor divisions.

As illustrative of the annual split of the proposed £70 million across the 5 year plan, the below graph indicates how the projects would be segmented, showing the **total yearly spend**.



As part of the evidence of the Social Value and Wellbeing return on investment, Wheatley proposes to work with organisations such as **Fraser of Allander Institute** and **Real Worth** or similar organisations with expertise in the areas of impact research relating to **economic stimulus** and **environmental value** of sustainable investment outcomes respectively.

Our evidence would be aligned with the Scottish Government's **National Performance Framework** and **Scotland's Open Government Action Plan for 2018-20** with respect to providing financial performance transparency.

By utilising third party objective assessments, we aim demonstrate the return on investment as well as **publish publically accessible research** as proof of value.

6. Summary and Conclusions

Infrastructure Investment touches the lives of everyone in our communities and has a vital role to play in helping our businesses and neighbourhoods adapt, recover and grow, following the recent harms caused by Covid-19 and the economic shock from the UK's impending exit from the European Union.

At the **Wheatley Group** we plan to launch our new 2021-2026 Corporate Strategy in parallel with the national aims and objectives set out within Scottish Government's Draft Infrastructure Investment Plan and Programme for Government and we have set a target to be a **carbon neutral organisation by 2026**, driving us towards *net zero* and the Climate Change targets set by Parliament. Implementation of our Corporate Strategy has already begun in earnest with the transformation of our own operating model to encourage a more blended approach to home/office working. This approach significantly reduces our carbon output as a business, supplemented by a combination of further interventions, including:

- new **low carbon and energy efficient designs** in our new-build and existing stock refurbishments,
- a **carbon reduction** in staff commuting and business travel,
- a focus on promoting active travel, and providing the infrastructure to enable that, whilst,
- locating our new Regional Hubs so as to help stimulate **Town Centre Regeneration**.

Our proposed **Green Investment Plan** collaboration with the government has the potential to drive forward **Scotland's Green Recovery**, presenting a unique opportunity for Wheatley to offer our experience, scale, geographic spread, skills and breadth of services to help accelerate the delivery of the government's national mission of creating ***new jobs, good jobs and green jobs***.

With Government investment of **£70 million over the next five years**, our **Green Investment Plan** sets out a wide range of targeted projects which will provide a robust pipeline of work, economic stimulus and return an overall **£272 million of benefit, savings and social value**.

Over the five year investment period to 2026, our partnership with Government can collectively **create 1,600 Green Sector and Digital Innovation Jobs**, targeting specific roles within the sector to help with addressing gender imbalance and also including apprenticeship and

school work experiences. Our projects will also **create an additional 2,000 new 'access to work' placements.**



We will strengthen digital connectivity for our customers and the energy efficiency of their homes, tackling **the hardships of Fuel Poverty** in our communities through a combination of basic and innovative interventions which will deliver **£173 million of lifetime energy savings.**

In partnership with the Scottish Government, we want to provide **green innovation** in construction by building **300 new affordable homes** using the Kenoteq external brick system, designed and manufactured in Scotland. **Made from 100% recycled content** and **reducing embodied carbon by over 95%**, we believe that commitment from the UK's largest developer of Social Housing to support the growth of technology and industrial capacity in Scotland also provides an excellent case study for its wider use and for more circular economy in the industry, whilst helping to reduce carbon emissions.

Our proposals return over 60,000 tonnes of carbon emissions removal, whilst providing designated areas of land within our communities designated to new green infrastructure and habitat growth, including **175,000 new trees being planted.** Our proposal presents a

transformational investment package and multiplier effect that will drive innovation and could only be achieved through collaboration between Scottish Government and Wheatley Group, with projects cutting across a significant number of ministerial focusses. Our proposed partnership projects, investment breakdown, commitments and outcomes are summarised in **Table 1**.

Table 1 : Summary of Partnership Investment Projects and Outcomes :

Partnership Projects	Investment (£m)	Wheatley Group Commitments and Outcomes
Creating 'Green' Jobs and Boosting Skills	14.645	<ul style="list-style-type: none"> • 1,600 'Green Sector' 'Digital Innovation' job opportunities • 2,000 new Access to Work Placements • Supporting Town Centre Regeneration Recovery and Growth • 25 new green business incubator hubs • Transformation of unsustainable commercial space into affordable housing • 300 New Affordable Homes Built with a 100% Recycled Brick – manufactured in Scotland • 140 Homes retro-fitted to <i>Carbon Zero</i> – first in Scotland • £173 million of lifetime energy savings • Fuel Savings of £576 per annum to 8,500 homes • Preventing over 45 million kWh of wasted energy
Town Centre Regeneration & Green Recovery Start Ups	1.875	
Circular Economy Construction	1.824	
Transforming Heat & Efficiency	18.416	
Carbon Neutral Refurbishment & Fabrication Factory	11.450	
Zero Emissions Environment Community Tool Library & LED Lighting for All	0.510	
Decarbonising Transportation	6.492	<ul style="list-style-type: none"> • Distribution of 4,000 Chrome Books targeted at those in primary and secondary education • Subsidised Broadband Packages to our customers • Mobile Digital Up-skilling in our communities • Create Zero Emission Fleet – 35 new electric vehicles • Install 340 new Electrical Vehicle Charging Points • 1,200 new E-Bikes • 1,640 safe storage bicycle spaces
Active Transport Solutions	3.323	
Digital Inclusion	0.400	
Community Waste Reduction & Recycling for All	0.820	<ul style="list-style-type: none"> • Over 60,000 tonnes of Carbon Emissions Removal

Circular Economy Organic Waste & Re Greening	0.845	<ul style="list-style-type: none"> Over 6 km of new Green Infrastructure & Habitat Creation 175,000 Trees Planted Green Waste Circularity - 500 tonnes of our Organic Waste per year 	
Environmental Masterplans	10.638		
Total Investment	£70m	Total SROI	£272,000,000

Our **Green Investment Plan** will help Scottish Government build the foundations for a stronger Scotland and achieve a wellbeing economy which ensures that our communities thrive economically, socially and environmentally in the decades to come.

Report

To: Wheatley Housing Group Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive

Subject: Finance Report

Date of Meeting: 16 December 2020

1. Purpose

- 1.1 The purpose of this paper is to provide an update on the Group's financial performance for the period to 31 October 2020.

2. Authorising context

- 2.1 On-going monitoring of financial performance against agreed targets is one of the responsibilities of the Group Board under the Group Authorise, Manage & Monitor Matrix.
- 2.2 The 2020/21 budget effectively mirrors the first year of the business plan financial projections for each entity and will allow each Board, as well as the Group Board, to monitor progress during the year against our business plan targets.

3. Risk appetite and assessment

- 3.1 The Board's agreed risk appetite for business planning and budgeting assumptions is "open". This level of risk tolerance is defined as "prepared to invest for reward and minimise the possibility of financial loss by managing the risks to a tolerable level".
- 3.2 Delivery of financial results within approved budgetary limits is a key element in delivering our strategy and maintaining the confidence of investors.

4. Discussion

Financial performance to 31 October 2020

- 4.1 The results for the period to 31 October are summarised below.

£m	Year to Date (Period 7)		
	Actual	Budget	Variance
Turnover	219.6	226.7	(7.1)
Operating expenditure	(155.7)	(175.6)	19.9
Operating surplus	63.9	51.1	12.8
<i>Operating margin</i>	<i>29.1%</i>	<i>22.6%</i>	
Net interest payable	(43.3)	(44.0)	0.7
Surplus	20.6	7.1	13.5
Net Capital Expenditure	(34.1)	(90.3)	56.2

5. Key issues and conclusions

5.1 The Group is reporting a statutory surplus for the seven months to October 2020 of £20.6m, which is £13.5m higher than budget for the year. The current level of favourable variance is however temporary in nature and will reduce by the year end given our services and investment programmes are now remobilised. Key variances against budget include:

- Grant income is £4.9m lower than budget due to the suspension of work on new build developments in Q1 and the resulting delay to completions. Sites started to reopen from July, allowing properties delayed from March to be completed. This has also had an impact on net rental income in the RSLs and Lowther, which is £1.7m lower with new build social and mid-market properties starting to be available to let from early August. A number of properties have been provided to local authorities during the period to date to provide temporary homeless accommodation to assist in the utilisation of voids across the Group.
- New build spend is £41.2m lower than budget. Spend reported of £26.0m reflects the ongoing construction across the re-opened sites including the completion units from originally expected to be completed in late March 2020.
- The core investment programme is £34.4m lower than budget due to the completion of essential investment works only such as boiler replacements, major roofing repairs and cladding works in the earlier months of the year. The programme has been re-mobilised in recent months with the full programme in place from November.

6. Key financial metrics – interest cover and debt per unit

6.1 Loan covenants are monitored monthly out-with the required quarterly submission of calculations and the submission of Board approved management accounts of the RSL Borrower Group to funders.

6.2 The favourable performance against budget has improved the covenant position at 31 October 2020 outperforming the key measures of interest cover and debt per unit in the RSL Borrower Group as shown in the table below.

[table redacted]

7. Value for Money implications

- 7.1 Delivery of our cost efficiency targets is a key element of continuing to demonstrate value for money. The underlying results for the period to 31 October 2020 were favourable to budget ensuring that these efficiency targets are met.

8. Impact on financial projections

- 8.1 The financial projections are being revised for presentation to the next Board meeting in February.

9. Legal, regulatory and charitable implications

- 9.1 No implications.

10. Equalities impact

- 10.1 Not applicable.

11. Recommendation

- 11.1 The Board is requested to note the financial performance for the Group to 31 October 2020.

Appendices:

1: Wheatley Group Financial Report to 31 October 2020

Appendix 1: Wheatley Group Financial Report To 31 October 2020 (Period 7)

1. Income & Expenditure	
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1a) Wheatley Group – Year to date

Key highlights year to date:

The Group operating surplus for the period to 31 October of £63.9m is £12.7m favourable to budget. At the statutory surplus level, a surplus of £20.6m is reported showing a favourable variance of £13.5m to budget. The majority of variance in both income and expenditure lines are temporary as a result of the Covid-19 outbreak.

Total income at £219.6m is £7.1m lower than budgeted:

- Net rental income is £1,665k unfavourable to budget and includes the impact of delays in new build completions within all of the RSLs, delayed from March when work was suspended, as well as higher void levels although across the Group, a number of properties have been provided to local authorities to provide temporary homeless accommodation.
- Grant income has been recognised for new build completions across the RSLs; a result of the phased reopening of sites in the second quarter. To date, income has been recognised for the budget for 300 units.
- Other income is £558k lower than budget at period 7. The Foundation has received additional funding from Scottish Government for emergency food packages, this is offset by lower levels of income from owners for factoring services, with reduced cleaning and maintenance services being provided as well as lower levels of common repairs activity, a reduction of £474k in the costs of providing services is included in running costs.

Total expenditure of £155.7m is £19.8m favourable to budget:

- ERVR costs of £1,275k are £348k higher than budget as the changes to the new operating model start to be implemented.
- Running costs are £2,888k favourable to budget with the variance largely linked to the change in the operation of the business during lockdown which has resulted in lower than expected costs in a number of areas against budget which have helped create provision for unbudgeted spend on PPE for staff across the Group.
- Revenue repairs and maintenance expenditure is £11,001k favourable to budget; the full service has been in place from November and this variance will therefore reduce in the remainder of the year.
- Irrecoverable vat and bad debts are £786k favourable to budget across the Group with arrears levels being actively managed with staff working closely with customers affected by Universal Credit and financial challenges presented by the pandemic.
- The net capital position is £56.2m lower than budget. Capital investment income of £12.4m has been received with the phased reopening of construction sites, in addition to £3.6m received from Allia for the Dargavel site. Core programme spend is lower than budget by £34.4m, with £4.9m spend in the month on essential works on boilers, voids, major roofing works and cladding work.
- New Build spend of £26.0m, with £6.5m incurred in the month, reflects the ongoing construction progress across the open sites including the completion of delayed units from March..

YTD (£k)	Year to 31 October 2020			Full Year Budget £'000
	Actual £'000	Budget £'000	Variance £'000	
INCOME				
Net Rental Income	175,007	176,672	(1,665)	302,539
Grant income	19,333	24,211	(4,878)	47,100
Other Income	25,251	25,809	(558)	41,620
Total Income	219,591	226,692	(7,101)	391,258
EXPENDITURE				
Employee Costs	46,956	51,926	4,970	88,596
ER/VR	1,275	927	(348)	1,209
Running Costs	26,151	29,039	2,888	46,754
Repairs & Maintenance	21,366	32,367	11,001	51,863
Irrecoverable VAT & bad debts	6,566	7,352	786	12,600
Depreciation	53,394	53,403	9	92,932
Demolition Programme	2	542	540	930
Total Expenditure	155,709	175,555	19,846	294,882
NET OPERATING SURPLUS	63,881	51,136	12,745	96,377
	29.1%	22.6%		
Gain/(loss) on sale of fixed assets	1	7	(6)	1,060
Net interest payable	(43,255)	(44,008)	753	(73,194)
STATUTORY SURPLUS/(DEFICIT)	20,627	7,135	13,492	24,243

INVESTMENT				
Total Capital Investment Income	12,436	32,077	(19,641)	63,626
Core Investment Programme	18,555	52,919	34,364	84,591
New Build Programme	25,995	67,176	41,181	121,875
Other fixed assets	1,992	2,245	253	6,060
Total Capital Investment Expenditure	46,542	122,340	75,798	212,527
NET CAPITAL INVESTMENT SPEND	(34,106)	(90,263)	56,157	(148,901)

Wheatley Group Financial Report To 31 October 2020 (Period 7)

RSL Borrower Group

2a) RSL Borrower Group – Year to date

YTD (£k)	RSL BORROWER			Full Year Budget £'000
	ACT £'000	BUD £'000	VAR £'000	
INCOME				
Net Rental Income	140,769	141,904	(1,135)	242,714
Grant income	19,333	24,211	(4,878)	45,733
Other Income	6,193	6,058	135	12,442
Total Income	166,295	172,173	(5,878)	300,888
EXPENDITURE				
Employee Costs	31,220	34,612	3,392	59,117
ER/VR	169	451	282	773
Running Costs	13,718	15,487	1,769	28,025
Repairs & Maintenance	15,408	23,141	7,733	36,929
Irrecoverable VAT & bad debts	5,902	6,690	788	11,465
Depreciation	47,894	47,909	15	82,184
Demolition Programme	2	542	540	930
Total Expenditure	114,313	128,832	14,519	219,422
NET OPERATING SURPLUS	51,982	43,341	8,641	81,467
Gain/(loss) on sale of fixed assets	1	7	(6)	13
Net interest payable	(37,912)	(38,560)	648	(64,088)
STATUTORY SURPLUS/(DEFICIT)	14,071	4,788	9,283	17,392

YTD (£k)	RSL BORROWER			Full Year Budget £'000
	ACT £'000	BUD £'000	VAR £'000	
INVESTMENT				
Total Capital Investment Income	11,328	30,065	(18,737)	60,210
Core Investment Programme	15,024	35,496	20,472	59,486
New Build Programme	22,824	59,560	36,736	108,819
Other fixed assets	1,983	2,236	253	4,515
Total Capital Investment Expenditure	39,831	97,292	57,461	172,820
NET CAPITAL INVESTMENT SPEND	(28,503)	(67,227)	38,724	(112,610)

Key highlights year to date:

The RSL Borrower group operating surplus to 31 October is £52.0m, £8.6m favourable to budget. At the statutory surplus level, a surplus of £14.1m is reported showing a favourable variance of £9.3m compared to the budget. The majority of variances in income and expenditure lines are due to the changes in the operation of the business during the lockdown.

Total income is £5.9m lower than budgeted:

- Net rental income is £1,135k unfavourable to budget across the RSLs. Rental income includes the impact of delays in new build completions within the Borrower Group, and a higher level of voids (£493k higher in GHA), with a number of properties let as temporary homeless accommodation. Normal letting activities have been resumed across the RSLs. The majority of backlogged voids excluding those requiring capitalised repair work have been cleared.
- Grant income has been recognised to date primarily for new build properties where completion had been delayed in March 2020. Income has been recognised for the completion of 300 units – GHA – 185 units at Inglefield, Linkwood, Bellrock, Auchinlea and Scaraway, Cube – 24 units for Westcliff, WLHP – 8 units at Dixon Terrace, DC – 83 units at Bearverbank, Lang Loan, Morrison Street and Greendykes. All of these completions with the exception of Bellrock and Scaraway sites relate to the delayed units from March.

Total expenditure is £14.5m favourable to budget:

- Total running costs are £1,769k favourable to budget with lower than expected costs in a number of areas such as office running costs, staff related expenditure, training and travel. The year to date spend includes additional unbudgeted costs of PPE for staff.
- The revenue repairs and maintenance expenditure variance will reduce as the service fully resumed in November.
- Net capital expenditure is £38.7m lower than budget. From July sites have started a phased return, with full investment programme in place from November. Grant claims have been submitted for HAG on new build of £11.3m to date including £3.6m for Dargavel, £1.6m in GHA, £2.2m in Cube, £2.1m in WLHP and £1.7m in DC.
- Core programme spend of £15.0m, relates mainly to voids work, capitalised repairs and staff costs, high-rise work, boiler replacements and work on pre 1919 tenements. New build spend of £22.8m, relates to the costs incurred on ongoing construction for Queens Quay £0.6m (Cube), Almondvale £1.2m (WLHP), initial costs on Westcraigs £0.6m (DC) and the ongoing construction work across GHA sites – Baillieston, Sighthill, Scaraway, Kennishead, Auchinlea, Bellrock and Linkwood. (£2.9m).

2b) GHA – year to date



	Year To October 2020			Full Year Budget £ks
	Actual £ks	Budget £ks	Variance £ks	
INCOME				
Rental Income	£107,080	£107,504	(£424)	£183,732
Void Losses	(£1,239)	(£746)	(£493)	(£1,275)
Net Rental Income	£105,841	£106,757	(£917)	£182,457
Other Income	£5,072	£4,820	£252	£8,648
Grant Income	£11,242	£24,088	(£12,845)	£34,259
Total Income	£122,155	£135,665	(£13,510)	£225,364
EXPENDITURE				
Employee Costs - Direct	£17,393	£19,923	£2,530	£34,112
Employee Costs - Group Services	£6,596	£7,114	£517	£12,037
ER / VR	£162	£451	£288	£773
Direct Running Costs	£6,434	£6,446	£12	£11,223
Running Costs - Group Services	£3,370	£4,489	£1,119	£7,696
Revenue Repairs and Maintenance	£11,348	£17,573	£6,224	£27,511
Irrecoverable VAT and bad debts	£5,538	£6,044	£506	£10,362
Depreciation	£35,952	£35,952	£0	£61,632
Demolition and Tenants Compensation	£2	£542	£540	£930
TOTAL EXPENDITURE	£86,796	£98,534	£11,738	£166,273
NET OPERATING SURPLUS / (DEFICIT)	£35,359	£37,131	(£1,772)	£59,091
<i>Net operating margin</i>	28.9%	27.4%	1.6%	
RTB Income	£0	£0	£0	£0
Interest payable & similar charges	(£28,446)	(£28,969)	£523	(£49,553)
STATUTORY SURPLUS / (DEFICIT)	£6,913	£8,162	(£1,249)	£9,538
INVESTMENT				
	Actual £ks	Budget £ks	Variance £ks	Full Year Budget £ks
Total Capital Investment Income	£1,584	£7,884	(£6,300)	£17,700
Total Expenditure on Core Programme	£12,329	£28,590	£16,262	£47,600
New Build & Other Investment Expenditure	£13,934	£28,882	£14,948	£45,104
Other Capital Expenditure	£1,573	£1,818	£245	£3,257
TOTAL CAPITAL EXPENDITURE	£27,835	£59,290	£31,455	£95,961
NET CAPITAL EXPENDITURE	£26,251	£51,406	£25,155	£78,261

Key highlights year to date:

- Net operating surplus of £35,359k is £1,772k unfavourable to budget. Statutory surplus for the period to 31 October is £6,913k, £1,249k unfavourable to budget. The main drivers of the variance are lower grant income due to the delay in GHA completions from March and lower levels of expenditure resulting from the changes to the business in response to the pandemic.
- Net rental income of £105,841k is £917k adverse to budget as a result of the delaying in the availability of new build properties for letting and higher levels of voids from the restrictions on re-lets earlier in the year. Void losses are £493k higher than budget, representing 1.16% loss rate compared to budget of 0.7%. In October. All void properties affected have now been re-let apart from 7 units requiring major repairs.
- Grant income recognised relates to 185 units completed at Inglefield, Linkwood, Bellrock, Auchinlea and Scaraway developments.
- Total running costs are £1,131k favourable to budget with the variance largely linked to the change in the operation of the business during lockdown which has resulted in lower than expected costs in a number of areas against budget. Purchases of PPE costs of £394k are reported across direct and group running costs.
- Restrictions on repairs activity in the early months of the financial year have caused the temporary favourable variance to arise; this will reduce in the coming months now the service is fully remobilised.
- The net capital position of £26,251k is £25,155k below budget. Grant income of £1.6m has been claimed for Sighthill, Dovehill, Hurlford Ave and Baillieston.
- Core capital investment programme spend on existing stock is £16,262k lower than budget driven by the postponement of new works during the lockdown. Additional spend to date includes repairs on central heating, kitchens, bathrooms and lifts.
- New build spend is £14,948k lower than budget following the closure all construction sites in arch. The October spend has been broadly in line with budget..
- Other capital expenditure of £1,573k, is £245k favourable to budget, and represents GHA's share of repairs system and ASTRA customer relationship management system upgrades.

2c) Cube – Year to date



	Period To 31 Oct 2020			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INCOME				
Rental Income	11,222	11,307	(85)	19,383
Void Losses	(167)	(250)	83	(428)
Net Rental Income	11,055	11,057	(2)	18,955
Other Income	180	277	(96)	636
Grant Income	1,946	81	1,865	139
Total Income	13,181	11,415	1,766	19,730
EXPENDITURE				
Employee Costs - Direct	1,959	2,046	87	3,508
Employee Costs - Group Services	482	518	36	888
ER / VR	0	0	0	0
Direct Running Costs	944	1,061	118	1,909
Running Costs - Group Services	257	331	75	567
Revenue Repairs and Maintenance	1,352	2,029	678	3,183
Bad debts	163	318	156	543
Depreciation	4,264	4,264	0	7,349
TOTAL EXPENDITURE	9,420	10,568	1,148	17,946
OPERATING SURPLUS / (DEFICIT)	3,761	847	2,914	1,784
Interest Payable	(3,017)	(2,997)	(20)	(5,147)
STATUTORY SURPLUS / (DEFICIT)	745	(2,150)	2,895	(3,363)

Income and Expenditure account – key points

- Net operating surplus of £3,761k is £2,914k favourable to budget. Statutory surplus for the period to date is £745k, £2,895k favourable to budget. The main drivers of the variance are higher grant income on the delayed Westcliff units completed in July and lower expenditure levels resulting from the current COVID 19 restrictions.
- Rental income is £85k adverse budget as a result of the delay in Westcliff properties not completing until mid July 2020. this line also includes a £32k provision for refunds to tenants in relation to the changes made to services provided during the spring lockdown.
- Void losses are running at 1.5% versus budget of 2.2% generating a favourable variance of £83k. Re-letting of void properties impacted earlier in the year, but has now resumed at normal levels with 2 remaining properties which required major repair to be let in period 8.
- The adverse variance of £96k in other income relates to District Heating income from the temporary cessation of charging tenants for this service.
- Direct Running Costs are favourable to budget by £118k, due to savings across a number of office and staff related items as a result of operational restrictions.
- Net capital expenditure of £1,435k is £1,491k lower than the budget. Capital investment income of £2,192k includes £30k for Medical Adaptations and £2,162k grant income for Queens Quay.
- Investment works expenditure of £547k mainly relates to £30k on adaptations, £234k on void works, £27k on boiler installations, £187k on capitalised repairs and staff.
- New build expenditure is reported favourable by £2,111k, with lower spend reported in the earlier months as a result of lockdown. The majority of costs to date relate to Queens Quay.
- Other capital expenditure of £128k relates to Cube's share of group wide IT investment.

	Period To 31 Oct 2020			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INVESTMENT				
Total Capital Investment Income	2,192	4,717	(2,525)	9,827
Investment Works	547	2,471	1,924	4,235
New Build	2,952	5,063	2,111	11,082
Other Capital Expenditure	128	109	(19)	187
TOTAL CAPITAL EXPENDITURE	3,627	7,643	4,016	15,505
NET CAPITAL EXPENDITURE	1,435	2,926	1,491	5,678

2d) West Lothian Housing Partnership – Year to date

	Year to 31 October 2020			Full Year
	Actual £ks	Budget £ks	Variance £ks	Budget £ks
INCOME				
Rental Income	1,979	2,102	(123)	3,664
Void Losses	(10)	(65)	55	(112)
Net Rental Income	1,969	2,037	(68)	3,552
Other Income	2	6	(4)	22
HAG Recognised in the Year	547	0	547	11,263
TOTAL INCOME	2,518	2,043	476	14,836
EXPENDITURE				
Employee Costs - Direct	285	319	34	546
Employee Costs - Group Services	52	52	0	72
Direct Running Costs	144	221	77	367
Running Costs - Group Services	33	33	0	46
Revenue Repairs and Maintenance	183	320	137	582
Bad Debts	21	29	8	49
Depreciation	938	993	55	1,702
TOTAL EXPENDITURE	1,656	1,966	310	3,364
NET OPERATING SURPLUS / (DEFICIT)	862	77	785	11,472
<i>Net Operating Margin</i>	34%	4%	30%	77%
Interest receivable	0	1	(1)	2
Interest payable	(591)	(745)	153	(919)
STATUTORY SURPLUS / (DEFICIT)	271	(667)	938	10,554

	Year to 31 October 2020			Full Year
	Actual £ks	Budget £ks	Variance £ks	Budget £ks
INVESTMENT				
Total Capital Investment Income	2,189	4,428	(2,239)	8,659
Total Expenditure on Core Programme	86	376	290	645
New Build & Other Investment	2,591	10,072	7,481	18,138
Other Capital Expenditure	32	16	(16)	27
TOTAL CAPITAL EXPENDITURE	2,709	10,464	7,755	18,809
NET CAPITAL EXPENDITURE	520	6,036	5,516	10,150

Key highlights year to date:

- Net operating surplus of £862k is £785k favourable to budget. Statutory surplus for the period to 31 October is £271k, £938k favourable to budget.
- The main driver of the variance is HAG recognised in the year of £547k, this relates to the final 8 units at Dixon Terrace which were completed in July. These units were originally due to be completed in March 2020 but were delayed due to site closures as a result of the Coronavirus epidemic.
- The original budget presumed that the units transferring from Barony HA would do so on 1 April 2020. The transfer took place on 17 May 2020. A number of the variances in the year to date relate to the revised timing of the transfer from Barony HA
- Gross rental income of £1,979k is £123k adverse to budget. The majority of this variance relates to the delay in the transfer of the Barony properties. Void losses are £55k favourable to budget. WLHP had no outstanding void properties as at 31 October and low levels in the year to date.
- Total expenditure of £1,656k is £310k favourable to budget. Of this variance £113k relates to the Barony units. The largest variance in expenditure relates to revenue repairs and maintenance expenditure which is £137k favourable to budget, of which £32k relates to the Barony properties with the remaining variance due to the revised operating model which has resulted in lower than expected costs.
- Group services charges for staff and running costs of £85k represent West Lothian's share of Wheatley Solutions' staff and service costs.
- Gross interest payable of £591k represents interest due on the loans due to Wheatley Funding Ltd 1, with interest costs lower linked to the profile of spend in the capital investment and new build programmes
- Core investment expenditure of £86k is £290k lower than budget, with £42k relating to the Barony units and the remaining variance attributable to the postponement of a number of planned investment works as a result of the pandemic.
- New Build expenditure of £2,591k is reported at the end of period with the variance of £7,481k driven by the closure of all construction sites in the first quarter. The main variances relate to Almondvale which is £3,820k under budget and Jarvey Street where remedial works have not yet recommenced with spend £1,574k below the original budget. Grant income of £2,189k has been received in the year to date.

2e) Loretto Housing – Year to date

	Period To 31 October 2020			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INCOME				
Rental Income	4,773	4,798	(25)	8,224
Void Losses	(154)	(155)	2	(266)
Net Rental Income	4,619	4,642	(23)	7,959
Other Income	166	165	1	283
Grant Income	215	42	173	72
Total Income	5,001	4,850	151	8,314
EXPENDITURE				
Employee Costs - Direct	767	781	14	1,338
Employee Costs - Group Services	146	157	11	269
ER / VR	0	0	0	0
Direct Running Costs	803	907	105	1,531
Running Costs - Group Services	78	100	23	172
Revenue Repairs and Maintenance	610	824	214	1,388
Bad debts	38	130	92	221
Depreciation	2,149	2,149	0	3,701
TOTAL EXPENDITURE	4,591	5,049	458	8,620
OPERATING SURPLUS / (DEFICIT)	410	(199)	609	(306)
Interest Payable	(1,183)	(1,159)	(24)	(1,978)
STATUTORY SURPLUS / (DEFICIT)	(772)	(1,358)	586	(2,284)

	Period To 31 October 2020			Full Year Budget £k
	Actual £k	Budget £k	Variance £k	
INVESTMENT				
Total Capital Investment Income	3,643	4,998	(1,355)	8,889
Investment Works	299	890	590	1,525
New Build	215	5,240	5,025	11,036
Other Capital Expenditure	49	105	56	179
TOTAL CAPITAL EXPENDITURE	563	6,234	5,671	12,741
NET CAPITAL EXPENDITURE	(3,080)	1,236	4,316	3,851

Income and Expenditure account – key points

- Net operating surplus of £410k is £609k favourable to budget. Statutory deficit for the period to date is £772k, £586k favourable to budget. The main drivers of the variance are lower expenditure to date resulting from the COVID -9 restrictions.
- Rental Income includes a provision of £24k for refunds to tenants in relation to the charges to services provided during lockdown.
- Void losses in the year to date are 3.33% against a budget of 3.34%, and includes the impact of the suspension of re-letting activity earlier in the year.
- Grant income mainly relates to £37k for medical adaptations and £175k Buckley grant income received after completion review from GCC now released to the P&L. There is no other grant income budgeted for the year, first new build completions are due in 2021/22.
- Direct running costs are 105k favourable to budget due primarily to reduced spend on office and staff related expenditure.
- Revenue repairs and maintenance expenditure is £214k favourable to budget due to the changes to the service since the start of the year with lower levels of spend in reactive repairs and cyclical maintenance reported.
- Bad debts are £92k favourable to budget. A prudent approach was taken when setting the budget due to the anticipated impact of Universal Credit.
- The net capital position of £3,080k is £4,316k lower than budget, due to the receipt of unbudgeted funds of £3,606k for Dargavel site from Allia.
- Investment works expenditure of £299k relates to voids, capitalised repairs and staff, £37k spend on medical adaptations and structural work for Duke Street.
- New build expenditure of £215k mainly relates to Eriboll and Hallrule Drive. The Dargavel site start date is November. A start date is due to be received from the contractor for Hallrule.
- Other capital expenditure of £49k relates to Loretto contribution to Wheatley Group IT. Full year budget includes £108k budgeted for office refurb and conversion of housing properties previously used as offices by Wheatley Care.

2f) Dunedin Canmore – Year to date

	Year to 31 October 2020			Full Year
	Actual £ks	Budget £ks	Variance £ks	
INCOME				
Rental Income	£17,119	£17,643	(£524)	£30,153
Void Losses	(£336)	(£234)	(£102)	(£363)
Net Rental Income	£16,783	£17,409	(£626)	£29,790
Grant Income	£5,383	£0	£5,383	£0
Other Income	£1,531	£1,515	£16	£2,853
TOTAL INCOME	£23,697	£18,924	£4,773	£32,643
EXPENDITURE				
Employee Costs - Direct	£2,619	£2,722	£103	£4,667
Employee Costs - Group Services	£906	£980	£74	£1,680
ER / VR	£7	£0	(£7)	£0
Direct Running Costs	£1,895	£2,039	£144	£3,434
Running Costs - Group Services	£469	£625	£156	£1,071
Other group services recharges	£0	£0	£0	£0
Revenue Repairs and Maintenance	£1,854	£2,355	£501	£4,243
Bad debts	£141	£169	£28	£290
Depreciation	£4,458	£4,551	£93	£7,801
TOTAL EXPENDITURE	£12,349	£13,441	£1,092	£23,186
NET OPERATING SURPLUS	£11,348	£5,483	£5,865	£9,457
<i>Net operating margin</i>	47.9%	29.0%	18.9%	29.0%
Gain/(loss) on property disposals	1	7	(6)	£13
Net Interest payable & similar charges	(£4,634)	(£4,690)	£56	(£7,891)
STATUTORY (DEFICIT)/SURPLUS	£6,715	£800	£5,915	£1,579

INVESTMENT				
TOTAL CAPITAL INVESTMENT INCOME	£1,720	£8,055	(£6,335)	£15,135
Total Expenditure on Core Programme	£1,731	£3,170	£1,439	£5,387
New Build & other investment expenditure	£3,132	£10,303	£7,171	£23,577
Other Capital Expenditure	£201	£188	(£13)	£748
TOTAL CAPITAL EXPENDITURE	£5,064	£13,661	£8,597	£29,712
NET CAPITAL EXPENDITURE	£3,344	£5,606	£2,262	£14,577

Key highlights year to date:

- Net operating surplus of £11,348k is £5,865k favourable to budget. Statutory surplus for the period to 31 October is £6,715k, £5,915k favourable to budget.
- The main driver of the variance is the £5,383k of HAG income recognised on completion of 83 units at Beavercreek (41 Social rent units), Lang Loan (7 social rent units), Morrison Crescent (19 MMR units) and Greendykes (16 MMR units). These units were originally due to be completed in March 2020.
- Net rental income is reporting a £626k adverse variance. Gross rent is £524k adverse to budget, the majority of this variance (£405k) relates to rental income expected from the units originally budgeted to be transferred from Barony HA on 1 April which were transferred on 1 September. The remaining variance includes a refund of charges relating to services which were impacted by the Covid-19 restrictions. Void losses are £102k adverse to budget largely as a result of the backlog from the suspension of normal re-letting activity earlier in the year.
- Total expenditure is £1,092k favourable to budget. Of this favourable variance £193k is linked to the Barony units. Direct staff costs include a claim from the Job retention scheme.
- The largest variance relates to repairs and maintenance costs which are £501k favourable to budget. Of this variance £51k relates to Barony and the remaining variance is a result of the revised operating model which has resulted in a lower number of repair jobs. Included in these costs is £350k of unrecovered costs in Dunedin Canmore Property Services ("DCPS") due to a lower level of activity against which to recover staff time. The volume of reactive repair jobs is 36% lower than the same period last year.
- Interest expenditure is £55k favourable to budget. Borrowings are linked to the new build and core investment programmes.
- Investment expenditure is £1,440k lower than budget. Of this variance £139k relates to Barony and the remaining variance reflects the postponement of a number of work types in the investment programme.
- New build spend of £3,132k is £7,171k lower than budget as a result of construction site closures between March and June.

2g) Barony – Year to date



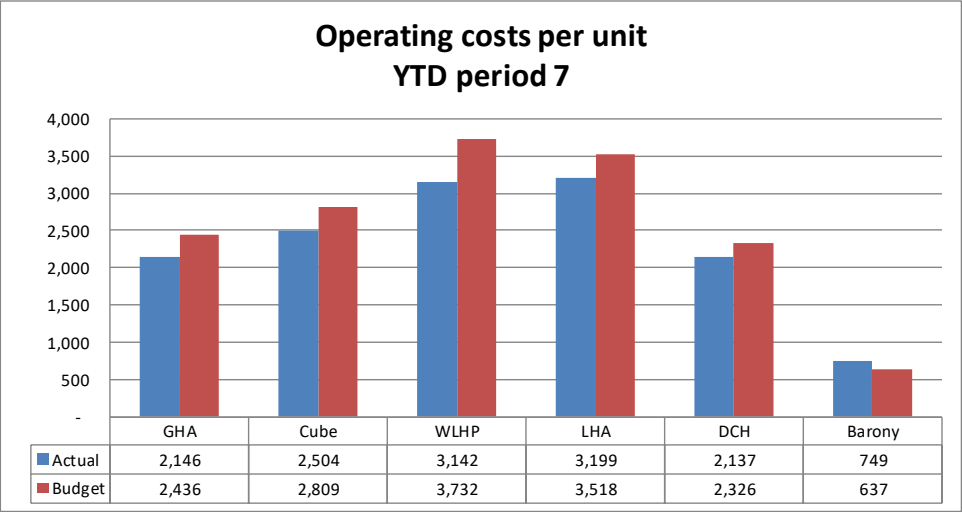
BARONY - HOUSING	Year to 31 August 2020		
	Actual £ks	Budget £ks	Variance £ks
INCOME			
Rental Income	540	546	(6)
Void Losses	(38)	(24)	(14)
NET RENTAL INCOME	502	522	(20)
Other Income	7	0	7
TOTAL INCOME	509	522	(13)
EXPENDITURE			
Employee Costs - Direct	15	17	2
Employee Costs - Group Services	0	0	0
Direct Running Costs	56	61	5
Running Costs - Group Services	0	0	0
Revenue Repairs and Maintenance	61	83	22
Bad Debts	1	3	2
Depreciation	133	133	0
TOTAL EXPENDITURE	266	297	31
NET OPERATING SURPLUS / (DEFICIT)	243	225	18
Interest Payable	(41)	0	(41)
STATUTORY SURPLUS / (DEFICIT)	202	225	(23)

INVESTMENT			
Total Capital Investment Income	0	0	0
Total Expenditure on Core Programme	32	182	150
New Build	0	0	0
Other Capital Expenditure	0	0	0
TOTAL CAPITAL EXPENDITURE	32	182	150
NET CAPITAL EXPENDITURE	(32)	(182)	(150)

Key highlights year to date:

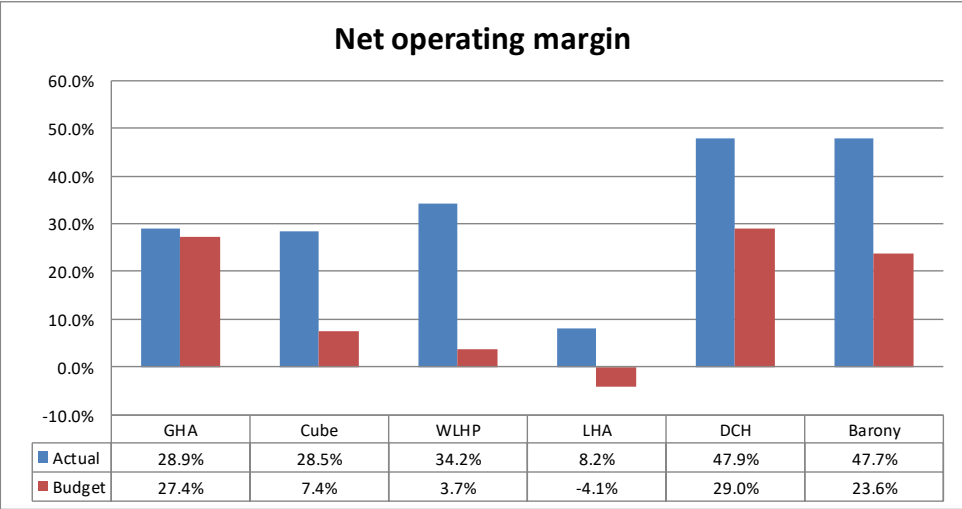
- The results reported for the year to date show trading up to 31 August 2020. Barony ceased trading after the transfer of engagements to Dunedin Canmore on 1 September.
- When setting the budget, the transfer of properties to West Lothian Housing Partnership and the transfer of engagements to Dunedin Canmore were both assumed to take place on 1 April 2020, and the results reported for Barony for the period to 31 August are compared to a notional budget for monitoring purposes.
- Net rental income of £502k is £20k adverse to budget. Rental income (including service charges) is £6k adverse to budget, with void losses £14k unfavourable to budget in the year to date, linked to supported properties and tenants relocating from Upper Gray Street to prepare for the disposal of the properties. The stock transfer to WLHP took place in May, therefore the results from June onwards include the remaining properties which transferred to Dunedin Canmore.
- Employee costs are £2k favourable to budget. Direct running costs are £5k favourable to budget for the year to date with lower property costs incurred.
- Repairs and maintenance expenditure is £61k, £22k favourable to budget. Reactive and cyclical repairs work are carried out by colleagues in Dunedin Canmore Property Services. Reactive repairs are favourable to budget by £26k, with cyclical repairs £10k favourable. Included within cyclical repairs is £7k for Legionella Testing.
- Core programme expenditure of £32k, is £150k favourable to budget. Due to the changes to the investment works in response to the Covid -19 pandemic..

3) Summary of RSL operating costs and margin v budget



Operating costs per unit:

- At period 7 all RSLs are reporting favourable operating costs per unit for the year to date. All expenditure lines are reporting lower than budget owing to the changes in the operation of the business during the lockdown.
- Operating costs per unit vary across the RSLs depending on the stock profiles and types of accommodation offered.
- Barony data is shown up to August, based on management accounts for the period prior to the transfer of engagements to Dunedin Canmore.



Net operating margin:

- Net operating margin is favourable to budget in all subsidiaries for the year to date. Similar to operating costs, favourable variances across all expenditure lines is driving higher margins in all RSLs.

Wheatley Group Financial Report To 31 October 2020 (Period 7)

Dumfries & Galloway Housing Partnership (DGHP)

4) Dumfries and Galloway Housing Partnership – year to date



Key highlights year to date:

- Net operating surplus of £10,232k is £3,763k favourable to budget. Statutory surplus for the period to end of October is £6,340k, £3,704k favourable to budget.
- Net Rental income is £71k unfavourable to budget. Letting activities had slowed due to Covid-19 impact. Void losses are £141k higher than budget, representing 2.54% loss rate compared to budget of 2.0%, with income received from Dumfries and Galloway Council for homeless lets continuing to help to mitigate the void losses.
- Other income is £447k favourable to budget at October, and includes all income from service charges, Temporary accommodation/Young Persons project ("YPP"), and miscellaneous income from tenants such as Women's Aid. Land rent is being received for Curries Yard whilst development is delayed. The YPP lottery grant is being matched by the council which was not budgeted. Homeless lets income is favourable to budget due to Covid-19 restrictions extending the lets compared to what was budgeted.
- Total expenditure of £17,293k is favourable to budget by £3,387k. Within staff costs of £3,213k, a £324k claim has been included in relation to the Coronavirus Job Retention Scheme, resulting in overall favourable position to budget.
- Direct running costs reports a favourable variance of £281k due to a lower level of expenses such as, travel, subsistence and training during Covid-19.
- Repairs and maintenance costs are £2,814k favourable to budget with the in house service delivering a "Safety First" repairs service rather than the full budgeted service for the initial months of the year. Contracts for Gas Servicing and Landscaping are include in this line
- In capital investment spend, grant of £1,108k was received from the Scottish Government relating to Lincluden and Sanquhar developments. Core investment expenditure of £3,469k is £13,455k lower than budget, with a spend of £1,063k in the month, reflecting increased activity taking place. The year to date variance is attributable to the postponement of a number of planned investment works as a result of the pandemic.
- New Build expenditure of £3,171k is £4,445k lower than budget, with spend in the month of £1,013k with increased activity taking place across Sanquhar, Lincluden and Monreith.
- Other capital expenditure of £9k is for the initial planning for new Hubs in Dumfries and Stranraer.

	Year to 31 October 2020			Full Year
	YTD Actual £000s	YTD Budget £000s	YTD Variance £000s	Budget £ks
INCOME				
Rental Income	£26,484	£26,414	£70	£44,799
Void Losses	(£673)	(£532)	(£141)	(£890)
Net Rental Income	£25,811	£25,882	(£71)	£43,909
Grant Income	£0	£0	£0	£1,367
Other Income	£1,714	£1,267	£447	£1,677
Total Income	£27,525	£27,149	£376	£46,953
EXPENDITURE				
Employee Costs - Direct	£3,213	£3,883	£670	£6,656
Employee Costs - Group Services	£0	£0	£0	£0
ER / VR	£1,059	£476	(£583)	£476
Direct Running Costs	£2,545	£2,826	£281	£4,900
Running Costs - Group Services	£0	£0	£0	£0
Revenue Repairs and Maintenance	£4,871	£7,685	£2,814	£12,239
Irrecoverable VAT and bad debts	£332	£537	£205	£921
Depreciation	£5,273	£5,273	£0	£10,747
Demolition and Tenants Compensation	£0	£0	£0	£0
TOTAL EXPENDITURE	£17,293	£20,680	£3,387	£35,939
NET OPERATING SURPLUS / (DEFICIT)	£10,232	£6,469	£3,763	£11,014
<i>Net operating margin</i>	<i>37.2%</i>	<i>23.8%</i>	<i>13.3%</i>	<i>23.5%</i>
RTB Income	£82	£141	(£59)	£241
Net Interest payable & similar charges	(£3,974)	(£3,974)	£0	(£6,451)
STATUTORY SURPLUS / (DEFICIT)	£6,340	£2,636	£3,704	£4,804

	Year to 31 October 2020			Full Year
	Actual £ks	Budget £ks	Variance £ks	Budget £ks
Total Capital Investment Income	£1,108	£2,012	(£904)	£3,449
Total Expenditure on Core Programme	£3,469	£16,924	£13,455	£25,105
New Build & other investment expenditure	£3,171	£7,616	£4,445	£13,056
Other Capital Expenditure	£9	£9	£0	£1,545
TOTAL CAPITAL EXPENDITURE	£6,649	£24,549	£17,900	£39,706
NET CAPITAL EXPENDITURE	£5,541	£22,537	£16,996	£36,257

Wheatley Group Financial Report To 31 October 2020 (Period 7)

Care and Commercial

5a) Wheatley Care – Year to Date



[redacted]

5b) YourPlace – Year to date

[redacted]



5c) Lowther – Year to date

[redacted]



6) Wheatley Solutions – Year to date

	Year to Oct 20			Full Year
	Actual £ks	Budget £ks	Variance £ks	Budget £ks
EXPENDITURE				
<u>Employee costs</u>				
Executive Team	885	895	10	1,527
Employee Relations and WFP	1,191	1,097	(95)	1,870
Marketing and Communications	403	411	8	700
Assurance	782	767	(15)	1,066
Academy	405	440	35	750
Finance	1,430	1,371	(59)	2,463
Company Secretary	441	476	35	904
Information Technology	731	711	(20)	1,213
Business Growth	425	477	53	814
Wheatley Hub	2,316	2,287	(29)	3,914
Property	584	515	(69)	879
Wheatley 360	210	215	5	366
Furlough income	(956)	0	956	0
Total employee costs	8,710	9,525	815	16,111
<u>Running costs</u>				
Executive Team	19	155	137	209
Employee Relations and WFP	372	454	82	720
Marketing and Communications	59	281	222	461
Assurance	25	48	23	83
Academy	144	377	232	645
Finance	292	326	34	589
Company Secretary	134	405	272	738
Information Technology	2,209	2,420	211	4,148
Business Growth	60	248	188	490
Wheatley Hub	25	25	0	43
Property	974	966	(8)	1,656
Wheatley 360	13	11	(1)	20
Total running costs	4,425	5,817	1,392	9,986
Regulated insurance activities	0	1,860	1,860	3,189
Head office costs	761	761	0	1,305
TOTAL EXPENDITURE	13,896	17,963	4,067	30,590

Key highlights year to date:

The table presents the financial performance of Wheatley Solutions for the first seven months of the financial year. Both employee costs and running costs are recovered in full by way of a recharge to each of the group subsidiaries. This recharge is reflected in the bottom half of the table.

Overall, Wheatley Solutions reports total expenditure of £13,896k. This is £4,067k lower than budget for the period with lower employee and running costs and the delay in the transfer of regulated insurance activity from YourPlace all contributing to this variance.

- Employee costs of £8,710k are £815k favourable to budget due to a claim for furloughed staff for the period to October. Furlough income is reported separately to the budgeted staff costs for each department.
 - Variance reported across departments either relates to changes made to budgeted structure as at 1 April 2020 or maternity leave cover for staff (Finance, Assurance, Employee Relations). Some additional costs are also reported linked to staff working from home receiving an allowance as well as payment to staff for foregoing annual leave.
- Running costs of £4,425k are favourable to budget by £1,392k for the period. The key variances within this are:
 - A number of the departments report lower costs across Wheatley Solutions with large number of staff working from home. Reduced activity in Academy, Business Growth (lower litigation costs), Company Secretary (lower external survey costs) and marketing expenditure are the areas contributing most to savings against budget.
 - Property expenditure of £974k is slightly ahead of with budget overall. Savings through Facilities Management, such as reduced postage costs, are helping to fund additional spend on PPE costs of £173k to support the Group's response to the Covid-19 pandemic as well as unbudgeted litigation costs for a contractor negligence claims at Duke Street and Wyndford.
- Regulated insurance activities continue to be provided by Your Place. FCA approval has been granted and intention is for this to transfer across to Wheatley Solutions from 1st November.
- Due to lower than budgeted costs, the income received from subsidiaries is less than budgeted. The only exception to this is Your Place, which has been adjusted to reflect the continued provision of regulated insurance activities by YourPlace.

7) Wheatley Foundation – Year to date

Key highlights to date:

The table presents the financial performance of Wheatley Foundation for the first seven months of this financial year. The Wheatley Foundation reports a deficit of £771k for the period. This is favourable to budget by £350k. The Foundation is able to support this position since it started the year with a sufficient level of cash reserves and ends the period with a closing reserve of £385k.

Income of £2,606k is reported for the period, which is £896k higher than budget.

- Donations from Wheatley group subsidiaries total £1,940k. Annual gift aid from Your Place is budgeted to be received later in the year. An additional £450k donation has been made by GHA to support emergency food packages.
- Employability grants of £36k are lower than budget by £171k.
- External income of £858k is reported; the majority of income raised is in relation to Foundation activity in supporting the Group's most vulnerable customers through the impact of the Covid-19 outbreak. Notable donations and grants:
 - Scottish Government grants totalling £680k, of which £330k is from the Wellbeing Fund to support the emergency response fund and £350k from the Food Fund. A further £25k has been awarded by Scottish Government to support welfare benefits team in supporting customers access all available benefits.
 - Other donations include: Dunedin Canmore Foundation donation of £20k, Energy Action Group (£10k), Shepherd & Wedderburn (£10k), Foundation Scotland (£9k), Wheatley supplier and private donations of £20k.

Expenditure of £3,604k is £536k higher than budgeted.

- Overhead costs of £420k are £208k lower than budget due to number of Foundation staff being placed on furlough.
- In the Tackling Poverty & Social Inclusion category, spend of £1,684k is reported against a budget of £329k. The emergency food packages being delivered across the Group to support customers facing financial hardship are shown here. Over 28,000 have been delivered since this began in mid-March, although support has now moved to provision of supermarket vouchers. Emergency response fund payments have also increased during the period. The main project spend for the period relates:
 - Home Comforts and Eat Well spend of £174k. This is for the core staff and running costs of project
 - Emergency food support of £1,052k and emergency response payments of £323k.
 - Financial inclusion project costs of £103k.
- Employability expenditure of £604k is £596k lower than budget. The key items of expenditure for the period relate to £562k for the modern apprentice and City Building apprenticeship programmes and Wheatley Works costs of £43k. The majority of apprentices have been furloughed for the period.

	Oct 2020			Full Year
	Actual £ks	Budget £ks	Variance £ks	Budget £ks
INCOME				
Donations from Wheatley subsidiaries	1,940	1,481	459	3,924
Employability Grants	36	206	(171)	300
External income	858	260	598	710
Total Income	2,833	1,948	886	4,934
EXPENDITURE				
Overheads	420	628	208	1,094
Tackling Poverty & Social Inclusion	1,684	329	(1,355)	642
Education	61	46	(15)	210
Digital Inclusion				63
Employability	604	1,200	596	1,800
Sports / Arts		3	3	44
Money/Welfare Benefits advice	835	862	27	1,471
TOTAL EXPENDITURE	3,604	3,068	(536)	5,345
NET OPERATING SURPLUS / (DEFICIT)	(771)	(1,120)	350	(411)

	Foundation reserves £ks
Opening reserve 1st April 2020	1,156
Surplus / (Deficit) for YTD	(771)
Closing reserve 31st October 2020	385

8) City Building (Glasgow) LLP

[redacted]

9) Wheatley Group – Consolidated Balance Sheet



Balance Sheet	Current Month	Previous yr end
	As at	As at
	31 Oct 2020	31 March 2020
	£ks	£ks
Fixed Assets		
Social Housing Properties	2,248,157	2,231,905
Properties under construction	111,517	122,275
Other tangible fixed assets	61,269	59,541
Investment properties	222,343	222,779
Investments -other	116	116
Fixed Assets	2,643,402	2,636,616
Debtors Due More Than One Year		
Development Agreement	19,064	20,478
Inter Company Loan	0	0
Pension Asset	13,585	13,585
Current Assets		
Trade debtors	0	0
Rent & Service charge arrears	13,321	13,548
less: Provision for rent arrears	(8,121)	(7,743)
Prepayments and accrued income	5,212	11,559
Intercompany debtors	0	0
Other debtors	12,920	16,354
	23,332	33,718
Bank & Cash	171,252	116,361
Current Assets	194,585	150,079
Current Liabilities		
Trade Liabilities	(6,466)	(8,529)
Accruals	(33,746)	(33,746)
Deferred income	(57,223)	(66,303)
Rents & service charges in advance	(11,666)	(10,288)
Intercompany creditors	(0)	(1)
Other creditors	(12,217)	(12,855)
	(121,318)	(131,722)
Net Current Assets	92,330	38,835
Long Term Liabilities		
Contingent efficiencies grant	(34,915)	(34,915)
Bank finance	(1,274,865)	(1,236,725)
Bond finance	(300,000)	(300,000)
Development Agreement	(19,064)	(20,478)
Provisions	(1,179)	(1,178)
Deferred income	53,980	57,701
Intercompany creditors	0	0
Other creditors	(3,159)	(3,957)
Pension liability	(4,943)	(4,943)
Long Term Liabilities	(1,584,145)	(1,544,495)
Net Assets	1,165,172	1,144,541
Funding Employed		
Capital & Reserves		
Share Capital	37	37
Retained Income b/fwd	708,012	708,008
Income & Expenditure	20,627	0
Movement in Pensions Provision	0	0
Designated Reserves/gain on business	0	0
Revaluation Reserves	436,496	436,496
Funding Employed	1,165,172	1,144,541

Key highlights:

- Group net assets stand at £1,165.2m at 31 October 2020.
- The Balance Sheet as at 31 March 2020 is in line with the audited 2019/20 financial statements, and includes the year end statutory adjustments for property and pension valuations as well as the fair value calculation on the Scottish Government loan.
- The Group Balance Sheet incorporates the assets liabilities transferred through the acquisition of Dumfries and Galloway Housing Partnership ("DGHP") in December 2019.
- Current assets (excluding cash) are £10.4m lower than the year end position mainly driven by the lower levels of prepayments and other debtors, offset by higher balances for rent arrears, which fluctuate throughout the year depending on the timing of invoices.
- Overall rent and service charge arrears at the end of period 7 are broadly in line with March 2020 reflecting the management of outstanding balances and staff working closely with customers to manage overdue balances.
- Current liabilities are £10.4m lower than the year end, with lower levels of deferred income and trade creditors. The movement on deferred income has been impacted by the release of grant to the income statement in the year less any additional grant received in the bank in the year.
- Long term liabilities are £39.7m higher with additional borrowings in WFL1 of £72m, offset with capital repayments to HSBC of £40m.
- Income and expenditure of £20,627k relates to the group profit for the year to date.

Report

To: Wheatley Housing Group Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive

Subject: Governance remobilisation

Date of Meeting: 16 December 2020

1. Purpose

- 1.1 To seek Board approval for an update to the Phase 2 governance remobilisation approach.

2. Authorising context

- 2.1 Under the Group Standing Orders the Group Board has overall responsibility for the governance of the Group.

3. Risk Appetite and assessment

- 3.1 Our risk appetite in relation to governance is cautious, which is defined as “Preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward”.
- 3.2 We mitigate this risk by keeping our governance arrangements under review and seeking specific Board agreement for any changes. Our approach since the start of the pandemic involving reduced Board sizes has worked well and allowed meetings to be run effectively over Zoom. All Board members are provided with all Board papers and non-attending members are asked to provide comments and questions. However, there is a risk that, as we approach a year since the start of the pandemic, members who have not participated in the Zoom meetings may feel less engaged. The proposals in this paper seek to address this risk.

4. Background

- 4.1 We planned to resume full, in person Board meetings from the October Group Board meeting. The prevailing government restrictions meant that this was not possible. We adopted a hybrid approach for the Group Board of having separate sessions with smaller groups of Board members, culminating in the streamlined Board convening as a formal meeting.

- 4.2 The changes which thereafter were introduced via the Scottish Government's *Coronavirus (COVID-19): Scotland's Strategic Framework* strengthened the messaging in relation to travel restrictions and working from home, with the latter being required where possible at all Levels under the new Framework. Taking this into account, we reverted to the existing position under our remobilisation framework of streamlined Boards meeting virtually covering essential business. We did however refine our approach by offering Lead Executive briefings to any non-attending members rather than just seeking written feedback.

5. Discussion

- 5.1 Our revised governance arrangements were agreed by the Board in April as we responded to the onset of the pandemic. The streamlined Boards were introduced to take into account:
- The manageability of virtual meetings, which were novel for us in terms of Board meetings
 - Having a core set of skills that allowed Boards to make key decisions
 - The potential need for flexibility to convene meetings very quickly
 - Allowing any non-attending members the opportunity to feed their comments into meetings
- 5.2 At that stage, it was not possible to predict how long the interim governance arrangements would require to be in place given the unprecedented nature of the pandemic.
- 5.3 To date, the streamlined Boards have operated well and continued to provide effective oversight and timely decision making. However, they were always assumed to be interim and by the beginning of the 2021 cycle they will have been in operation for 10 months.
- 5.4 As there is now a reasonable likelihood that in person, full Board meetings may not be possible for some time during 2021, it is appropriate to review our approach to meetings. Potential options, taking into account our experience and feedback to date are set out below. It is assumed these options could span the January to May meeting cycles, with in person potentially resuming at the June Group Board residential, subject to Scottish Government guidelines.

1 - Resumption of full Boards via single meetings virtually (Zoom)

- 5.5 The resumption of the full Board meetings would theoretically allow us to widen the 'live' debate during Board meetings. It would also allow the previously 'non-attending' members to engage more directly with report presenters than via written questions.
- 5.6 However the logistical challenge, raised by some Board Chairs already, of effectively managing a Board meeting with an increased number of members remains. The feedback from some Board Chairs to date has been that the lower number of attendees, combined with some staff going off camera where not directly involved, has made it manageable in terms of Chairing the meeting virtually.

- 5.7 A particular piece of feedback has been that larger meetings are more difficult to facilitate or contribute to when using commonly used devices (ipads) which limit the number of people on screen to 9.
- 5.8 The impact of this varies across Boards and Committees depending on their size. A full Group Board meeting could involve up to 19 people (taking into account officers, eg presenters for individual items), whereas the Wheatley Foundation would be just 6 plus 3 standing attendee officers.
- 5.9 Whilst we could put in place protocols for larger Boards, such as seeking questions in advance or the utilisation of virtual hand raising, chairing of meetings would be challenging where participants are spread over up to three screens. This gives rise to the risk that Chairs have to spend a disproportionate amount of time managing and monitoring who is looking to speak on different screens. As this is not as easy on a screen compared to a physical context this in turn can impact the rhythm and flow of the meeting.
- 5.10 Additionally, our experience in the early Board meetings of feeding in pre-provided questions and answers on a 'by item' basis was that it both extended and stilted the discussion.

2 - Resumption of full Boards via dual meetings virtually

- 5.11 The approach we used for the strategy workshops and the October Group Board, where we split the larger Boards into smaller groups worked well. This allowed all Board members to attend, engage more dynamically than via written feedback and allowed the first session to feed into the latter session.
- 5.12 Feedback from Board members and Board Chairs was they found this much more engaging than providing/receiving written feedback. It also allowed us to avoid the logistical challenges of having larger Boards in a single virtual meeting and the feedback from some Board Chairs was that it was both more manageable and productive.
- 5.13 An option would therefore be to replicate this approach for Board meetings. We could do this by splitting the Board into two Groups akin to the current attending and non-attending cohorts. Each group would then hold the equivalent of a 'full' Board meeting, with the Chair and relevant officers attending each.
- 5.14 This option would allow all Board members to be fully engaged and mitigate the logistical challenges by meeting in smaller group sizes.
- 5.15 In practical terms, this would require greater time commitment from Chairs. Under this option, it is proposed that the two meetings would be on the same day. For example, the Group Board first group would meet at 10.30 until approximately 12.30, with a 90-minute break before the second group convene at 14.00.
- 5.16 The second meeting would be the formally convened and minuted meeting. The Chair would feed in the key points from the Group 1 meeting as appropriate. A proviso attached to this would be that any recommendation not agreed during Group 1 could not then be subsequently agreed by Group 2.

- 5.17 For most Boards, this option would bring the number at each session to 9 or under. However, for smaller Boards, this would make sessions particularly small with just 2-3 members at some meetings.

3 – Hybrid resumption of full and dual Boards

- 5.18 A final option which takes Board size into account would be a hybrid approach of options 1 and 2. For smaller Boards/Committees with fewer standing officers we would operate on the 'Option 1' full Board basis. All other Boards would operate under the 'Option 2' dual approach. We have calculated this on the basis of the average number of 'on screen' participants, including officer attendees, being no greater than 9.
- 5.19 The only exceptions would be (i) the Group Development Committee, on the basis that it is a more 'representative' based membership and may need to meet at short notice; and (ii) Cube, as its key decisions in early 2021 require full Board agreement.
- 5.20 Based on current Board sizes and standing attendees, it is proposed each would be categorised as follows:

Board/Committee	Number of Board members	Proposed approach	
		Full	Dual
Audit	7		√
RAAG	4	√	
GHA	12		√
DGHP	9		√
Dunedin Canmore	10		√
Loretto Housing	9		√
WLHP	9		√
Lowther	8		√
Wheatley Solutions	9		√
Wheatley Foundation	6	√	
CBG	6	√	
WFL1/WFL2/WGC	3	√	
Novantie	3	√	
DGHP 3	4	√	

- 5.21 This would allow us to balance the two options, resuming full Boards where it is will provide the dual benefit of increasing Board member attendance without creating logistical challenges.

6. Key issues and conclusions

- 6.1 Based on the relative benefits and challenges with each option, it is proposed that we adopt the hybrid approach. This option allows us to reengage all Board members and revert back to full Boards where practical.
- 6.2 It is however proposed that where a decision is of material significance there is the option, by exception, for dual approach Boards to convene a full Board meeting. It is proposed that any such meeting would be subject to prior agreement with the relevant Board and Group Board Chair.

- 6.3 The proposal would be assumed to cover the period from January to May 2021, save where a material easing of restrictions makes the resumption if full, in person Board meetings possible.
- 6.4 It is intended that all Board members will be offered the opportunity to attend a Continuous Professional Development session on virtual meetings already successfully piloted with Campbell Tickell. In addition to this, we will re-survey Board members on whether we can provide any additional support needs such as IT equipment.
- 6.5 Where a dual Board is proposed, it is intended the two groups will mirror the current arrangements. This will allow us to retain the agreed skills matrix for the formally convened Board meetings.
- 7. Value for money implications**
- 7.1 There are no value for money implications arising from this report.
- 8. Impact on financial projections**
- 8.1 There are no financial implications associated with this report.
- 9. Legal, regulatory and charitable implications**
- 9.1 The proposals within the report will all serve to support us meeting our regulatory and legal requirements.
- 10. Partnership implications**
- 10.1 There are no partnership implications associated with this report.
- 11. Implementation and deployment**
- 11.1 The arrangements would take effect from the January 2021 Board cycle and be subject to further review in April 2021 by the Group Board.
- 12. Equalities impact**
- 12.1 We will continue to engage with all individual Board members to ensure that they have the necessary equipment to support them attending meetings virtually.
- 13. Recommendations**
- 13.1 The Board is asked to approve the updated approach to governance remobilisation as set out in paragraphs 5.18-5.21.

Report

To: Wheatley Housing Group Board

By: Steven Henderson, Group Director of Finance

Approved by: Martin Armstrong, Group Chief Executive

Subject: Governance update

Date of Meeting: 16 December 2020

1. Purpose

- 1.1 To update the Board and seeks approval as appropriate on the following governance related matters:
1. Chair and Vice-Chair succession planning
 2. Chair Urgent Action usage
 3. Board reporting template
 4. Corporate risk register proposed updates

2. Authorising context

- 2.1 Under the Group Standing Orders (“GSOs”) the appointment of the Group Chair and Group Vice-Chair are matters reserved to the Group Board. The Remuneration, Appointments, Appraisal and Governance Committee is responsible for keep the Group Board succession plan under review and making recommendations to the Group Board.
- 2.2 Under the GSOs the Urgent Actions provision allows the Group Chair to make decisions on matters which are time sensitive and cannot wait until the next scheduled meeting. The use of this provision must be notified to the Board and entered into the Urgent Action register.
- 2.4 The Group reporting template is a formal element of our Group governance framework. On this basis, the template, and any additions thereto are subject to Group Board approval.
- 2.3 The Group Board is responsible for the agreement of any changes to the Group Corporate Risk register. The Group Audit Committee reviews the register and makes recommendations to the Board in line with its Terms of Reference.

3. Risk Appetite and assessment

- 3.1 Our risk appetite in relation to governance is “cautious”, which is defined as a “preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward”.

- 3.2 The Board utilises its Committees to undertake more detailed reviews on its behalf to ensure that certain governance related areas are given more detailed scrutiny in advance of making a formal decision. The Group Audit has reviewed the Corporate Risk Register and the Group RAAG Committee have reviewed the succession planning process and reporting template.
- 3.3 The Board itself considered succession planning for the Group Chair at a specific succession planning session at its residential in June 2019. It was agreed that, in the context of the significant changes in the Group from the proposed partnership with DGHP, the recruitment process for next Group Chair should be internal only. This was on the basis of a need for continuity and stability whilst integrating a large partnership with multiple governance issues and that there was clearly capability from within existing Board members.
- 3.4 The subsequent onset of the Covid-19 pandemic led to us revise our succession plan. As part of this we extended the tenure of all Board members due to retire, including the Group Chair, for 12 months to mitigate the risk associated with significant governance change during a global pandemic.
- 3.5 The RAAG Committee agreed that given the prolongation of the pandemic into 2021, the risk mitigation of an internal-only process to preserve continuity at a key time of organisation uncertainty remains appropriate. This mitigation is on the basis that the Board has suitably skilled and experienced members from whom we anticipate being able to select.

4. Background

- 4.1 Our revised succession plan for the Group Board was agreed by the Group Board in April. Under the revised plan, the Group Chair and Group Vice-Chair will retire from the Board in September 2021.
- 4.2 Our risks more widely are reviewed by the Group Audit Committee on an ongoing basis.

5. Discussion

5.1 Succession planning

- 5.1.1 The recruitment and appointment process for the office bearers requires to be clear, open and transparent. The Group RAAG Committee considered the process for the succession of the Group Chair and Vice Chair at its last meeting. The Committee agreed to recommend the following approach and process:

Independent scrutiny

- 5.1.2 The Committee agreed that to add independent scrutiny we should engage Campbell Tickell to support the Group Chair selection process. In our discussions with Campbell Tickell they emphasised the need for there to be a clear rationale for any process being internal only.

5.1.3 The Committee specifically considered our rationale at its meeting, it being the need to ensure continuity and stability during what will be a critical time for the Group as we emerge from a global pandemic. In addition to addressing the ongoing impacts of Covid, as the new Group Chair comes into post we will be:

- In the early stages of implementing our new Group strategy and new Group operating model
- In the early stages of the Cube restructure implementation
- Engaging with Government following the 2021 elections
- Managing the transition of 4 new Non-Executives/partner Board Chairs
- Preparing to recruit a new Group Chief Executive

5.1.4 On this basis, the Committee agreed the need for continuity and stability is as strong as it was when the Board previously agreed the process would be internal only. The Committee therefore recommends that the internal-only assumption remains.

Selection panel

5.1.5 It is proposed that the Board appoints a selection panel to interview the candidates and that the panel shall consist of the following Group RAAG Committee members: Sheila Gunn (Group Vice-Chair), Martin Kelso (Chair of Group Audit Committee) and Bernadette Hewitt (Chair of GHA).

5.1.6 The exclusion of the retiring Group Chair from the recruitment process of his successor is good practice and consistent with the previous process. It is proposed that the selection panel will be Chaired by the Group Vice-Chair, Sheila Gunn and the Group Chief Executive shall be a non-voting advisory member of the panel.

5.1.7 James Tickell shall be an independent advisor to the Committee, providing independent validation of the Panel's assessment of applications. The Group Company Secretary will provide administrative and governance support as necessary.

Application and selection process

5.1.8 The proposed role profile is set out at Appendix 1 for review and approval. The profile is the means by which the Board sets out for the Panel the skills and experience it seeks in its next Group Chair. Any candidates wishing to apply for the role shall be asked to submit a formal expression of interest and CV, setting out why they want the role and how they feel they meet the criteria in the role profile. Applications shall be to the Chair of the selection panel.

5.1.9 The selection panel, with input from the independent advisor, shall consider whether applications demonstrate the candidate meets the criteria in the role profile. Where candidates have demonstrated they meet the criteria, they shall be invited to a formal interview with the selection panel.

5.1.10 The interview shall consist of two parts:

- 1) Presentation by candidate on predetermined topic
(topic to be agreed by selection panel)
- 2) Formal interview
(questions to be agreed by selection panel)

5.1.11 The interviews will be assessed using questions scoring criteria agreed in advance by the selection panel. Campbell Tickell will be asked to review the questions and provide draft scoring criteria based on their extensive experience in recruitment of Board Chair roles.

5.1.12 The highest scoring candidate from the interviews shall be recommended to the full Board for approval as a final stage of the process.

Group Vice-Chair succession

5.1.12 The Group Vice-Chair is also due to retire at the 2021 AGM. The Committee recommends that we undertake this appointment process immediately after concluding the Group Chair appointment.

5.1.13 It is proposed that this will follow the core elements of the Group Chair process as follows:

Selection panel

5.1.14 It is proposed the selection panel shall be Chaired by the incoming Group Chair, along with 2 Committee members, Bernadette Hewitt and Martin Kelso.

Application and selection process

5.1.15 The selection panel shall be responsible for agreeing a role profile for onward recommendation and agreement by the Group Board. Campbell Tickell shall be asked to review the profile.

5.1.16 Any candidates wishing to apply for the role shall be asked to submit a formal expression of interest setting out why they want the role and how they feel they meet the criteria in the role profile. Applications shall be to the Chair of the selection panel.

5.1.17 The selection panel shall consider whether applications demonstrate the candidate meets the criteria in the role profile. Where candidates have demonstrated they meet the criteria, they shall be invited to a formal interview with the selection panel.

5.1.18 The interview shall be based on questions agreed by the panel, which Campbell Tickell will be asked to review.

5.1.19 The panel shall make a recommendation of the highest scoring candidate to the Group Board for appointment. A summary timetable of the processes is set out below:

Step	Timescale
Group Board approve role profile and agree recruitment process	16 December 2020
Closing date for applications	31 January 2021
Selection panel review and score applications for Chair	w/c 10 February 2021
Selection panel interview candidate(s)	w/c 8 March 2021
Selection panel recommend and Board approve appointment of new Group Chair from September 2021	28 April 2021
RAAG Committee agree Group Vice-Chair role profile and recruitment process for recommendation to Group Board	May 2021
Group Board approve role profile for Vice-Chair	25 June 2021
Closing date for applications for Group Vice-Chair	23 July 2021
Selection panel interview Vice-Chair candidate(s)	w/c 9 August 2021
Selection panel recommend and Group Board approve appointment of Group Vice-Chair from September 2021	26 August 2021
Existing Group Chair and Vice-Chair retire and successful candidates take up posts	29 September 2021

5.2 Chair Urgent Action usage

- 5.2.1 The Board agreed rent setting parameters for across the Group in August. This included a lower 1% base assumption for Dunedin Canmore tenants outwith Edinburgh.
- 5.2.2 The Dunedin Canmore Board considered its rent setting at its November meeting and, following a long debate and discussion, were of the view that they wished to apply a uniform rent increase of 1.7% to all tenants (other than the ex-Barony tenants which remain as agreed).
- 5.2.3 The Dunedin Canmore Board therefore formally requested Group approval to amend the base assumption for Dunedin Canmore tenants out of Edinburgh from 1% to 1.7% as the basis for consultation with tenants.
- 5.2.4 As this was time sensitive given we required to initiate the tenant consultation as soon as possible, the Group Chair agreed to this request under the Urgent Actions provision in the Group Standing Orders. In doing so, the Group Chair was clear that the decision on the increase remains subject to final Group Board approval in February post consultation.
- 5.2.5 The streamlined Board were notified immediately by email on the basis that this would also be reported to the meeting. The Company Secretary confirmed that the Group Chair had not exceeded the limit of three Urgent Actions within 6 months and the usage has been included in the register.

5.3 Board reporting template

5.3.1 The RAAG Committee reviewed the Board reporting template and agreed to recommend changes, which fall into the two categories below:

1. Strategy alignment

5.3.2 Our new Group and partner strategies will come into effect from April 2021. A key role for Boards and Committees will be understanding how we are progressing with implementation and where appropriate making decisions.

5.3.3 It is therefore proposed that the authorising context be extended to include strategic context. This section will briefly set out how the content of the report relates to our agreed strategic themes and outcomes. This will give greater context up-front for the contents of the report.

5.3.4 This section will also highlight whether the content of the report has strategic implications in relation to external partner organisations. For example, a project may support a Local Authority partner in delivering their strategic objectives as well as our own (say in relation to homelessness or new affordable housing supply). This allows us to set out in a more strategic context what was previously included at the end of the report template in the Partnership Implications section.

5.3.5 Two themes which underpin our strategy are increasing customer engagement (particularly how this influences our decision making) and digital transformation. These are areas which will require to be factored into a wide range of our future deliberations and decision making.

5.3.6 Taking this into account, two new sections are proposed for addition to the template to set out clearly how the content is informed by and takes into account these two key strategic areas.

2. Integration

5.3.7 We have reviewed previous reports and identified areas which are, in practice, so closely aligned that having separate sections can lead to duplication. We therefore propose to merge the following:

- Discussion, key issues and conclusions, and implementation and deployment
- Financial and value for money implications
- Authorising context and partnership implications (as noted above)

5.3.8 A clean and tracked change version of the proposed template is attached at Appendix 2A and 2B respectively. The revised template will support implementation of our new strategy. It will also retain core governance elements which allow our Boards and Committees to make informed decisions, such as risk assessments, financial implications and legal/regulatory/charitable issues. The template itself also provides guidance for staff on the content which should be included in all sections.

- 5.3.9 It is proposed that the template will come into effect in May 2021 following the launch of our new strategy. The additional sections will allow us to reinforce how reporting should be linked to our strategy.

5.4 Corporate Risk Register updates

- 5.4.1 Following the Group Audit Committee's discussion of the Group Strategic Risk Register at its last meeting, it agreed to recommend the following changes to the Group Board for approval:

Risk reference	Proposed change
SSR02	Slight change of title from "Potential of second wave of COVID-19" to "Ongoing threat of future waves of COVID-19" and controls slightly changed.
SRR04	Slight change to reflect the continuing progress in establishing our new operating approach.
SRR05	Slight wording change to control in relation to Care Inspectorate Reviews.
SRR06	Minor wording change to reflect progression from 2015-20 to 2021-26 Strategy.
SRR13	Slight change to control description to remove reference to Lowther and YourPlace.
SRR19	Slight wording change to highlight increased Cyber Security risk associated with increased home working
SRR21	Amended to reflect the recent announcement in respect of new build grant funding to 2026 by the Scottish Government. The risk now focuses on funding support to deliver our energy efficiency objectives.

- 5.4.2 The tracked changed text for each risk is attached at Appendix 3.

6. **Key issues and conclusions**

- 6.1 The proposals in the report allow the Board to continue to exercise its strong oversight and decision making in relation to governance related matters. This is consistent with our agreed risk appetite in this area.

7. **Value for money implications**

- 7.1 There are no value for money implications arising from this report.

8. **Impact on financial projections**

- 8.1 The remuneration rate for the Group Chair and Group Vice-Chair will remain at the current rate. There are therefore no financial implications arising from this report.

9. **Legal, regulatory and charitable implications**

- 9.1 The proposed process meets the requirements of the SHR's Regulatory Framework that the Chair's role is set out formally and there is a clear process to select the Chair.

9.2 SHR Regulatory Standards of Governance, Standard 4 requires that:

The governing body bases its decisions on good quality information and advice and identifies and mitigates risks to the organisation's purpose

9.3 Our report template sets a structure which seeks to facilitate this type of information being provided to the Board.

10. Partnership implications

10.1 There are no partnership implications associated with this report.

11. Implementation and deployment

11.1 The implementation and deployment of the process is set out in the body of the report.

12. Equalities impact

12.1 The eligibility criteria extend to all Non-Executive Directors and adjustments shall be made as required to support any prospective candidates.

13. Recommendations

13.1 The Board is asked to:

- 1) Approve the Group Chair Role Profile;
- 2) Approve the proposed recruitment processes for the Group Chair and Vice-Chair;
- 3) Note the Group Chair use of the Urgent Action provision;
- 4) Approve the revised Board reporting template, for implementation from May 2021; and
- 5) Approve the updates to the corporate risk register

List of Appendices

Appendix 1 – Group Chair Role Profile

Appendix 2A – Clean revised Board reporting template

Appendix 2b – Track changed revised Board reporting template

Appendix 3 – Track changed risks

Appendix 1 – Job description and person specification

Role and essential functions of the Wheatley Group Board

The role of the Group Board is to determine, working with partner organisations, the overall strategic vision and direction of the Group. Essential functions include the following:

1. Ensure plans are put in place to achieve those objectives.
2. Approve the Group and each member organisation's Business Plan (including borrowings), Budget and budget variations, and approve Group accounts prior to publication.
3. Make decisions on all matters that might create significant financial or other risk to the Group, or which raise material issues of principle, or of significant change to the scope of the Group's activities or to Group Strategy, Group Business Plan or Group Policies.
4. Monitor Group performance in relation to such plans, budgets and decisions.
5. Appoint (and, if necessary, remove) the Group Chief Executive, determining remuneration, terms and conditions, all in line with Group process. Hold the Group's Chief Executive to account.
6. Ensure the effectivity of the governance framework and stewardship of the Group overall, including compliance with the strategic direction, values and social objectives of the Group in all its member organisations; and that all Boards operate within a consistent framework.
7. Ensure that proper and effective controls and systems for running the Group are in place and are implemented, including appropriate Group Policies, robust frameworks and systems for delegation, risk management and mitigation, business assurance and control.
8. Satisfy itself that the Group's affairs are conducted lawfully and in accordance with regulatory requirements and generally accepted standards of performance and propriety.

Role and essential functions of the Group Chair

The role of the Group Chair is to provide clear leadership of the Group Board in its responsibilities for setting the strategic vision and direction of the Group. It is demanding and requires significant time and energy. Essential functions include the following:

1. Chair Group Board and General Meetings and manage efficient conduct of their business. Ensure accurate, timely, clear information; sufficient time to consider critical or contentious issues; realistic decision deadlines; and facilitate contributions from all Board Members.
2. Establish a constructive working relationship with the Group Chief Executive, providing both support and challenge and encouraging personal development. Foster constructive relations between all Executives and Non-Executives.

3. Ensure that the Group Board appropriately delegates authority to committees, the Group Chair, Group Chief Executive or others to enable its business to be carried on effectively between meetings; and ensure the Group Board monitors the use of such delegated powers.
4. Action delegations to the Group Chair, seeking views of all Board Members before any important decision is taken, and taking any necessary advice from the Group Chief Executive.
5. Ensure regular review of the Group Board's composition and lead the appraisal processes for both Board and Board Members. Ensure action is taken on skill mix and that development needs are identified and met.
6. Ensure regular appraisal of the Group Chief Executive's performance.
7. Ensure that the Group Board complies with its chosen codes of governance, conduct, sound controls, management of risk and other good practice. Ensure that the Group Board receives professional advice when it is needed.
8. Represent the Group on appropriate occasions.

Experience

1. **High-profile senior leadership** – within an organisation of a similar scale and complexity, whether in the commercial, public or voluntary sectors. A track record of achievement and of motivating and leading senior teams to deliver strategic objectives.
2. **Experienced as a Chair** – knowledge of good governance practice in one or more sectors, and of dealing with governance issues and ensuring high performance and good decision-making.
3. **Evidenced strong business acumen** – background of general and financial management, including of complex budgets, and a good awareness of funding and treasury matters.
4. **Successful work in political environments** – where the effective handling of high profile and sensitive issues was achieved and key decisions influenced positively.
5. **Effective work with a wide range of stakeholders** – national and local politicians, investors, funders, commercial partners, government bodies/agencies, local communities, customers.
6. **Active interest in the housing and/or care and support sectors** – awareness of current national and policy issues in these areas.

Abilities, skills and knowledge

1. **Non-Executive leadership** – develop strategic vision and give a clear sense of strategic direction, working collaboratively with and building consensus in the Group Board. Able to show clear analytical intellect and guide rational, risk-balanced decisions.
2. **Working with the Executive** – appreciate the respective roles of a Chair and Chief Executive. Able to support and add value for Executives through periods of organisational change and growth as well as to challenge appropriately and hold them to account.

3. **Communication** – liaise effectively with a wide range of stakeholders, presenting arguments with knowledge and understanding of wider strategic context. Able to represent the Group, speak in public and promote its aims and objectives to varied audiences.
4. **Politics and government** – achieve the delivery of results and outcomes at national level and in complex political environments.
5. **Stakeholders and partners** – operate effectively at all levels and to develop positive relationships that generate confidence and respect. Given the Group's major borrowing, the ability to represent the Group and work with lenders and investors.
6. **Tenants and customers** – an awareness of the needs and aspirations of current and potential tenants and customers and of the communities where they live. A champion of their right to have access to excellent services.

Personal style and behaviour

1. **Supports the Group's values, ethos and social objectives** – shares its passion for making homes and lives better and promotes its dedication to excellence in everything it does.
2. **A strong leader** – with credibility and enthusiasm to inspire and motivate the Boards, Executives and staff of the Group. Listens to others but is decisive when required. Fosters a learning culture and is committed to raising standards throughout the organisation.
3. **Working with stakeholders** – a personal and professional credibility that will command confidence at all levels. Ability to assess and interpret a wide range of stakeholder interests and requirements and balance them effectively.
4. **A team player and ambassador** – able to act and think corporately and with a collaborative, open, engaging and enthusing style that engages people at all levels and promotes positive relationships Group-wide and with partners.
5. **Probity and integrity** – actively models the professional conduct expected in good governance. Committed to accountability, openness, transparency and equality of opportunity including awareness of the impact of diversity and disability issues.



Report

To:

By:

Approved by:

Subject:

Date of Meeting:

1. Purpose

1.1 This should very clearly set out what is being asked of the Board such as:-

- Seek approval of [xxxx];
- Provide the Board with an update on [xxxxx].

This section **should not** stray into the content of the report and should mirror the recommendations. This should be a **maximum** of 1-2 paragraphs.

2. Authorising and strategic context

2.1 This section should specifically set out in what authorising context the Board/Committee is being asked to act. This must include a direct reference to at least one of the following:

- Intra-Group Agreement (IGA);
- Group Standing Orders (GSOs);
- Group Authorising Framework (GAF);
- Authorise/Monitor/Manage Matrix (AAMM);
- Scheme of Financial Delegation.

2.2 This section should also clearly identify the links to the Group/Partner strategy, setting out:

- Which strategic theme(s) the report relates to
- What strategic outcome(s) the report contributes to achieving
- Any associated strategic results
- Any specific strategy commitment the report relates to and/or will be met

It should also set out any other relevant strategic context, for example links to strategic objectives of partners or key stakeholders.

3. Risk Appetite and assessment

- 3.1 The report should make a **specific reference** to the Board's approved risk appetite level in relation to the subject matter e.g.:-

Our agreed risk appetite in [insert risk area] is [insert tolerance level]. This level of risk tolerance is defined as "[insert the definition for risk rating]".

Where there is no defined existing or linked risk appetite level, consider proposing a new risk appetite for approval.

- 3.2 It should then go on to identify the key risks / overall level of risk associated with the proposals.

4. Background

- 4.1 Any **pertinent** issues which provide the context for the report e.g.:-

- Previously agreed decisions or actions;
- Recap of pertinent information previously communicated;
- Information which provides the strategic context for the thread and content of the report.

5. Customer Engagement

- 5.1 Our strategy has a very clear focus on enhancing our customer engagement and a significant element of co-development and co-design with our customers. This section should include details of:

- How we have engaged customers on development of any proposals in the report; and/or
- how we plan to engage customers on the proposals in the report

6. Discussion

Part 1

- 6.1 This is the main body of the report and should set out clearly and fully cover what is set out in the purpose of the report and further detail the influence of the customer engagement.. For reports to partner Boards this should have a **clear focus** on what is relevant and applicable to the particular partner. For example where the report relates to a Group Policy or similar, it should not be a boiler plate replica of the Group Board report.

Part 2

- 6.2 This should act as a brief summary and recap of the main points developed.

7. Digital transformation alignment

- 7.1 Our Group Strategy sets a clear direction and is underpinned by digital transformation. This section should set out which digital transformation theme the proposals are contained within and/or will be contributing to delivering. It should also confirm whether the proposals are contained within the Digital Transformation Programme.
- 7.2 Where the proposals are not already included within the Digital Transformation Programme this section must:
- detail why it is not in the existing plan
 - detail how it will be resourced within the proposed timescale

8. Financial and value for money implications

- 8.1 The financial implications or analysis associated with the report should be clearly identified and where possible quantified. This should be linked to how any proposals or courses of actions will be funded and will, as appropriate, cover areas such as:
- Source of funding (including relevant group entity, partnership or other available funding e.g. Government / Local Authority pots and funds);
 - Impact on budget;
 - Business plan implications, including impact on surplus;
 - Key milestones;
- 8.2 This section should also confirm how the proposal provides value for money, for the business and for tenants/customers/people we work for.
- 8.3 Where there are no implications, such as scrutiny / update reports (e.g. Finance report or performance report) the section should expressly state that this is the case.

9. Legal, regulatory and charitable implications

- 9.1 This section should clearly outline the relevant legislation and regulation which applies to the subject matter. It should set out the implications of the legislation, including how these have been incorporated in any proposals or reference where such information is already contained within the body of the report.
- 9.2 It should include:-
- an assurance that the necessary checks have taken place to ensure that there is no risk to legal compliance and provide details of any legal advice received;
 - details of any consents required with the proposals e.g. SHR or funder; details of any legal or regulatory consultation requirements with tenants.

[GUIDANCE / INPUT SHOULD BE SOUGHT FROM LEGAL / GOVERNANCE AND FINANCE]

10. Equalities implications

- 10.1 This section should set out how any proposals made ensure we continue to comply with equalities legislation, where applicable.

11. Recommendations

- 11.1 This section should clearly set out what the governing body is being asked to do, eg specific approvals and decisions that are being sought. This should reflect the purpose section.

WHERE THERE IS A CONSENT REQUIREMENT, THE RECOMENDATIONS SHOULD CLEARLY STATE THE RECOMMENDATION IS SUBJECT TO RECEIVING SUCH CONSENT

LIST OF APPENDICES:-

All appendices within the document should be identified. All attached documents outwith the report should be identified as an Appendix and appropriately numbered, not referred to as 'attached' or 'enclosed' etc.



Report

To:

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- Seek approval of [xxxx];
- Provide the Board with an update on [xxxxx].

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2.2 This section should also clearly identify the links to the Group/Partner strategy, setting out:

- Which strategic theme(s) the report relates to
- What strategic outcome(s) the report contributes to achieving
- Any associated strategic results
- Any specific strategy commitment the report relates to and/or will be met

It should also set out any other relevant strategic context, for example links to strategic objectives of partners or key stakeholders.

3. Risk Appetite and assessment

- 3.1 The report should make a **specific reference** to the Board's approved risk appetite level in relation to the subject matter e.g.:-

Our agreed risk appetite in [insert risk area] is [insert tolerance level]. This level of risk tolerance is defined as "[insert the definition for risk rating]".

Where there is no defined existing or linked risk appetite level, consider proposing a new risk appetite for approval.

- 3.2 It should then go on to identify the key risks / overall level of risk associated with the proposals.

4. Background

- 4.1 Any **pertinent** issues which provide the context for the report e.g.:-

- Previously agreed decisions or actions;
- Recap of pertinent information previously communicated;
- Information which provides the strategic context for the thread and content of the report.

5. Customer Engagement

Commented [AA1]: New section

- 5.1 Our strategy has a very clear focus on enhancing our customer engagement and a significant element of co-development and co-design with our customers. This section should include details of:

- How we have engaged customers on development of any proposals in the report; and/or
- how we plan to engage customers on the proposals in the report

6. Discussion

Part 1

- 6.1 This is the main body of the report and should set out clearly and fully cover what is set out in the purpose of the report and further detail the influence of the customer engagement. For reports to ~~subsidiary partner~~ Boards this should have a **clear focus** on what is relevant and applicable to the particular ~~subsidiary partner~~. For example where the report relates to a Group Policy or similar, it should not be a boiler plate replica of the Group Board report.

Part 2

- 6.2 This should act as a brief summary and recap of the main points developed.

5.1

6. Key issues and conclusions

Commented [AA2]: To be consolidated into discussion section

~~6.1 This should act as a brief summary and recap of the main points developed in the discussion section and the conclusions being drawn from the key points e.g.:-~~

- ~~▪ A course of action that should be taken;~~
- ~~▪ A decision or judgement that requires to be made;~~
- ~~▪ The approval process (in particular in relation to other Group members);~~
- ~~▪ Next steps / actions being taken as a result of the key issues and conclusions.~~

~~6.2 This section must also include some analysis of how the proposals within the report (e.g. mitigations identified) get us to a position risk exposure is consistent with our appetite or set out recommendations as to why we should be accepting risk beyond our agreed appetite~~

7. Digital transformation alignment

7.1 Our Group Strategy sets a clear direction and is underpinned by digital transformation. This section should set out which digital transformation theme the proposals are contained within and/or will be contributing to delivering. It should also confirm whether the proposals are contained within the Digital Transformation Programme.

7.2 Where the proposals are not already included within the Digital Transformation Programme this section must:
- detail why it is they are not in the existing plan
- detail how they it will be resourced within the proposed timescale

7. Value for money implications

~~7.1 This section should consider how the proposals relate to the Group's Value for Money ("VFM") Framework. The VFM Framework should be **directly** consulted and referenced in this section for example:-~~

~~7.2 The [subject matter] relates to the x key value driver identified within our VFM Framework. It is anticipated that this will impact this driver by [insert analysis / projection] e.g. potentially improving satisfaction with X.~~

~~7.3 The [subject matter] relates to key VFM Objective x and will support the actions under this objective by [insert relevant details].~~

8. Financial and value for money implicationsImpact on financial projections

8.1 The financial implications or analysis associated with the report should be clearly identified and where possible quantified. This should be linked to how any proposals or courses of actions will be funded and will, as appropriate, cover areas such as:-

Commented [AA3]: New section to more clearly articulate the link to digital transformation programme

Commented [AA4]: Consolidated into finance section

- Source of funding (including relevant group entity, partnership or other available funding e.g. Government / Local Authority pots and funds);
- Impact on budget;
- Business plan implications, including impact on surplus;
- Key milestones;
- ~~Link to strategy.~~

8.2 ~~This section should also confirm how the proposal provides value for money, for the business and for tenants/customers/people we work for. This section should clearly identify if / how the proposals impact our assumed surplus in approved financial projections.~~

8.3 Where there are no implications, such as scrutiny / update reports (e.g. Finance report or performance report) the section should expressly state that this is the case.

9. Legal, regulatory and charitable implications

9.1 This section should clearly outline the relevant legislation and regulation which applies to the subject matter. It should set out the implications of the legislation, including how these have been incorporated in any proposals or reference where such information is already contained within the body of the report.

9.2 It should include:-

- an assurance that the necessary checks have taken place to ensure that there is no risk to legal compliance and provide details of any legal advice received;
- ~~details of any consents required with the proposals e.g. SHR or funder;~~
- details of any legal or regulatory consultation requirements with tenants or people we work for.

[GUIDANCE / INPUT SHOULD BE SOUGHT FROM LEGAL / GOVERNANCE AND FINANCE]

10. ~~Partnership Equalities~~ implications

10.1 ~~This section should set out how the proposals impact and fit with our approach to partnerships, such as:-~~

- ~~Potential to deliver in partnership with others;~~
- ~~Interdependency on the work of partners;~~
- ~~Key partners approach – strategic / operational.~~

10.1 ~~This section should set out how any proposals made ensure we continue to comply with equalities legislation, where applicable.~~

11. ~~Implementation and deployment~~

Commented [AA5]: Partnership now included within Authorising and strategic context

Commented [AA6]: To be covered in main discussion section

~~11.1 This section should clearly set out any arrangement to implement and deploy any proposals, including:-~~

- ~~▪ Which business area(s) will lead the implementation and deployment;~~
- ~~▪ The timescale/key milestones for implementation;~~
- ~~▪ Monitoring and reporting arrangements for reporting progress with implementation.~~

12. Equalities impact

Commented [AA7]: Repositioned

~~12.1 This section should detail any equalities impact which has been considered or shall be considered. Details of the results of any Equality Impact Assessment should be provided.~~

13101. Recommendations

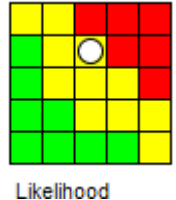
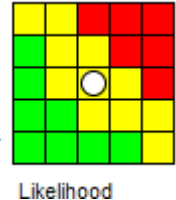
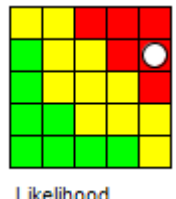
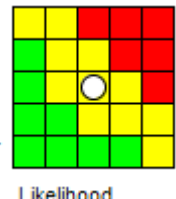
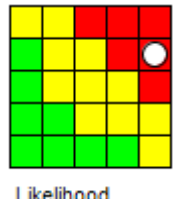
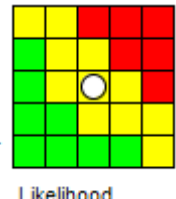
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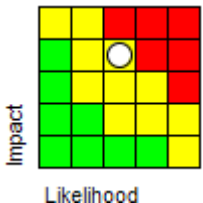
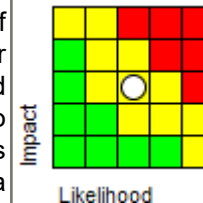
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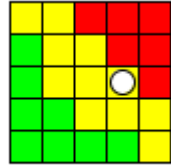
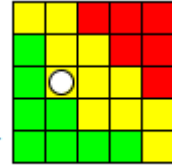
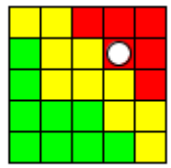
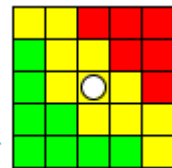
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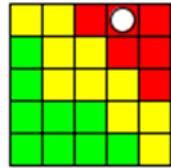
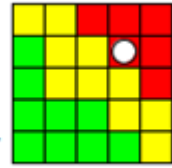
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Wheatley Group Strategic Risk Register as recommended by the Group Audit Committee on 11 November 2020 (*proposed changes in red font*)

<p>SRR02</p> <p><i>Potential of second wave of Covid-19</i></p> <p><i>Ongoing threat of future waves of COVID-19</i></p> <p><u>Risk Owner:</u></p> <p>Group CEO (Martin Armstrong)</p>	<p>The risk of <i>future a-second</i> waves of Covid-19 along with the risk of a second period of lockdown (either Scotland wide or by geographical area) potentially through winter months <i>may result in previously remobilised services being paused.</i></p>		<p>Through lessons learnt from previous lockdown and remobilisation, services are planning for <i>future a second</i> waves.</p> <p>In addition, business continuity plans are being revisited to plan for <i>future waves a-second-wave.</i></p>		<p>Cautious</p>
<p>SRR04</p> <p>New operating model implementation</p> <p><u>Risk Owner:</u> Group CEO (Martin Armstrong)</p>	<p>The implementation of a new operating model as we emerge from the COVID-19 crisis, including changing staff patterns/places of work, reducing the number of offices and placing greater reliance on technology could be poorly implemented and communicated, leading to staff disengagement and lack of support from our trade union partners.</p>		<p>A detailed implementation and communications plan <i>has been will-be</i> developed <i>as part of prior-to starting-any</i> the change process. <i>This includes the approach to communicating with all staff involved.</i></p> <p>Trade Union partners <i>have been will-be</i> consulted <i>in-detail about</i> changes <i>will-only-proceed-with-their</i> and are supportive. <i>We will continue to engage with our Union partners throughout the process.</i></p>		<p>Open</p>
<p>SRR05</p> <p>Care and support Services</p> <p><u>Risk Owner:</u> Group Director of Housing and Care (Olga Clayton)</p>	<p>A failure in the care of an individual could result in serious personal harm, leading to risk to life and limb, financial liability and loss of future work due to reputational damage.</p> <p>The commissioning environment relating to care and support services creates risks that funding is insufficient to allow services to break-even while paying staff fair wages.</p>		<p>Care and support services governance arrangements, including the authorising environment, are clear and have been approved. These include regular reviews of service financial positions and processes to hand back services which cannot be delivered in a financially viable manner.</p> <p>Care Assurance Framework (which includes monitoring the results from Care Inspectorate service visits and Group Assurance inspections) in place which assesses the quality of care and</p>		<p>Cautious</p>

			<p>adherence to Care policies and procedures across Group. During the COVID-19 period, the Care Inspectorate is using video-calls to undertake reviews of Coronavirus controls in care homes. This approach will be rolled out to “Care at Home” registered services in the near future. There are also regular formal calls between inspection officers and registered managers.</p> <p>Regular management review of service users’ care packages to monitor where people are leaving the services and how to redeploy resources or attract new users.</p> <p>The Protecting People Policy Framework sets out arrangement for protecting the People We Work For, including those considered to be vulnerable. Work to deliver against the Framework is reported to the Wheatley Care Board.</p>		
<p>SRR06</p> <p>Customer satisfaction</p> <p><u>Risk Owner:</u> Group Director of Housing & Care (Olga Clayton)</p>	<p>Customers do not feel our homes and services meet their needs and/or the standards they expect, leading to declining customer satisfaction.</p>		<p>Customer service excellence was a key element of the 2015-20 group strategy, with annual customer satisfaction surveys to help us understand customer views and detailed action plans to address feedback every year. This will continue as part of our 2021-26 strategy, augmented by a range of new approaches to improve satisfaction among particular target groups such as young families.</p> <p>Small housing officer patch sizes of 1:200 allow housing staff to deliver personalised services under the ThinkYes approach.</p> <p>Our housing stock investment programme includes provision for addressing customer priorities.</p>		<p>Hungry</p>

<p>SRR13</p> <p>Commercial Operations</p> <p><u>Risk Owner:</u> Group Director of Property & Development (Tom Barclay)</p>	<p>Failure to achieve financial growth returns in our commercial operations such as Lowther Homes and YourPlace. This results in reduced surpluses available to support the Group's charitable activity, in particular through the Wheatley Foundation.</p>	 <p>Likelihood</p>	<p>Robust monitoring arrangements in place to appraise the operational performance and delivery of strategic objectives; and</p> <p>Levels of performance are monitored by Divisional Management Teams (DMTs), Executive Team (ET) and the relevant Boards as well as Group Board.</p>	 <p>Likelihood</p>	<p>Open</p>
<p>SRR19</p> <p>Cyber Security</p> <p><u>Risk Owner:</u> Group Director of Finance (Steven Henderson)</p>	<p>The Group's approach to Cyber Security is not robust and staff are not actively engaged due to culture or poor staff understanding; or knowledge of the subject, the Group's response to it or their individual role. This is particularly important with increased home working across the Group.</p> <p>A lack of compliance with the approach and arrangements made could lead to greater opportunity for cyber-attack, resulting in unplanned system downtime, data loss, reputational damage, customer dissatisfaction and potential legislative or regulatory breach.</p>	 <p>Likelihood</p>	<p>IT cyber security live tests undertaken and results reported to ET and Group Board.</p> <p>Group IT has an information and cyber security approach that covers i) overall Information Security Policy for Group, and ii) staff engagement and training across 5 key learning themes.</p> <p>Established processes across key risk areas: Information Security Response / Access Controls / Secure Disposal / Group Data Protection Policy / IT Cloud Services Policy / Vendor Security Assessments.</p> <p>Group IT is externally assessed annually on information security and IT general controls via 3rd party auditors.</p> <p>A Bi-Annual cyber security assessment is conducted by NCC across 20 key control areas.</p> <p>An internal Information Security Working Group has been established within technical teams across Group IT.</p>	 <p>Likelihood</p>	<p>Minimal</p>

<p>SRR21 Post-2021 Housing Policy and Grant availability</p> <p><u>Risk Owner:</u> Group Director of Finance (Steven Henderson)</p>	<p>There is a risk that a reduction in the availability of grant (both in terms of availability and allocation levels) resulting from a change in Scottish Government Housing Policy after 2021, results in a failure to fully deliver the new build programme and other investment objectives set out within the that without sufficient Scottish Government financial support we may be unable to deliver some of the objectives in our 2021 – 2026 Strategy in relation to energy efficiency.</p>	 <p>Likelihood</p>	<p>Wheatley Group staff are meeting with Scottish Government representatives regularly to proactively present the case for housing investment to Ministers and senior officials directly and through our representative bodies SFHA and CIH.</p> <p>Financial scenario planning in place to understand potential impact on our investment programme on the new build programme and other investment requirements of a variety of reduced grant allocation scenarios under a variety of grant scenarios.</p>	 <p>Likelihood</p> <p>Cautious</p>
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